



AUDITOR-GENERAL'S REPORT ON
THE STATUS OF THE IMPLEMENTATION OF
RECOMMENDATIONS OF THE FINANCIAL YEAR 2020/2021
REPORT OF THE PUBLIC ACCOUNTS COMMITTEE

MARCH 2025



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Making a difference in the lives and livelihoods of the Kenyan people



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FOREWORD BY THE AUDITOR – GENERAL

I am pleased to present this report on The Status of The Implementation of Recommendations of The Financial Year 2020/2021 Report of The Public Accounts Committee. Section 31(3)(b) of the Public Audit Act, 2015 requires The Auditor-General to include in her report how responsive the State organ or public entity has been to past audit findings and recommendations.

In my previous Consolidated Reports for the Audit of National Government Ministries Departments and Agencies (referred as Blue Book), I have reported that the mechanism for follow up on implementation of audit recommendations is ineffective and as such most audit queries recur in subsequent years due to lack of decisive action. This report seeks to further improve on the follow up on implementation of audit recommendations by providing Parliament with an objective review on how Accounting Officers have implemented the recommendations emanating from the audit reports for the year 2020/2021 as adopted by the National Assembly on 28 February 2024. Section 204(1)(g) of the Public Finance Management Act, 2012 provides that the Cabinet Secretary for matters relating to finance may apply sanctions to a national government entity that fails to address issues raised by the Auditor-General, to the satisfaction of the Auditor-General.

The report of the Auditor-General presents the status of the implementation of recommendations made by the Public Accounts Committee of the National Assembly in its Report for National Government Ministries, Departments and Agencies for the Financial Year 2020/2021 as adopted on 28 February, 2024. The report is a culmination of the five hundred and eighty (580) recommendations tracked, which cut across fifty-eight (58) entities. Out of the fifty-eight (58) entities, six (6) State Departments and one (1) Investigative Agency did not respond to our request for feedback on the actions taken to implement the recommendations of the National Assembly as required by Section 31(1) and Section 53 of the Public Audit Act, 2015. The twenty-seven (27) recommendations relating to the seven (7) non-responsive entities were deemed unimplemented as lack of response implied that the entities did not take any corrective actions.

The report is an assessment of the extent to which the recommendations by The National Assembly in The Audit Report for the National Government Ministries, Departments and Agencies for the Financial Year 2020/2021 were acted upon by the relevant entities. Further, the report identifies gaps in the implementation process and issues recommendations for improving the follow-up mechanism, in order to ensure that legislative intent of recommendations translates into tangible outcomes.

Through this report, my Office reaffirms our commitment to support the Legislature in enhancing accountability and fostering a culture of continuous improvement within the public sector. The goal is to ensure that the recommendations made by the Legislature contribute meaningfully to the development and welfare of the citizens of Kenya.

The report is submitted to Parliament in accordance with Article 229(7) of the Constitution of Kenya, 2010 and Section 39 (1) of the Public Audit Act, 2015. I have also submitted a copy of the report to The National Treasury.

I thank the entire staff of the Office of the Auditor-General for their commitment, passion and professionalism in carrying out their duties despite the challenges posed by the lack of adequate funds and tight timelines.


FCPA Nancy Gathungu, CBS
AUDITOR – GENERAL

28 March, 2025

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LIST OF ACRONYMS

AG	–	Auditor-General
AIA	–	Appropriation in Aid
AIE	–	Authority-to-Incur Expenditure
CBO	–	Community-Based Organization
CCIO	–	Constitutional Commissions and Independent Offices
CSR	–	Corporate Social Responsibility
DCI	–	Directorate of Criminal Investigation
EACC	–	Ethics and Anti-Corruption Commission
ECA	–	Expected Corrective Action
EPRA	–	Energy and Petroleum Regulatory Authority
ERP	–	Enterprise Resource Plan
FY	–	Financial Year
GOK	–	Government of Kenya
IEBC	–	Independent Electoral and Boundaries Commission
IFMIS	–	Integrated Financial Management Information System
IFPP	–	INTOSAI Framework of Professional Pronouncements
INTOSAI	–	International Organization for Supreme Audit Institutions
INTOSAI GUID	–	INTOSAI Guidance
INTOSAI P	–	INTOSAI Principles
ISSAI	–	International Standards for Supreme Audit Institutions
IT	–	Information Technology
KeNHA	–	Kenya National Highways Authority
KETRACO	–	Kenya Electricity Transmission Company
KFW	–	Kreditanstalt für Wiederaufbau
KRA	–	Kenya Revenue Authority
MDA	–	Ministries, Departments and Agencies
NEMA	–	National Environment Management Authority
NHIF	–	National Hospital Insurance Fund
NLC	–	National Land Commission
NSSF	–	National Social Security Fund
NTSA	–	National Transport and Safety Authority
OAG	–	Office of the Auditor-General
PAC	–	Public Accounts Committee
PAP	–	Project Affected Person
PFM	–	Public Finance Management
PS	–	Principal Secretary
PSASB	–	Public Sector Accounting Standards Board
SAI	–	Supreme Audit Institution
SRC	–	Salaries and Remuneration Commission
USD	–	United States Dollars
WASREB	–	Water Services Regulatory Board
WRA	–	Water Resources Authority
WRUA	–	Water Resource Users Association

EXECUTIVE SUMMARY

Introduction

The Auditor-General is mandated by the Constitution of Kenya, under Article 229, to audit and report on the use of public resources by all entities funded from public funds. Section 31(3)(b) of the Public Audit Act, 2015 requires The Auditor-General to include in her report how responsive the State organ or public entity has been to past audit findings and recommendations.

Within three months of Parliament or County Assembly debating the Auditor-General's report, audited entities must report on how they addressed the previous year's audit recommendations, as required by Section 31(1) of the Public Audit Act, 2015. Public entities must implement recommendations from Parliament within three months or explain any failures as per Section 53 of the Public Audit Act, 2015. It is therefore very critical to have an effective follow-up mechanism with following attributes;

- a) Impact Measurement: Ensures public resources are used efficiently and audit recommendations lead to tangible improvements.
- b) Legal Compliance: Ensures adherence to the Public Audit Act, 2015, promoting accountability.
- c) ISSAI Standards: Aligns with international auditing standards, enhancing transparency and credibility.
- d) Service Delivery: Improves public service delivery by ensuring recommendations are implemented.
- e) Fiscal Responsibility: Enhances responsible fiscal management as per the Public Finance Management Act, 2012.

Methodology

Section 29 of the Public Audit Act, 2015 mandates the Office of the Auditor-General to apply international standards, principles, and practices in audits, subject to the Constitution of Kenya (2010) and any written law. Consequently, the OAG has adopted the INTOSAI Framework of Professional Pronouncements (IFPP), which includes three categories: INTOSAI-P, ISSAI, and GUID. INTOSAI P-10 Principle 7 requires Supreme

Audit Institutions (SAIs) to have an internal follow-up system to ensure audited entities address observations and recommendations by the Auditor-General as well as those made by the Legislature, and submit follow-up reports to the Legislature.

In June 2022, the OAG deployed a Framework for Tracking, Follow-up, and Reporting on the Implementation of Audit Recommendations. The follow-up process includes:

- a) **Review of Legislative Report on Audit Recommendations:** OAG reviews the legislative report to confirm timelines for implementation have lapsed and classifies recommendations based on responsibility, similarity of actions, and fiscal implications.
- b) **Status Circularization to Audited Entities and CCIOs:** OAG requests audited entities to report actions taken to address recommendations in writing.
- c) **Verification of Management Responses:** OAG identifies Expected Corrective Actions (ECAs) and develops procedures for verifying management representations.
- d) **Conclusion on Implementation Status:** OAG summarizes findings and categorizes the status of implementation as Implemented, Partially Implemented, Not Implemented, Not Implementable, or Not Applicable.

Recommendations are categorized into policy-based, investigative-based, legislative-based, administrative-based, prosecution-based, and research-based. The follow-up process culminates in a status report submitted to the relevant legislative house for further action.

Key Findings

This report provides an assessment of the implementation status of audit recommendations made by the Public Accounts Committee of the National Assembly in its Financial Year 2020/2021 Report, adopted on February 28, 2024. The Office of the Auditor-General tracked five hundred and eighty (580) recommendations, across fifty-eight (58) entities, in line with its constitutional and statutory mandate to ensure accountability and efficiency in the use of public resources.

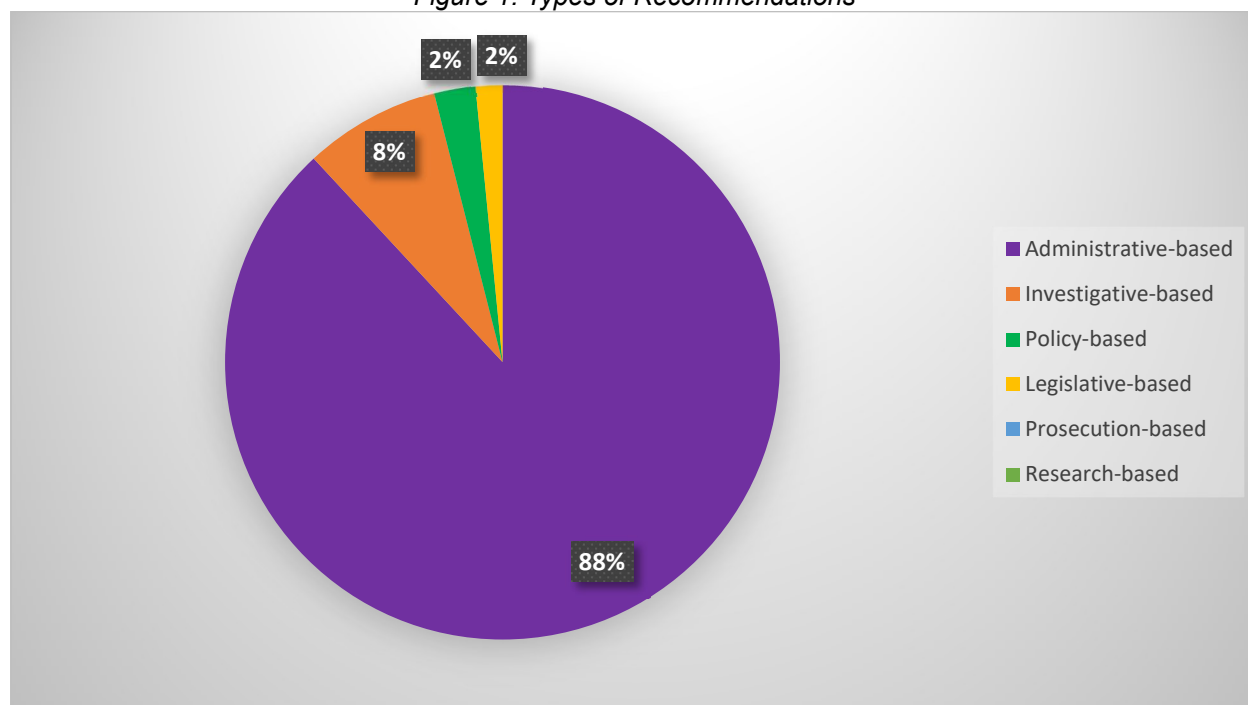
1. Response Rate

OAG requested the fifty (58) entities, consisting of audited entities, Constitutional Commissions and Independent Offices (CCIOs) and other third-party implementing entities, to make written representation on the actions they have taken to address the recommendations covered in the Financial Year 2020/2021 PAC Report. The Management of these audited entities and CCIOs were required to officially respond in writing to the Office of the Auditor-General. Out of the fifty-eight (58) entities, fifty-one (51), representing 88% of the entities, responded to OAG's request for updates on the implementation of recommendations.

2. Types of Recommendations Tracked

The recommendations being tracked were then categorized depending on the type of recommendation as: administrative-based: five hundred and eleven (511) or 88%, investigative-based: forty-six (46) or 8%, policy-based: fourteen (14) or 2%, and legislative-based: nine (9) or 2%. The National Assembly did not issue prosecution and research-based recommendations in their report. These categories of the recommendations are as illustrated in the **Figure 1** below;

Figure 1: Types of Recommendations



Source: OAG Analysis of Tracked Recommendations

Eighty-eight percent (88%) of the recommendations were Administrative-based calling upon the Accounting Officer(s) to act within their Legal/ Regulatory mandate to remedy an irregularity/ omission in the use of public resources.

3. Implementation Status

Out of the tracked five hundred and eighty (580) recommendations, five hundred and fifty-seven (557) recommendations, representing 96%, had a management response. Application of the follow-up methodology in the assessment concluded one hundred and twenty three (123) recommendations, representing 21% were implemented; one hundred and fifty-seven (157) recommendations, representing 27% were partially implemented; two hundred and ninety-one (291) recommendations, representing 50% were not implemented and nine (9) recommendations, representing 2% could not be implemented or were no longer applicable as detailed in Chapter 3. The summarized status of implementation is as detailed in **Table 1** below;

Table 1: Summary of Implementation Status

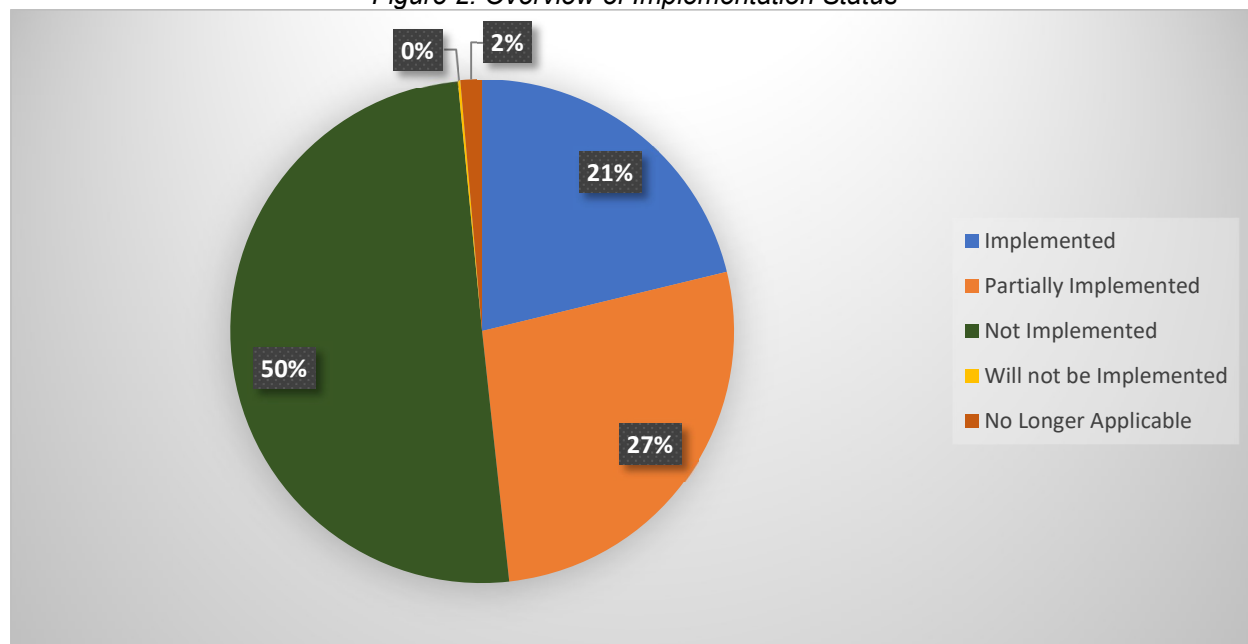
Entity	Total	Implemented		Partially Implemented		Not Implemented		Will not be Implemented		No Longer Applicable	
	No	No.	%	No.	%	No.	%	No.	%	No.	%
Ministries, Departments & Agencies	533	88	17%	150	28%	286	54%	1	0%	8	2%
Constitutional Commissions and Independent Offices	46	35	76%	7	15%	4	9%	-	0%	-	0%
Other Entities Referral	1	-	0%	-	0%	1	100%	-	0%	-	0%
Total	580	123	21%	157	27%	291	50%	1	0%	8	2%

Source: OAG Analysis of Tracked Recommendations and Management Responses

This translates to 79% of the recommendations not being fully implemented. A detailed analysis per entity is provided in **Appendix 1**.

The recommendations status is also demonstrated by the **Figure 2** below;

Figure 2: Overview of Implementation Status



Source: OAG Analysis of Tracked Recommendations and Management Responses

The implementation of the recommendations resulted in the recovery of Kshs.275,168,140, through recovery of revenue not previously collected and expenditure irregularly incurred. This recovery is as detailed in **Table 2** below;

Table 2: Cost savings from implementation of audit recommendations

Ministry Department and Agency	Revenue Recovered (Kshs.)	Expenditure recoveries (Kshs.)	Total (Kshs.)
Ministry of Lands and Physical Planning	0	1,300,000	1,300,000
State Department for Industrialization	0	550,000	550,000
State Department for Mining	273,078,140	240,000	273,318,140
Total	273,078,140	2,090,000	275,168,140

Source: OAG Analysis of Tracked Recommendations and Management Responses

4. Key Observations

A significant number of the entities had a low compliance rate on implementation of the recommendations from the Public Accounts Committee. Further, there were nine (9) recommendations that could not be implemented either because the entity which was to implement the recommendations was no longer in existence as at the time of this report. This was because of Government reorganization or for donor funded projects, closure of the projects.

Review of the management responses on implementation of recommendations revealed that Accounting Officers experienced challenges with recommendations that required financial resources to be implemented. For instance, settling of pending bills and court awards.

Conclusion and Recommendations

In conclusion, the level of compliance with statutory requirements for implementing audit recommendations was low contrary to the provisions of the Public Audit Act, 2015 and the Public Finance Management Act, 2012.

This report underscores the need for stronger enforcement mechanisms to ensure compliance with audit recommendations. It highlights the role of Parliament in overseeing the implementation process and holding non-compliant MDAs accountable. Effective implementation can enhance government efficiency and result in significant cost savings, as evidenced by the recovery of Kshs.275,168,140.

To improve implementation, The Executive should consider making audit recommendations a key performance target for accounting officers. The National Assembly may also consider forming a dedicated committee to follow up on implementation of audit recommendations, reviewing sanctions for non-compliance and considering fiscal implications during budget processes. The National Treasury should build the capacity of the Accounting Officers for better conceptualization of the recommendations and corrective actions.

Furthermore, adherence to existing laws, regulations and relevant standards is critical to enhancing transparency, fiscal responsibility, and service delivery in public administration.

CHAPTER ONE: INTRODUCTION

1.1. Mandate of the Office of the Auditor-General

The Auditor-General is mandated by the Constitution of Kenya, under Article 229, to audit and report on the use of public resources by all entities funded from public funds. These entities include; the National Government, County Governments, the Judiciary, Parliament, Statutory Bodies/State Corporations, Commissions, Independent Offices, Political Parties funded from public funds, other government agencies and any other entity funded from public funds. In carrying out the mandate, the Auditor-General is also required, under Article 229(6) of the Constitution, to assess and confirm whether the public entities have utilized the public resources entrusted to them lawfully and in an effective way.

Further, the objects and authority of the Auditor-General, as outlined in Article 249 of the Constitution are: to protect the sovereignty of the people; to secure the observance by all State Organs of democratic values and principles; and, to promote constitutionalism. The Auditor-General has also been given powers by the Constitution, under Article 252, to conduct investigations, conciliations, mediations and negotiations and to issue summons to witnesses for the purpose of investigations.

1.2. Submission of Audit Reports and Scrutiny by Legislature

The effective functioning of democratic institutions is critical to the realization of good governance and accountability in public administration. It follows this that the Constitution, under Article 229, prefers the Auditor-General with the responsibility of auditing and submitting audit reports of all entities funded by public funds to Parliament and/or the relevant County Assemblies within six (6) months of the end of every financial year.

Further, Article 229(8) requires that the respective Legislative Houses debate and consider the reports and take appropriate action within three months after receiving them. This underscores the pivotal role that legislative houses play through overseeing the operations of the government and ensuring that public funds are managed efficiently and in an effective way.

Central to this oversight role is the issuance of recommendations following committee deliberation on audit reports and adoption by the respective Legislative Houses. These recommendations, once adopted, are intended to guide government agencies in improving service delivery, addressing inefficiencies, and fostering accountability within public institutions.

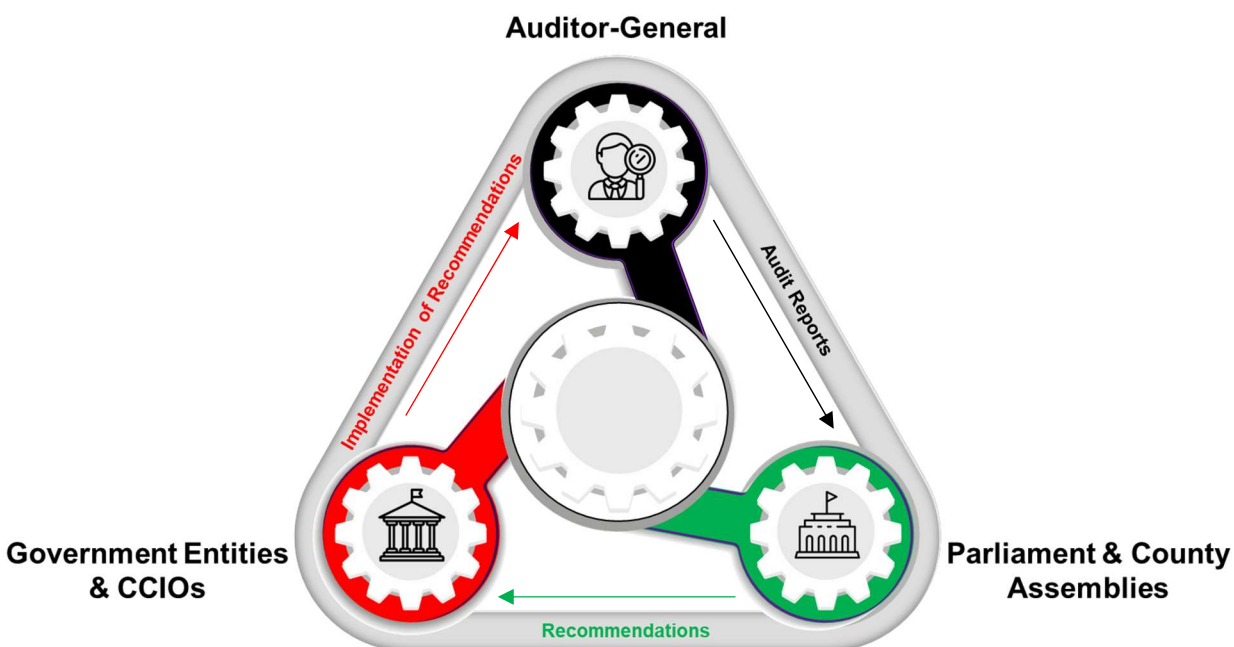
1.3. Implementation of Recommendations

Accounting officers of state organs and public entities are thereafter required to institute measures to implement the recommendations made by Parliament and/ or County Assemblies within three (3) months of their adoption or provide explanation(s) for any failure thereto, pursuant to Section 53 of the Public Audit Act, 2015.

1.4. Follow-up on Implementation of Recommendations

Section 31(1) of the Public Audit Act, 2015 requires that within three (3) months after Parliament or the County Assembly has debated and considered the final report of the Auditor-General and made recommendations, a state organ or a public entity that had been audited shall, as a preliminary step, submit a report on how it has addressed the recommendations and findings of the previous year's audit. This requirement completes the accountability process by ensuring that recommendations made from issued audit reports are implemented as indicated in **Figure 3** below:

Figure 3: The Fiscal Accountability Process



Source: OAG

Implementation of Legislative recommendations is fundamental to ensuring that the reforms pursued through the Auditor-General's reports translate into tangible improvements in governance and public service delivery.

1.5. The Importance of Follow-up of Implementation of Legislative Recommendations

The role of the Legislature in Kenya extends beyond law-making. Parliament and County Assemblies are entrusted with the critical task of ensuring effective governance and holding the executive accountable in accordance with Article 95 and Article 185 of the Constitution of Kenya, 2010. Tracking, Following Up, and Reporting on the Status of Implementation of Recommendations made by these legislative institutions are essential functions for strengthening democracy, promoting good governance, and enhancing public service delivery.

Tracking and following up on the implementation of recommendations is so important, specifically in the context of audits, legislative work, legal compliance, and fiscal responsibility, as detailed below: -

1.5.1. Measuring and Realizing Impact from Audit and the Work of Legislative Committees

One of the core functions of the Legislature, both at the national and county levels, is to ensure that public resources are used efficiently and effectively. Legislative committees play a critical role in scrutinizing the work of the executive and the utilization of public funds. Similarly, the Office of the Auditor-General conducts audits to assess whether government programs, departments, and agencies are functioning as intended.

Tracking and following up on the implementation of recommendations from these audits and committee reports is critical in measuring the real impact of these oversight efforts. Recommendations often point to areas where financial mismanagement, inefficiencies, or lack of transparency have been identified, and they outline corrective actions that need to be taken. Without systematic tracking and following up, there is a risk that these recommendations could remain unaddressed, rendering the audit and related oversight processes ineffective.

By monitoring the status of implementation of recommendations, Parliament and County Assemblies can assess whether the proposed changes or improvements have been realized, and whether public resources are being used effectively. This process ensures that audit findings translate into concrete actions, ultimately improving the functioning of public institutions and the quality of services provided to citizens.

1.5.2. Compliance with Legal and Statutory Requirements

The Public Audit Act, 2015 mandates OAG to audit the public sector and submit reports to Parliament, County Assemblies, and other relevant bodies. Section 31 of the Public Audit Act, 2015 specifically requires the Executive to respond to the Auditor General's recommendations and to report back on the actions taken to address audit queries. Further, Section 53 of the Act requires the Executive to implement the recommendations made in audit reports and provide periodic feedback on the progress of implementation.

Tracking the implementation of recommendations is essential for ensuring compliance with these statutory requirements. It enables the Legislature to ensure that the Executive is not only acting on audit findings but is also adhering to the legal requirements set forth

in the Public Audit Act, 2015. This process of checking on compliance promotes accountability, ensuring that there is follow-through on corrective actions taken and that public institutions do not omit or delay addressing issues of public concern.

1.5.3. Compliance with Auditing Standards Requiring Supreme Audit Institutions to Institute a Follow-Up Mechanism

The International Standards of Supreme Audit Institutions (ISSAIs), issued by the International Organization of Supreme Audit Institutions (INTOSAI), sets out global-best-practices for public sector auditing. The Standards require Supreme Audit Institutions (SAIs), such as Kenya's Office of the Auditor General, to not only conduct audits, but also establish a follow-up mechanism to track the implementation of recommendations. ISSAIs emphasizes the importance of monitoring and reporting on the progress of corrective actions taken by the government, following audit findings and recommendations.

By aligning Kenya's audit practices with ISSAIs, the Country ensures that its public audit systems are transparent, credible, and internationally recognized. Tracking and following up on the implementation of audit recommendations is a critical part of this framework. It ensures that the recommendations of the Auditor-General lead to meaningful improvements in public financial management and governance.

For Kenya, adhering to ISSAIs is not just a matter of compliance with international norms, but also a key part of fostering trust in public institutions and improving the overall effectiveness of its governance systems.

1.5.4. Improving Service Delivery to the Public

One of the direct benefits of tracking and following up on the implementation of recommendations is the improvement of service delivery to the public. Recommendations from Parliament and County Assemblies often focus on areas where public service delivery is weak or ineffective.

By ensuring that recommendations are followed through and implemented, the Legislature helps to ensure that government programs deliver the services they are intended to provide. Through systematic monitoring of progress, Parliament and County Assemblies can ensure that citizens benefit from tangible improvements in service

delivery, thus strengthening the legitimacy of government institutions and enhancing public trust.

Furthermore, the effective implementation of audit recommendations strengthens the institutional framework of public accountability, which is foundational to good governance in Kenya.

1.5.5. Enhancing Fiscal Responsibility

The Public Finance Management (PFM) Act, 2012 provides the legal framework for managing public finances in Kenya, ensuring that public resources are used prudently, transparently, and in a manner that benefits citizens. The PFM Act, 2012 outlines the responsibilities of the government in terms of planning, budgeting, expenditure, and reporting. One of its key principles is fiscal responsibility, which calls for the efficient management of public funds to support sustainable development.

Tracking and following up on implementation of recommendations from both Parliament and County Assemblies play a critical role in enhancing fiscal responsibility. By monitoring the implementation of audit recommendations, the Legislature ensures that both national and county governments comply with these requirements, ultimately leading to more responsible fiscal management and better governance.

CHAPTER TWO: METHODOLOGY FOR TRACKING, FOLLOW-UP & REPORTING ON IMPLEMENTATION OF RECOMMENDATIONS

2.1. Introduction

Section 29 of the Public Audit Act, 2015 requires the Office of the Auditor-General to apply the applicable international standards, principles and practices in its audits - subject to the Constitution of Kenya, 2010 and any written law. Consequent to this legal provision, OAG has adopted the INTOSAI Framework of Professional Pronouncements (IFPP).

One of the Pronouncements in the IFPP is INTOSAI P-10 Principle 7 on the existence of effective follow-up mechanisms on SAI recommendations, which requires SAIs to have their own internal follow-up system to ensure that the audited entities properly address their observations and recommendations, as well as those made by the Legislature, and subsequently submit their follow-up reports to the Legislature for consideration and action, even when SAIs have their own statutory power for follow-up and sanctions.

OAG, in June 2022, deployed a Framework for Tracking, Follow-up and Reporting on the Implementation of Audit Recommendations. This framework alongside selected adopted sections in GUID 3920 guided the development of an appropriate methodology for the follow-up system, which can be summarized into the following process: -

2.2. Review of the Legislative Report

This constitutes the review of the Legislative report to confirm whether the timelines allocated for audited entities, CCIO and other obligated entities to implement the recommendations have lapsed. Further, the report is subjected to an in-depth review of the general and entity-specific recommendations, with the aim of classifying the recommendations according to the responsibility of implementation, similarity of actions or output and fiscal implication. The recommendations are then summarized and allocated to respective audit entities and/ or third-party implementing agencies, depending on where the responsibility of implementation lies.

2.3. Status Circularization to Audited Entities and CCIOs

The Office of the Auditor- General subsequently requests in writing the responsible entity(ies) to make a representation on the actions they have taken to address the recommendations covered in the subject Legislative report. Responses by the audited entities and CCIOs management to this request are also required to be officially done in writing to OAG, for them to be considered as management representation.

2.4. Verification of Management Responses

The Office of the Auditor-General is required to identify the Expected Corrective Actions (ECAs) from each recommendation, depending on the responsibility of implementation, activities to be undertaken, timeframe for implementation and the desired output. From the identified ECAs, OAG then develops procedures for verifying the management representation. However, responses received from CCIOs, as recommendation implementors, based on their mandate(s), are not subjected to any verification process by the Office.

2.5. Conclusion on the Status of Implementation of Recommendations

The Office then summarizes the findings of the verification process in a conclusion statement for each recommendation. This conclusion is subjected to the criteria on **Table 3**, in arriving at an assessed status for the recommendation.

Table 3: Categories of the Status of Implementation of Recommendations

Decision criteria	Status
a) When all expected corrective actions have been concluded	Implemented
b) When expected corrective actions are initiated but not concluded	Partially Implemented
c) When expected corrective actions have not been initiated	Not Implemented
d) When no expected corrective action can be instituted to address the recommendation	Not Implementable
e) Mandate to implement the recommendation does not belong to the indicated entity or has shifted to a different entity through legislation	Not Applicable

Source: OAG Financial and Compliance Audit Methodology

The recommendations being tracked are then categorized depending on the type of recommendation as follows:

- i) Policy-based recommendations touch on developing or changing a policy guideline to address an underlying issue;
- ii) Investigative-based recommendations invite investigative agencies to initiate investigation on issues raised during the deliberations of audit reports;
- iii) Legislative-based recommendations are referrals to the Parliament/ Senate or County Assembly for review or amendment of an existing law or enactment of a new law all together to resolve a deficiency or gap noticed in the existing statutes;
- iv) Administrative-based recommendations require accounting officers to act within their capacity as the accounting officer of their entity to remedy an irregularity/ omission in the use of public resources;
- v) Prosecution-based recommendations prompt prosecution agencies to initiate prosecution based on an outright identified offense; and
- vi) Research-based recommendations require Accounting Officers to undertake research to identify the plausible cause and effect and thus resolving an occurrence or coming up with proper guidelines to address an issue.

2.6. Status Report

The culmination of the follow-up process is a report that details the rationale for follow-up, methodology applied and the status of implementation of recommendations for all entities covered by the report. This report is to be submitted to the relevant Legislative house for further action based on the requirement of Principle 7 of the INTOSAI P-10.

CHAPTER THREE: STATUS OF IMPLEMENTATION OF RECOMMENDATIONS

A. RECOMMENDATIONS FOR AUDITED ENTITIES

THE NATIONAL TREASURY – VOTE 1071

1. Purchase of Specialized Materials and Services

Recommendation

The National Assembly recommended that within three (3) months of adoption of the report, the Accounting Officer should provide an update on the IFMIS re-engineering to the National Assembly.

Management Response

The Accounting Officer submitted that the IFMIS re-engineering was already undertaken. The Management submitted the improvements already done in IFMIS which includes the following, among others: -

- (i) Development and Configuration of Fixed Assets Module, Development and Configuration of IFMIS Inventory Module for managing stores; the Module now has been rolled out together with Asset Modules; and
- (ii) Exchequer Request and Release Automation

Conclusion on Status

The Accounting Officer did not submit any evidence on a status report being prepared and submitted to the National Assembly within three months as recommended by the National Assembly.

Recommendation Category: Administrative

Implementation Status: Not Implemented

2. Lack of Fixed Asset Register

Recommendation

The National Assembly recommended that within three (3) months after adoption of the report, the Accounting Officer should ensure that a complete fixed asset register is maintained, pursuant to Regulation 143(1) of the PFM (National Government) Regulations, 2015. Further, the complete asset register should be provided to the National Assembly for verification.

Management Response

The Accounting Officer submitted that the assets and liabilities register has been created and is now being maintained.

Conclusion on Status

The Accounting Officer has prepared an up-to-date fixed asset register but there was no evidence provided, the same was submitted to the National Assembly as recommended.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

3. Late Exchequer Releases

Recommendation

The National Assembly recommended that The National Treasury should present realistic budgets to Parliament that are in tandem with revenue collection.

Management Response

The Accounting Officer submitted that The National Treasury shall present realistic budgets to Parliament that are in tandem with revenue collection; The National Treasury shall re-align projections and consider zero-based budgeting rather than the current incremental programme-based budgeting.

Conclusion on Status

The Accounting Officer submitted that they shall present realistic budgets to Parliament that are in tandem with revenue collection, but there is no verifiable evidence that was provided to support that The National Treasury budget are in tandem with the revenue collection.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

4. Payment of Commitment Fees on Undrawn Amounts

Recommendation

The National Assembly recommended that that The National Treasury ensures loan agreements are only signed with an immediate implementation strategy ready.

Management Response

The Accounting Officer submitted that The National Treasury shall ensure strict compliance of The National Treasury Circular No. 12/2018 on checklist of mandatory requirements for seeking external resources funding by the implementing Ministries. The Circular shall ensure the Government is mitigated against any potential financial risks arising from delayed in the projects' implementation.

Conclusion on Status

The Accounting Officer submitted adherence to National Treasury Circular No. 12/2018 on checklist of mandatory requirements for seeking external resources funding by the implementing Ministries. However, there was no evidence provided that The National Treasury adheres to laws and circulars stated at all times.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

5. Payment of Commitment Fees on Undrawn Amounts

Recommendation

The National Assembly also recommended that the Accounting Officer reviews all unutilized loans and renegotiate commitment fees to stop further possible loss of public funds and report to the Committee within three (3) months after adoption of the report.

Management Response

The Accounting Officer submitted that The National Treasury is currently undertaking portfolio reviews for all foreign funded projects. The reviews shall inform on policy decision regarding non-performing loans.

Conclusion on Status

The Accounting Officer submitted, they are undertaking a portfolio review for all foreign funded projects but, there is no evidence that the Accounting Officer renegotiated commitment fees for all unutilized loans. Further, there is no evidence provided a status report on renegotiated commitment fees for unutilized loans was forwarded to the National Assembly. There was no evidence also to prove that loan agreements are only signed with an immediate implementation strategy.

Recommendation Category: Administrative

Implementation Status: Not Implemented

6. Payment of Commitment Fees on Undrawn Amounts

Recommendation

Further, the National Assembly recommended that the loan agreements should have clauses protecting public interest by allowing for interest accruals effective drawdown.

Management Response

The Accounting Officer submitted that The National Treasury shall henceforth ensure that the signed loan agreements allow interest to be charged only on the disbursed loan amount and not on the undisbursed portion.

Conclusion on Status

The Accounting Officer committed that The National Treasury shall henceforth ensure that the signed loan agreements allow interest to be charged only on the disbursed loan amount and not on the undisbursed portion, however there is no evidence to prove that loan agreements currently in force have clauses protecting public interest by allowing for interest accruals effective drawdown and any policy shift documented.

Recommendation Category: Policy

Implementation Status: Partially Implemented

7. Guaranteed Debts

Recommendation

The National Assembly Recommended that the Accounting Officer should, within three (3) months of tabling and adoption of the report, report to the National Assembly on Kenya's total debt portfolio and total bank overdraft and guarantee amounts.

Management Response

The Accounting Officer submitted that The National Treasury has prepared public debt Management report that entails the total public debt and publicly guaranteed debt portfolio, including the overdraft from Central Bank of Kenya.

Conclusion on status

The Accounting Officer provided adequate evidence demonstrating The Accounting Officer prepares Kenya's Total debt portfolio, total bank overdraft and guaranteed amounts and the same is audited and forwarded to National Assembly. Annually.

Recommendation Category: Administrative

Implementation Status: Implemented

8. Guaranteed Debts

Recommendation

The National Assembly recommended that The National Treasury to operationalize requirements of the law requiring approval of all borrowings, including overdrafts and submits regulations for the same to Parliament within six (6) months of adoption of the report by the House

Management Response

The Accounting Officer submitted that The National Treasury has prepared public debt Management report that entails the total public debt and publicly guaranteed debt portfolio, including the overdraft from Central Bank of Kenya.

Conclusion on status

The Accounting Officer did not submit on actions taken to implemented the recommendation as recommended by the National Assembly or point to existing frameworks addressing the concerns of the National Assembly.

Recommendation Category: Legislative

Implementation Status: Not Implemented

9. Default on Debt Repayment

Recommendation:

The National Assembly recommended that The Accounting Officer to provide a status report to the Committee within three (3) months after adoption of the report on the contractors involved, the total amounts disbursed to each project to date, the steps taken to resolve project issues and the transaction files for the project.

Management Response

The Accounting Officer submitted that The National Treasury shall ensure timely submission of audit reports. The National Treasury has prepared a report that will be submitted to the National Assembly.

Conclusion on status

The Accounting Officer submitted that although the report has been prepared, it was yet to be submitted to The National Assembly as recommended.

Recommendation Category: Administrative

Implementation Status: Not Implemented

10. Long Outstanding Arrears of Revenue**Recommendation**

The National Assembly recommended that within three (3) months after adoption of the report, the Accounting Officer should provide a reconciliation of the actual amount of outstanding arrears of revenue to the Committee;

Management Response

The Accounting Officer submitted that a comprehensive financial statement of tax waivers, exemptions, interest and penalties write off/abandonment for the period up to 31st December, 2023 has since been prepared and forwarded to the National Assembly.

Conclusion on status

The Accounting Officer did not offer evidence to confirm whether a reconciliation report on actual amount outstanding arrears of revenue was prepared and submitted to Committee as recommended.

Recommendation Category: Administrative

Implementation Status: Not Implemented

11. Long Outstanding Arrears of Revenue**Recommendation:**

The National Assembly Recommended that The Accounting Officer should within three (3) months of adoption of the report, report to the National Assembly, a comprehensive financial statement of tax waivers, exemptions, interest and penalties write off/abandonment for the period Financial Year 2014/2015 to date in line with Article 210 of the CoK, 2010 and Sections 77, 80 and 82 of the PFM Act 2012

Management Response

The Accounting Officer Submitted that A comprehensive financial statement of tax waivers, exemptions, interest and penalties write off/abandonment for the period up to 31 December, 2023 has since been prepared and forwarded to the National Assembly.

Conclusion on status

The Accounting Officer had submitted a comprehensive financial statement of tax waivers, exemptions, interest and penalties write off/abandonment for the Financial Year 2014/15 up to date was submitted to Parliament.

Recommendation Category: Administrative

Implementation Status: Implemented

12. Under-Collection of Property Income**Recommendation:**

The National Assembly recommended that The National Treasury should streamline all revenues with KRA by 30th June 2024, pursuant to Regulation 219 (2) of the PFM (National Government) Regulations, 2015.

Management Response

The Accounting Officer submitted that the collection of revenues has been streamlined. Collections of 90% of regulators' Operating Surplus as reported in Audited Financial Statements is collected by Kenya Revenue Authority (KRA).

Conclusion on status

The Accounting Officer provided the evidence to prove that revenue collection process has been streamlined with Kenya Revenue Authority (KRA) by way of audited financial statements.

Recommendation Category: Administrative

Implementation Status: Implemented

13. Late submission of supporting documentation**Recommendation:**

The National Assembly recommended that the Accounting Officers henceforth comply with Section 68(2)(k) of the PFM Act 2012, by providing supportive documentation on

time. The Committee in subsequent audits will prescribe punitive measures to those Accounting Officers that fail to adhere to requirements of the law in this regard.

Management Response

The Accounting Officer submitted that the documents are now being provided on time

Conclusion on status

The Accounting Officer has taken measures to ensure documents were submitted on time during audit and in subsequent audit the documents were provided.

Recommendation Category: Administrative

Implementation Status: Implemented

14. Unreconciled Outstanding Loans Balances

Recommendation:

The National Assembly recommended that within three (3) months of adoption of the report, the Accounting Officer should furnish the Committee with reconciliations for the remaining twelve (12) entities

Management Response

The Accounting Officer did not submit any response on action taken.

Conclusion on status

The Accounting Officer did not submit evidence on whether the outstanding loan balances for the remaining (12) entities were reconciled neither was the same forwarded to National Assembly. as directed by the Committee.

Recommendation Category: Administrative

Implementation Status: Not Implemented

15. Dormant Loans

Recommendation:

The National Assembly reprimanded the Accounting Officer for failure to implement recommendations in the previous PAC report and directed that he submits a status report on the same within one (1) month of adoption of the report by the House.

Management Response

The Management submitted that dormant loan write off is ongoing. As at 30 June 2023 Loans from Sugar sector (State Owned Sugar Companies) had been written off.

Conclusion on status

The Accounting Officer submitted dormant loans from state owned sugar companies have been written off. However, the status of the remaining entities remains in regards to dormant loans remain unknown. Further, the Accounting Officer did not avail evidence a status report was submitted to National Assembly as recommended.

Recommendation Category: Administrative

Implementation Status: Not Implemented

16. Unsupported and Undisclosed Balance**Recommendation:**

The National Assembly recommended that within three (3) months after adoption of the report, the Accounting Officer should submit a status report to the Committee on the winding up process.

Management Response

The Management submitted that the Taskforce appointed by The National Treasury prepared the Cereals and Sugar accounts based on incomplete records. The same was submitted to the OAG for audit.

Conclusion on Status

The Management submitted evidence that winding up process of the affected corporations have commenced and task force report forwarded to the Parliament. However, there was no evidence provided that a status report was submitted to Parliament as recommended within three months.

Recommendation Category: Administrative

Implementation Status: Not Implemented

17. Multiple Laws Guiding Operations of the Fund**Recommendation**

The National Assembly recommended that the Accounting Officer should within three months (3) of adoption of the report, report on status of harmonization of these multiple laws to the Committee

Management Response

The Management submitted that The National Treasury has since stopped allocating any budget to the Subscriptions and International Organization account. Further, they had sought Legal opinion of the Attorney General on the commenced process to repeal the multiple laws.

Conclusion on Status

The Management provided information on actions being taken. However, there was no evidence a status report on harmonization of the multiple laws was prepared and submitted to National Assembly as recommended.

Recommendation Category: Administrative

Implementation Status: Not Implemented

18. Budgetary Control and Performance**Recommendation**

The National Assembly recommended that The Accounting Officer should ensure that the line item is not appropriated in future financial years.

Management Response

The Accounting Officer submitted that he has ensured that the line item is not appropriated in future financial years.

Conclusion on Status

Review of subsequent budget confirmed the matter did not reoccur in the Financial Year 2023/2024.

Recommendation Category: Administrative

Implementation Status: Implemented

19. Unsupported Accounts Payables**Recommendation**

The National Assembly recommended that the Accounting Officer should within three (3) months of tabling and adoption of the report avail a comprehensive schedule clearly supporting the payables balance in the financial statement.

Management Response

The Management submitted that the recommendations were noted. A schedule supporting the payables is available for audit verification.

Conclusion on Status

The Management submitted a schedule supporting the payables is available for audit verification however, there was no evidence provided the same was submitted to the National Assembly as recommended within three months.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

20. Failure to Provide Internal Audit Reports**Recommendation**

The National Assembly reprimanded the Accounting Officer and directed that he ensures that there are appropriate measures in place for conducting internal audit according to the guidelines of the Public Sector Accounting Standards Board pursuant to the provisions of Section 73(1)(a) of the Public Finance Management Act, 2012.

Management Response

The Management submitted that a schedule to conduct internal audit and subsequently internal audit reports have been provided for Management review.

Conclusion on Status

The Management has ensured the internal audit is functional.

Recommendation Category: Administrative

Implementation Status: Implemented

21. Unsupported Expenditure - Counterpart Funding**Recommendation**

The National Assembly recommended that the Accounting Officer should always ensure that the records are reconciled and analyzed with necessary supporting documents and submitted to the Auditor General in compliance with provisions of Section 68 (2) of the PFM Act, 2012 and that complete financial and accounting records are presented to the Auditor General pursuant to the provisions of Article 229 of the Constitution of Kenya, 2010 and Section 68 (2) (k) of the PFM, Act 2012.

Management Response

The Management submitted that the records and payments were found, reconciled and analyzed with necessary supporting documents and submitted to the Auditor General in compliance with provisions of the Law and all relevant Regulations

Conclusion on Status

The reconciled records were submitted on time in the subsequent audits (2023/24).

Recommendation Category: Administrative

Implementation Status: Implemented

22. Lack of Internal Audit Services**Recommendation**

The National Assembly reprimanded the Accounting Officer and further recommended that he ensures the presence and facilitation of an independent Audit Committee as required by Section 73 (5) of the Public Finance Management Act, 2012

Management Response

The Management submitted that the Accounting Officer has created and shall ensure the presence and facilitation of an independent Audit Committee.

Conclusion on status

The audit Committee was found to be functional.

Recommendation Category: Administrative

Implementation Status: Implemented

23. Dormant Project Bank Accounts**Recommendation**

The National Assembly recommended that within three (3) months of adoption of the report, the Accounting Officer should liaise with the EU to close the bank account and provide a status report to the Committee

Management Response

The Management submitted that the project bank account has since been closed.

Conclusion on Status

The Management provided evidence that the dormant project bank account was officially closed.

Recommendation Category: Administrative

Implementation Status: Implemented

24.Amount Withdrawn but Unclaimed

Recommendation

The National Assembly recommended that within three (3) months upon adoption of the report, the Accounting Officer should provide a report and supporting schedules to the Committee on the unclaimed funds and unjustified cash advances.

Management Response

The Management submitted that a report and supporting schedules were completed and forwarded to the Auditor General.

Conclusion on Status

The Management submitted that a report and supporting schedules were completed and forwarded to the Auditor General. However, there was no evidence the same was submitted to the National Assembly as recommended.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

25.Failure to Close Project

Recommendation

The National Assembly recommended that the Accounting Officer submits the project closure report to the Committee within one (1) month of adoption of the report by the House.

Management Response

The Management submitted that the project has since been closed.

Conclusion on Status

The Management submitted the project has been closed. However, there was no evidence provided a project closure report was prepared and submitted to the National Assembly as recommended.

Recommendation Category: Administrative

Implementation Status: Not Implemented

26. Unsupported Expenditure - Counterpart Funding

Recommendation

The National Assembly recommended that the Accounting Officer should ensure that staff operating the IFMIS system are capacity-built at all times to enable the effective use of the system.

Management Response

The Management submitted that the Accounting Officer has ensured that staff operating the IFMIS system are capacity built at all times to enable the effective use of the system.

Conclusion on Status

The Management provided evidence that capacity building for staff operating IFMIS system was carried out.

Recommendation Category: Administrative

Implementation Status: Implemented

27. Non-Compliance with the Public Finance Management Regulations, 2015

Recommendation:

The National Assembly recommended that the Accounting Officer should ensure submission of financial statements that are accurate and comprehensive annual financial statements to the Auditor General.

Management Response

The Management submitted that the error was noted and rectified and the records are now reconciled and analyzed with necessary supporting documents and submitted to the Auditor General in compliance with provisions of the Law and all relevant Regulations.

Conclusion on status

The Management has taken measures to ensure submission of financial statements that are accurate and comprehensible annual financial statements to the Auditor General as observed in subsequent audit 2023/24.

Recommendation Category: Administrative

Implementation Status: Implemented

28. Lack of Internal Audit Services

Recommendation

The National Assembly recommended that the Accounting Officer must at all times ensure that they have appropriate arrangements in place for conducting internal audit according to the guidelines of the Accounting Standards Board pursuant to the provisions of Section 73(1)(a) of the Public Finance Management Act, 2012.

Management Response

The Management submitted that an internal auditor was posted and is conducting internal audit according to the guidelines.

Conclusion on status

The Management has addressed the matter by ensuring the internal audit had been conducted in the IFPP Project Financial Year 2023/24.

Recommendation Category: Administrative

Implementation Status: Implemented

29. Amount Withdrawn but Not Claimed

Recommendation

The National Assembly recommended that the Accounting Officer ensures that all amounts withdrawn are promptly claimed.

Management Response

The Management submitted that the withdrawn amounts are now claimed.

Conclusion on status

The unclaimed amount was reconciled and accounted for.

Recommendation Category: Administrative

Implementation Status: Implemented

30. Poor accounting standards and general incapacity of some accounting units

Recommendation:

The National Assembly recommended that The National Treasury conducts periodic sensitization and capacity building for all Accounting Officers, finance staff and procurement officers across government on their responsibilities during the audit cycle and adherence to IPSAS.

Management Response

The Management submitted that sensitization and capacity building for all Accounting Officers, finance staff and procurement officers across government is being undertaken.

Conclusion on status

The Management provided evidence to show that the staff in Accounts, Finance and Procurement underwent sensitization and capacity building.

Recommendation Category: Administrative

Implementation Status: Implemented

31. Long outstanding construction works/ stalled projects**Recommendation**

The National Assembly recommended that The National Treasury should only approve projects that it can guarantee funding and completion within the medium-term economic framework. No new project should be commenced by an agency before all existing ones are completed or fully funded.

Management Response

The Management submitted that The National Treasury has issued circulars and guidelines directing implementation and closure of any new projects. Further, PIM/ PFM Regulations have since been developed.

Conclusion on status

The Management provided evidence on measures The National Treasury have instigated to curb the anomaly of long outstanding construction works/stalled projects.

Recommendation Category: Policy

Implementation Status: Implemented

32. Non-existence or weak internal audit functions**Recommendation**

The National Assembly recommended that Treasury to submit proposals to the National Assembly within six (6) months of adoption of the report, delinking internal audit functions in terms of appointment, facilitation and reporting from Accounting Officers to an independent office.

Management Response

The Management submitted that an independent Audit Committee was established in accordance with the guidelines of the PFM Act, 2012 sect.73(5), PFM Regulations 174 and Audit Committee Guidelines paragraph 4.2

Conclusion on status

The Management submitted that The National Treasury have a functioning Audit Committee at the end of Financial Year 2023/24 as per the applicable Acts and Regulations, however, the issue of delinking internal audit functions in terms of appointment, facilitation and reporting from Accounting Officers to an independent office was not addressed.

Recommendation Category: Legislative

Implementation Status: Not Implemented

33. Budgetary control and performance**Recommendation:**

The National Assembly recommended that Treasury and the National Assembly through the Budget & Appropriation Committee, and the departmental Committee on Finance and National Planning make realistic revenue projections and attainable expenditure estimates

Management Response

The National Treasury submitted that all MDA's have been directed to reflect realistic AIA in their budget. Where they fail to realize anticipated AIA they shall forego expenditure of equivalent amount and excess AIA shall be surrendered to the Exchequer.

Conclusion on status

Although there is evidence that The National Treasury is working on the issue of budget underperformance, the results of the measures instituted by the circulars involved have not yet materialized.

Recommendation Category: Policy

Implementation Status: Partially Implemented

34. Pending bills

Recommendation

The National Assembly recommended that Treasury only rationalizes budgets that have not been committed. Further, borrowing by The National Treasury to plug budget deficit should be done uniformly across the financial year to avoid the end year rush of disbursements and procurement in an effort to beat the deadline.

Management Response

The National Treasury has issued policy direction guidelines for procurement whereby a procurement plan shall be loaded to IFMIS and linked to budget. Further, procurement shall be spread evenly throughout the year as the budget is loaded and that there shall be no procurement by May each year.

Conclusion on status

The National Treasury submitted on the measures instituted to curb the ever-surging pending bills, however, the issue of rationalizing budget which has already been committed was not addressed.

Recommendation Category: Policy

Implementation Status: Not Implemented

35. Accrual vs cash basis accounting

Recommendation

The National Assembly recommended that National Treasury expedites the full roll-out of accrual basis of accounting, by the end of the financial year 2023/24

Management Response

The Management responded that The National Treasury has ensured the full roll-out of accrual basis of accounting for year 2023/24.

Conclusion on status

The National Treasury submitted circular providing information that it has embarked on full roll out of Accrual Based financial reporting commencing on FINANCIAL YEAR 2024/25.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

36. Dual implementation of projects between National and County Governments

Recommendation

The National Assembly recommended that such funds be wholly issued to the implementing agency as conditional grants, rather than the mongrel arrangement that currently subsists

Management Response

The Management submitted that:

1. Regulation 130 (1) (b) of the Public Finance Management (National Government) Regulations provided for the Duties of National Government Accounting Officers in managing intergovernmental transfers to counties key among them ensuring that the transfer of funds is done only after information required in terms of the laws and frameworks governing intergovernmental transfers has been secured and all relevant information has been provided to The National Treasury.
2. Further Regulation 130 (2) of the Public Finance Management (National Government) Regulations, 2015 provides that ""Upon approval of the County Allocation of Revenue Bill by Parliament, the Cabinet Secretary shall communicate the frameworks under paragraph (1)(b), to county governments within fifteen days after the approval.""
3. The County Allocation of Revenue Bill, 2020, which contained conditional allocations on Kenya Urban Development Project II financed by the World Bank and managed by the Accounting Officer responsible for Housing and Urban Development, was approved by Parliament on 8th October 2020.
4. Consequently, and pursuant to Regulation 130 (2) of PFM (NG) Regulations, 2015, on 27th October 2020 the Cabinet Secretary for The National Treasury and Planning issued Circular No. 25/2020 on ""Frameworks for Management of Conditional Allocations contained in County Allocation of Revenue Act, 2020"". The Circular was issued to all Principal Secretaries (including the PS for Housing and Urban Development) and all County Executive Members for Finance. The Circular provided for:-

1. National Government Ministry, State Department or Agencies responsible for additional conditional allocation;
2. Accounting Officer of National Government Responsible;
3. Responsibilities of respective National Government Accounting Officers;
4. Conditions of the additional conditional allocation;
5. Accounting Officer of the County Government responsible;
6. Responsibilities of the County Government Accounting Officer;
7. Total amount allocated to the additional conditional allocation;
8. Purposes and Objective of the additional conditional allocation;
9. Allocation criteria to county governments for each grant; and
10. Amount allocated to each beneficiary county government.

5. Section 5 (2) of CARA, 2020 provided for allocation to KUSP II (UDG) while Section 5 (5) (e) provided that these funds ” shall be transferred to the respective County Revenue Fund, in accordance with a payment schedule published in the Gazette by the Cabinet Secretary in accordance with section 17 of the Public Finance Management Act, 2012, if the Cabinet Secretary and the responsible development partner, have agreed in writing that the funds shall be transferred to the county governments.

Conclusion on status

There is evidence that intergovernmental transfers occur based on prerequisites such as information required in terms of the laws and frameworks governing intergovernmental transfers.

Recommendation Category: Policy

Implementation Status: Implemented

37. Interest and commitment fees charged on undrawn loans

Recommendation

The National Assembly recommended that National Treasury only enters into loan agreements whose programme/project implementation plans are ready for immediate execution. Accounting Officers that fail to absorb such funds promptly and within schedule will be held personally liable and will make good the lost interest, subject to Article 226(5) of the Constitution

Management Response

The Management submitted that The National Treasury only enters into loan agreements whose programme/project implementation plans are ready for immediate execution. Further, The National Treasury checks for compliance with requirements as listed in Treasury Circular No. 12 of 2018 dated 29th October, 2018.

Conclusion on status

The National Treasury submitted they have guidelines in place for external borrowing however, there was no demonstration on how It ensures that only loan agreements whose programme/project implementation plans are ready for immediate execution are signed/entered into. The recommendation is partially implemented.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

38. Non-compliance with the one-third rule of basic salary**Recommendation**

The National Assembly recommended that government ensures staff are not disadvantaged through imposition of tax or other measures and that any new policy regime should be capped at the maximum of two-thirds of existing staff basic salaries

Management Response

The Management submitted that The National Treasury has communicated to The Ministry of Public Service to review HR policies on employee deductions particularly on minimum wage.

Conclusion on status

There is no response in regards to the letter by The National Treasury informing the Public Service Commission to review HR policies on employee deductions. Further, it did not address the concerns raised by the National Assembly that staff are not disadvantaged through imposition of tax or other measures and that any new policy regime should be capped at the maximum of two-thirds of existing staff basic salaries

Recommendation Category: Administrative

Implementation Status: Not Implemented

39. Failure to resolve prior year matters

Recommendation

The National Assembly recommended that all Accounting Officers avail a matrix on implementation of various recommendations, within three (3) months of adoption of the report. This will be alongside the usual Treasury memorandum

Management Response

The Management submitted that The National Treasury has continued to ensure that Accounting Officers avail a matrix on implementation of various recommendations, within three (3) months of adoption of Parliamentary Committee reports.

Conclusion on status

The National Treasury ensures a Treasury memorandum is issued to National Assembly.

Recommendation Category: Policy

Implementation Status: Implemented

40. Statement on Audited Accounts of Revenue for the period ending 30th June 2021

Recommendation

The National Assembly recommended that the total nationally collected revenue amount of Kshs. 1,570,562,945,014 forms the basis of sharing of revenue between the national and county governments as contemplated in Article 203 (3) of the Constitution

Management Response

The Management submitted that;

1. Article 203 (2) and (3) of the Constitution requires that the equitable share allocation to counties should not be less than fifteen (15) per cent of the last audited revenue raised nationally, as approved by the National Assembly.
2. The annual Division of Revenue Act prepared pursuant to Article 218 of the Constitution provides for a Division of Revenue Bill which shall divide revenue raised by the national government among the national and county levels of government in accordance with this Constitution

3. The Division of Revenue Act, 2023 (No. 13 of 2023) applied KSh.1,673,715 million as the basis of sharing of revenue between the national and county governments as contemplated in Article 203 (3) of the Constitution
4. The Division of Revenue Act, 2024 (No. 3 of 2024) applied Kshs. 1,570,562,945,014 as the basis of sharing of revenue between the national and county governments as contemplated in Article 203 (3) of the Constitution
5. The Division of Revenue (amendment) Act, 2024 (No. 3 of 2024) applied Kshs. 1,570,562,945,014 as the basis of sharing of revenue between the national and county governments as contemplated in Article 203 (3) of the Constitution.

Conclusion on status

The National Treasury provided information that supported that Division of Revenue (amendment) Act, 2024 (No. 3 of 2024) applied Kshs. 1,570,562,945,014 as the basis of sharing of revenue between the national and county governments as contemplated in Article 203 (3) of the Constitution.

Recommendation Category: Policy

Implementation Status: Implemented

41. Avoidable Interest on Delayed or Late Payments**Recommendation**

The National Assembly recommended that Accounting Officer for National Treasury should ensure prompt disbursements of exchequer funds in order to avoid such wasteful expenditure. Failure to do so amounts to an offence under section 197 (1) (i) of the PFM Act, 2012.

Management Response

The Management submitted that The National Treasury shall ensure prompt issuance of exchequer subject to availability of funds.

Conclusion on status

The Management did not provide any documentary evidence on measures being taken to ensure prompt disbursements of exchequer funds in order to avoid such wasteful expenditure.

Recommendation Category: Policy

Implementation Status: Not Implemented

42. Delay in Project Implementation

Recommendation

The National Assembly recommended that The National Treasury submits a report on the project's financing within three (3) months of adoption of the report.

Management Response

The Management did not submit any response.

Conclusion on status

There is no information that was provided on actions taken on Project's Financing as recommended by the PAC.

Recommendation Category: Administrative

Implementation Status: Not Implemented

43. Loss of Cash Deposits

Recommendation

The National Assembly recommended that The National Treasury reconciles the figures and submits a status report within three (3) months of adoption of the report

Management Response

A verification exercise was carried on concerning the funds by a joint team with the Judiciary. The Chief Registrar, Judiciary, was advised to make a budget provision of the agreed amount and request for similar Exchequer from National Treasury.

Conclusion on status

The Management submitted a verification exercise was carried out jointly with The Judiciary, however, there is no evidence provided to confirm a status report was submitted to the National Assembly within three months as recommended.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

44. Unsupported Medical Drugs Drawing Rights

Recommendation

The National Assembly recommended that The National Treasury must at all times endeavor to disburse funds allocated to the Ministry in good time to facilitate the smooth running of activities

Management Response

The Management submitted that The National Treasury shall ensure prompt issuance of exchequer subject to availability of revenue.

Conclusion on status

There is no information that was provided on actions taken to implement the recommendation.

Recommendation Category: Administrative

Implementation Status: Not Implemented

45. Delayed Exchequer Releases

Recommendation

The National Assembly recommended that The National Treasury should ensure programmes are adequately funded and can be implemented within the stipulated time frame

Management Response

The Management submitted that The National Treasury shall ensure prompt issuance of exchequer subject to availability of funds.

Conclusion on status

There is information that was provided on actions taken to implement the recommendation.

Recommendation Category: Administrative

Implementation Status: Not Implemented

46. Unreconciled Receipts

Recommendation

The National Assembly recommended that The National Treasury reconciles the accounts and reports to the Assembly within three (3) months of adoption of the report.

Management Response

The Management did not submit any response.

Conclusion on status

There is no information that was provided on actions taken to implement the recommendation.

Recommendation Category: Administrative

Implementation Status: Not Implemented

47. Interest on Late Payments**Recommendation**

The National Assembly recommended that the Accounting Officer for The National Treasury should ensure early disbursements of exchequer funds in order to avoid such wasteful expenditure. Failure to do so amounts to an offence under section 197 (1) (i) of the PFM Act, 2012.

Management Response

The Management submitted that The National Treasury shall ensure prompt issuance of exchequer subject to availability of funds

Conclusion on status

The Management did not provide any documentary evidence on measures being taken to ensure prompt disbursements of exchequer funds in order to avoid such wasteful expenditure.

Recommendation Category: Policy

Implementation Status: Not Implemented

48. Long Outstanding Accounts Payable – Retention Money and Other Deposits**Recommendation**

The National Assembly recommended that The National Treasury should formulate proper policy on how to manage contractors' long outstanding retention/deposits and track it properly within six (6) months after adoption of the report.

Management Response

The Management submitted that The National Treasury has ensured strict compliance with the Regulations 106 of the PFM Regulations (National Government), 2015.

Conclusion on status

The Management submitted that they ensure strict compliance with the Regulations 106 of the PFM Regulations (National Government), 2015, however, there was no evidence submitted on the actions taken to formulate proper policy on how to manage contractors' long outstanding retention/deposits and track it properly within six (6) months after adoption of the report as recommended by the National Assembly.

Recommendation Category: Policy

Implementation Status: Not Implemented

49. Late Exchequer Releases**Recommendation**

The National Assembly recommended that The National Treasury should ensure programmes are adequately funded and can be implemented within the stipulated time frame.

Management Response

The Management submitted that The National Treasury shall ensure prompt issuance of exchequer subject to availability of funds.

Conclusion on status

The Management submitted that The National Treasury shall ensure prompt issuance of exchequer subject to availability of funds, however, there was no evidence provided on actions taken to address the recommendation by the National Assembly.

Recommendation Category: Policy

Implementation Status: Not Implemented

50. Balance Due for Disbursement**Recommendation**

The National Assembly recommended that The National Treasury avails a status report on the matter, as had been previously resolved, within three (3) months of adoption of the report.

Management Response

The Management did not submit any response on the actions taken.

Conclusion on status

With Management having failed to submit on actions taken, the recommendation has not been implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

51. Unauthorized Gratuity Payment**Recommendation**

The National Assembly recommended that National Treasury should develop policy guidelines on the matter and report to the Committee within six (6) months of adoption of the report.

Management Response

The Management did not submit any response on the actions taken.

Conclusion on status

With Management having failed to submit on actions taken, the recommendation has not been implemented. There is no evidence that Gratuity payments guidelines were developed and forwarded to National Assembly. by The National Treasury.

Recommendation Category: Policy

Implementation Status: Not Implemented

STATE DEPARTMENT FOR PLANNING - VOTE 1072

52. Unsupported Pending Bills

Recommendation

The National Assembly recommended that within thirty (30) days upon adoption of the report, the Accounting Officer should initiate process for write-off of those that are unverifiable.

Management Response

The Accounting Officer submitted that there were historical pending bills amounting to Kshs.5,397,937 in financial year 2020/2021. An amount of Kshs.2,608,395 was paid during financial year 2021/2022. A balance of Kshs.2,789,002 remained unpaid and through Pending bills verification Committee appointed by the Accounting Officer, they were declared unpayable due to lack of proper or adequate support document. Given that the bills had earlier been presented to national treasury for closing through the gazzetted Pending Bills Closing Committee, the bills were not included as pending bills in the financial year 2022/2023.

Conclusion on status

The Accounting Officer had initiated the process of writing of the unverifiable pending bills as recommended. The recommendation is therefore implemented.

Recommendation Category: Administrative

Implementation Status: Implemented

53. Management of Grounded Motor Vehicles

Recommendation

The National Assembly reprimanded the Accounting Officer and directed that he ensures proper records are provided within reasonable time to the Auditor General pursuant to Section 62 (1) of the Public Audit Act, 2015.

Management Response

The Accounting Officer submitted that he regrets the unsatisfactory explanation and lack of proper support documents for 60 motors vehicles as at time of audit. The State Department has since taken appropriate measures to ensure that proper records are

maintained and supportive documents provided to the auditors within reasonable time for verification.

Conclusion on status

The Accounting Officer has submitted that he has instituted measures to ensure documents are provided at the time of audit, in 2023/24 audit, however all documents for audit were not provided.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

54. Management of Grounded Motor Vehicles

Recommendation

The National Assembly further recommended disposal of assets through donations should be streamlined through clear policy.

Management Response

All disposals have been stream lined through an annual disposal plan and any disposal by donations will be done through an approved National Public Procurement and asset disposal Policy. The stated action by Management have been supported by documents provided to the auditor for verification

Conclusion on status

The Accounting Officer submitted a policy over disposal through donation has been instituted. However, the policy was not provided for confirmation it had been developed.

Recommendation Category: Policy

Implementation Status: Not Implemented

55. Status of Project activities

Recommendation

The National Assembly recommended that the Accounting Officer should within one (1) month after adoption of this report provide a status of the request to utilize the fund from the Donor to the Committee or remit the funds to The National Treasury.

Management Response

The Accounting Officer submitted that he wrote to the Director General – Kenya National Bureau of Statistics to establish status to request utilization of the fund and a framework

on closing the bank. The Director General established that the cooperative bank was closed as per The National Treasury authority and balance of Kshs.2,153,373 transferred to Bureaus KCB Account.

Conclusion on status

The Accounting Officer submitted the bank account had been closed, however, there was no documentation provided to support the submission.

Recommendation Category: Administrative

Implementation Status: Not Implemented

56. Late submission of Financial statement

Recommendation

The National Assembly recommended that the Accounting Officer should issue a written reprimand to the said officer for failure to ensure that the financial statements are submitted within the statutory period

Management Response

The Accounting Officer submitted that a reprimand letter was issued to the officer on 26th March 2023

Conclusion on status

The Accounting Officer provided evidence a reprimand letter had been issued as recommended.

Recommendation Category: Administrative

Implementation Status: Implemented

57. Non-Compliance with Affirmative Action on Gender, Ethnicity and Regional Distribution

Recommendation

The National Assembly recommended that the Accounting Officer should adopt the corrective measures to address the requirements of Section 7 (2) of the National Cohesion and Integration Act 2008.

Management Response

The Accounting Officer submitted that the project came to an end on 31st December 2022 but there is a no-cost extension until December 2024 and has a total of 4 contracted staff.

However, there is commitment by the Kenya National Bureau of Statistics to continue to adhere to the National Cohesion and Integration act.

Conclusion on status

The project has been completed and closed. The recommendation was therefore no longer applicable to the project. However, the recommendation is still applicable to the State Department and Agencies as a whole.

Recommendation Category: Administrative

Implementation Status: No longer applicable

58. Purchase of Goods and Services - Domestic travel and Subsistence

Recommendation

The National Assembly recommended that Kshs. 438,800 be recovered from the then Accounting Officer, as surcharge, in accordance to Article 226(5) of the Constitution and the PFM Act and its Regulations.

Management Response

The Accounting Officer submitted that he wrote to the Director General— Kenya National Bureau of Statistics requesting for action taken to recover Kshs.438,800.

Conclusion on status

The Accounting Officer did not avail any evidence the amount had been recovered as recommended.

Recommendation Category: Administrative

Implementation Status: Not Implemented

59. Acquisition of Non-Financial Assets

Recommendation

The National Assembly recommended that within three (3) months upon adoption of this report, the Accounting Officer should submit a report on the assets' tagging to the House.

Management Response

The Management submitted that they wrote to the Director General – Kenya National Bureau of Statistics requesting the Director General to provide status of Assets tagging to the house. All the purchased assets under the project were taken on charge so as to ensure that they were promptly accounted for and put into proper use as intended. The

assets are included in the fixed asset register in the financial Management system under the NIPFN Project. The entire project assets and their tag numbers were provided.

Conclusion on status

The Management provided a report on assets tagging however, there was no evidence provided the report was submitted to National Assembly within three months as recommended.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

THE PRESIDENCY – VOTE 1011

60. Pending Bills

Recommendation

The National Assembly recommended that the Accounting Officer must at all times ensure that pending bills are settled as first charge in subsequent financial year when preparing estimates of expenditure and revenues of the entity in conformity with the strategic plan pursuant to the provisions of Section 68(2) (h) of the Public Finance Management Act, 2012

Management Response

The Management submitted that the Pending Bills of Kshs. 5,349,989,714 constituted of bills from State House (Kshs. 179,425,990) Office of the Deputy President (Kshs. 472,342,195) Cabinet Affairs Office (Kshs. 416,800) and Nairobi Metropolitan Service (Kshs. 4,697,804,729). Out of the Kshs. 5,349,989,714 an amount of Kshs. 2,679,419,094 has since been settled leaving a balance of Kshs. 2,670,570,620. Following the appointment of Pending Bills Verification Committee by The National Treasury, the balance of Kshs. 2,670,570,620 is subject to verification by the Committee. The Office shall take action upon recommendations by the indicated Committee.

Conclusion on status

The balance of pending bills consists of prior years' balances hence not all pending bills formed first charge. There is an amount of Kshs. 2,670,570,620 that is outstanding therefore the National Assembly recommendation is partially implemented

Recommendation Category: Administrative

Implementation Status: Partially Implemented

STATE DEPARTMENT FOR INTERIOR AND CITIZEN SERVICES – VOTE 1021

61. Variance between Financial Statements and Trial Balance Figures

Recommendation

The National Assembly recommended that the report of the taskforce be provided to the Committee within one month of adoption of the report by the House

Management Response

The taskforce has cleared the variances from financial year 2014/2015 up to financial year 2018/2019 and the exercise was to be completed by 30th June 2022. The reconciled statements are available for verification.

Conclusion on status

The Management indicated that the task force concluded on the exercise in 30th June 2022. However, no evidence in form of a report on how the variances were cleared was provided for verification. In addition, no evidence of submission to the Committee was provided.

Recommendation Category: Administrative

Implementation Status: Not Implemented

62. Long Outstanding and Un-Reconciled Bank Balances

Recommendation

The National Assembly recommended that the Accounting Officer avails a reconciliation status within three (3) months of adoption of the report by the House.

Management Response

The reconciliation has been done and the respective items have been adjusted in the relevant Cash books accordingly.

Conclusion on status

The Management submitted the reconciliation has been done and the respective items have been adjusted in the relevant Cash books accordingly. However, there was no documentary evidence that was provided was submitted to the National Assembly within three months as recommended.

Recommendation Category: Administrative

Implementation Status: Not Implemented

63. Pending Bills

Recommendation

The National Assembly recommended the Accounting Officers must at all times ensure that pending bills are listed as first charge in subsequent financial year when preparing estimates of expenditure and revenues of the entity in conformity with the strategic plan pursuant to the provisions of section 68(2) (h) of the Public Finance Management Act, 2012

Management Response

As directed by The National Treasury Pending bills form a first charge in the ensuing years' budget. However, settlement of the same remains a challenge whenever there are insufficient funds in the relevant expenditure items.

Conclusion on status

The Management had settled part of the previous year pending bills which were cleared in the subsequent years.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

64. Unresolved Prior Year Matters

Recommendation

The National Assembly recommended that the Accounting Officer avails a matrix on implementation of various recommendations, within three (3) months of adoption of the report

Management Response

The Management recommended that the risk Management and control structures have been put in place to address the prior year's audit matters.

Conclusion on status

The Management did not provide information on whether a matrix on implementation of various recommendations was developed and submitted to National Assembly within three (3) months of adoption of the report. .

Recommendation Category: Administrative

Implementation Status: Not Implemented

65. Unsupported Reduction in the Quoted Premium

Recommendation

The National Assembly reprimanded the Accounting Officer for failure to resolve prior year matters as required by Section 68 (2) (I) of the PFM Act, 2012. The National Assembly further recommended that the Accounting Officer avails a matrix on implementation of various recommendations, within three (3) months of adoption of the report

Management Response

The Management submitted that due to limited fiscal space, NHIF quoted a total of amount higher than annual budget for the cover. There was no adjustment made to the rates applicable in each category.

The National Police Service keeps pursuing The National Treasury for more funds to finance the budget deficit.

Conclusion on status

The Management did not provide information on whether a matrix on implementation of the recommendation was developed and submitted to National Assembly within three (3) months of adoption of the report.

Recommendation Category: Administrative

Implementation Status: Not Implemented

66. Delayed Settlement of Claims on Last Expenses

Recommendation

The National Assembly reprimanded the Accounting Officer for failure to resolve prior year matters as required by Section 68 (2) (I) of the PFM Act, 2012. The National Assembly further recommended that the Accounting Officer avails a matrix on implementation of various recommendations, within three (3) months of adoption of the report.

Management Response

The Management submitted that The National Police Service has since contacted the claimants to correct telephone numbers provided and shared the correct contact numbers with the insurer for action.

Conclusion on status

Management indicated that the National Police Service has since contacted the claimants to correct telephone numbers provided and shared the correct contact numbers with the insurer for action. However, no evidence was provided to support the assertion.

In addition, the Management did not provide information on whether a matrix on implementation of the recommendation was developed and submitted to National Assembly within three (3) months of adoption of the report.

Recommendation Category: Administrative

Implementation Status: Not Implemented

67. Unsubmitted Quarterly Reports on Claims by NHIF**Recommendation**

The National Assembly reprimanded the Accounting Officer for failure to resolve prior year matters as required by Section 68 (2) (I) of the PFM Act, 2012. The National Assembly further recommended that the Accounting Officer avails a matrix on implementation of various recommendations, within three (3) months of adoption of the report.

Management Response

The Management submitted that the reports have now been provided, showing a total expenditure of 2% of the total premiums. Therefore, value for money was realized.

Conclusion on status

The Management submitted that the reports have now been provided, showing a total expenditure of 2% of the total premium. However, the Management did not provide information on whether a matrix on implementation of the recommendation was developed and submitted to National Assembly within three (3) months of adoption of the report.

Recommendation Category: Administrative

Implementation Status: Not Implemented

68. Compensations Claims under Work Injury Benefits Act (WIBA) Not Paid**Recommendation**

The National Assembly reprimanded that the Accounting Officer for failure to resolve prior year matters as required by Section 68 (2) (I) of the PFM Act, 2012. The National

Assembly further recommended that the Accounting Officer avails a matrix on implementation of various recommendations, within three (3) months of adoption of the report.

Management Response

The Management submitted that the claims have been paid by NHIF

Conclusion on status

The Management submitted that that the claims have been paid by NHIF however, they did not provide information on whether a matrix on implementation of the recommendation was developed and submitted to National Assembly within three (3) months of adoption of the report.

Recommendation Category: Administrative

Implementation Status: Not Implemented

69.Failure to Provide Documents for Ex-gratia Claims under Provision of Comprehensive Medical Cover

Recommendation

The National Assembly reprimanded that the Accounting Officer for failure to resolve prior year matters as required by Section 68 (2) (I) of the PFM Act, 2012. The National Assembly further recommended that the Accounting Officer avails a matrix on implementation of various recommendations, within three (3) months of adoption of the report

Management Response

The Management submitted that there are correspondences between the Ministry and NHIF on accountability of the funds which NHIF has never responded to date.

Conclusion on status

The Management submitted that there are correspondences between the Ministry and NHIF on accountability of the funds which NHIF has never responded to date. However, the Management did not provide information on whether a matrix on implementation of the recommendation was developed and submitted to National Assembly within three (3) months of adoption of the report.

Recommendation Category: Administrative

Implementation Status: Not Implemented

70. Stalled Project at Buna Police Station, Wajir County

Recommendation

The National Assembly recommended that the Accounting Officer should not initiate any new project in the Financial Year 2023/24 until the completion of on-going projects. Further, the Accounting Officer should liaise with The National Treasury to allocate adequate resources for the completion of the stalled project.

Management Response

The Accounting Officer submitted that the project is complete and in use

Conclusion on status

Management submitted that the project is complete and in use. However, there was no information provided to ensure the Accounting Officer does not initiate any new project in the Financial Year 2023/24 until the completion of on-going projects.

Recommendation Category: Policy

Implementation Status: Implemented

71. Abandoned Construction Works of Laisamis Police Station

Recommendation

The National Assembly recommended that the Accounting Officer shall within three (3) months of the adoption of the report provide a status report on the arbitration process and completion status of the stalled works.

Management Response

The Management submitted that under the guidance of the Attorney General National Police Service has appointed a team of five (5) members for negotiations.

Conclusion on status

The National Police Service has appointed a team of five (5) members for negotiations, however, Management did not provide the status of the negotiations and evidence it was submitted to the National Assembly as recommended.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

72. Stalled Construction of Police Station at Balambala in Garissa County

Recommendation

The National Assembly recommended that the Accounting Officer should not initiate any new project in the FINANCIAL YEAR 2023/24 until the completion of the on-going project. Further, the Accounting Officer should liaise with The National Treasury to allocate adequate resources for the completion of the stalled project.

Management Response

The Management submitted that the item was proposed in the budget proposal for the Financial Year 2022/2023.

Conclusion on status

Management submitted that the item was proposed in the budget proposal for the Financial Year 2022/2023 however, there was no information provided to ensure the Accounting Officer does not initiate any new project in the FINANCIAL YEAR 2023/24 until the completion of on-going projects and whether the project was funded.

Recommendation Category: Administrative

Implementation Status: Not Implemented

73. Stalled Construction of Nyanza South Headquarters- Migori County

Recommendation

The National Assembly recommended that the Accounting Officer should not initiate any new projects in the FINANCIAL YEAR 2023/24 until the completion of on-going projects. Further, the Accounting Officer should liaise with The National Treasury to allocate adequate resources for the completion of the stalled project.

Management Response

The Management submitted that the estimated remaining works amounts to Ksh 641 million as indicated by State Department of Public Works. The project has been prioritized for funding consideration in Financial Year 2025/2026.

Conclusion on status

Management submitted that the project has been prioritized for funding consideration in Financial Year 2025/2026. However, there was no information provided to ensure the

Accounting Officer does not initiate any new project in the Financial Year 2023/24 until the completion of on-going projects and whether the project was funded

Recommendation Category: Administrative

Implementation Status: Not Implemented

74. Stalled Construction of Magunga District Headquarters – Homabay County

Recommendation

The National Assembly recommended that the Accounting Officer liaise with The National Treasury to allocate adequate resources for the completion of the Magunga District Headquarters in the FINANCIAL YEAR 2023/24.

Management Response

The Management submitted that it is notable that a number of projects have stalled due to inadequate funding which is attributed to limited fiscal space. Subsequently this resulted to incidental costs resulting to an increase in project cost.

Conclusion on status

The Accounting Officer did not provide information on any engagement with The National Treasury on allocation of resources to complete the project.

Recommendation Category: Administrative

Implementation Status: Not Implemented

75. Un-Occupied School of Leadership in Kiganjo Police College

Recommendation

The National Assembly recommended that the Accounting Officer should within three months (3) of adoption of the report, liaise with The National Treasury on allocation of adequate resources towards the ultimate completion and handover of the project to the State Department.

Management Response

The Management submitted that the Project is complete and in use

Conclusion on status

The project is complete and in use however, there were no evidence to confirm that the Accounting Officer engaging National Treasury to allocate the amount that had not paid (pending payment) to allow handover of the project.

Recommendation Category: Administrative

Implementation Status: Not Implemented

76. Un-Occupied School of Leadership in Kiganjo Police College

Recommendation

The National Assembly recommended that within three (3) months upon adoption of the report, the Accounting Officer should report on the status to the Committee on status of occupation at Kiganjo Police College

Management Response

The Management submitted that the Project is complete and in use

Conclusion on status

The project was completed and in use, however, the Accounting Officer did not provide evidence a status report was submitted to the National Assembly with three months as recommended.

Recommendation Category: Administrative

Implementation Status: Not Implemented

77. Delay in Issuance of Passports

Recommendation

The National Assembly recommended that the Accounting Officer liaises with The National Treasury to allocate adequate resources for the procurement of printers in order to clear the backlog of passports, in the FINANCIAL YEAR 2023/24.

Management Response

The Management submitted that the Directorate received two (2) high-capacity passport personalization printers. The department received additional Funding and has procured 228,000 additional passport booklets. The Procurement of additional 772,000 booklets was also complete.

Conclusion on status

Resources were allocated for the acquisition of the printers. The printers were delivered and in use and the delay in delivery has been addressed.

Recommendation Category: Administrative

Implementation Status: Implemented

78. Obsolete Visa Stickers in Store

Recommendation

The National Assembly recommended that the Accounting Officer formulates an elaborate disposal method within one (1) month after adoption of the report. Further, Accounting Officer should provide evidence of the disposal of the obsolete visa stickers within three (3) months after adoption of the report to the Committee

Management Response

The Management submitted that the Directorate of Immigration consolidated all obsolete Visa Stickers and forwarded them to the Disposal Committee. The process of Disposal is underway.

Conclusion on status

Management submitted they have forwarded the obsolete stickers to disposal Committee which is implementing the disposal process. However, Management did not provide the timeline of the disposal one year down the line yet the National Assembly had directed the process to be completed within three months.

Recommendation Category: Administrative

Implementation Status: Not Implemented

79. Kenya Police Service Stores - 167.1 Manual Stores Systems

Recommendation

The National Assembly recommended that the Accounting Officer should provide the Assembly with a status report on the digitization of police records within three (3) months after adoption of the report.

Management Response

The Management submitted that the Kenya Police Service has since uploaded the inventory Management system on IFMIS as required by The National Treasury and relevant officers accorded access rights for stores Management.

Conclusion on status

Management indicated that the records have been uploaded to IFMIS. However, physical verification confirmed that not all records are digitized.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

80. Obsolete Items in the Stores

Recommendation

The National Assembly recommended that the Accounting Officer should provide the Assembly with a status report on the digitization of police records within three (3) months after adoption of the report

Management Response

The Management submitted that the Kenya Police Service has since uploaded the inventory Management system on IFMIS as required by The National Treasury and relevant officers accorded rights to access for stores Management.

Conclusion on status

Although Management indicate that the records have been uploaded to IFMIS, physical verification confirmed that not all records are digitized.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

81. Safety Concerns in Nyayo House Building

Recommendation

The National Assembly recommended that the toilets for the People with Disabilities should be relocated to the ground floor.

Management Response

The Management submitted that currently toilets for (PWD) are working and is on the 6th floor. The PWDs are able to use the toilets by taking the elevators from ground floor.

Conclusion on status

The Accounting Officer did not submit on measures taken to implement the recommendation.

Recommendation Category: Administrative

Implementation Status: Not Implemented

82. Safety Concerns in Nyayo House Building

Recommendation

The National Assembly recommended that the Accounting Officer should within three (3) months after adoption of the report provide the Assembly with a report addressing the safety concerns in the Nyayo House building as well as the progress made to address the concerns raised in the audit query.

Management Response

The Management submitted that currently toilets for (PWD) are working and is on the 6th floor. The PWDs are able to use the toilets by taking the elevators from ground floor.

Conclusion on status

The Accounting did not provide to the National Assembly with a report addressing the safety concerns in the Nyayo House building as well as the progress made to address the concerns raised as recommended.

Recommendation Category: Administrative

Implementation Status: Not Implemented

83. Wrong billing for Integrated Population Registration System (IPRS) Services

Recommendation

The National Assembly recommended that within three (3) months of adoption of the report, the Accounting Officer should provide the Auditor General with a status report on the corrective action done to improve the workability of the whole system.

Management Response

The Management submitted that a contract to upgrade/ improve the billing module has been awarded. The upgrade is expected to be completed within three months.

Conclusion on status

The Accounting Officer had not provided the Auditor General with a status report on the corrective action done to improve the workability of the whole system hence the recommendation had not been implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

84. Manual collection of revenue by civil registration service Department

Recommendation

The National Assembly submitted that the Accounting Officer should within three (3) months after adoption of the report provide the Assembly with a report on the rollout of the Civil Registration and Vital Statistics System (CRVSS).

Management Response

The Management submitted that the registration services countrywide are have been made online through the e-citizen payment platform therefore there is no longer any manual collections.

Conclusion on status

The Management submitted an alternative automation had been implemented.

Recommendation Category: Administrative

Implementation Status: Implemented

85. Budgetary Control and Performance

Recommendation

The National Assembly submitted that the Accounting Officer must ensure programmes are adequately funded and can be implemented within the stipulated time frame

Management Response

The Management submitted that The National Treasury is engaged from time to time on funding priorities of the Department. Copies of support documents were provided.

Conclusion on status

Management that The National Treasury is engaged from time to time on funding priorities of the Department however, there was evidence on action taken to ensure programmes are adequately funded and can be implemented within the stipulated time frame.

Recommendation Category: Administrative

Implementation Status: Not Implemented

86. Inaccuracies in the Statement of Cash Flow

Recommendation

The National Assembly recommended that the Accounting Officer must institute internal administrative action and conduct investigations on these inaccuracies and report to the Assembly within three (3) month of adoption of the report

Management Response

The Management submitted that the department has carried out a reconciliation and made the necessary corrections. Further the Accounting Officer requested for additional Accountants from The National Treasury who have already been deployed and are regularly trained on Financial Reporting as per Parliament Recommendations.

Conclusion on status

Although the Accounting Officer has taken internal administrative action, there was no evidence the report was submitted to the National Assembly.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

87. Encroachment on Kitale Prison Land

Recommendation

The National Assembly recommended that within three (3) months upon adoption of the report, the Accounting Officer must use lawful measures to ensure those private individuals vacate the prison land and report to the Committee.

Management Response

The Management submitted that the Encroachment of Kitale Main Prison is being handled by the multi-agency team as per the directive of the president. The team is comprising of members from the Ministry of Lands, Ministry of Interior and the National Land Commission amongst other relevant agencies. This team is headed by the Cabinet Secretary as the chairperson.

So far, the whole of the 3000 acres of Kitale main prison land has been demarcated by the multi-agency team for ease of identification of the extent of the prison land.

The process of evicting the people therein is ongoing under the directive of the chairperson and the Ministry of Interior for a humane exercise in nature.

Conclusion on Status

A multi-agency team on recovery of the Prisons Land was formed following a Presidential Directive. The State Department is however yet to recover any land. In addition, there is no evidence of a report on action that has been submitted to Parliament.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

88. Leased and Grounded Ambulances

Recommendation

The National Assembly recommended that the Accounting Officer through The National Treasury should review the lease agreement between Urysia Kenya Ltd and the Government and report to the Committee within three (3) months after adoption of the report with a view to establish its value for money.

Management Response

The Management submitted that the lease with Urysia Kenya Ltd is already expired and new Lease with CFAO Motors through National Treasury is in place.

Conclusion on status

The lease agreement between Urysia Kenya Ltd and the Government of Kenya expired. The recommendation is therefore not applicable.

Recommendation Category: Administrative

Implementation Status: No longer Applicable

STATE DEPARTMENT FOR DEVOLUTION - VOTE 1032

89. Use of Goods and SERVICES -185.1. Refund of Ineligible Expenditure

Recommendation

The National Assembly recommended that the Accounting Officer should initiate disciplinary action on officers involved within one (1) month after adoption of the report"

Management Response

The Management submitted that the officers in question were dismissed.

Conclusion on Status

The Management had taken action on officers involved hence the recommendation had been implemented.

Recommendation Category: Administrative

Implementation Status: Implemented

90. Unsupported Transfers to other Government Entities

Recommendation

The National Assembly recommended that within three (3) months after adoption of the report, the Accounting Officer should institute administrative measures to ensure Counties develop reporting structures on grants received and its utilization

Management Response

The Management submitted that the reporting structures have been instituted between the two levels of Government.

Conclusion on Status

Management submitted that the reporting structures have been instituted between the two levels of Government. However, there was no evidence provided on any reporting structures instituted.

Recommendation Category: Administrative

Implementation Status: Not Implemented

91. Inaccuracies in Cash and Cash Equivalents

Recommendation

The National Assembly recommended that within three (3) months upon adoption of the report, the Accounting Officer must institute internal administrative action and conduct investigations on these inaccuracies and report to the Assembly.

Management Response

The Management submitted that the State Department for Devolution has managed to get returns totaling to Kshs.74,782,292 as at 23rd April, 2024. We have attached a list of Deputy County Commissioners who had not submitted expenditure returns by 23rd April, 2024.

Conclusion on Status

Although the Management submitted that they had received some returns totaling Kshs.74,782,292 as at 23 April, 2024, there was no information provided a report was submitted to National Assembly on action taken as recommended.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

92. Unaccounted for District Suspense Account

Recommendation

The National Assembly reprimanded the Accounting Officer and directed that within one (1) month of the adoption of the report, avail the names of the Deputy Commissioners who have not made expenditure returns.

Management Response

The State Department for Devolution has managed to get returns totaling to Kshs.74,782,292 as at 23 April, 2024. A list of Deputy County Commissioners who had not submitted expenditure returns by 23 April, 2024 had been attached.

Conclusion on Status

Although the Management had identified the persons who had not accounted the balance, there was no information provided a report was submitted to the National Assembly on action taken as recommended.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

93. Unsupported Accounts Balances

Recommendation

The National Assembly reprimanded that the Accounting Officer and directed that within one (1) month of adoption of the report, he prepares and submits supported account balances to the Assembly

Management Response

The Management submitted that the balances in the deposit comprised of retention money which had not been paid to various contractors.

Conclusion on Status

Management had identified the deposit comprised of retention money which had not been paid to various contractors. However, there was no information on whether a report was submitted to the Assembly as recommended.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

94. Inaccuracies in Pending Bills

Recommendation

The National Assembly recommended that within three (3) months upon adoption of the report, the Accounting Officer avails an analysis on the amount of Kshs. 13 billion to the Assembly.

Management Response

The Management submitted that a cabinet memo ending Approval which will facilitate writing off debts and get no objection from The National Treasury.

Conclusion on status

The Management did not submit information on action taken to implemented the recommendation.

Recommendation Category: Administrative

Implementation Status: Not Implemented

95. Lack of Fixed Assets Register

Recommendation

The National Assembly submitted that within three (3) months after adoption of the report, the Accounting Officer should ensure that a complete fixed asset register is maintained pursuant to Regulation 143(1) of the PFM (National Government) Regulations 2015. Further, the complete asset register should be provided to the Assembly for verification.

Management Response

The Management submitted that the State Department has in place a comprehensive Asset Register.

Conclusion on Status

Management submitted a comprehensive asset register was maintained. However, there was no information on whether the complete asset register should be provided to the Assembly for verification as recommended.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

96. Lack of Audit Committee and Public Finance Management Standing Committee

Recommendation

The National Assembly reprimanded the Accounting Officer, and directed that he institutes an independent Audit Committee as required by Section 73 (5) of the Public Finance Management Act, 2012, within three (3) months of adoption of the report

Management Response

The Accounting Officer submitted that the Office of the Deputy President where State Department for Devolution fall under is in the process of constituting an audit Committee. The Public Finance Standing is in place and operational.

Conclusion on status

The Accounting Officer was in the process of constituting an audit Committee

Recommendation Category: Administrative

Implementation Status: Partially Implemented

97. Internal Audit Committee

Recommendation

The National Assembly reprimanded the Accounting Officer, and directed that he institutes an independent Audit Committee as required by Section 73 (5) of the Public Finance Management Act, 2012, within three (3) months of adoption of the report

Management Response

The Management submitted the Audit Committee is in the process of being constituted.

Conclusion on status

The Accounting Officer was in the process of constituting an audit Committee

Recommendation Category: Administrative

Implementation Status: Partially Implemented

98. Inaccuracies in the Financial Statements

Recommendation

The National Assembly recommended that the Accounting Officer must institute internal administrative action and conduct investigations on the inaccuracies and report to the Assembly within three (3) month of adoption of the report"

Management Response

The Management submitted that reconciliations were done and the correct position established.

Conclusion on status

Management submitted that that reconciliations were done and the correct position established. However, there was no evidence a report was submitted to the National Assembly within three months as recommended.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

STATE DEPARTMENT FOR DEVELOPMENT OF THE ARID AND SEMI-ARID LANDS (ASALS) - VOTE 1035

99. Accounts payable

Recommendation

The National Assembly recommended that the Accounting Officer should report to the Assembly on the status of identifying and settling the pending deposit amounts with the outstanding claimants within thirty (30) days of adoption of the report

Management Response

The Management submitted that of the outstanding balance of Kshs.10,654,930 an amount of Kshs.6,511,798 was returned to The National Treasury vide letter referenced no. MDA/SDDA/ACCTS/Statement/Vol II/31 Dated 24 February, 2023 as required by The National Treasury Letter reference AG.3/88 Vol.7/(24) dated 15 February, 2023 as the amount was outstanding for more than five years. The amount of Kshs.3,640,924 was paid during the financial year 2023/2024 and the Balance of Kshs.502,208 brought forward to the year 2023/2024.

Conclusion on Status

The accounting has resolved significant amount of the payable with Kshs.502,208 still outstanding.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

100. Budgetary Control and Performance

Recommendation

The Accounting Officer must ensure programmes are adequately funded and can be implemented within the stipulated time frame.

Management Response

The Management submitted that measures have been put in place to ensure work plans and procurement plans are prepared timely to ensure early approvals and requisition for funding from The National Treasury.

Conclusion on Status

The Management did not clearly provide measures taken to ensure programmes are adequately funded and can be implemented within the stipulated time frame. The recommendation is partially implemented.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

101. Pending Bills**Recommendation**

The National Assembly recommended that the Accounting Officer must at all times ensure that pending bills are settled as first charge in subsequent financial year when preparing estimates of expenditure and revenues of the entity in conformity with the strategic plan pursuant to the provisions of section 68(2) (h) of the Public Finance Management Act, 2012.

Management Response

The Management submitted that the pending bills of Ksh 28,733,465 for the financial year 2020/2021 were paid as the first charge in the financial year 2021/2022. The historical bill amounting to Kenya shillings 4,995,406 has since been settled.

Conclusion on status

Although the Management submitted that pending bills were being settled as first charge, some bills were still carried forward.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

102. Pending bills**Recommendation**

The National Assembly recommended that the Accounting Officer should report to the Assembly on the status of settling all the pending bills amounts of the State Department in three (3) months after adoption of the report.

Management Response

The Management submitted that the historical bill amounting to Kenya shillings 4,995,406 has since been settled.

Conclusion on status

The historical pending bills of Kshs.4,995,406 had been settled. However, the Accounting Officer did provide information on whether not a status report was submitted to the National Assembly in three (3) months after adoption of the report.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

103. Budgetary Control and Performance**Recommendation**

The National Assembly directed that the Accounting Officer to furnish the Auditor General with a detailed list of the items that are included in Other Operating Expenses and certified MPESA statements as evidence of payments to casual workers within one (1) month of the adoption of the report;

Management Response

The Management submitted that; (i) A detailed list of items included Other Operating Expenses and certified MPESA statements were furnished to the Auditor General and the same are available for review. (iii) The list of projects implemented under this programme is available for submission

Conclusion on status

Although the Management submitted, they had provided the documents as directed, they had provided the documents to the Auditor General within one month as recommended.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

104. Budget Control and Performance**Recommendation**

The National Assembly also directed the Accounting Officer to give an explanation in one (1) month of adoption of the report as to why they chose to purchase certain brands over others.

Management Response

The Management submitted that the vehicle met the technical specifications at a lower price.

Conclusion on status

The Management did not provide evidence a report was submitted to the Assembly explaining the basis for procuring certain brands, hence the recommendation had not been implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

105. Budget Control and Performance**Recommendation**

The National Assembly further directed the Accounting Officer to provide the Assembly a list of projects implemented under this programme and their location, including the amount allocated for each project within one (1) month of the adoption of the report

Management Response

The Management submitted that the list of projects implemented under this programme is available for submission

Conclusion on status

The Management submitted the list of projects implemented under the programme had not been implemented hence, the recommendation had not been implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

106. Withholding Tax and Retention**Recommendation**

The National Assembly directed that the Accounting Officer to provide the Assembly on evidence of training for the Community Groups Management Committee and Community Implementation Committees within one (1) month of the adoption of the report.

Management Response

The Management submitted that the Community groups Management Committees were trained and the evidence was submitted as part of the Accounting Officer's presentation to the Public Accounts Committee. The same is available.

Conclusion on status

The Management did not avail information to support the claim the information was submitted to the Public Accounts Committee.

Recommendation Category: Administrative

Implementation Status: Not Implemented

107. Withholding Tax and Retention**Recommendation**

The National Assembly directed that the Accounting Officer to report to the Assembly on the measures taken to recover the amounts that were not deducted as withholding tax within one (1) month of the adoption of the report

Management Response

The Management submitted that The Executive Office of the President, where the project was domiciled then, instructed Kenya Revenue Authority to engage the consultants directly for the recovery of withholding tax balances not deducted at source.

Conclusion on status

The Management did not avail evidence on whether the recommendation was implemented neither was a status report submitted to the National Assembly.

Recommendation Category: Administrative

Implementation Status: Not Implemented

108. Works Procurement Project Files**Recommendation**

The National Assembly directed that the Accounting Officer to furnish the Assembly with the requisite documents within one (1) month of the adoption of the report

Management Response

The Management submitted that the contractor's mandatory requirements of tax compliance certificates, National Construction Authority (NCA) registration certificates, tender evaluation minutes and procurement officer's professional opinion for the paid contracts were assembled and provided for audit verification. These documents formed part of the Accounting Officer's presentation before the Public Accounts Committee (PAC)

Conclusion on status

The Accounting Officer did not provide evidence the information was submitted to the Assembly as recommended.

Recommendation Category: Administrative

Implementation Status: Not Implemented

109. Management of Information System**Recommendation**

The National Assembly directed that the Accounting Officer to collaborate with the ICT authority to ensure compliance with government security measures; and

Management Response

The Management submitted that the MIS was developed with clearance from ICT Authority and complied with all government security measures. The Management has invited Ministry of ICT to conduct a system audit on the MIS for purposes of compliance.

Conclusion on status

Management submitted that the MIS was developed with clearance from ICT Authority and complied with all government security measures, however, there was no evidence submitted to confirm the assertion.

Recommendation Category: Administrative

Implementation Status: Not Implemented

110. Management of Information System.**Recommendation**

The National Assembly directed that the Accounting Officer to furnish the Assembly with a report on the compliance of the system to government security measures within three (3) months of adoption of the report

Management Response

The Management submitted that they had invited Ministry of ICT to conduct a system audit on the MIS for purposes of compliance.

Conclusion on status

The Management was yet to submit the report to the National Assembly.

Recommendation Category: Administrative

Implementation Status: Not Implemented

111. Internal Audit and Audit Committee.

Recommendation

The National Assembly reprimanded the Accounting Officer and further directed that the appointment of an independent audit Committee within three (3) months as required by Section 73 (5) of the Public Finance Management Act 2012 and Regulation 174 (1) and (8) of the PFM Regulations 2015, and the approval of the audit charter and internal audit work plan

Management Response

The Management submitted that the Cabinet Secretary Ministry of East African Community the ASALs and Regional Development has since sent out letters of offer for the re-appointment of members of the ministerial audit Committee. The process of reconstitution of the Audit Committee is ongoing.

Conclusion on status

The Management was in the process of reconstituting the Audit Committee

Recommendation Category: Administrative

Implementation Status: Partially Implemented

112. Pending Bills

Recommendation

The National Assembly directed that the Accounting Officer furnishes the Assembly with the documents for verification within one (1) month of the adoption of the report;

Management Response

The Management submitted that the Ministry has noted the Committee's observations and recommendations. The Accounting Officer has compiled and forwarded the Pending bills report and documentation for verification by the Public Accounts Committee vide letter Ref. No. MFA. FIN/2/3 dated 27th February 2023.

Conclusion on status

Management has submitted the documents were submitted. However, the correspondence attached was dated a year before the report was adopted hence, the recommendation has not been implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

113. Pending Bills

Recommendation

The National Assembly directed that the Accounting Officer to facilitate the settling of verified pending bills within three (3) months of adoption of the report;

Management Response

The Management submitted that the Ministry has noted the Committee's observations and recommendations and has settled all the pending bills in accordance with the verification report.

Conclusion on status

Although the Management has submitted the pending bills were settled, supporting evidence was not submitted that the pending bills has been settled.

Recommendation Category: Administrative

Implementation Status: Not Implemented

114. Pending Bills

Recommendation

The National Assembly directed that the Accounting Officer must institute internal administrative action and conduct investigations on the officers that processed the claims worth Kshs.12,949,550 without due process and proper documentation and report to the Committee within three (3) month of adoption of the report.

Management Response

The Management submitted that it had confirmed that the pending bills amounting to Kshs.12,949,550 mentioned herein were not paid but were cancelled at the commencement of the process due to the following reasons: Sourcing for an alternative supplier through air charter and order cancelled by the Accounting Officer. The claims were erroneously captured in the pending bills list thus leading to their cancellation.

Conclusion on status

Management submitted that they had established the reasons for canceling the pending bills. However, there is no evidence of administrative action taken and whether a report was submitted to Parliament on action taken as recommended.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

115. Overdrawing of Deposits Cash Book and Irregular Charge of Expenditure

Recommendation

The National Assembly recommended that the Accounting Officer should provide a report on the details of the taskforce formed to the Committee within three (3) months of adoption of the report

Management Response

The Management submitted that the Ministry has taken note of the Committee's observations, findings and recommendations and instituted the following measures: The Accounting Officer has compiled and presented to PAC vide letter Ref. No. MFA. FIN/2/3 dated 27th February 2023 a report detailing the members, TOR's and recommendations of the taskforce on overpayment of SBEC; and the Accounting Officer has strengthened

the internal control system to ensure strict adherence to the rules and regulations governing public finance Management.

Conclusion on status

Management stated the documents were submitted to National Assembly. However, the correspondence attached was dated a year before the report was adopted.

Recommendation Category: Administrative

Implementation Status: Not Implemented

116. Failure to Insure Government Properties in New York

Recommendation

The National Assembly directed that the Accounting Officer to provide a copy of the refurbishment contract in one (1) month of adoption of the report.

Management Response

The Management submitted that the Accounting Officer has taken note of the Committee's recommendations and has presented to PAC vide letter Ref. No. MFA. FIN/2/3 dated 27th February 2023 the New York Chancery refurbishment contract as directed herein.

Conclusion on status

Management stated the documents were submitted to National Assembly. However, the correspondence attached was dated a year before the report was adopted.

Recommendation Category: Administrative

Implementation Status: Not Implemented

117. Kenya House - New York

Recommendation

The National Assembly recommended that the Accounting Officer to avail a cost-benefit analysis with its budget and identify where Kenya House-New York would be put up and present the report to the Assembly within three (3) months after adoption of the report.

Management Response

The Management submitted that the State Department had retained the property for redevelopment in line with The National Treasury's recommendation on the same. The State Department obtained budgetary allocation of Kshs. 450 million in its 2024/25 FY's

development printed estimates towards redevelopment of this property. The funds were however reduced to zero in the 2024/2025 FY's supplementary 1 estimates. The State department is in consultation with The National Treasury for the required funds to undertake the proposed development.

As part of the implementation of the development plan, the following documents will be prepared and shared with PAC:-

- Cost benefit analysis and justification for retaining the property for redevelopment.
- Technical plans / drawings of the proposed development.
- Bills of quantities for the proposed development.
- Execution Programme.

Conclusion on status

The Management submitted the report, however, this had not been provided to the Assembly within three months as recommended.

Recommendation Category: Administrative

Implementation Status: Not Implemented

118. Washington DC

Recommendation

The National Assembly directed that the Accounting Officer to provide a report on the occupancy, the renovation and repair works as well as the budgeted and actual costs incurred on the property within one (1) month after adoption of the report

Management Response

The Management submitted that during the FINANCIAL YEAR 2023/24, the Kenyan embassy Washington DC undertook renovations on its two residential buildings as follows: -

- a. 6228 32 Street: Renovation works completed in March 2024 at a cost of USD. 107,350.0. The house has been under occupation of the Records Management Officer since March 2024.
- b. 4453 29 Street: Renovation works were completed in April 2024 at a cost of USD. 40,215.00. The house has since been occupied by the Head of Chancery.

The details covering scope of works, revocation costs versus budgets and occupation of these properties have been presented to the PAC vide letter Ref. No. MFA. FIN/2/3 dated 27th February 2023.

Conclusion on status

Management stated the documents were submitted to National Assembly. However, the correspondence attached was dated a year before the report was adopted

Recommendation Category: Administrative

Implementation Status: Not Implemented

119. Unreconciled Bank Balances**Recommendation**

The National Assembly recommended that the Accounting Officer avails a matrix on implementation of various recommendations, within three (3) months of adoption of the report

Management Response

The Management submitted that the Accounting Officer has taken note of the recommendations of the PAC. The State Department has since resolved prior year matters as required by Section 68 (2) (I) of the PFM Act, 2012. The Accounting Officer has also reconstituted and capacity built the following oversight Committees, to guide the State Department in adhering to the various PAC recommendations; (i) Public Finance Management (PFM) Standing Committee. (ii) Budget Implementation Committee (BIC) (iii) State Department Project Implementation Committee (PIC)

Conclusion on status

Management had taken measures to implemented the previous recommendations, however, the matrix was not submitted to the National Assembly as recommended.

Recommendation Category: Administrative

Implementation Status: Not Implemented

120. Misclassification of Transactions in the Ledger**Recommendation**

The National Assembly recommended that Accounting Officer should always ensure that the records are reconciled and analyzed with necessary supporting documents and submitted to the Auditor General in compliance with provisions of Section 68 (2) of the PFM Act 2012

Management Response

The Management submitted that the state Department will always be keeping proper accounting records as prescribed under Section 197 (1) of the PFM Act, 2012. The Accounting Officer will always ensure that the records are reconciled and analyzed with

necessary supporting documents before submission to the Auditor General in compliance with provisions of Section 68 (2) of the PFM Act 2012

Conclusion on status

The Committee's recommendations have been implemented by the Accounting Officer as he has since submitted to the Auditor General records which are reconciled and analyzed with necessary supporting documents

Recommendation Category: Administrative

Implementation Status: Implemented

121. Unsupported Specialized Materials and Services Expenditure

Recommendation

The National Assembly recommended that the Accounting Officer furnishes the National Assembly with the documents for verification within one (1) month of the adoption of the report

Management Response

The Management submitted that the Accounting Officer will always comply with the PAC recommendation of ensuring that fully reconciled financial statements are submitted to the Auditor General pursuant to Section 68 (2) (k) of the PFM Act, 2012

Conclusion on status

The Accounting Officer did not provide evidence that the Accounting Officer had furnished the National Assembly with the documents for verification within one (1) month of the adoption of the report.

Recommendation Category: Administrative

Implementation Status: Not Implemented

122. Unconfirmed Transfers to Other Government Units - Current Grants

Recommendation

The National Assembly submitted that the Accounting Officer must at all times ensure that fully reconciled financial statements are submitted to the Auditor General pursuant to Section 68 (2) (k) of the PFM Act, 2012

Management Response

The Management submitted that the Accounting Officer will always comply with the PAC recommendation of ensuring that fully reconciled financial statements are submitted to the Auditor General pursuant to Section 68 (2) (k) of the PFM Act, 2012.

Conclusion on status

The Management had taken measures to ensure that fully reconciled financial statements are submitted to the Auditor General pursuant to Section 68 (2) (k) of the PFM Act, 2012. Subsequent audit of 2023/24, the documents were provided for audit

Recommendation Category: Administrative

Implementation Status: Implemented

123. Unsupported Proceeds from Foreign Borrowings**Recommendation**

The National Assembly directed the Accounting Officer to furnish the National Assembly and the Auditor General with the disbursement schedule from Exim Bank within one (1) month after the adoption of the report.

Management Response

The Management submitted that the Accounting Officer is following up on the disbursement schedule from Exim Bank through The National Treasury.

Conclusion on status

The recommendation has not been implemented since the Accounting Officer has not furnished the disbursement schedule from Exim Bank to the Committee and the Auditor General.

Recommendation Category: Administrative

Implementation Status: Not Implemented

124. Over Disbursement of Capitation due to use of Unverified Data**Recommendation**

The National Assembly directed that the Accounting Officer ensures recoveries from the six institutions within three (3) months after the adoption of the report

Management Response

The Management submitted that the Accounting Officer has taken note of the Committee's directives and is in the process of instituting recoveries of the excess capitation from the six (6) institutions

Conclusion on status

The Management had not made any no recoveries one year since the report was adopted.

Recommendation Category: Administrative

Implementation Status: Not Implemented

125. Disbursement of Capitations to Institutions during the Lockdown Period**Recommendation**

The National Assembly directed that the Accounting Officer to furnish the Auditor General with the returns schedule for audit review within one (1) month of the adoption of the report

Management Response

The Management submitted that the Accounting Officer has since instructed all the Institutions to submit expenditure returns for the same for onward transmission to the Office of The Auditor General

Conclusion on status

There was no evidence the documents had been submitted to the Auditor General.

Recommendation Category: Administrative

Implementation Status: Not Implemented

126. Management of Imprests**Recommendation**

The National Assembly submitted that the Accounting Officer should maintain a complete imprest register detailing; payee, imprest warrant number, date of issue, due date and date of surrender, as provided in Regulations 52(1)(j) and 93(4)(c) of the PFM (National Government) Regulations, 2015

Management Response

The Management submitted that the Accounting Officer had taken note of the Committee's recommendation and had ensured that a complete imprest register detailing;

payee, imprest warrant number, date of issue, due date and date of surrender, is maintained as provided in Regulations 52(1)(j) and 93(4)(c) of the PFM (National Government) Regulations, 2015

Conclusion on status

The Management was found to have maintained a complete imprest register in subsequent audit (2023/24).

Recommendation Category: Administrative

Implementation Status: Implemented

127. Acquisition of Assets

Recommendation

The National Assembly directed that the Accounting Officer to furnish the Assembly with the log book for vehicle KCT 850Y (Nissan patrol) within three (3) months after the adoption of the report.

Management Response

The Management submitted that ss per the Committee directions, copies of logbooks for KCT 850Y and KCT 789Y are available and will be duly submitted to the Committee

Conclusion on status

The Management submitted the National Assembly had not been furnished with the copies of logbooks for KCT 850Y and KCT 789Y as recommended.

Recommendation Category: Administrative

Implementation Status: Not Implemented

128. Budgetary Control and Performance

Recommendation

The National Assembly recommended that the Accounting Officer should ensure that there is a realistic revenue target and comprehensive forecasting when preparing revenue projections and expenditure outlays.

Management Response

The Management submitted that the project Management has since implemented proper planning on its budget making process by making realistic achievable targets

Conclusion on status

Although the Management submitted that the project Management has since implemented proper planning on its budget making process by making realistic achievable targets, there was no information on actions taken that was provided.

Recommendation Category: Policy

Implementation Status: Not Implemented

129. Unauthorized Expenditure - Lack of an Approved Annual Workplan & Budget**Recommendation**

The National Assembly recommended that the Accounting Officer must ensure programmes are adequately funded and can be implemented within the stipulated time frame

Management Response

The Management submitted that this is well noted and the Accounting Officer has since implemented the PAC recommendations.

Conclusion on status

Although the Management submitted that the Accounting Officer has since implemented the PAC recommendations, there was no information on actions taken that was provided

Recommendation Category: Administrative

Implementation Status: Not Implemented

130. Unauthorized Motor Vehicle Repairs

Recommendation

The National Assembly recommended that the Accounting Officer must at all times ensure that pending bills are settled as first charge in subsequent financial year when preparing estimates of expenditure and revenues of the entity in conformity with the strategic plan pursuant to the provisions of Section 68(2) (h) of the Public Finance Management Act, 2012

Management Response

The Management submitted that the two pending bills and all other verified pending bills pertaining to previous years have since been paid.

Conclusion on status

The Management had implemented the recommendations as recommended

Recommendation Category: Administrative

Implementation Status: Implemented

131. Unsupported Disbursements

Recommendation

The National Assembly recommended that the Accounting Officer must ensure programmes are adequately funded and can be implemented within the stipulated time frame;

Management Response

The Management submitted that the Public Universities are Semi-Autonomous Government Agencies which expend their budgets independently and are audited independently. Disbursements are made on the basis of budgets and not on the basis of supporting documents provided.

Conclusion on status

The Management did not provide documents to support on measures taken to programmes are adequately funded and can be implemented within the stipulated time frame.

Recommendation Category: Administrative

Implementation Status: Not Implemented

132. Unsupported Disbursements

Recommendation

The National Assembly recommended that the Accounting Officer must at all times ensure that they prepare estimates of expenditure and revenues of the entity in conformity with the strategic plan pursuant to the provisions of Section 68 (2)(h) of the Public Finance Management Act, 2012.

Management Response

The Management submitted that the Accounting Officer had since written to all universities to avail the required documents to the office of the Auditor General.

Conclusion on status

The Accounting Officer did not provide documents to support on measures taken to ensure that they prepare estimates of expenditure and revenues of the entity in conformity with the strategic plan pursuant to the provisions of Section 68 (2)(h) of the Public Finance Management Act, 2012 hence the recommendation had not been implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

133. Budget and Budgetary Control

Recommendation

The National Assembly recommended that the Accounting Officer must ensure programmes are adequately funded and can be implemented within the stipulated time frame.

Management Response

The Management submitted that the Accounting Officer is in constant communication with The National Treasury to ensure programmes are adequately funded.

Conclusion on status

The Accounting Officer did not provide documents to support on measures taken to ensure programmes are adequately funded and can be implemented within the stipulated time frame hence the recommendation had not been implemented

Recommendation Category: Administrative

Implementation Status: Not Implemented

134. Proposed Construction of Design and Manufacturing Block at Dedan Kimathi University of Technology

Recommendation

The National Assembly recommended that the Accounting Officer provides a status update to the National Assembly within three (3) months of adoption of the report.

Management Response

The Management had prepared the status report.

Conclusion on status

Management had prepared a status report however, there was no evidence it was submitted to the National Assembly within three months after adoption of the report.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

135. Delayed Completion of Projects

Recommendation

The National Assembly recommended that the Accounting Officer provides a status update to the Assembly within three (3) months of adoption of the report.

Management Response

The Management had prepared the status report.

Conclusion on status

Management had prepared a status report however, there was no evidence it was submitted to the National Assembly within three months after adoption of the report .

Recommendation Category: Administrative

Implementation Status: Partially Implemented

136. Inaccuracies in the Financial Statements

Recommendation

The National Assembly recommended that the Accounting Officer must institute internal administrative action on responsible officers and report to the Committee within one (1) month of adoption of the report

Management Response

The Management submitted that the cumulative receipts decline was caused by fluctuations in currency. The financial statements were amended in the subsequent year and submitted to the auditor general. The project has since come to a close. The project accountant and head of accounting unit have since been transferred.

Conclusion on status

The Accounting Officer did not provide any evidence of administrative action taken by the Accounting Officer on responsible officer neither was report submitted to the National Assembly.

Recommendation Category: Administrative

Implementation Status: Not Implemented

137. Defects and Delays in Delivery of Equipment to Various Universities**Recommendation**

The National Assembly recommended that the Accounting Officer avails a matrix on implementation of various recommendations, within three (3) months of adoption of the report

Management Response

The Management submitted that the Office of the Attorney General rendered the final advisory through letter Ref. No. AG/GL/10-16/19 dated 15th December, 2021. The Ministry also sought the approval of the African Development Bank to implement the recommendations from the Office of the Attorney General which was granted on 20th June 2022 through a letter Ref. No. AFDB/RDGE/LTR/2022/06/056. The African Development Bank directed that the uncommitted sum of Kshs. 36,610,791.00 resulting from levying liquidated damages be remitted to AfDB to offset part of the loan advanced under the Project.

Conclusion on status

Management provided information on actions taken. However, there was no evidence an implementation matrix was submitted to the Assembly within three months of adoption of the report.

Recommendation Category: Administrative

Implementation Status: Not Implemented

138. Budgetary Control and Performance

Recommendation

The National Assembly submitted that the Accounting Officer must ensure programmes are adequately funded and can be implemented within the stipulated time frame

Management Response

The Management submitted that the Accounting Officer is in constant communication with The National Treasury to ensure projects are adequately funded.

Conclusion on status

Management submitted the Accounting Officer is in constant communication with The National Treasury to ensure projects are adequately funded. However, there was no evidence provided on action taken.

Recommendation Category: Administrative

Implementation Status: Not Implemented

139. Acquisition of assets

Recommendation

The National Assembly directed that the Accounting Officer to provide a status report on the completion of the project within three (3) months of adoption of the report

Management Response

The Management submitted that the project has since been moved to the State Department of ICT and could not taken further action.

Conclusion on status

Management submitted that the project has since been moved to the State Department of ICT and could not take any further action. However, a status report was on the current status was not submitted as recommended.

Recommendation Category: Administrative

Implementation Status: Not Implemented

140. Loss of Project Vehicle

Recommendation

The National Assembly reprimanded the Accounting Officer for failure to resolve prior year matters as required by Section 68 (2) (I) of the PFM Act, 2012 and further recommended that the Accounting Officer avails a matrix on implementation of various recommendations, within three (3) months of adoption of the report

Management Response

The Management submitted that the vehicle was reported at Ruaka police post as stolen on 7th August, 2019 by one Vincent Obwao Mukobe, a driver in the Ministry. The then officer in charge of transport in the State Department, Johnstone Nyanumba wrote a statement which was submitted to the Directorate of Criminal Investigations vide our letter ref. MOE/ADM/2/8 Vol. XI dated 19th November, 2019 requested for a copy of the motor vehicle log book to assist in investigations. This was sent immediately via our letter ref. MOE.ADM/2/8 VOL.XI dated 19th November, 2019. We have subsequently made several follow-ups vide our letters reference MOE/ADM/2/8 VOL.XI dated 17th December, 2019; MOE/ADM/2/8 VOL.XI dated 19th October, 2020; MOE/ADM/2/8 VOL.XIII (26) dated 12th October, 2021 and MOE/ADM/2/8 VOL.XIII (27) dated 10th January, 2022. This was to confirm that to date we have not received any response on the matter from the investigation body. The motor vehicle report was provided.

Conclusion on status

Although the Management had obtained information on the status of the case, the report was not submitted to the National Assembly as recommended.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

141. Budgetary Control and Performance

Recommendation

The National Assembly recommended that Accounting Officer must ensure programmes are adequately funded and can be implemented within the stipulated time frame

Management Response

The Management submitted that the Accounting Officer is in constant communication with The National Treasury to ensure projects are adequately funded.

Conclusion on status

Management submitted that the Accounting Officer is in constant communication with The National Treasury to ensure projects are adequately funded. However, there was no evidence provided on action taken.

Recommendation Category: Administrative

Implementation Status: Not Implemented

142. CESAAM Office Block Design**Recommendation**

The National Assembly recommended that the Accounting Officer avails all requisite documentation to the Auditor General for subsequent audit.

Management Response

The Accounting Officer did not submit any response on actions taken.

Conclusion on status

The recommendation has not been implemented since the Accounting Officer did not provide any information on action taken.

Recommendation Category: Administrative

Implementation Status: Not Implemented

STATE DEPARTMENT FOR EARLY LEARNING AND BASIC EDUCATION – VOTE 1066

143. Compensation of Employees

Recommendation

The National Assembly recommended that the Accounting Officer liaises with all related offices and streamlines expenditure returns, and ensures prompt submission

Management Response

The Management submitted that the Accounting Officer has streamlined the process of getting expenditure returns from foreign missions and currently they are received on time and any funds that are not spent are recovered in the subsequent year's AIE funding.

Conclusion on status

The Accounting Officer has implemented the recommendation as evidence in the expenditure returns in subsequent year (2023/24) which were received on time.

Recommendation Category: Administrative

Implementation Status: Implemented

144. Budgetary control and performance

Recommendation

The National Assembly recommended that the Accounting Officer must ensure programmes are adequately funded and can be implemented within the stipulated time frame

Management Response

The Management submitted that the Accounting Officer has fast tracked and ensured that most programmes are undertaken in good time during the financial year so as to be funded in time instead of being undertaken later in the financial year.

Conclusion on status

Although the Management submitted that the Accounting Officer has fast tracked and ensured that most programmes are undertaken in good time during the financial year so as to be funded in time instead of being undertaken later in the financial year, there was no information provided on actions taken to implement the recommendation.

Recommendation Category: Administrative

Implementation Status: Not implemented

145. Pending Bills

Recommendation

The National Assembly recommended that the Accounting Officer must at all times ensure that pending bills are listed as first charge in subsequent financial year when preparing estimates of expenditure and revenues of the entity in conformity with the strategic plan pursuant to the provisions of Section 68(2) (h) of the Public Finance Management Act, 2012

Management Response

The Management submitted that the failure to settle bills in the year was due to lack of Exchequer release from The National Treasury. The Accounting Officer had ensured that all pending bills at the end of a particular financial year are listed as first charge in the following financial year.

Conclusion on status

The Management had settled the pending bills as first charge where exchequer had been provided.

Recommendation Category: Administrative

Implementation Status: Implemented

146. Use of Expired Contract-Service of Lifts in Jogoo House

Recommendation

The National Assembly recommended that the procuring agent ensures renewals of service contracts promptly, before expiry.

Management Response

The Management submitted that the Accounting Officer has ensured that Contracts for the servicing of lifts are renewed promptly before they expiry.

Conclusion on status

The Management has implemented the recommendation by ensuring that all service contracts have been renewed before their expiry.

Recommendation Category: Administrative

Implementation Status: Implemented

147. Use of Expired Lease Agreements

Recommendation

The National Assembly recommended that the Accounting Officer ensures renewals of lease agreements promptly, before expiry

Management Response

The Management submitted that the Accounting Officer has ensured that all lease agreements are renewed promptly and before their expiry.

Conclusion on status

The Management had ensured that all service contracts have been renewed before their expiry.

Recommendation Category: Administrative

Implementation Status: Implemented

148. Recommendation on unresolved prior year matters

Recommendation

The National Assembly recommended that the Accounting Officer ensures resolution of all outstanding prior year matters within one (1) month of adoption of this report by the House

Management Response

The Management submitted that the Accounting Officer had ensured that prior year matters raised in audit reports are resolved immediately they are raised.

Conclusion on status

Although the Management submitted that prior year matters raised in audit reports are resolved immediately there are raised, some matters were still outstanding.

Recommendation Category: Administrative

Implementation Status: Partially implemented.

STATE DEPARTMENT FOR POST TRAINING AND SKILLS DEVELOPMENT – VOTE 1068

149. Pending Bills

Recommendation

The National Assembly recommended that the Accounting Officer must at all times ensure that pending bills are settled as first charge in subsequent financial year when preparing estimates of expenditure and revenues of the entity in conformity with the strategic plan pursuant to the provisions of section 68(2) (h) of the Public Finance Management Act, 2012

Management Response

The State Department does no longer exist as a state department as the services were transferred to Ministry of Labour and Social Protection under the State department for Labour and Skills Development as a department within the State department. The recommendation is no longer applicable.

Conclusion on status

The recommendation is no longer applicable.

Recommendation Category: Administrative

Implementation Status: No longer Applicable

150. Omitted Rental and Disposal of Assets Income

Recommendation

The National Assembly recommended that the Accounting Officer should always ensure that the records are reconciled and analyzed with necessary supporting documents and submitted to the Auditor General in compliance with provisions of Section 68 (2) of the PFM Act 2012.

Management Response

The Management submitted that the ministry acknowledges the recommendation and endeavors to adhere to the provisions of Sec 68 (2) of the PFM Act 2012.

Conclusion on status

The management did not submit on measures taken to ensure that the records are reconciled and analyzed with necessary supporting documents and submitted to the Auditor General in compliance with provisions of Section 68 (2) of the PFM Act 2012.

Recommendation Category: Administrative

Implementation Status: Not Implemented

151. Non-Payment of Pending Bills

Recommendation

The National Assembly recommended that the Accounting Officer to within a month of adoption of the report for a taskforce/ Committee to audit and negotiate the awards with a view of the awardees forfeiting interest.

Management Response

The Management submitted that the Ministry, in conjunction with the Office of the Attorney General is carrying out an audit to establish the status of all legal pending bills. Further the Management submitted that it is imperative to note that before payment /settlement of any court awards, the Office of the Attorney General primarily forms a committee whose mandate is to negotiate with the awardees with the aim of forfeiting interest.

Conclusion on status

The Accounting Officer submitted that The Ministry in conjunction with the Office of the Attorney General is carrying out an audit to establish the status of all legal pending bills

and that before payment /settlement of any court awards and the Office of the Attorney General formed a committee whose mandate is to negotiate with the awardees with the aim of forfeiting interest. However, there was no evidence provided to confirm the existence of the task force or the status of the pending bills.

Recommendation Category: Administrative

Implementation Status: Not Implemented

152. Unresolved Prior Year Audit Matters

Recommendation

The National Assembly reprimanded that the Accounting Officer failure to resolve prior year matters as required by Section 68 (2) (I) of the PFM Act, 2012. The National Assembly further recommended that the Accounting Officer avails a matrix on implementation of various recommendations, within three (3) months of adoption of the report

Management Response

The Management submitted that the Ministry acknowledges the recommendation and undertakes to ensure compliance with Section 68 (2) (I) of the PFM Act, 2012.

Conclusion on status

The Management did not submit a matrix on implementation of various recommendations, within three (3) months of adoption of the report.

Recommendation Category: Administrative

Implementation Status: Not Implemented

153. Failure to Prepare Financial Statements

Recommendation

The National Assembly recommended that the Accounting Officer must institute internal administrative action on responsible officers within one (1) month of adoption of the report

Management Response

The Management submitted that the Ministry acknowledges the recommendation and undertakes to ensure compliance with Section 68 (2) (I) of the PFM Act, 2012Section 68 (2) of the PFM Act 2012;

Conclusion on status

The management did not avail evidence to confirm that internal administrative action on responsible officers was instituted within one (1) month of adoption of the report.

Recommendation Category: Administrative

Implementation Status: Not Implemented

**154. Relocation of the Hospital- Mathari National Teaching and Referral Hospital
Recommendation**

The National Assembly recommended that the Accounting Officer avails a status report on the relocation exercise within three months of adoption of the report.

Management Response

The Management submitted that the hospital is waiting for funding of the project from The National Treasury.

Conclusion on status

The management did not provide evidence on budgetary allocations/ requests to The National Treasury regarding the exercise. Further, there was no evidence a status report was submitted to the Assembly as recommended.

Recommendation Category: Administrative

Implementation Status: Not Implemented

155. Renovation Works**Recommendation**

The National Assembly recommended that the Accounting Officer prepare and submit a report to the Assembly detailing progress of works and amounts appropriated and expensed in the project within three (3) months after adoption of the report

Management Response

The Management submitted that the Renovation works are 100% complete.

Conclusion on status

Management submitted that the renovation works are 100% complete. However, there was no evidence submitted to confirm that the renovations were complete (certificate of completion) and whether the Accounting Officer submitted a report detailing progress of

works and amounts appropriated and expensed in the project within three (3) months after adoption of the report.

Recommendation Category: Administrative

Implementation Status: Not Implemented

156. Dilapidated Sections of Administration Block

Recommendation

The National Assembly submitted that the Accounting Officer should within three months (3) of tabling and adoption of the report, liaise with The National Treasury on allocation of adequate resources towards the ultimate completion of the project.

Management Response

The Management submitted that the administration block has been refurbished and is now in good condition.

Conclusion on status

Management submitted that the administration block has been refurbished and is now in good condition. However, there was no evidence provided to confirm that The National Treasury allocated adequate resources towards the ultimate completion of the project and that administration block has been refurbished and is now in good condition as no certificate of work done was provided.

Recommendation Category: Administrative

Implementation Status: Not Implemented

157. Lack of Training Needs Assessment

Recommendation

The National Assembly instructed the Accounting Officer to conduct a Training needs Assessment for the Ministry and report to the Assembly within three (3) months after adoption of the report

Management Response

The Accounting Officer submitted that The Training Needs Assessment activity was approved by the authorized officer vide minutes of the Human Resource Development Committee (HRDC) meeting held on 25th October,2023 and that the State Department is in the process of carrying out the Training Needs Assessment.

Conclusion on status

Management submitted that The Training Needs Assessment activity was approved by the authorized officer vide minutes of the Human Resource Development Committee (HRDC) meeting held on 25th October, 2023 and that the State Department is in the process of carrying out the Training Needs Assessment. However, there was no evidence provided to confirm that the assessment was conducted and that a training needs assessment was being developed.

Recommendation Category: Administrative

Implementation Status: Not Implemented

158. Residential Housing Units**Recommendation**

The National Assembly submitted that the Accounting Officer should ensure that the two hundred and thirty-five (235) housing units at Mathari Teaching and Referral Hospitals whose values had not been disclosed be included in the fixed asset register balance

Management Response

The Management submitted that needs assessment was done by Ministry of Lands Housing and Urban Development. The houses are under the Ministry Lands Housing and Urban Development hence cannot be included in the Hospitals fixed assets register.

Conclusion on status

Management submitted that the houses are under the Ministry Lands Housing and Urban Development hence cannot be included in the Hospitals fixed assets register. However, the Management did not provide the way forward as the building were located in the Ministry land.

Recommendation Category: Administrative

Implementation Status: Not Implemented

159. Undisclosed Land and Buildings**Recommendation**

The Committee recommended that the Accounting Officer should ensure that a complete fixed asset register is maintained pursuant to Regulation 143(1) of the PFM (National Government) Regulations 2015.

Management Response

The Management submitted that the Ministry has since updated the Fixed Assets Register in line with the new template provided by The National Treasury in compliance with Regulation 143(1) of the PFM (National Government) Regulations, 2015.

Conclusion on status

Management submitted that the Ministry has since updated the Fixed Assets Register in line with the new template provided by The National Treasury in compliance with Regulation 143(1) of the PFM (National Government) Regulations, 2015. However, there was no complete asset register provided for verification.

Recommendation Category: Administrative

Implementation Status: Not Implemented

160. Motor Vehicle Records**Recommendation**

The National Assembly recommended that the Accounting Officer should ensure that a complete fixed asset register is maintained pursuant to Regulation 143(1) of the PFM (National Government) Regulations 2015

Management Response

The Management submitted that the Motor vehicles are in possession of Mathari National Teaching and Referral Hospital with logbooks for each hospital. The Ministry has since updated the Fixed Assets Register in line with the new template provided by The National Treasury.

Conclusion on status

Management submitted that the Accounting Officer has submitted that the Motor vehicles are in possession of Mathari National Teaching and Referral Hospital with logbooks for each hospital and that the Ministry has since updated the Fixed Assets Register in line with the new template provided by The National Treasury. However, there was no complete assets register provided for verification.

Recommendation Category: Administrative

Implementation Status: Not Implemented

161. Preparation and Presentation of CR No. 4732 (KEMSA) and CR No. 5616 (MOH) Financial Statements.

Recommendation

The National Assembly recommended that the Accounting Officer must institute internal administrative action on officers responsible within one (1) month of adoption of the report.

Management Response

The Management submitted that the Ministry acknowledges the recommendation and undertakes to ensure compliance with provisions of Section 68(2) of the PFM Act 2012.

Conclusion on status

Management submitted that the Ministry acknowledges the recommendation and undertakes to ensure compliance with provisions of Section 68(2) of the PFM Act 2012. However, there is no evidence provided to confirm that the Accounting Officer instituted internal administrative action on officers responsible within one (1) month of adoption of the report.

Recommendation Category: Administrative

Implementation Status: Not Implemented

162. Unresolved Prior Years Audit Matters - Receivables

Recommendation

The National Assembly reprimanded the Accounting Officer for failure to resolve prior year matters as required by Section 68 (2) (I) of the PFM Act, 2012. The National Assembly further recommended that the Accounting Officer avails a matrix on implementation of various recommendations, within three (3) months of adoption of the report

Management Response

The Management submitted that the Ministry acknowledges the recommendation and undertakes to ensure compliance with provisions of Section 68(2) of the PFM Act 2012.

Conclusion on status

The Accounting Officer did not avail any evidence to confirm that the Accounting Officer developed and provided a matrix on implementation of various recommendations, within three (3) months of adoption of the report.

Recommendation Category: Administrative

Implementation Status: Not Implemented

163. Cash and Cash Equivalents

Recommendation

The National Assembly recommended that the Accounting Officer should ensure that reconciliations are done in time and the complete financial statements submitted to the Auditor General in time as provided for in Article 229 (4)(h), and Section 81(4)(a) of the Public Finance Management Act, 2012

Management Response

The Management submitted that the Ministry undertakes to ensure compliance with Article 229 (4)(h), and Section 81(4)(a) of the Public Finance Management Act, 2012.

Conclusion on status

Management submitted that the Ministry undertakes to ensure compliance with Article 229 (4)(h), and Section 81(4)(a) of the Public Finance Management Act, 2012. However, there was no evidence provided to confirm the measures taken by the Accounting Officer to ensure reconciliations are done in time and the complete financial statements submitted to the Auditor General in time.

Recommendation Category: Administrative

Implementation Status: Not Implemented

164. Unsupported Bank Balances and transfers to counties

Recommendation

The National Assembly recommended that the Accounting Officer should within one (1) month of adoption of the report, prepare and submit to the Auditor General supported account bank balances and respective schedules for audit verification

Management Response

The Management submitted that the Project Account was closed following a letter authorizing the closure from The National Treasury dated 28th June 2022.

Conclusion on status

Although the Accounting Officer has submitted that the Project Account was closed following a letter authorizing the closure from The National Treasury dated 28th June

2022 there is no evidence provided to confirm whether the information was submitted to the Auditor General before the project was closed.

Recommendation Category: Administrative

Implementation Status: Not Implemented

165. Closure of the Project Account

Recommendation

The National Assembly recommended that the Accounting Officer provide the National Assembly a report on the finalization of this matter within three (3) months after adoption of the report

Management Response

The Management submitted that the Project Account was closed following a letter authorizing the closure from The National Treasury dated 28th June 2022.

Conclusion on status

Management submitted that the Project Account was closed following a letter authorizing the closure from The National Treasury dated 28th June 2022. However, there is no evidence that was provided to confirm whether a status report was provided to the Assembly within three (3) months after adoption of the report.

Recommendation Category: Administrative

Implementation Status: Not Implemented

166. Closure of the Programme Account

Recommendation

The National Assembly recommended that the Accounting Officer should report to the Assembly within three (3) months after adoption of the report, the status in the closure of this project as well as furnish the Committee with a copy of the audit report

Management Response

The Management submitted that the Ministry acknowledged the Recommendation and has initiated the closure of the project.

Conclusion on status

The Management did not avail any evidence to confirm that the Accounting Officer reported to the Assembly within three (3) months after adoption of the report, the status in the closure of this project as well as furnished them with a copy of the audit report. .

Recommendation Category: Administrative

Implementation Status: Not Implemented

167. Unaccounted for Imprest**Recommendation**

The National Assembly recommended that the Accounting Officer avails a matrix on implementation of various recommendations, within three (3) months of adoption of the report

Management Response

The Management submitted that the issue is still under the court process.

Conclusion on status

Management submitted that the issue is still under the court process. However, there is no evidence to confirm that the Accounting Officer provided a matrix on implementation of various recommendations, within three (3) months of adoption of the report.

Recommendation Category: Administrative

Implementation Status: Not Implemented

168. Stolen Assets**Recommendation**

The National Assembly recommended that the Accounting Officer ensures recovery of the assets from those responsible and prosecution, within three (3) months of adoption of the report

Management Response

The Management submitted that some of the stolen items were bought in year 2014 and were at the counties and due to changes in County Governments the process of identifying the responsible persons then has been quite tedious and sometimes futile. The global fund program through The National Treasury has procured services to identify and

verify assets at the National level and Counties which is expected to be done by December 2024.

Conclusion on status

Management did not provide evidence to confirm measures taken by the Accounting Officer to recover the assets from those responsible and or referring them for prosecution, within three (3) months of adoption of the report.

Recommendation Category: Administrative

Implementation Status: Not Implemented

169. Asset register

Recommendation

The National Assembly recommended that within three (3) months of the adoption of the report, the Accounting Officer ensures the presence of a complete asset register for verification pursuant to the provisions of Section 68(2)(n) of the Public Finance Management Act, 2012

Management Response

The Management submitted that it was work in progress as the Ministry has contracted services to identify all assets bought by Global fund at the National and County level. Further, currently the contractor is carrying out asset verification and the exercise is expected to be finalized by December 2024.

Conclusion on status

Management did not provide evidence to confirm the assets were identified and time had already lapsed.

Recommendation Category: Administrative

Implementation Status: Not Implemented

170. Inaccuracies in Financial Statements

Recommendation

The National Assembly recommended that the Accounting Officer institutes internal administrative action on the concerned officers within one (1) month of adoption of the report

Management Response

The Management submitted that the Ministry acknowledges the Recommendations. Further Internal administrative action was taken through personnel reshuffle and instituting strong internal controls.

Conclusion on status

Management submitted that The Ministry acknowledged the Recommendations and Internal administrative action had been taken through personnel reshuffle and instituting strong internal controls. However, there was no evidence provided to confirm that the action taken.

Recommendation Category: Administrative

Implementation Status: Not Implemented

171. Budgetary Control and Performance**Recommendation**

The National Assembly recommended that the Accounting Officer submits status report of current attainment of programme objectives, within three (3) months of adoption of the report.

Management Response

The Management submitted that in the financial year under review, the Ministry did not receive a budget for Kenya Health Sector Programme Support III. This support was sent directly to the County Government of Kisii and as such the question may be directed to the County for their response

Conclusion on status

The Accounting Officer did not provide information to confirm whether status report of current attainment of programme objectives was submitted to the Assembly within three (3) months of adoption of the report.

Recommendation Category: Administrative

Implementation Status: Not Implemented

172. Human Resource Management-Lack of Annual Recruitment Plan and Over-Establishment in Some Cadres

Recommendation

The National Assembly submitted that the Accounting Officer should ensure that the Annual Recruitment plan is prepared for each financial year.

Management Response

The Management submitted that they noted the Recommendation and has implemented the directives thereof which include the following: the Accounting Officer has since been preparing Annual Recruitment Plans; the State Department in liaison with the Public Service Commission (PSC) and the State Department for Public Service are in the process of harmonizing the in-post staff with the approved establishment.

Conclusion on status

The Management submitted they had taken corrective action. However, they did not provide documents to support the assertion.

Recommendation Category: Administrative

Implementation Status: Not Implemented

173. Long Outstanding Inter-Project Borrowings

Recommendation

The National Assembly recommended that the Accounting Officer should submit the approval for inter- project borrowing to the Committee within three (3) months after adoption of the report

Management Response

The Management submitted that the two projects namely Kenya Transport Support Project (KTSSP) and National Transport Improvement Project (NUTRIP) has since been closed. All matters pertaining to Inter Project borrowing were addressed prior to project closure.

Conclusion on status

Management submitted the two projects had been closed and all matters pertaining to Inter Project borrowing were addressed prior to project closure. However, no evidence was provided to confirm the approval for inter- projects borrowing.

Recommendation Category: Administrative

Implementation Status: No Implemented.

174. Budgetary Control and Performance**Recommendation**

The National Assembly recommended that the Accounting Officer should take greater diligence, care and focus in the implementation of the budget as guided by regulation 43 of the PFM National Government Regulations, 2015

Management Response

The Management submitted that they noted the Committee's recommendation and had taken steps such as improved feedback mechanisms and stakeholder engagement to ensure greater diligence, care and focus in terms of budget implementation.

Conclusion on status

Management submitted that they had taken corrective actions. However, no evidence on measures taken to improve on budget implementation was provided.

Recommendation Category: Administrative

Implementation Status: Not Implemented

175. Lot 1: Kyeni – Kathanjire - Karurumo Road Works**Recommendation**

The National Assembly recommended that the Accounting Officer recovers liquidated damages from the previous contractor for delayed performance within three (3) months of adoption of the report;

Management Response

The Management submitted that the Contractor is yet to raise another IPC and the Contract was terminated in June 2021. The Liquidated Damages is to be deducted from the final Statement of Account. The finalization of Final Statement is awaiting the determination of the Arbitration Award where a case to set aside the award has been

lodged at the High Court. The Project was re-tendered in 2022 and has since been substantially completed. Currently the road is under the Defects Liability Period. We are waiting for a No Objection to issue the Provisional Acceptance Certificate. Enclosed please find our request to the Employer.

Conclusion on status

The Management submitted the contract was terminated and matter was under litigation hence the amount had not been recovered.

Recommendation Category: Administrative

Implementation Status: Not Implemented

176. Lot 2: Chuka- Kaanwa -Kareni Road

Recommendation

The National Assembly recommended that the Accounting Officer should submit a status report to the National Assembly within three (3) months after the report is adopted

Management Response

The Management submitted the following; Lot 2: Chuka- Kaanwa -Kareni Road Project was terminated in January 2021 and re-tendered in February 2022. The Road project was split into three sections/Lots for the re-tendering namely; a) Lot 1; Chuka- Kaanwa b) Lot 2; Kaanwa- Wakathite c) Lot3; Wakathite- Kareni. Lot 2 and 3 are substantially complete and are under the Defects Liability Period. The Management is waiting for a No Objection to issue the Provisional Acceptance Certificate. Lot 1 was also said to ongoing and the Progress Status Report has been prepared.

Conclusion on status

Although the Accounting Officer had completed the status report, there was no evidence that the report has been submitted to National Assembly as recommended..

Recommendation Category: Administrative

Implementation Status: Partially Implemented

177. Lot 5: Katuaa-Kee-Nunguni Road (20.5 km)-Makueni County**Recommendation**

The Accounting officer should provide evidence of sanctions taken against the contractor within three (3) months after this report is adopted by the House for review and reporting in the subsequent audit.

Response

The Project was terminated in March 2024 due to nonperformance by the Contractor. Following the termination, we carried out an assessment of outstanding works for retendering. The tender documents are ready and we are waiting for budgetary allocation for procurement process to commence. In addition, they are also preparing Final Statement with regard to the terminated contract.

Conclusion on status

Management submitted it had taken action as recommended.

Recommendation Category: Administrative

Implementation Status: Implemented

178. Lot 5: Katuaa-Kee-Nunguni Road (20.5 km)-Makueni County**Committee Recommendation**

The Accounting officer should provide evidence of rectification of the substandard work within three (3) months after this report is adopted by the House for review and reporting in the subsequent audit

Response

The Project was terminated in March 2024 due to nonperformance by the Contractor. Following the termination, we carried out an assessment of outstanding works for retendering. The tender documents are ready and we are waiting for budgetary allocation for procurement process to commence. In addition, they are also preparing Final Statement with regard to the terminated contract.

Conclusion on status

Management submitted it had terminated the contract and was retendering the work.

Recommendation Category: Administrative

Implementation Status: Implemented

179. Vacation of Site by the Consultant**Committee Recommendation**

The Accounting officer should submit a status report to the National Assembly within three (3) months after this report is adopted

Response

No response

Conclusion on status

Management did not provide response on action taken and hence the recommendation is deemed to have not been implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

180. Failure to Erect Publicity Signboards and Non-Adherence to Contract**Recommendation**

The National Assembly recommended that the Accounting Officer to provide a status report to the Assembly within three (3) months of adoption of the report

Management Response

The Management submitted that the publicity signboards were erected at strategic locations to give the project appropriate visibility. The interchange at KM00, Gitaru Interchange was not to be implemented under the Nairobi Western Bypass project but by Rehabilitation of James Gichuru Junction – Rironi highway project. The Construction of this interchange under the rehabilitation of James Gichuru Junction – Rironi Highway has already commenced.

Conclusion on status

Although the Management submitted a status report was prepared, there was no evidence the report was submitted to the National Assembly ..

Recommendation Category: Administrative

Implementation Status: Partially Implemented

181. Purchase of Goods and Services

Recommendation

The National Assembly recommended that the evidence of payments be provided to the Assembly within three (3) months of adoption of the report

Management Response

The Management did not submit any response.

Conclusion on status

The Accounting Officer did not submit any information on actions taken to implement the recommendations and hence the recommendation is deemed to have not been implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

182. Delay in Commencement of the Project

Recommendation

The National Assembly recommended that the Accounting Officer should provide to the Assembly a status report on the project within three (3) months of adoption of the report by the House. The Assembly will then make substantive recommendations in its next report as the matter was recurring.

Management Response

The Management submitted that a brief on the project status was prepared.

Conclusion on status

Although the Accounting Officer had completed the status report, there was no evidence that the report has been submitted to National Assembly as recommended.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

183. Lot 4: Upgrading of Lokichar-Loichangamatak Road 40KMs

Recommendation

The National Assembly recommended that the Accounting Officer should provide to the Assembly a status report on the project had since been completed within three (3) months

of adoption of the report. The Assembly will then make substantive recommendations in its next report as the matter was recurring.

Management Response

The Management submitted that the project was substantially completed, notification of defects ended and handed over to the Authority. All defects that had been noted had successfully been dealt with to the satisfaction of the Authority prior to issuance of the End of Defects Notification Period certificate. The road has since been put under maintenance through Performance Based Contracting under the Authority's Corridor D.

Conclusion on status

Although the Accounting Officer had completed the status report, there was no evidence that the report has been submitted to National Assembly as recommended.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

**184. Lot 3: Upgrading of Kalobeiyei River-Nadapal/Nakodok Road Project
77.20KMs**

Recommendation

The National Assembly recommended that The Accounting Officer should provide to the National Assembly a status report on the project within three (3) months of adoption of the report. The Assembly will then make substantive recommendations in its next report as the matter was recurring.

Management Response

The Management submitted that the project was substantially completed, notification of defects ended and handed over to the Authority. All defects that had been noted had successfully been dealt with to the satisfaction of the Authority prior to issuance of the End of Defects Notification Period certificate. The road has since been put under maintenance through Performance Based Contracting under the Authority's Corridor D.

Conclusion on status

Although the Accounting Officer had completed the status report, there was no evidence that the report has been submitted to National Assembly as recommended.,

Recommendation Category: Administrative

Implementation Status: Partially Implemented

**185. Lot 2: Upgrading of Lokitaung Junction-Kalobeiyei River Road Project
80KMs**

Recommendation

The National Assembly recommended that the Accounting Officer should provide to the Assembly a status report on the project within three (3) months of adoption of the report. The Assembly will then make substantive recommendations in its next report as the matter was recurring

Management Response

The Management submitted that the project was substantially completed, notification of defects ended and handed over to the Authority. All defects that had been noted had successfully been dealt with to the satisfaction of the Authority prior to issuance of the End of Defects Notification Period certificate. The road has since been put under maintenance through Performance Based Contracting under the Authority's Corridor D.

Conclusion on status

Although the Accounting Officer had completed the status report, there was no evidence that the report has been submitted to National Assembly as recommended..

Recommendation Category: Administrative

Implementation Status: Partially Implemented

186. Lot 1: Upgrading of Lodwar-Lokitaung Junction Road (80Km)

Recommendation

The National Assembly recommended that the Accounting Officer should provide to the Assembly a status report of the project within three (3) months of adoption of the report. The Assembly will then make substantive recommendations in its next report as the matter was recurring

Management Response

The Management submitted that the project was substantially completed, notification of defects ended and handed over to the Authority. All defects that had been noted had successfully been dealt with to the satisfaction of the Authority prior to issuance of the

End of Defects Notification Period certificate. The road has since been put under maintenance through Performance Based Contracting under the Authority's Corridor D.

Conclusion on status

Although the Accounting Officer had completed the status report, there was no evidence that the report has been submitted to National Assembly as recommended.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

187. Lot 0: Upgrading of Loichangamatak-Lodwar Road 50KMs

Recommendation

The National Assembly recommended that The Accounting Officer should provide to the Assembly a status report on the project within three (3) months of adoption of the report. The Assembly will then make substantive recommendations in its next report as the matter was recurring.

Management Response

The Management submitted that the project was substantially completed, notification of defects ended and handed over to the Authority. All defects that had been noted had successfully been dealt with to the satisfaction of the Authority prior to issuance of the End of Defects Notification Period certificate. The road has since been put under maintenance through Performance Based Contracting under the Authority's Corridor D.

Conclusion on status

Although the Accounting Officer had completed the status report, there was no evidence that the report has been submitted to National Assembly as recommended.,

Recommendation Category: Administrative

Implementation Status: Partially Implemented

188. Unlawful Employment of Foreigners in the Project

Recommendation

The National Assembly recommended that the Accounting Officer should henceforth ensure that work permits are applied for in earnest and renewed before expiry.

Management Response

The Management submitted that all contractor's foreign staff had valid work permits as at the time of project completion. The Authority has advised all its foreign contractors to be submitting their applications for work permits for their foreign staff well in advance of their expiries

Conclusion on status

The Accounting Officer had taken action to ensure that work permits are applied for in earnest and renewed before expiry as recommended.

Recommendation Category: Administrative

Implementation Status: Implemented

189. Acquisition of Non-Financial Assets

Recommendation

The National Assembly recommended that the Accounting Officer should liaise with NLC and prioritize and complete compensation.

Management Response

The Management submitted that it had noted the recommendation from the National Assembly and it endeavors to give priority to compensation. The Management has taken steps to ensure land compensation is given priority by creating independent budget lines for Land Compensation per specific project.

Conclusion on status

Although the Management submitted that it had taken steps to ensure land compensation is given priority by creating independent budget lines for Land Compensation per specific project there was no evidence that was provided to confirm the action taken hence the recommendation had not been implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

190. Hindrance of Traffic Passage

Recommendation

The National Assembly recommended that the Accounting Officer should submit a report to the National Assembly on the measures taken to rectify the road within three (3) months of adoption of the report.

Management Response

The Management submitted that they had noted the Committee's observations and recommendations. Further, the Authority's Management had in January 2022 instructed the works contractor to restore all traffic signs and lights that were vandalized to ensure road user safety. The contractor complied with the instructions given.

Conclusion on status

Although the Management indicated it had taken steps to address the concerns, there was no evidence a status report was not submitted to the Assembly as recommended..

Recommendation Category: Administrative

Implementation Status: Not Implemented

191. Unsupported Transfers from Government Entities**Recommendation**

The National Assembly recommended that the Accounting Officer should comply with the provisions of section 68 of the PFM Act, 2012 and keep proper records

Management Response

The Management submitted that the recommendation was well noted and compliance with the provision of section 68 of the PFM Act, 2012 has been adhered to. The Authority maintained it had always maintained proper accounting records.

Conclusion on status

Although the Management submitted that it had adhered to the provision of section 68 of the PFM Act, 2012, documentary evidence to confirm the concerns of the National Assembly were addressed comprehensively to ensure the non-compliance does not recur were not provided hence the recommendation was partially addressed.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

192. Un-Supported Land Compensation**Recommendation**

The National Assembly recommended that the Accounting Officer should liaise with NLC to prioritize and complete compensation.

Management Response

The Management submitted it had noted the recommendation from the Assembly and endeavors to give priority to compensation. The Management further submitted it had taken steps to ensure Land Compensation is given a priority by creating independent budget lines for Land Compensation per specific project. The Authority's failure to fully pay all PAPs was a result of inadequate budgetary provisions resulting from low sector ceilings hence accrual of pending bills.

Conclusion on status

Although the Management submitted it had taken action to ensure that land compensation is given a priority no documentary evidence was provided of any action taken to liaise with NLC or evidence of prioritized budget lines for compensation.

Recommendation Category: Administrative

Implementation Status: Not Implemented

193. Pending Bills**Recommendation**

The National Assembly recommended that the Accounting Officer should ensure pending bills form first charge as per the provisions of Regulation 42 of the Public Finance Management (National Government) Regulations, 2015

Management Response

The Management submitted that the pending bill of Kshs. 42,161,578 was settled at the beginning FINANCIAL YEAR 2021/2022 upon receipt of project funds from the Exchequer. Accrual of pending bills was a result of inadequate GoK budgetary allocations due to low sector ceilings.

Conclusion on status

The Management had settled the pending bills in the subsequent year hence recommendation was implemented.

Recommendation Category: Administrative

Implementation Status: Implemented

194. Pending Bills

Recommendation

The National Assembly recommended that the Accounting Officer should ensure pending bills form first charge as per the provisions of Regulation 42 of the Public Finance Management (National Government) Regulations, 2015. Failure to comply to this, the Accounting Officer should be sanctioned with disciplinary action as per the provisions of section 74 (4)(d) of the Public Finance Management Act, 2015.

Management Response

The Management submitted that they had noted the Committee's recommendations on prioritization of pending bills with annual allocated resources. Further, the Management submitted they had always complied with the legal requirement that pending bills form a first charge to resources allocated subject to budget line provisions and eventual receipts of Exchequer. Invoice no. 68887 dated 18th June 2021 for Kshs.5,765,256 from the Kenya Forest Service for restitution of damaged assets was received after the end of the Financial Year 2020/2021 hence could not be factored in the Project Financial Statements Financial Year 2020/2021. The full value of Kshs.5,765,256 was however recognized in subsequent Financial Year 2021/2022.

Conclusion on status

The Management had settled the pending bills for financial year 2020/21 although the balance keeps on increasing due to inadequate disbursement of the resources. The recommendation was partially implemented.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

195. Delayed Payments to Persons Affected by the Project

Recommendation

The National Assembly recommended that the Accounting Officer should prioritize and complete compensation.

Management Response

The Management submitted that it had noted the recommendation from the Committee and endeavors to give priority to compensation. The Management further submitted it had

taken steps to ensure Land Compensation is given a priority by creating independent budget lines for Land Compensation per specific project.

Conclusion on status

Although the Management submitted it had taken action to ensure that land compensation is given a priority no documentary evidence was provided of any action taken to create prioritized budget lines for compensation.

Recommendation Category: Administrative

Implementation Status: Not Implemented

196. Unreconciled Retentions Balance

Recommendation

The National Assembly recommended that the Accounting Officer should ensure that retention monies are promptly paid to the retention accounts after deduction from the payments to contractors.

Management Response

The Management submitted they had taken the necessary steps to ensure that the retention monies are promptly paid to the retention accounts at the time of paying the interim payment certificate.

Conclusion on status

Confirmation in subsequent audit 2023/24 confirmed the Management was promptly paying to the retention accounts at the time of paying the interim payment certificate.

Recommendation Category: Administrative

Implementation Status: Implemented

197. Unexplained Variance in Surplus for the Year

Recommendation

The National Assembly recommended that the Accounting Officer to reconcile the variance between the statement of financial assets and the statement of receipts and payments within three (3) months after adoption of the report.

Management Response

The Management submitted that they had reconciled the Statement of Receipts and Payments and the Statement of Financial Assets and established that the variance of

Kshs.22,570,7456 is the retention money withheld during the Financial Year 2020/2021 pending its release to the contractor upon attaining contractual milestones. This amount forms part of the project payables as shown in the project financial statements Financial Year 2020/2021.

Conclusion on status

The Management had reconciled the variance and established the cause of variation hence the recommendation had been implemented.

Recommendation Category: Administrative

Implementation Status: Implemented

198. Notice of Suspension of Works Due to Delayed Demolitions of Structures

Recommendation

The National Assembly recommended that the Accounting Officer should prioritize and complete compensation.

Management Response

The Management submitted that it had noted the recommendation from the Committee and endeavors to give priority to compensation of project affected persons. The Management had taken steps to ensure Land Compensation is given priority by creating independent budget lines for Land Compensation per specific project. The budgetary provisions are however inadequate to facilitate prompt payment of all awards to PAPs.

Conclusion on status

Although the Management submitted it had taken action to ensure that land compensation is given a priority no documentary evidence was provided of any action taken to create prioritized budget lines for compensation.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

199. Lack of Project Detailed Budget

Committee Recommendation

The Accounting Officer should always comply with the provisions of section 68 of the Public Finance Management Act, 2012 and section 9 (1) (e) of the Public Audit Act, 2015 on keeping and providing accurate accounting records

Management Response

No response

Conclusion on status

Management did not provide response on action taken and hence the recommendation is deemed to have not been implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

200. Nugatory Expenditure**Committee Recommendation**

The Accounting Officer should ensure that the provisions of Regulation 43 of the Public Finance Management (National Government) Regulation, 2015 are complied with so as to avoid wasteful expenditure.

Management Response

No response

Conclusion on status

Management did not provide response on action taken and hence the recommendation is deemed to have not been implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

201. Delays in Land Compensation**Recommendation**

The National Assembly recommended that The Accounting Officer should prioritize and complete compensation

Management Response

The Management submitted that it had noted the recommendation from the Committee and endeavors to give priority to compensation of project affected persons. The Management had taken steps to ensure Land Compensation is given priority by creating independent budget lines for Land Compensation per specific project.

Conclusion on status

Although the Management submitted it had taken action to ensure that land compensation is given a priority no documentary evidence was provided of any action taken to create prioritized budget lines for compensation.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

202. Unreconciled Retention Funds**Recommendation**

The National Assembly recommended the Accounting Officer should submit a detailed explanation of the overstatement of retentions balance by Kshs.5,629,532 to the Assembly within three (3) months of adoption of the report.

Management Response

The Management submitted they conducted further reconciliation of the project retention funds account and re-confirmed that there was no overstatement of retention amount of Kshs.5,629,532 as reported. The correct retention money held by the Authority remains Kshs.15,033,144 (Kshs.6,818,554 and Kshs.8,414,590 held from the road works contractor and relocation of oil and gas pipelines contractor respectively) as reported in the Project Financial Statements.

Conclusion on status

Although the Management submitted the retention funds had been reconciled, reconciliation statement was not provided neither evidence the same information was submitted to the National Assembly as recommended. The recommendation has not been implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

203. Undisclosed Surpluses**Recommendation**

The National Assembly recommended that the Accounting Officer to reconcile the variance between the statement of financial assets and the statement of receipts and payments within three (3) months after adoption of the report.

Management Response

The Management submitted that they had undertaken further reconciliation between the Statement of Financial Assets and the Statement of Receipts and Payments and reconfirmed that the surplus of Kshs.434,525 and Kshs.15,033,144 in the current and prior financial year represent the retentions held in the retention bank account. The Management further submitted that the reporting was in line with the Public Sector Accounting Standards Board revised reporting template for Financial Year 2020/2021.

Conclusion on status

Although the Management submitted that they had reconciled the variances, the Management did not provide the reconciliation of the two statements for review.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

204. Delayed Project Completion**Recommendation**

The National Assembly recommended that the Accounting Officer to submit to the Assembly the status report on the progress of the project within three (3) months after adoption of the report.

Management Response

The Management submitted that they had prepared the project status report.

Conclusion on status

Although the Management submitted that they had prepared a status report, they did not provide evidence the status report of the project was submitted to the National Assembly as recommended.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

205. Lack of Site Access Due to Legal Disputes**Recommendation**

The National Assembly recommended that that the Accounting Officer to submit to the National Assembly the status report on the litigation cases relating to the project within three (3) months after adoption of the report

Management Response

The Management submitted that they had prepared a status report on the litigation cases relating to the project.

Conclusion on status

Although the Management submitted that they had prepared a status report on the litigation cases relating to the project, there was no evidence provided it was submitted to the National Assembly. Consequently, the recommendation was partially implemented.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

206. Change in Project's Initial Scope due to Conflict in Design and Overlap with Another Project**Recommendation**

The National Assembly recommended that the Accounting Officer should submit a report to the National Assembly on the project cost for the new sites vis-a-vis the costs at the initial sites within three (3) months after adoption of the report.

Management Response

The Management submitted that a brief on the project cost for the new sites vis-à-vis the costs at the initial sites was prepared.

Conclusion on status

Although the Management submitted that a brief on the project cost for the new sites vis-à-vis the costs at the initial sites was prepared, there was no evidence it was submitted to the National Assembly. Consequently, the recommendation was partially implemented.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

207. Slow Uptake of Loan Disbursements**Recommendation**

The National Assembly recommended that the Accounting Officer should provide a report to the Assembly on the measures taken so as to ensure the project is completed within the requested extension period within three (3) months of adoption of the report

Management Response

The Management submitted that a brief report on measures put in place to ensure that the project is completed within the credit period on 31st December 2027 has been prepared.

Conclusion on status

The Accounting Officer did not submit a report to the Assembly on the measures taken so as to ensure the project is completed within the requested extension period within three (3) months of adoption of the report.

Recommendation Category: Administrative

Implementation Status: Not Implemented

208. Project Closure Report**Recommendation**

The National Assembly recommended that the Accounting Officer to submit to the National Assembly the evidence of approved AIA and the documents to confirm the interest disclosed, within three (3) months of adoption of the report.

Management Response

The Management submitted that they had taken steps to ensure Land Compensation is given a priority by creating independent budget lines for Land Compensation per specific project.

Conclusion on status

The Management did not submit to the National Assembly the evidence of approved AIA and the documents to confirm the interest disclosed, within three (3) months of adoption of the report.

Recommendation Category: Administrative

Implementation Status: Not Implemented

209. Pending Bills**Recommendation**

The National Assembly recommended that the Accounting Officer should prioritize and complete compensation.

Management Response

The Management submitted that they had taken steps to ensure Land Compensation is given a priority by creating independent budget lines for Land Compensation per specific project.

Conclusion on status

The Management did not avail any information on measures taken to prioritize and complete compensation.

Recommendation Category: Administrative

Implementation Status: Not Implemented

210. Project Closure Report**Recommendation**

The National Assembly reprimanded the Accounting Officer for failing to provide documents during audit contrary to section 62 of the Public Audit Act, 2015, and directed that he avails the project closure report within three (3) months of adoption of the report

Management Response

The Management submitted it is currently preparing Project Closure Reports for the seventeen completed development partner co-funded projects under the Management of KeNHA. This exercise is expected to be completed by 30th June 2025.

Conclusion on status

The Management has not yet prepared the project closure report one year since the recommendation was made.

Recommendation Category: Administrative

Implementation Status: Not Implemented

211. Un-surrendered Retention Money for Nyeri Region**Recommendation**

The National Assembly recommended that the Accounting Officer should transfer the retention money to the appropriate retention account within three (3) months of adoption of this report

Management Response

The Management submitted that they had taken the necessary steps to ensure that the retention monies are promptly paid to the retention accounts.

Conclusion on status

Although the Management submitted that they had taken the necessary steps to ensure that the retention monies are promptly paid to the retention accounts, no evidence that was provided to confirm the retention money in Nyeri was paid into retention account.

Recommendation Category: Administrative

Implementation Status: Not Implemented

212. Project Closure Report**Recommendation**

The National Assembly reprimanded the Accounting Officer for failing to provide documents during audit contrary to section 62 of the Public Audit Act, 2015, and directed that he submits the project closure report to the Assembly within three (3) months of adoption of the report.

Management Response

The Management submitted it is currently preparing Project Closure Reports for the seventeen completed development partner co-funded projects under the Management of KeNHA. This exercise is expected to be completed by 30th June 2025.

Conclusion on status

The Management has not yet prepared the project closure report one year since the recommendation was made

Recommendation Category: Administrative

Implementation Status: Not Implemented

213. Pending Bills on Land Compensation**Recommendation**

The Committee recommended that the Accounting Officer should avail evidence showing that NLC has completed compensation.

Management Response

The Management submitted that they are following up with NLC to provide the valuation report and basis for the amount awarded for the additional land parcel measuring 0.0047Ha. Upon clarification of the above, the Authority will make necessary arrangements to settle the revised award.

Conclusion on status

The Management did not avail documentary evidence of the current status of the compensation and report to the National Assembly. The recommendation has not been implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

214. Land Compensation**Recommendation**

The National Assembly recommended that the Accounting Officer should liaise with NLC to prioritize and complete compensation

Management Response

The Management submitted that it had noted the recommendation from the National Assembly and endeavors to give priority to compensation of project affected persons. The Management had taken steps to ensure Land Compensation is given priority by creating independent budget lines for Land Compensation per specific project.

Conclusion on status

Although the Management submitted it had taken action to ensure that land compensation is given a priority no documentary evidence was provided of any action taken to create prioritized budget lines for compensation.

Recommendation Category: Administrative

Implementation Status: Not Implemented

215. Programme Closure Report

Recommendation

The National Assembly reprimanded the Accounting Officer for failing to provide documents during audit contrary to section 62 of the Public Audit Act, 2015, and directed that he submits the project closure report within three (3) months of adoption of the report

Management Response

The Management submitted it is currently preparing Project Closure Reports for the seventeen completed development partner co-funded projects under the Management of KeNHA. This exercise is expected to be completed by 30th June 2025.

Conclusion on status

The Management has not yet prepared the project closure report one year since the recommendation was made

Recommendation Category: Administrative

Implementation Status: Not Implemented

216. Delays in Project Implementation

Recommendation

The National Assembly recommended that Accounting Officer should comply with the provisions of Section 53 (8) of the Public Procurement and Asset Disposal Act, 2015 which require an Accounting Officer not to commence any procurement unless satisfied that sufficient funds to meet the obligations of the resulting contract are reflected in its approved budget estimate.

Management Response

The Management did not provide any response.

Conclusion on status

The Management did not provide any information on action taken.

Recommendation Category: Administrative

Implementation Status: Not Implemented

217. Delays in Project Implementation

Committee Recommendation

The Accounting Officer to avail a plan of action of completion of the project, within three (3) months of adoption of this report.

Response

The management did not submit any response.

Conclusion on status

Management did not provide response on action taken.

Recommendation Category: Administrative

Implementation Status: Not Implemented

218. Programme Closure Report

Recommendation

The National Assembly reprimanded the Accounting Officer for failing to provide documents during audit contrary to section 62 of the Public Audit Act, 2015, and directed that he submits the project closure report within three (3) months of adoption of the report

Management Response

The Management submitted it is currently preparing Project Closure Reports for the seventeen completed development partner co-funded projects under the Management of KeNHA. This exercise is expected to be completed by 30th June 2025.

Conclusion on status

The Management has not yet prepared the project closure report one year since the recommendation was made

Recommendation Category: Administrative

Implementation Status: Not Implemented

219. Project Closure Report

Recommendation

The National Assembly reprimanded the Accounting Officer for failing to provide documents during audit contrary to Section 62 of the Public Audit Act, 2015, and directed that he avails a project closure report within three (3) months of adoption of the report.

Management Response

The Management submitted it is currently preparing Project Closure Reports for the seventeen completed development partner co-funded projects under the Management of KeNHA. This exercise is expected to be completed by 30th June 2025.

Conclusion on status

The Management has not yet prepared the project closure report one year since the recommendation was made

Recommendation Category: Administrative

Implementation Status: Not Implemented

220. Delay in Project Completion**Recommendation**

The National Assembly recommended that Accounting Officer to submit to the National Assembly the status report on the progress of the project within three (3) months after adoption of the report.

Management Response

The Management submitted they had noted the recommendation and prepared the latest project status reports containing the information required by the Assembly.

Conclusion on status

The status report was not provided to the National Assembly as recommended.

Recommendation Category: Administrative

Implementation Status: Not Implemented

221. Delay in Project Implementation**Recommendation**

The National Assembly recommended that the Accounting Officer should conduct a review of the planning and implementation process in order to prevent project delays

Management Response

The Management submitted that they had prepared the project status report on milestones achieved and revised project completion timelines.

Conclusion on status

The Management had conducted a review but did not provide information measures taken to prevent project delays.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

222. Delay in Project Implementation**Recommendation**

The National Assembly recommended that the Accounting Officer should ensure payment for certified works is prioritized to avoid interest on delayed payment which can lead to project cost escalation

Management Response

The Management submitted that they had prepared the project status report on milestones achieved and revised project completion timelines.

Conclusion on status

The Management did not provide information on measures taken to ensure payment for certified works is prioritized to avoid interest on delayed payment which can lead to project cost escalation.

Recommendation Category: Administrative

Implementation Status: Not Implemented

223. Pending Bills**Recommendation**

The National Assembly recommended that the Accounting Officer should liaise with NLC to prioritize and complete compensation

Management Response

The Management submitted that it had noted the recommendation from the Committee and endeavors to give priority to compensation of project affected persons. The Management had taken steps to ensure Land Compensation is given priority by creating independent budget lines for Land Compensation per specific project.

Conclusion on status

Although the Management submitted it had taken action to ensure that land compensation is given a priority no documentary evidence was provided of any action taken to create prioritized budget lines for compensation.

Recommendation Category: Administrative

Implementation Status: Not Implemented

224. Low Absorption of Project Funds**Recommendation**

The National Assembly recommended that the Accounting Officer to submit to the Assembly the status report on the progress of the project within three (3) months after adoption of the report.

Management Response

The Management submitted that they had prepared the project status report on milestones achieved and revised project completion timelines.

Conclusion on status

The Management did not provide any evidence to confirm whether the status report on the progress of the project was submitted to the National Assembly within three (3) months after adoption of the report.

Recommendation Category: Administrative

Implementation Status: Not Implemented

225. Budgetary Control and Performance**Recommendation**

The National Assembly recommended that the Accounting Officer should ensure adequate measures are put in place to ensure full realization of planned activities in the event of future pandemics

Management Response

The Management submitted that they had noted the National Assembly observations and recommendations and will abide with the advice given.

Conclusion on status

The Management did not provide information on action taken to ensure adequate measures are put in place to ensure full realization of planned activities in the event of future pandemics.

Recommendation Category: Administrative

Implementation Status: Not Implemented

STATE DEPARTMENT FOR TRANSPORT- VOTE 1092

The Management of The State Department for Transport did not avail any response on the following recommendations outlines in **Table 4** below:

Table 4: Recommendations made to the State Department for Transport

Audit Issue	Recommendation	Category
Project Closure Report - National Urban Transport Improvement Project Credit NO.5140 KE	226. The Committee reprimands the Accounting Officer for failing to provide documents during audit contrary to section 62 of the Public Audit Act, 2015, and directs that he avails a project closure report to the Committee within three (3) months of adoption of this report	Administrative
Project Closure Report - East Africa Trade and Transport Facilitation Project Ida Credit No. 4148-Ke and Credit NO. 4977-KE	227. The Committee reprimands the Accounting Officer for failing to provide documents during audit contrary to section 62 of the Public Audit Act, 2015, and directs that he avails a project closure report to the Committee within three (3) months of adoption of this report	Administrative
Pending Bills	228. The Accounting Officer should avail a status report within three (3) months of adoption of this report.	Administrative
Project Closure Report - East Africa Trade and Transport Facilitation Project (MOT/KRC COMPONENT) Credit NO.4148-KE and Credit NO. 4977-KE	229. The Committee reprimands the Accounting Officer for failing to provide documents during audit contrary to section 62 of the Public Audit Act, 2015, and directs that he avails a project closure report to the Committee within three (3) months of adoption of this report.	Administrative
Pending Bills	230. The Accounting Officer should ensure pending bills form first charge as per the provisions of Regulation 42 of the Public Finance Management (National Government) Regulations, 2015	Administrative
Low Absorption of Project Funds	231. The Accounting Officer should submit the status report on efforts to revive and complete the project to the National Assembly within three (3) months of adoption of the report	Administrative
Consultancy Services for Rehabilitation of Jomo Kenyatta International	232. The Accounting Officer should submit a justification and status report of the rehabilitation of the terminals to the Auditor General for audit of the subsequent financial year	Administrative

Source: OAG Analysis of Tracked Recommendations and Management Responses

Conclusion

In the circumstances, it was not possible to confirm whether they were implemented.

Implementation Status: Not Implemented

STATE DEPARTMENT FOR SHIPPING AND MARITIME – VOTE 1093

233. Pending Bills

Recommendation

The National Assembly recommended that the Accounting Officer should ensure that pending bills are settled as a first charge pursuant to the regulation 42 of the PFM (National Government) Regulations, 2015

Management Response

The Management submitted that out of the Kshs.8,666,783 pending bills for the year 2020/2021, a total of Kshs.7,449,913 has been paid. The unpaid pending bills amounting to Kshs.1,216,870 have been forwarded to pending bills Committee for verification.

Conclusion on status

Although the Management submitted that they had paid Kshs. 7,449,913, they provided evidence supporting payments amounting to of Kshs. 5,913,783. The Management did not provide any evidence of having settled the balance of Kshs. 1,536,130 indicated to have been paid. The Department further did not settle the amounts as a first charge.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

234. Interest on Delayed Settlement of Award

Recommendation

The National Assembly recommended that the Accounting Officer to avail a status report to the National Assembly within three (3) months of adoption of the report.

Management Response

The Management submitted that the State Department for Housing and Urban Development has since made the payment of interest amounting to Kshs. 24,212,628 to Khimji Seyani and Karsan Khimji Seyani in a Nairobi case HC ELC NO.476 of 2012. And the matter is considered closed.

Conclusion on status

Although the Management submitted that they had settled the matter, they did not submit evidence on whether a status report was prepared and submitted to National Assembly as recommended. The recommendation has not been implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

235. Contingent Liabilities

Recommendation

The National Assembly recommended that the Accounting Officer pursues negotiation to waive the accrued interest and prioritizes settlement

Management Response

The Management submitted that the State Department pursued negotiations and Nyoro Construction Co. Ltd has since been paid and the matter settled.

Conclusion on status

The recommendation has been implemented

Recommendation Category: Administrative

Implementation Status: Implemented

236. Uncollected Revenue from Government Houses

Recommendation

The National Assembly recommended that the Accounting Officer avails a total inventory of government houses including houses that have been alienated, within three months of adoption of the report.

Management Response

The Management submitted that the State Department has since done the following:

- (a) Awarded a contract (MTIHUDPW/SDHUD/CSHSF/046/2021-2022) for the development of a suitable Enterprise Resource Planning (ERP) System to ensure accurate amount is collected and accounted for as reflected by ERP system as per the occupancy rate;
- (b) The State Department has carried out a verification of all government houses to clean the House register. This included the removal of many boarded, abandoned and converted houses to other uses, in the State Department's register which couldn't reflect the real picture in the ground

Conclusion on status

Although the Management submitted a register of all government houses had been prepared, they did not provide information whether it was submitted to the National Assembly.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

237. Boarded Houses

Recommendation

The National Assembly recommended that the Accounting Officer avails a total inventory of government houses including houses that have been encroached, within three months of adoption of the report

Management Response

The Management submitted that the state department has done the analysis of boarded houses and a total of 2,502 houses were identified and removed from the register. A total

inventory of government houses including houses that have been encroached has since be prepared.

Conclusion on status

Although the Management submitted a register of all government houses had been prepared, they did not provide information whether it was submitted to the National Assembly.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

238. Abandoned Projects

Recommendation

The National Assembly recommended that the Accounting Officer should recover liquidated damages from the contractor for delayed performance pursuant to section 140 of the Public Procurement and Asset Disposal Act, 2015, within three (3) months of adoption of the report

Management Response

The Management submitted that the State Department confirmed that the mutual termination had been done and was just waiting for the exchequer release to discharge the contractor

Conclusion on status

The Management had mutually terminated the contract was waiting for the exchequer release to discharge the contractor. The recommendation has been partially implemented.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

239. Digitization of Estate Management

Recommendation

The National Assembly recommended that the State Department avails a status report to the Assembly within three (3) months of adoption of the report

Management Response

The Management submitted that the state department has awarded a contract for the development of a suitable Enterprise Resource Planning System; Contract number - MTIHUDPW/SDHUD/CSHSF/046/2021-2022.

Conclusion on status

Although the Management submitted it had taken action, there was no information provided to confirm whether the State Department provided a status report to the National Assembly within three (3) months of adoption of the report. The recommendation has been partially implemented.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

240. Pending Bills**Recommendation**

The National Assembly recommended that the Accounting Officer should ensure pending bills form first charge as per the provisions of Regulation 42 of the Public Finance Management (National Government) Regulations, 2015.

Management Response

The Management submitted that the pending bills arose from an insufficient budget provision in Financial Year 2020/21. However, in the Financial Year 2021/22 they received a budget provision of Kshs.100 million and cleared the pending bill amounting to Kshs.20,300,334.55.

Conclusion on status

The recommendation has been implemented

Recommendation Category: Administrative

Implementation Status: Implemented

241. Delayed Counterpart Funding**Recommendation**

The National Assembly recommended that the Accounting Officer for The National Treasury should comply with regulation 72 (6) of the Public Finance Management

(National Government) Regulations, 2015 which requires the National Government to appropriate counterpart funds appropriately

Management Response

The Management did not submit any response on the implementation of the recommendation.

Conclusion on status

The recommendation has not been implemented

Recommendation Category: Administrative

Implementation Status: Not Implemented

Kenya Urban Support Program- Counties & Municipalities

Recommendation

The National Assembly recommended the following for the donor funded project as outlined in **Table 5** below;

Table 5: Recommendations under Kenya Urban Support Programme

Audit Issue	Recommendation
Construction of Kaloleni Community Centre (Kisumu County)	242. The National Assembly recommended that the Accounting Officer should collaborate with the Kisumu County Government to ensure timely completion of the project and realization of value for money
Supply, Delivery, Installation, Commissioning and Testing of an Incinerator at TB Manyatta-Wajir Town. (Wajir Municipality)	243. The National Assembly recommended that the Accounting Officer should report on the status of the appeal to the National Assembly with three (3) months of adoption of this report
Construction of Central Fire Station and Fire Management System (Kisumu Municipality)	244. The National Assembly recommended that the Accounting Officer should recover liquidated damages from the contractor for the delayed project;
	245. The National Assembly recommended that the Accounting Officer should collaborate with the County Government to ensure timely completion of the project and realization of value for money; and
	246. The National Assembly strongly urged the County Government of Kisumu to carry out projects within their allocated budget
Construction of Qorahey Market in the Township Sub County (Garissa Municipality)	247. The National Assembly recommend that such projects should be structured to ensure that accountability of funds rests with the implementing agency.
Delay in Operationalization of Homabay Municipal Market (Homabay Municipality)	248. The National Assembly recommended that such projects should be structured to ensure that accountability of funds rests with the implementing agency
Upgrading to Bitumen Standards of Galbet Township Access Road (Garissa Municipality)	249. The National Assembly recommended recommends that such projects should be structured to ensure that accountability of funds rests with the implementing agency

Audit Issue	Recommendation
Delay in Commencement of Works and Advance Payment to Contractor	250. The National Assembly recommended that the Accounting Officer should collaborate with the County Government to ensure timely completion of the project and realization of value for money
Payment of Retention Money Before Completion of the Project - (Kitale Municipality)	251. The National Assembly recommended that such projects should be structured to ensure that accountability of funds rests with the implementing agency
Upgrading of Iftin-Waberi Access Road (Garissa Municipality)	252. The National Assembly recommended that such projects should be structured to ensure that accountability of funds rests with the implementing agency.
Motor Vehicle in the Name of Contractor	253. The National Assembly recommended that such projects should be structured to ensure that accountability of funds rests with the implementing agency
Delay in Disbursement of Project Funds from 838. County Revenue Fund (CRF) Account to Projects' Special Purpose Account	254. The National Assembly recommended that such projects should be structured to ensure that accountability of funds rests with the implementing agency
Kericho Municipality	255. The National Assembly recommended that such projects should be structured to ensure that accountability of funds rests with the implementing agency
Lodwar Municipality	256. The National Assembly recommended that such projects should be structured to ensure that accountability of funds rests with the implementing agency
Wajir Municipality	257. The National Assembly recommended that such projects should be structured to ensure that accountability of funds rests with the implementing agency
Over Expenditure/ Budget Over run-Construction of Roads in Industrial Area Site and Service Kabati (Naivasha Municipality)	258. The National Assembly recommended that the amount of Kshs.11,338,006 be surcharged against the responsible officer who made the unauthorized expenditure, within one (1) year of adoption of this report
Unapproved Inter-Account Borrowing by Counties and Municipalities	259. The National Assembly recommended that the county government avails approval for inter-account borrowing to the Accounting Officer within three (3) months of adoption of this report
Garissa County	260. The National Assembly recommended that the county government avails approval for inter-account borrowing to the Accounting Officer within three (3) months of adoption of this report
Trans Nzoia County	261. The National Assembly recommended that such projects should be structured to ensure that accountability of funds rests with the implementing agency.
Unsupported RTGS Payment (Lodwar Municipality)	262. The National Assembly recommended that such projects should be structured to ensure that accountability of funds rests with the implementing agency
Non- Registration of Heavy-Duty Refuse Compactor	263. The National Assembly recommended that the Kisumu County Government should take necessary steps to register the Heavy-Duty Refuse Contractor and provide a status report to the Committee within three (3) months of adoption of this Report.

Audit Issue	Recommendation
Upgrade of Otonglo Market	264. The National Assembly recommended that the county government should ensure proper maintenance of the security bond to guarantee safety during their operations
Proposed Completion of Low Volume Access Roads- (Kemri-OtongloTiengere-Rota Road)	265. The National Assembly recommended that the county government provide a status report of the project to the Committee within three (3) months of adoption of this report
Statement of Financial Assets	266. The National Assembly recommended that the county government balances the accounts and provides a status report to the Auditor General within three (3) months of adoption of this report
Trial Balance	267. The National Assembly recommended that the county government prepares complete and accurate financial statements and provides a status report to the Auditor General within three (3) months of adoption of this report
Statement of Cash Flows	268. The National Assembly recommended that the county government prepares complete and accurate financial statements and provides a status report to the Auditor General within three (3) months of adoption of this report
Lack of Approved Budget and Workplan	269. The National Assembly recommended that the County Government should comply with section 62 of the Public Audit Act, 2015, which mandates the Accounting Officer to ensure that all required documents are made available for verification during the audit process

Source: OAG Analysis of Tracked Recommendations and Management Responses

Management Response

The Management submitted that since these recommendations were to be implemented by the devolved governments where funds had been being transferred, the State department had no information on actions taken by the devolved units.

Conclusion on status

Without information on actions taken, the implementation status of these recommendations could not be confirmed.

Recommendation Category: Administrative

Implementation Status: Not Implemented

270. Pending Bills**Recommendation**

The National Assembly recommended that the Accounting Officer should ensure that pending bills are settled as first charge in the subsequent financial years as per the provisions of Regulation 42 of the Public Finance Management (National Government) Regulations, 2015.

Management Response

Management submitted that the pending bills forms the first charge in the subsequent years and at closure of 2020/2021 the State Department had a pending bill balance of Kshs.830,444,586 with the majority of them being transferred to the department under the stalled projects.

However, the department has reduced the total pending bills to a balance of Kshs.745,098,212 as at 30 June, 2023 despite lack of budgetary allocation for clearing of pending bills.

Conclusion on Status

Out of the outstanding pending bills balance of Kshs.830,444,560 as at 30 June, 2021, only a balance of Kshs.85,346,374 (10%) has been paid leaving an outstanding balance of Kshs.745,098,212 (90%). The Accounting officer has indicated that the main challenge is lack of sufficient budgetary allocation. The issue has not been adequately addressed and the interest may be charged on late payments. The recommendation has been not implemented.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

271. Long Outstanding Accounts Payable – Retention Money and Other Deposits**Recommendation**

The National Assembly recommended that the Accounting Officer should provide a status report to the National Assembly on the progress of the projects within three (3) months after adoption of the report.

Management Response

Management submitted that the accounts payable deposit has reduced from Kshs.587,676,280 as at as 30 June, 2021 to Kshs.295,969,926 as at 28 March, 2024. A status report of projects completion was been submitted to the National Assembly.

Conclusion on Status

Management has submitted a status report to the National Assembly hence the recommendation has been implemented.

Recommendation Category: Administrative

Implementation Status: Implemented

272. Termination of Contracts and Related Costs - Rehabilitation of Mtangawanda Jetty**Recommendation**

The National Assembly recommended that the Accounting Officer should claim for liquidated damages for delayed performance by contractors pursuant to Section 140 of the Public Procurement and Asset Disposal Act, 2015 and report to the National Assembly within three (3) months of adoption of the report.

Management Response

Management submitted that the project was completed at a final cost of Kshs.66,279,254 whereas the Project contract sum was Kshs.72,468,736. Therefore, despite the delay, the contract sum was not exceeded. The revised completion date was 12 August, 2020. However, the project was completed on 21 February, 2022 and there was therefore a seventy-seven (77) weeks (539 days) delay in project completion. The project liquidated damages charged at 0.005% of contract price per day translates to an amount of Kshs.1,953,032. The employer is currently holding retention money of Kshs.3,370,637 that will not be released to the contractor to cater for the liquidated damages.

Conclusion on Status

Management did not provide documents in support of computation for liquidated damages neither has the damages been recovered hence the recommendation has not been implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

273. Construction of Ndaou Sea Wall

Recommendation

The National Assembly recommended that the Accounting Officer should initiate recovery of the money from the contractor within one (1) month of adoption of the report pursuant to Section 140 of the Public Procurement and Asset Disposal Act, 2015.

Management Response

Management submitted a copy of letter from the Attorney-General on the restraining orders and court judgement/ruling attached on termination. The cost of completion of the pending and any defective works shall be recovered from the contractor pursuant to sub-clause 63.3 of the conditions of the contract. The cost will be determined after the execution, completion and remedying of any defects and all other expenses incurred by the employer. The completion works have already been awarded to another contractor and once the final cost is ascertained after completion, the employer will immediately initiate the recovery process.

Conclusion on Status

Management is awaiting for the work to be completed to determine the costs of the execution, completion and remedying of any defects and all other expenses incurred by the employer before recovery.

Recommendation Category: Administrative.

Implementation Status: Partially Implemented

274. Management of Projects Implemented by the State Department - Voi Pool Housing Project

Recommendation

The National Assembly recommended that the Accounting Officer provides a status report of completion of the remaining works within three (3) months of adoption of the report to the National Assembly.

Management Response

Management submitted that the existing contract has been wound up and is being handed over to the State Department for Housing and Urban Development for completion. A status report has been submitted to the National Assembly.

Conclusion on Status

A status report for the project has been provided as was recommended by the National Assembly. The recommendation has been implemented.

Recommendation Category: Administrative

Implementation Status: Implemented

275. Proposed Completion of Migori District Headquarters (Phase 1)**Recommendation**

The National Assembly reprimanded the Accounting Officer for failing to provide minutes that were not signed and confirmed, therefore lacking authenticity, and directed that he provides a status report to the National Assembly within three (3) months of adoption of the report.

Management Response

The status report was submitted to the National Assembly as per documents provided.

Conclusion on Status

The status report was submitted to the National Assembly hence the recommendation has been implemented.

Recommendation Category: Administrative

Implementation Status: Implemented

276. Proposed Completion of Tharaka Nithi County Headquarters**Recommendation**

The National Assembly recommended that the Accounting Officer provides a Status Report to the National Assembly within three (3) months of adoption of the report.

Management Response

Management submitted that the project has been handed over to the County Government for completion. The Status Report of the project to support the process have been submitted to the National Assembly as recommended.

Conclusion on Status

The Status Report was submitted to the National Assembly hence the recommendation has been implemented.

Recommendation Category: Administrative

Implementation Status: Implemented

277. Proposed Headquarters for Nyandarua County at OI Kalou**Recommendation**

The National Assembly recommended that the Accounting Officer should claim for liquidated damages for delayed performance by contractors pursuant to Section 140 of the Public Procurement and Asset Disposal Act, 2015 and report to the National Assembly within three (3) months of adoption of the report.

Management Response

Management submitted that liquidated damages are claimed for delays beyond the contract period. The contract was terminated prior to the expiry of the contract period and thus the claim for the damages could not be sustained. All the certified payments have been paid and thus there is no further claim for interest on delayed payments. The project has been handed over to the County Government for completion. The documents to support the process were submitted to the National Assembly.

Conclusion on Status

A status report for the project implementation was submitted to the National Assembly showing the project had been retendered at a contract sum of Kshs.449,097,569 and expected completion date of 23 May, 2025. However, the issue of liquidated damages was not addressed.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

278. Proposed Construction of Isiolo County Government Headquarters**Recommendation**

The National Assembly reprimanded the Accounting Officer and directed that he provides a status report to the National Assembly within three (3) months of adoption of the report.

Management Response

Management submitted that the project has been handed over to the County Government for completion. A status report of the project to support the process have been submitted to the National Assembly.

Conclusion on Status

A status report for the implementation of the project was provided. However, handing over report/documents and minutes for the project to County Government of Isiolo were not provided. The recommendation was partially addressed.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

279. Other Projects Behind Schedule**Recommendation**

The National Assembly reprimanded the Accounting Officer, and directed that he provides a status report on Mokowe Jetty to the National Assembly within three (3) months of adoption of the report.

Management Response

Management submitted that the project is 100% complete and in use as per the Project Status Report and site photos been submitted to the National Assembly.

Conclusion on Status

The status report was submitted to the National Assembly and the recommendation has been implemented.

Recommendation Category: Administrative

Implementation Status: Implemented

280. Compensation of Employees

Recommendation

The National Assembly recommended that the State Department should engage the Salaries and Remuneration Commission (SRC) with view of regularizing the allowances within three (3) months of adoption of the report

Management Response

The Management submitted that the Salaries and Remuneration commission approved the retention of allowances in the interim awaiting delinking of the Kenya Meteorological Department from the mainstream civil Service

Conclusion on status

The Accounting Officer obtained the approval from SRC hence the recommendations is implemented

Recommendation Category: Administrative

Implementation Status: Implemented

281. Unresolved Prior Year Issues

Recommendation

The National Assembly reprimanded the Accounting Officer for failure to resolve prior year matter contrary to Section 68 (2) (I) of the Public Finance Management Act, 2012. The National Assembly recommended that the Accounting Officer provides a matrix on implementation of various recommendations, within three (3) months of adoption of the report.

Management Response

The Management submitted an implementation matrix.

Conclusion on status

The management submitted an implementation matrix, there was information provided on whether it was submitted to the National Assembly as recommended

Recommendation Category: Administrative

Implementation Status: Partially Implemented

282. Pending Bills

Recommendation

The National Assembly recommended that the Accounting Officer should ensure pending bills form first charge as per the provisions of Regulation 42 of the Public Finance Management (National Government) Regulations, 2015.

Management Response

The Management submitted a list of pending bills settled.

Conclusion on status

The Management did not provide evidence to support settling of pending bills amounting Kshs.111,338,144. In addition, Management did not provide information to support settling all pending bills as first charge.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

283. Digital Weather Instruments

Recommendation

The National Assembly recommended that the Accounting Officer to submit a report to the National Assembly on the status of the installation of the digital instruments within three (3) months of adoption of the report

Management Response

The Management submitted a report on the procurement and installation of digital instruments was done. In addition, digital instruments are fully operational in the collection of meteorological data. Job cards have been provided for audit verification.

Conclusion on status

Although the Management submitted a status report was prepared, there was no evidence it was submitted to the National Assembly. The recommendation is partially implemented.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

284. Lack of Risk Management Policy

Recommendation

The National Assembly recommended that the Accounting Officer to provide a status report to the National Assembly within three (3) months of adoption of the report.

Management Response

Management submitted a Risk Management Policy Framework that is in place.

Conclusion on Status

The Management submitted a Risk Management Policy Framework, however, there was no evidence it was submitted to the National Assembly as recommended.

Recommendation Category: Policy

Implementation Status: Partially Implemented

285. Pending Bills

Recommendation

The National Assembly recommended that the Accounting Officer should ensure pending bills form first charge as per the provisions of Regulation 42 of the Public Finance Management (National Government) Regulations, 2015.

Management Response

Management submitted that the pending bills had been settled in full.

Conclusion on Status

The recommendation was implemented.

Recommendation Category: Administrative

Implementation Status: Implemented

286. Undrawn External Assistance

Recommendation

The National Assembly reprimanded the Accounting Officer for failure to perform duty bestowed upon the office by failing to seek an extension of the project thereby occasioning ineffective use of public money, and was directed to provide a Status Report to the National Assembly within three (3) months of adoption of the report.

Management Response

Management submitted that the funds could not be accessed since the project lapsed and the account closed. However, the project achieved its objectives.

Conclusion on Status

Management did not provide a Status Report as recommended by the National Assembly.

Recommendation Category: Administrative

Implementation Status: Not Implemented

287. Fixed Assets Register**Recommendation**

The National Assembly reprimanded the Accounting Officer for failure to include the fixed assets summary in the financial statements contrary to the provisions of Section 81 of the Public Finance Management Act, 2012, and directed that he provides it to the National Assembly within one (1) month of adoption of the report.

Management Response

Management submitted that the project did not acquire any fixed assets but used existing Government assets including furniture and computers. However, the Principal Secretary appointed an Assets and Liabilities Committee with clear terms of reference in liaison with The National Treasury to develop a fixed assets register.

Conclusion on Status

Management did not provide a fixed assets summary as recommended by The National Assembly.

Recommendation Category: Administrative

Implementation Status: Not Implemented

288. Budgetary Control and Performance**Recommendation**

The National Assembly submitted that the Accounting Officer should ensure henceforth that all exchequer requisition are on time.

Management Response

Management submitted a vote book for financial year 2021/2022. However, the project has since closed.

Conclusion on Status

The project has since closed hence the recommendation was no longer applicable.

Recommendation Category: Administrative

Implementation Status: No Longer Applicable

289. Over Expenditure on Motor Vehicle Insurance**Recommendation**

The National Assembly admonishes the Accounting Officer and recommended that he formalizes the payment within three (3) months of adoption of the report.

Management Response

Management submitted a supplementary budget.

Conclusion on Status

There was no evidence that a supplementary budget was passed to support regularization of payment of Kshs.5,723,905 hence confirming availability of budget for the payment. However, the project has since been closed and no longer budgeted for.

Recommendation Category: Administrative

Implementation Status: Not implementable.

290. Failure to Close Project**Recommendation**

The National Assembly recommended that the Accounting Officer ensures that the audit process is concluded so as to close the project within three (3) months of adoption of the report by the National Assembly.

Management Response

Management submitted that following the termination of the project, the Service began the process of closing the project with the Donor, which involved expenditure verification by the donor and refunding of all unspent funds. This process was concluded in August 2023 and the project was fully closed.

Conclusion on Status

The project was audited and closed hence the recommendation has been implemented.

Recommendation Category: Administrative

Implementation Status: Implemented

291. Unsupported Receipts

Recommendation

The National Assembly reprimanded the Accounting Officer for failing to transfer funds to the project account as required under Regulation 76 of the Public Finance Management (National Government) Regulations, 2015, and recommended for submission of a report to the National Assembly in three (3) months of adoption of the report as to whether the amount was eventually transferred.

Management Response

Management submitted that Kenya Forest Service facilitated activities from Development Account without transferring the funds to the Project Account. The Service takes note of this observation for future transactions related to projects.

Conclusion on Status

Management did not submit any information as to whether the Service was transferring the funds and whether a status report was submitted to the National Assembly as recommended.

Recommendation Category: Administrative

Implementation Status: Not Implemented

292. Unsupported Direct Purchase of Goods and Services

Recommendation

The National Assembly recommended that the Accounting Officer obtains the documents from the donor and provide them to the Auditor-General within three (3) months of adoption of the report.

Management Response

Management submitted that the donor (JICA) does not disclose direct purchases done by the Organization and reporting of this expenditure is done to track budget utilization. However, the Kenya Forest Service wrote a letter to JICA requesting for the same.

Conclusion on status

The documents had not been provided.

Recommendation Category: Administrative

Implementation Status: Not Implemented

293. Pending Bills

Recommendation

The National Assembly recommended that the Accounting Officer properly classifies balances henceforth.

Management Response

Management submitted the basis for the misclassification of the previous bills.

Conclusion on Status

Although Management submitted the cause of the misclassification, there was no information provided on measures taken to avoid the recurrence of the misclassification as recommended.

Recommendation Category: Administrative

Implementation Status: Not Implemented

294. Low Absorption Rate

Recommendation

The National Assembly recommended that the Accounting Officer ensures adequate measures are put in place to ensure full realization of planned activities.

Management Response

Management submitted that by the time of the closure, all the project activities were complete and undergoing the final inspections for payment of retentions as per documents submitted.

Conclusion on Status

The project achieved a completion status of 100% hence the recommendation was implemented.

Recommendation Category: Administrative

Implementation Status: Implemented

295. Budget Overrun on Management Fee

Recommendation

The National Assembly recommended that the Accounting Officer ensures that the budget is complied with.

Management Response

Management submitted that it had noted the recommendation and complied with the budget provision as attached.

Conclusion on Status

Although Management stated it would comply with budget, they did not indicate how they were going to administer remaining project activities without a budget.

Recommendation Category: Administrative

Implementation Status: Not Implemented

296. Uncompleted Civil Works**Recommendation**

The National Assembly recommended that the Accounting Officer should provide a status report of the projects to the Assembly within three (3) months of adoption of the report.

Management Response

Management submitted that all the civil works have now been completed and undergoing the final inspections for payment of retentions. The Report would be provided as per the recommendation once the final inspection is done.

Conclusion on Status

Although Management had indicated the works had been completed, they did not provide a status report within three (3) months.

Recommendation Category: Administrative

Implementation Status: Not Implemented

297. Failure to Open Project Bank Account**Recommendation**

The National Assembly recommended that the Accounting Officer submits confirmation of The National Treasury authority to open the bank account within three (3) months of adoption of the report.

Management Response

Management submitted that the bank account number 1318639298 was opened at KCB Gateway branch and was awaiting The National Treasury to disburse the funds since the

Development partner has already disbursed funds to the USD Special account at the Central Bank of Kenya account number 1000708883 in order for the project to kick off.

Conclusion on Status

Management has since opened the accounts although a status report was not submitted within three (3) months of adoption of the report. The recommendation is partially implemented.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

298. Anomalies in Tenders Awarded - Tender Number NEMA/RFP/034/2019/2020 - (RFP) to Develop Environmental and Social Management Systems (ESMS)

Recommendation

The National Assembly recommended that the Accounting Officer should submit evidence of extension of deadline to the National Assembly within three (3) months of adoption of this report.

Management Response

Management submitted that the request for extension was granted verbally following consultations and a notice was posted on www.nema.go.ke on 24 June, 2020. The bids were received and opened on 03 July, 2020 as per the stipulated times.

Conclusion on Status

Management did not submit the submit evidence of extension of deadline to the National Assembly within three (3) months.

Recommendation Category: Administrative

Implementation Status: Not Implemented

299. Comingling of Project Funds

Recommendation

The National Assembly recommended that the Accounting Officer submits confirmation of The National Treasury authority to open the bank account within three (3) months of adoption of the report.

Management Response

Management submitted that bank account number 1318639298 was opened at KCB Gateway branch and is awaiting The National Treasury to disburse the funds since the Development partner has already disbursed funds to the USD Special account at the Central Bank of Kenya account number 1000708883 in order for the project to kick off.

Conclusion on Status

Management has since opened the accounts although a status report was not submitted within three (3) months of adoption of the report. The recommendation is partially implemented.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

300. Pending Bills

Recommendation

The National Assembly recommended that the Accounting Officer should ensure that pending bills are settled as a first charge pursuant to the Regulation 42 of the PFM (National Government) Regulations, 2015.

Management Response

The Management submitted that the Accounting Officer is engaging The National Treasury for enhanced funding.

Conclusion on status

The pending bills were still outstanding and the recommendation was not implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

301. Outstanding Compensation Claims and Legal Fees

Recommendation

The National Assembly directed the Accounting Officer to liaise with the Attorney General to get a way forward on the court cases and compensation claims and legal fees.

Management Response

The Management submitted that the Accounting is engaging The National Treasury for enhanced funding for the pending bills.

Conclusion on Status

The Management did not provide any information to confirm whether they liaised with the Attorney General to get a way forward on the court cases and compensation claims and legal fees.

Recommendation Category: Administrative

Implementation Status: Not Implemented

302. Unsatisfactory Implementation of Project - Sagana River Restoration Project

Recommendation

The National Assembly recommended that the Accounting Officer ensures timely completion of project and provides status update to the Assembly within three (3) months of adoption of the report by the House

Management Response

The Management submitted that the project has since been completed at no extra cost.

Conclusion on status

Although the Management submitted the project was completed at no extra cost, they did not confirm whether it was completed in time and also whether a status update was submitted to the Assembly within three (3) months of adoption of the report by the House as recommended.

Recommendation Category: Administrative

Implementation Status: Not Implemented

303. Delayed Projects Completion- Kanini Irrigation Project Tharaka Nithi

Recommendation

The National Assembly recommended that the Accounting Officer should initiate recovery of liquidated damages from the contractor as per Section 140 of the Public Procurement and Asset Disposal Act, 2015 within one (1) month of adoption of the report.

Management Response

The Management submitted that the project has since been completed and commissioned.

Conclusion on status

Although the Management submitted the project has since been completed and commissioned, there was no information that was provided to confirm whether the Accounting Officer should initiate recovery of liquidated damages from the contractor as per Section 140 of the Public Procurement and Asset Disposal Act, 2015 within one (1) month of adoption of the report. The recommendation has not been implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

304. Maragua Bulk Water Supply and Irrigation Project

Recommendation

The National Assembly recommended that the Accounting Officer avails a report on the status of commissioning to the National Assembly within three (3) months of adoption of the report

Management Response

The Management submitted that the commissioning has been done.

Conclusion on Status

Although the Management submitted that the commissioning has been done, there was no evidence the Accounting Officer provided a report on the status of commissioning to the National Assembly within three (3) months of adoption of the report. The recommendation has not been implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

305. Ineffective Audit Committee

Recommendation

The National Assembly recommended that the Accounting Officer should ensure compliance with the provisions of Section 73 (5) of the Public Finance Management Act, 2012 and Regulation 174 of the Public Finance Management (National Government) Regulations, 2015 on audit committees"

Management Response

The Management submitted that a new audit committee is in place.

Conclusion on status

The Management has constituted a new audit committee.

Recommendation Category: Administrative

Implementation Status: Implemented

306. Unrecovered Funds on Terminated Contract

Recommendation

The National Assembly reprimanded the Accounting Officer for failing to resolve a prior year matter contrary to section 68 (2) (I) of the PFM Act, 2012; and recommended to

provide a status report to the National Assembly within three (3) months of adoption of the report

Management Response

The Management submitted that an arbitrator was appointed by Chartered Institute of Arbitrators (CI Arb) and accepted by both contracting parties. The arbitration process is ongoing.

Conclusion on status

The Management has taken action and the recommendation but had not submitted a status report as recommended. The recommendation has been partially implemented.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

307. Delay in Project Implementation

Recommendation

The National Assembly instructed the Accounting Officer to provide a status report within three (3) months of adoption of the report by the House.

Management Response

The Management submitted that a notice for termination has been served to the Contractor and final termination already in process. The remaining will be packaged into a new contract to ensure the works are completed.

Conclusion on status

The Management did not provide any information to confirm whether the Accounting Officer provided a status report within three (3) months of adoption of the report by the House. The recommendation has not been implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

308. Funding and Continuity of the Program

Recommendation

The National Assembly reprimanded the Accounting Officer for failing to resolve a prior year matter contrary to section 68 (2) (I) of the PFM Act, 2012, and recommended to provide a status report within three (3) months of adoption of the report by the House

Management Response

The Management submitted that Phase 1 involves the construction of the dam which is currently at 91.17% as at 31 March, 2024.

Conclusion on status

The Management did not provide information to confirm whether the Accounting Officer provided a status report within three (3) months of adoption of the report by the House. The recommendation not implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

309. Water Pollution in Athi River**Recommendation**

The National Assembly recommended that the Accounting Officer should ensure that measures are put in place to mitigate pollution in Athi River pursuant to Regulation 160 of the PFM (National Government) Regulations, 2015, and to provide a status report within three (3) months of adoption of the report.

Management Response

The Management submitted that there are sewer infrastructure developments in Kiambu and Nairobi to address waste discharge; 70 planned, 11 completed, 17 between 51-99%, 42 below 50% complete. Enforcement to prohibit illegal industrial discharges done by enforcement agencies (WRA, NEMA, WASREB). NEMA conducted 250 inspections, 150 offenders charged in court. Manual cleaning of Athi River along informal settlements done in collaboration with WRUAS and CBOs. 15km of Nairobi River done.

Conclusion on status

Although the Management submitted actions being taken, they did not provide information on whether the Accounting Officer provided a status report within three (3) months of adoption of the report. The recommendation has been partially implemented.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

310. Non-Construction of Temporary Site Offices

Recommendation

The National Assembly recommended that the Accounting Officer should submit a status report on construction of the site offices to the National within three (3) months of adoption of the report by the House.

Management Response

The Management submitted that the permanent site offices were completed in December 2021 and since then the employer and site supervision team have been operating from these offices. These meant the need for temporary offices ceased as soon as the team moved to the permanent site offices.

Conclusion on status

Although the Management submitted the permanent sites were completed, they did not provide the information on whether the Accounting Officer submitted a status report on construction of the site offices to the National within three (3) months of adoption of the report. The recommendation is partially implemented.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

311. Costly Price Adjustments

Recommendation

The National Assembly recommended that the Accounting Officer avails a status report by May 2024.

Management Response

The Management submitted that the Ministry has prepared a Cabinet Memo seeking for additional funding based on a financial and technical evaluation report carried out on the project. The additional funding is in respect of Cost of Price Adjustments (CPAs) among other related costs.

Conclusion on status

The Management had not provided a status report by May 2024 as recommended. The recommendation has not been implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

312. Failure to Revise Contract Sum Due to VAT Exemption on The Program

Recommendation

The National Assembly recommended that the Accounting Officer should ensure that changes in the exemption process are implemented to prevent the possibility of having tax-exempt materials that are not used on site.

Management Response

The Management submitted that the Ministry has a Master list used for the approval of specific tax exemption requests for equipment, materials, goods and services used in the implementation of Thwake dam. Further to this, the Ministry has instructed the contractor to submit a list of all the tax exempted items.

Conclusion on status

The Management had taken measures to ensure that changes in the exemption process are implemented to prevent the possibility of having tax-exempt materials that are not used on site. The recommendation has been implemented.

Recommendation Category: Administrative

Implementation Status: Implemented

313. Failure to Adhere to Approved Annual Work Plan

Recommendation

The National Assembly reprimanded the Accounting Officer for failure to adhere to the annual work plan so as to ensure proper implementation of the project, and recommended to submit a status report within three (3) months of adoption of the report

Management Response

The Management submitted that the contractor work progress was affected by unexpected geological conditions that slowed down progress in the approved workplan. Consequently, work submitted for certification and payment lagged the planned payment. Current status of work is in the status report provided.

Conclusion on status

Although the Management prepared a status report, there was no evidence it was submitted to the National Assembly. The recommendation is partially implemented.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

314. Failure to Drill Community Boreholes

Recommendation

The National Assembly recommended that the Accounting Officer prioritizes branding for all projects, and avails a status report within three (3) months of adoption of the report

Management Response

The Management submitted that by 05 August, 2023, the institutions branded were all renovated works except for Mandalwa primary school where two classrooms were newly constructed and Nzambia dispensary where gating and fencing works were being done. The education and water sector CSR projects were branded as from 31 July to 05 August, 2023

Conclusion on status

Management submitted that by 05 August, 2023 the institutions branded were all renovated works except two. However, they did not provide information on whether the Accounting Officer provided a status report within three (3) months of adoption of the report. The recommendation not implemented is partially implemented.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

315. Lump Sum Amount in Bill of Quantities for Access Roads

Recommendation

The National Assembly recommended that the Accounting Officer submits a status report on the breakdown of payments made, to the National Assembly within three (3) months of adoption of the report.

Management Response

The Management submitted that the contractor has been opening and maintaining the roads depending on the work areas since August 2018 to date at the same cost despite time extensions.

Conclusion on status

The Management did not provide information to confirm whether the Accounting Officer submitted a status report on the breakdown of payments made, to the National Assembly within three (3) months of adoption of the report. The recommendation has not been implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

316. Budgetary Control and Performance**Recommendation**

The National Assembly recommended that the Accounting Officer should ensure adequate measures are put in place to ensure full realization of planned activities

Management Response

The Management submitted that the project was completed in June 2022 successfully and utilized the allocated resources.

Conclusion on status

The Management had put adequate measures and ensured the project was successfully completed. The recommendation was implemented.

Recommendation Category: Administrative

Implementation Status: Implemented

317. Delay in Project Implementation – Manooni Water Project**Recommendation**

The National Assembly recommended that the Accounting Officer submits a status report to the Assembly within three (3) months of adoption of the report

Management Response

The Management submitted that the Manooni project was completed and handed over to the Water company for operations

Conclusion on status

Although the Management submitted the project was completed and handed over, they did not provide information to confirm whether the Accounting Officer submitted a status

report to the Assembly within three (3) months of adoption of the report. The recommendation has been partially implemented.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

318. Budget Over Expenditure

Recommendation

The National Assembly reprimanded the Accounting Officer for failing to provide evidence of his claim of the budget allocation of Kshs.62,200,000 contrary to Section 62 of the Public Audit Act, 2015, and recommended that he submits this evidence within one (1) month of adoption of the report.

Management Response

The Management submitted that the project utilized earned interest and therefore there was no over expenditure. The Project Ended in June 2022 and awaiting closure protocols from The National Treasury.

Conclusion on status

The Management did not avail information to confirm whether that the Accounting Officer submitted evidence of their claim of the budget allocation of Kshs.62,200,000 within one (1) month of adoption of the report. The recommendation has not been implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

319. Budgetary Control and Performance

Recommendation

The National Assembly recommended that the Accounting Officer should ensure adequate measures are put in place to ensure full realization of planned activities.

Management Response

The Management submitted that the absorption of funds for the Lower Nzoia Irrigation Project increased substantially in later years to an extent the physical work progress achieved was 72% as at 31 March, 2024 and the current financing amounting to USD 113M was entirely exhausted. Since then, the ministry has secured additional financing of USD 30M to finalize the remaining 28%.

Conclusion on status

Although the Management has submitted more resources has been secured, they did not provide information to confirm whether the Accounting Officer took adequate measures to ensure full realization of planned activities. The recommendation is partially implemented.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

320. Budgetary Control and Performance**Recommendation**

The National Assembly recommended that the Accounting Officer should ensure adequate measures are put in place to ensure full realization of planned activities

Management Response

The Management submitted that mechanisms have been put in place including requesting of the project exchequer.

Conclusion on status

The Management did not provide specific measures taken to ensure full realization of planned activities. The recommendation has not been implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

321. Cash Management**Recommendation**

The National Assembly recommended that the Accounting Officer provides to the National Assembly supportive documents demonstrating that the funds were fully disbursed within one (1) month of adoption of the report.

Management Response

The Management submitted that the vehicles were procured and the funds in the project account utilized. Attached find the bank statement and Log books.

Conclusion on status

The Management did not provide to the National Assembly supportive documents demonstrating that the funds were fully disbursed within one (1) month of adoption of the report.

Recommendation Category: Administrative

Implementation Status: Not Implemented

322. Excess Funds Drawn by the Project**Recommendation**

The National Assembly recommended that the Accounting Officer provides to the National Assembly supportive documents, within one (1) month of adoption of the report by the House.

Management Response

The Management submitted that the supportive documents were provided.

Conclusion on status

Although the Management submitted that the supportive documents were provided, there was no information provided to confirm of the same.

Recommendation Category: Administrative

Implementation Status: Not Implemented

323. Delayed Disbursements and Project Implementation**Recommendation**

The National Assembly recommended that the Accounting Officer should take due diligence and care to ensure the implementation of the project.

Management Response

The Management submitted that the project is under implementation and the 1st drawdown request was disbursed by French Development Bank (AFD) and EIB; a) Progress of the consultancy is 92% and the only outstanding deliverable is assistance in tender process for procurement of Works package 3 consultant; b) Consultancy for Technical Studies, Design & Supervision of Works Package 1&2. Phase I of the consultancy (Studies) has been completed and the Phase II (supervision of works) commenced in December 2022 and expected to be completed by 24th October 2026."

Conclusion on status

The Management had taken measures to ensure the project is implemented.

Recommendation Category: Administrative

Implementation Status: Implemented

324. Unsupported Expenditure**Recommendation**

The National Assembly recommended that the Accounting Officer to provide supportive documents to the National Assembly within one (1) month of adoption of the report.

Management Response

The Management submitted that the reports and the support documents were provided to the Committee for review. The Agency has reinforced internal structures and controls to ensure prompt reporting.

Conclusion on status

Although the Management submitted that the reports and the support documents were provided to the Committee for review, there was no information provided to confirm on the same.

Recommendation Category: Administrative

Implementation Status: Not Implemented

325. Failure to Close the Project**Recommendation**

The National Assembly recommended that the Accounting Officer should take due diligence and care

Management Response

The Management submitted that the Accounting Officer noted the delay. Due diligence was conducted and is keen on adhering to project implementation timelines for all projects.

Conclusion on status

Management submitted that due diligence was conducted and was keen on adhering to project implementation timelines for all projects. However, there was no information provided to confirm on action taken.

Recommendation Category: Administrative

Implementation Status: Not Implemented

326. Failure to Maintain Separate Project Bank Account

Recommendation

The National Assembly recommended that the Accounting Officer should avail evidence of Treasury approval to open the bank account, within three (3) months of adoption of the report.

Management Response

The Management submitted that a separate bank account was opened upon approval by The National Treasury.

Conclusion on status

Management submitted that a separate bank account was opened upon approval by The National Treasury. However, there was no evidence the Management submitted evidence of Treasury approval to open the bank account, within three (3) months of adoption of the report as recommended. The recommendation has not been implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

327. Slow Implementation of Projects

Recommendation

The National Assembly recommended that the Accounting Officer needs to take due diligence and care in the implementation of projects. The Accounting Officer to provide documents to the Office of the Auditor General to show the progress/ status of the stalled projects in Changamwe and Mwala for audit in the subsequent financial years.

Management Response

The Management submitted that the project completed apart from Changamwe and Mwala projects which are undergoing legal processes.

Conclusion on status

The Management submitted the documents to the Office of the Auditor General to show the progress/ status of the stalled projects in Changamwe and Mwala for audit in the subsequent financial years.

Recommendation Category: Administrative

Implementation Status: Implemented

328. Stalled Project - Chagamwe Re-pooling Sewer Network

Recommendation

The National Assembly recommended that the Accounting Officer to avail to the National Assembly the status of the arbitration within three (3) months of adoption of the report.

Management Response

The Management submitted that there is an active court case going on

Conclusion on status

The Management did not provide information to confirm whether the Accounting Officer provided to the National Assembly the status report of the arbitration within three (3) months of adoption of the report as recommended. The recommendation has not been implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

329. Cash and Cash Equivalents

Recommendation

The National Assembly recommended that the Accounting Officer to ensure that each project within the agency has its own bank account as per regulation 76 of the PFM National Government Regulations 2015. This aims to enhance accountability and prevent any confusion or mixing of funds

Management Response

The Management submitted that the Agency has noted the Committee's recommendations. Further, the Management submitted that it is important to note that the programme closes in December 2025 and therefore opening a separate bank account for counterpart fund might not serve the intended purpose. However, moving forward the Agency shall open separate bank accounts for each programme.

Conclusion on status

The Management committed to implemented the recommendation in future. The recommendation was not implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

330. Acquisition of Land - Lack of Ownership Documents

Recommendation

The National Assembly recommended that the Accounting Officer should provide ownership documents to the National Assembly within one (1) month of adoption of the report

Management Response

The Management submitted that the ownership documents and title deeds for the land parcels acquired had been provided.

Conclusion on status

The ownership documents and title deeds for the land parcels were provided and the recommendation has been implemented.

Recommendation Category: Administrative

Implementation Status: Implemented

331. Delay in Project Implementation

Recommendation

The National Assembly recommended that the Accounting Officer should conduct a review of the planning and implementation process in order to prevent project delays

Management Response

The Management submitted that the Agency will endeavor to do a review of the planning and implementation process to prevent delays and also ensure that payments for certified works are prioritized to avoid any interest on delayed payment henceforth. The overall completion of the various projects is 97%.

Conclusion on status

The Management submitted they will endeavor to do a review of the planning and implementation process to prevent delays and also ensure that payments for certified works are prioritized to avoid any interest on delayed payment henceforth. There was no information on action taken. The recommendation has not been implemented

Recommendation Category: Administrative

Implementation Status: Not Implemented

332. Delay in Project Implementation

Recommendation

The National Assembly recommended that the Accounting Officer should ensure payment for certified works is prioritized to avoid interest on delayed payment which can lead to project cost escalation.

Management Response

The Management submitted that the Agency will endeavor to do a review of the planning and implementation process to prevent delays and also ensure that payments for certified works are prioritized to avoid any interest on delayed payment henceforth. The overall completion of the various projects is 97%.

Conclusion on status

The Management did not provide information on measures taken to ensure payment for certified works is prioritized to avoid interest on delayed payment which can lead to project cost escalation. The recommendation has not been implemented

Recommendation Category: Administrative

Implementation Status: Not Implemented

333. Projects Verification

Recommendation

The National Assembly recommended that the Accounting Officer ensures timely completion of projects

Management Response

The Management submitted that the Agency will endeavor to ensure timely completion of the projects to ensure that the intended benefit of the projects to the community is achieved.

Conclusion on status

The Management did not provide information on measures taken to ensure timely completion of projects. The recommendation has not been implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

334. Inaccuracies of the Financial Statements

Recommendation

The National Assembly recommended that the Accounting Officer should ensure that all account reconciliation matters are done on time before audit.

Management Response

The Management submitted that the Accounting Officer correctly captured the loan and grant amount of (UA) 111,467,553.29 equivalent to Ksh.15,944,150,119 assignable to the Agency. The matter was later clarified.

Conclusion on status

Management has submitted the inaccuracies then were corrected. However, the Management did not provide information on action taken to ensure all account reconciliation matters are done on time before audit. The recommendation has not been implemented

Recommendation Category: Administrative

Implementation Status: Not Implemented

335. Prior Year Adjustment

Recommendation

The National Assembly recommended that the Accounting Officer should ensure that all account reconciliation matters are done on time before audit

Management Response

The Management submitted that the journal vouchers have been provided for review.

Conclusion on status

Although the Management has submitted the journal vouchers have been provided for review, the Management did not provide information on action taken to ensure all account reconciliation matters are done on time before audit.

Recommendation Category: Administrative

Implementation Status: Not Implemented

336. Acquisition of Assets

Recommendation

The National Assembly recommended that the Accounting Officer ensures timely completion of projects.

Management Response

The Management submitted that these projects had 4-9 months delays in processing tax exemption of master list. However, all have been completed and handed over except Kilgoris-Lolkorian Water Supply and Sanitation Project that stands at 80%.

Conclusion on status

Although the Management has provided the reasons for the delay, they did not provide measures taken by the Accounting Officer to ensure timely completion of projects. The recommendation has not been implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

337. Delay in Release of Funding

Recommendation

The National Assembly recommended that the Accounting Officer improves overall planning and Management of projects within the state department.

Management Response

The Management submitted that the Support to Water and Sanitation Services in Peri-Urban Area Project is currently at 90 %.

Conclusion on status

Although the Management submitted the project was 90%, they did not provide information on measures taken by the Accounting Officer to improve overall planning and Management of projects within the state department as recommended.

Recommendation Category: Administrative

Implementation Status: Not Implemented

338. Absence of Project Cash Book and Bank Account

Recommendation

The National Assembly directed that the Accounting Officer to ensure there is a separate bank account in the agency for the counterpart funds

Management Response

The Management submitted that the project donor component was paid directly by the financier through KFW Bank and the GOK Counterpart was paid for in the Development Bank account for the Agency. The Agency appreciated the Auditors recommendation and following the approval of the Board and a bank account has been opened and a separate cash book maintained.

Conclusion on status

The recommendation has been implemented since the project bank account was opened and maintenance of cashbook adhered to

Recommendation Category: Administrative

Implementation Status: Implemented

339. Failure to Open Bank Account and Maintain a Separate Cash Book

Recommendation

The National Assembly directed that the Accounting Officer to ensure there is a separate bank account in the agency for the counterpart funds.

Management Response

The Management submitted that the project donor component was paid directly by the financier through KFW Bank and the GOK Counterpart was paid for in the Development Bank account for the Agency. The Agency appreciated the Auditors recommendation and following the approval of the Board we are in the process of opening specific projects development bank accounts.

Conclusion on status

The Management was in the process opening specific projects development bank accounts after board approval

Recommendation Category: Administrative

Implementation Status: Partially Implemented

340. Ownership of Project Vehicles

Recommendation

The National Assembly recommended that the Accounting Officer should take due diligence in Management of assets as required under Section 72 of the PFM Act, 2012.

Management Response

The Management submitted that the Agency takes due diligence in Management of assets as required under Section 72 of the PFM Act, 2012. The log book for KCR 854R was obtained and the matter was resolved in the subsequent audits.

Conclusion on status

The Management had taken action and the recommendation has been implemented.

Recommendation Category: Administrative.

Implementation Status: Implemented

341. Expansion of Water Supply Systems in Kericho

Recommendation

The National Assembly recommended that the Accounting Officer should take due diligence in execution of duty; and the Accounting Officer should submit evidence of title documents to the Committee within three (3) months of adoption of the report.

Management Response

The Management submitted that the 10 Acre piece of land where the New Kimugu Water Treatment Plant is being constructed was acquired by the County Government of Kericho through the National Land Commission. Payments have been made and the County Government of Kericho is in the process of transferring the land ownership from Unilever to the County Government of Kericho.

Conclusion on status

The Management submitted the land was owned by the County Government of Kericho which was in process of acquiring ownership documents. The recommendation has not been implemented since there no correspondences from the National Land Commission on the status of land acquisition since November, 2022.

Recommendation Category: Administrative

Implementation Status: Not Implemented

342. Irregular Contract Variation

Recommendation

The National Assembly recommended that the Accounting Officer avails the financing agreement and no-objection letters for the variations from the financier within one (1) month of adoption of the report.

Management Response

The Management submitted that the financing agreement and no-objection letters were provided to the auditors and the matter was resolved in the subsequent audit.

Conclusion on status

The Management did not submit information to confirm the financing agreement and no-objection letters for the variations from the financier were submitted to the National Assembly within one (1) month of adoption of the report.

Recommendation Category: Administrative

Implementation Status: Not Implemented

343. Failure to Open Bank Account and Maintain Cash Book

Recommendation

The National Assembly directed that the Accounting Officer to ensure there is a separate bank account in the agency for the counterpart funds.

Management Response

The Management submitted that the project donor component was paid directly by the financier through KfW Bank and the GOK Counterpart was paid for in the Development Bank account for the Agency. The Agency appreciated the Auditors recommendation and following the approval of the Board we are in the process of opening specific projects development bank accounts

Conclusion on status

The Management was in the process opening specific projects development bank accounts after board approval

Recommendation Category: Administrative

Implementation Status: Not Implemented

344. Sustainability of the Project

Recommendation

The National Assembly reprimanded the Accounting Officer for failure to provide information at the time of audit contrary to Section 62 of the Public Audit Act, 2015, and directed that he avails the workplan and status report of the project within three (3) months of adoption of the report.

Management Response

The Management submitted that the information was provided to the Audit team and the matter was resolved in the subsequent audit. The project has since been completed and the completion report is hereby attached.

Conclusion on status

The information was submitted and the recommendation has been implemented

Recommendation Category: Administrative

Implementation Status: Implemented

345. Delay in Disbursement of Funds for the Project

Recommendation

The National Assembly recommended that the Accounting Officer should ensure funds are provided for the completion of the project as scheduled

Management Response

The Management submitted that the project has been completed

Conclusion on status

The project has been completed and the recommendation has been implemented.

Recommendation Category: Administrative

Implementation Status: Implemented

346. Delay in Completion of Projects

Recommendation

The National Assembly recommended that the Accounting Officer ensures timely execution of projects.

Management Response

The Management submitted that the status of the raw water pipeline from Ndakaini-Kigoro- Gigiri is complete 100% complete.

Conclusion on status

Although the Management submitted the project had been completed, certificate of completion and handover certificates have been provided as evidence of completed projects.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

347. Unremitted Disbursements**Recommendation**

The National Assembly reprimanded the Accounting Officer and recommended that he avails proof of the refund, within one (1) month of adoption of the report.

Management Response

The Management submitted that the funds were used to fund a project component that was being implemented by the ministry.

Conclusion on status

The Management did not provide information to confirm whether the Accounting Officer had provided proof of the refund, within one (1) month of adoption of the report as recommended. The recommendation has not been implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

348. Contingent Liability**Recommendation**

The National Assembly recommended that the Accounting Officer avails to the Assembly documents for audit review within three (3) months of the adoption of the report.

Management Response

The Management submitted that the matter still under arbitration.

Conclusion on status

The Management was yet to provide the documents as the matter is still under arbitration.

Recommendation Category: Administrative

Implementation Status: Not Implemented

349. Late Submission of Financial Statements

Recommendation

The National Assembly recommended that the Accounting Officer henceforth submits to the Auditor General separate financial statements.

Management Response

The Management submitted that the entity now submits separate financial statements.

Conclusion on status

The Management had submitted financial statements and the recommendation has been implemented.

Recommendation Category: Administrative

Implementation Status: Implemented

350. Slow Progress of Works

Recommendation

The National Assembly recommended that the Accounting Officer ensures timely implementation of projects, avails a status report of this project to the Committee within three (3) months of adoption.

Management Response

The Management submitted that the project is back on course.

Conclusion on status

Management stated the project is back on course. However, management did not provide information on the progress status or on measures taken by the Accounting Officer to ensure timely implementation of projects. In addition, a status report of the project was not provided to the Committee within three (3) months of adoption.

Recommendation Category: Administrative

Implementation Status: Not Implemented

351. Taskforce Allowances

Recommendation

The National Assembly recommended that the Accounting Officer ensures that monies paid amounting to Kshs.4,060,000 be recovered from the various staff within six months of adoption of the report.

Management Response

The Management submitted that the recoveries were effected from the officers involved and so far Kshs.1,300,000 has been recovered as per banking slips provided.

Conclusion on status

The Accounting Officer have partially recovered the amount with Kshs.2,760,000 still outstanding.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

Cost Savings: Kshs.1,300,000

352. Lack of a Risk Management Policy

Recommendation

The National Assembly recommended that the Accounting Officer should provide The Assembly with the approved Risk Management Policy within three (3) months of adoption of the report

Management Response

The Management submitted during the period under review, the State Department was in the process of developing a risk Management policy, a copy of the draft is attached. In the absence of risk Management policy for the period, they conducted risk assessment to identify potential risks, their effects and mitigation measures. A copy of risk assessment report has been provided.

Conclusion on status

The Management provided a draft Risk Management policy hence an approved policy is yet to be submitted to the National Assembly.

Recommendation Category: Policy

Implementation Status: Not Implemented

353. Budgeted Revenue and Actual Collection

Recommendation

The National Assembly recommended that the Accounting Officer to liaise with KRA within three (3) months of adoption of the report and provide evidence of the payments made through iTax portal and the corresponding amount collected through the system to the National Assembly for review.

Management Response

The Management submitted that KRA has submitted the payments made through the iTax portal. The data is in Soft since it is voluminous and a soft copy has been provided.

Conclusion on status

The amount of stamp duty as per iTAX portal amount to Kshs.12,956,830,112 and amount reported is Kshs.4,549,819. There is a variance of Kshs.12,952,280,293. No information was obtained as regard to other Revenue Streams. Further, there was no evidence the information was submitted to the National Assembly.

Recommendation Category: Administrative

Implementation Status: Not Implemented

354. Un-Surrendered Revenue by the County Government of Machakos

Recommendation

The National Assembly recommended that the Accounting Officer liaises with National Treasury and the Controller of Budget to recover Kshs.7,261,896 from the County Government of Machakos within three (3) months of adoption of the report.

Management Response

The Management submitted that The State Department for Lands and Physical Planning vide letter Ref. No. SDLPP/AC/01/03 dated 23 September, 2024 wrote to the County Coordinator Machakos County seeking the details of the Kshs.7,261,896.00 owned for onward submission to The National Treasury for their follow-up as per their request vide letter Ref.No.AG.3/167Vol.1/(84) dated 02 May, 2024.

Conclusion on status

The Accounting Officer has initiated the process with a correspondence letter. The amount of Kshs.7,261,896 was yet to be recovered from County Government of Machakos.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

355. Failure to Open a Separate Collection Account**Recommendation**

The National Assembly recommended that the Accounting Officer seeks approval to open revenue accounts of the remaining thirteen (13) registries within one (1) month from the date of adoption of the report.

Management Response

The Management submitted that following the on-boarding to E-Citizen Account and Pay Bill No. 222222 all revenue is received and transmitted to CBK Revenue Account operated in the State Departments Headquarters.

Conclusion on status

The issue of opening more bank accounts was overtaken by circular on the migration to the use of E-Citizen. The recommendation is no longer applicable.

Recommendation Category: Administrative

Implementation Status: No Longer Applicable

356. Inadequate Staffing**Recommendation**

The National Assembly reprimanded the Accounting Officer and recommended that he addresses the staffing shortfall within three (3) months of adoption of the report.

Management Response

The Management submitted that the Accounting Officer wrote The National Treasury requesting additional accountants to assist in the registries.

Conclusion on status

The Accounting Officer has made request to National Treasury although not yet acted upon.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

357. Weak Internal Controls

Recommendation

The National Assembly recommended that The Ministry to engage NLC to come up with a framework or guidelines on the modalities of maintaining a register and a comprehensive list of defaulters for town plots.

Management Response

The Management submitted that The State Department has initiated a data base in three counties i.e., Kisumu, Uasin Gishu and Nakuru Counties. Other Counties shall be also be taken care of subject to availability of funds.

Conclusion on status

The Ministry had initiated some processes though yet not completed. However, there was no evidence provided of consultations with NLC to come up with a framework or guidelines to maintain the register.

Recommendation Category: Policy.

Implementation Status: Not Implemented

STATE DEPARTMENT FOR INFORMATION COMMUNICATION TECHNOLOGY (ICT) AND INNOVATION - VOTE 1122

358. Unconfirmed proceeds from foreign borrowings

Recommendation

The National Assembly recommended that within one (1) month of the adoption of the report the State Department to acquire certified copies of the supporting documents from The National Treasury and submit them to the Assembly.

Management Response

The Management submitted the certified documents were submitted to Public Accounts Committee during a meeting held on 27/8/2024.

Conclusion on status

The documents were verified during the PAC meeting as per documents provided. The recommendation has been implemented.

Recommendation Category: Administrative

Implementation Status: Implemented

359. Court Awards Relating to Public Relations and Communication Contract

Recommendation

The National Assembly recommended that the Accounting Officer avails status of payment within three (3) months of adoption of the report.

Management Response

The Management submitted that the State Department paid the firm through State Law in the financial year 2022/2023.

Conclusion on status

The Management have made the payment and the recommendation has been implemented.

Recommendation Category: Administrative

Implementation Status: Implemented

STATE DEPARTMENT FOR BROADCASTING AND TELECOMMUNICATIONS – VOTE 1123

360. Budgetary Control and Performance

Recommendation

The National Assembly recommended that the Accounting Officer collects outstanding AIA and submits a status report to the Assembly within three (3) months of adoption of the report

Management Response

The Management submitted that the Accounting Officer has instituted the following measures which have enhanced AIA collection:

- i. All advertising institutions have been directed to provide GAA with an approved LSO/LPO or pay in advance for advertising services before the advert is placed in the MyGov publication.
- ii. A threshold of Kshs.1 million has been set for debtors. Any client with a debt exceeding the set threshold will not receive the advertising services.
- iii. Clients with historical debts do not get advertising services in MyGov unless there's a commitment to pay part of the historical debt and an upfront payment for the adverts to be placed.

Conclusion on status

The Management submitted measures taken to collect the outstanding AIA but no evidence on amount collected.

Recommendation Category: Administrative

Implementation Status: Not Implemented

361. Unconfirmed Arrears of Appropriations-In-Aid (AIA) Owed By State Agencies

Recommendation

The National Assembly recommended that within three (3) months of tabling the report, the Accounting Officer should provide specific individual accounts and schedules of the outstanding AIA to the Assembly.

Management Response

The Management submitted that the Accounting Officer undertakes to promptly provide information to the Auditor General the list of outstanding AIA as of 30 June, 2021 has been provided.

Conclusion on status

The Management did not provide any information to confirm the specific individual accounts and schedules of the outstanding AIA were submitted to the Assembly.

Recommendation Category: Administrative

Implementation Status: Not Implemented

362. Unconfirmed Arrears of Appropriations-In-Aid (AIA) Owed By State Agencies**Recommendation**

The National Assembly recommended that the Accounting Officer to collect outstanding dues within the financial year.

Management Response

The following strategies have been developed to ensure that dues are collected within the financial year;

- (i) Monthly reconciliation exercises are undertaken to fast track the collections of the outstanding revenue;
- (ii) The Director, GAA ensures that monthly advertising statements are shared to the respective advertising institutions to keep a clear record of what is owed and how the pending payments are to be settled.

Conclusion on status

Although the Accounting Officer has taken measures to collect the outstanding AIA, there was no information provided on whether the outstanding AIA was collected.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

363. Failure to Conduct Media Monitoring of Distribution of MyGOv Publication
Recommendation

The National Assembly recommended that the Accounting Officer to avail a signed performance contract to the Committee within three (3) months, and explore use of online platforms which have wider reach.

Management Response

The Management submitted that the State Department has an approved organizational structure that allows for the establishment of a strong media monitoring unit.

Conclusion on status

There was no evidence provided on whether the Management has a signed of performance contract or evidence it was submitted to Parliament.

Recommendation Category: Administrative

Implementation Status: Not Implemented

STATE DEPARTMENT FOR CULTURE AND HERITAGE – VOTE 1134

The Management of The State Department for Culture and Heritage Management did not avail any response on the following recommendations outlined in **Table 6** below:

Table 6: Recommendations for State Department for Culture & Heritage

Audit Issue	Recommendation	Category
Unsupported Accounts Payables-Retention	364. The Committee directs the Accounting Officer together with that of the State Department for Sports reconcile the figure of Kshs.4,098,684 within a month of adoption of this report; and	Administrative
	365. The Accounting Officer liaises with the State Department for Public Works for project completion within one (1) month of adoption of this report.	Administrative
Pending Bills	366. The Accounting Officer to expedite liaison with the Attorney General and resolve the matter of outstanding payments within three (3) months of adoption of this report	Administrative
Unresolved Prior Year Issues	367. The Committee directed the Accounting Officer to fast track resolving of prior year unresolved audit issues and provide progress report within three (3) months following the adoption of this report by the House.	Administrative
Failure to Conduct Training Needs Assessment, Prepare Staff Training and Development Policy and Training Master Plan	368. The Committee reprimands the Accounting Officer and recommends that the State Department puts in place a training and development policy, and periodically conduct a training needs assessment for staff as required	Policy
Assets Management-Untagged and Unallocated Assets	369. The Committee directed the Accounting Officer to expedite tagging and proper identification of all assets in the State Department and report progress within three (3) months of the adoption of this report by the House	Administrative
Disposal of Motor Vehicles	370. The Committee directed the Accounting Officer completes disposal of the four vehicles within three (3) months following the adoption of this report by the House	Administrative
Understaffing	371. The Committee reprimands the Accounting Officer and directs that he submits a report on understaffing in the State Department to the PSC to address staff shortage within three months of adoption of this report by the house	Administrative

Source: OAG Analysis of Tracked Recommendations and Management Responses

In the circumstances, it was not possible to confirm whether the status of their implementations.

372. Fixed Assets**Recommendation**

The National Assembly recommended that the Accounting Officer is directed to expedite the process of acquiring the title deeds in collaboration with the National Land Commission (NLC), and submit a status report to the National Assembly within three (3) months of adoption of the report

Management Response

The Management submitted that the matter was resolved by a circular by The National Treasury that issuing a circular guiding on preparation of Assets and liabilities Management Register citing land as a key asset as classified in the template. These eight (8) plots of land, measuring a total of 21.42 hectares are included in the Fixed Assets Register.

Conclusion on status

The Management did not provide information on action taken to expedite the process of acquiring the title deeds in collaboration with the National Land Commission (NLC).

Recommendation Category: Administrative

Implementation Status: Not Implemented

373. Lack of Fixed Assets Register**Recommendation**

The National Assembly recommended that the Accounting Officer to avail a fixed asset register in the correct format set according to the Public Audit Act, 2015, within three (3) months of adoption of the report by the House

Management Response

The Management submitted that the Accounting Officer provided the Asset and Liability register and Disposal Plan register to The National Treasury on 7 October, 2024. On the sale of the Motor Vehicles was also adjusted and excluded in the revised templates of Fixed Assets Register template provided by The National Treasury.

Conclusion on status

Although the Management submitted that a fixed asset register was submitted to The National Treasury, there was no evidence the register was submitted to the National Assembly.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

374. Office and General Supplies**Recommendation**

The National Assembly recommended that the Accounting Officer is directed to provide documents in support of the undefined expenses and payments of allowances and imprests to the Auditor General within one month following the adoption of the report

Management Response

The Management submitted that the matter was resolved as this items related to the low value items which are below Kshs.50,000 threshold specifically acquired under paragraph 92 and 93 of PFMR 2012 and whose cap could only be determined by the Accounting Officer or his authorized representative.

Conclusion on status

The Management did not provide the documents to support the undefined expenses and payment of allowances and imprests.

Recommendation Category: Administrative

Implementation Status: Not Implemented

375. Lack of Risk Management Policy Framework**Recommendation**

The National Assembly recommended that the Accounting Officer to submit a report to the National Assembly on the status of formulation of risk Management frame work and risk Management register within three (3) months of the adoption of the report

Management Response

The Management submitted that The State Department has a risk Management policy and framework in place and this has been provided.

Conclusion on status

Although the risk Management policy and framework were finalized in January 2024, there is no evidence that the same was submitted by the Accounting Officer to the National Assembly as directed.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

376. Acquisition of Non-Financial Assets**Recommendation**

The National Assembly recommended that the Accounting Officer ensures that the project is completed and avails a status report to the National Assembly within three (3) months of adoption of the report.

Management Response

The Management submitted that they awarded a Contract to a Sweden AB Company for design, supply, installation, testing and commissioning of SCADA / EMS Extension to EPR. M/S Hitachi, the Consultant changed its name from ABB Power Grid Sweden AB to Hitachi Energy Sweden AB. The Management was unable to proceed on the payment since the contract was signed by ABB Power Grid Sweden AB. An addendum needed to be made before the expiry of the contract to effect the name change. The Management provided a project completion report showing the status of the project where the system was completed and handed over to EPRA.

Conclusion on status

The project has been completed and handed over to the user agency, EPRA. However, the Accounting Officer has not provided evidence that a status report was provided to the National Assembly as directed.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

377. Budgetary Control and Performance

Recommendation

The National Assembly reprimanded that the Accounting Officer for poor project implementation and recommended that a status update be provided to the National Assembly within three (3) months of adoption of the report.

Management Response

The Management submitted that they constituted Project Implementation Team (PIU) and Contract Implementation Team (CIT) on Contracts under the Project to enhance project implementation as per appointment letter provided. Further the Management has restructured the project to FastTrack the implementation of the remaining activities before the closure of the Project. The State Department has also extended the Project closure period to September 2026 to allow sufficient time for Project implementation activities.

Conclusion on status

Although the Management had taken measures to improve on project implementation, there was no evidence provided a status report was submitted National Assembly as recommended.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

378. Stalled Geothermal Development at Silali Prospective Site

Recommendation

The National Assembly recommended that within three (3) months of the adoption of the report, the Accounting Officer together with the County Government of Turkana should submit documents showing the status/commencement of the project.

Management Response

The Management submitted that the drilling activities in Silali have since commenced and the first well completed as per well completion report provided.

Conclusion on status

Although the Management has submitted a well drilling report showing completion date of 12 February, 2024, there was no evidence confirming whether the status report of the project was submitted to the National Assembly.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

379. Failure to Prioritize Payments of Pending Bills

Recommendation

The National Assembly recommended that the Accounting Officer should within sixty (60) days of tabling and adoption of the report to submit documents and schedules to support pending bills due of Kshs.21,600,000 to National Environmental Management Authority (NEMA) to the Auditor General for verification.

Management Response

The Management submitted that the Pending bill due to the National Environmental Management Authority (NEMA) was not settled due to the suspension of the requirement for the ESIA license for the project by the government. The bill has since been written off.

Conclusion on status

The Management did not submit documents and schedules to support pending bills amounting to Kshs.21,600,000 due to NEMA to the Auditor General for verification. The Management only submitted an undated notice of scrapping of the 0.1% of the project value as Environmental Impact Assessment (EIA) fees was attached to the response. The recommendation has not been implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

380. Outstanding Arbitration on Terminated Contract

Recommendation

The National Assembly recommended that within three (3) months of adoption of the report, the Accounting Officer should report to the National Assembly on the current status of the project

Management Response

The Management submitted that the contracts with the main contractor (Inabensa) for the project were terminated in April 2016 due to nonperformance. An arbitration tribunal was instituted in 2019. The arbitration case was delivered in July 2019 in favour of the contractor. KETRACO appealed to the High Court for setting aside of the arbitral award

to Inabensa. The High Court delivered their ruling in February 2021 upholding the arbitral award. KETRACO appealed the case in the Court of Appeal. The Court of appeal on 19th November 2021 delivered their ruling upholding The High Court ruling. The Court of appeal ruling was subjected to an appeal petition at The Supreme Court. The Supreme Court delivered their ruling upholding the Court of appeal ruling.

Management has engaged The National Treasury through Ministry of Energy to finance completion of the project. This will allow for completion of the project hence realization of service delivery to the intended beneficiaries

Conclusion on status

Although the Management has submitted on the current status of the project, the Management did not provide information to confirm whether a status update was submitted to the National Assembly as recommended.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

381. Pending Bills - Goods and Services

Recommendation

The National Assembly recommended that within one (1) month of the adoption of the report, The Accounting Officer to submit a report on the status on the outstanding amount of KShs.29,546,374 due to AECOM.

Management Response

The Management submitted that out of the outstanding amount of Kshs.446,539,858 at the end of 30 June, 2021, Kshs.416,993,484 has already been settled hence a balance of Kshs.29,546,374. This outstanding amount of Kshs.29,546,374 was due to AECOM, the consultants for the project whose contract expired in 2017. The invoice for the consultant has not been settled, due to the ongoing Case at the High court which is yet to be determined. The bill will be settled once the matter is finalized.

Conclusion on status

Although the Management has submitted the reason for not settling the payable, the Accounting Officer did not submit information to confirm whether a report on the status was submitted to the National Assembly.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

382. Long outstanding Wayleave Compensation

Recommendation

The National Assembly recommended that within three (3) months after tabling and adoption of the report, the Accounting Officer should provide the documents for extra budget requisitions and correspondences between the state department and National treasury on the issue to the National Assembly

Management Response

The Management submitted that the project was adequately funded in financial year 2020/2021 however the slow wayleaves compensation is occasioned by insufficient documentation from certified landowners for the grant easement registration in acquiring the right of way. KETRACO has engaged the following measures to resolve wayleave matters;

- (i) out of court settlements where consents are recorded for those litigants who are amenable to settlement up in court;
- (ii) We employ court annexed mediation where mediators are appointed through the court to guide the process,
- (iii) Where access has been denied, KETRACO files suit to get access orders for construction to proceed as parties have the cases heard;
- (iv) court documents are prepared timeously and have then filed on time to enable the cases to proceed without unnecessary adjournments;
- (v) Identify and prepare witnesses and avail then on time to have the matters proceed every time they come

Conclusion on status

The Management did not provide evidence to confirm the Accounting Officer submitted the documents for extra budget requisitions and correspondences between the State Department and National Treasury on the issue to the National Assembly.

Recommendation Category: Administrative

Implementation Status: Not Implemented

383. Legal Costs on Termination of Contract and Loan Interest Costs

Recommendation

The National Assembly recommended that within three (3) months of adoption of the report, the Accounting Officer should report to the National Assembly on the current status of the project

Management Response

The Management submitted that the project is currently stalled and KETRACO cannot access the site until the arbitral award is settled in full. Management has engaged The National Treasury through Ministry of Energy to finance completion of the project. This will allow for completion of the project hence realization of value for money from the project

Conclusion on status

The Accounting Officer did not report to the National Assembly by 31 May, 2024 on the status of the project. However, in the response, there is a letter from the Principal Secretary, National Treasury to the Accounting Officer dated 14 March, 2024 indicating that upon advice from the Attorney General, the State Department was to work out a feasible phased-out payment plan for the arbitral award and prioritize funding for the same and any other relevant project completion costs within the financial year 2024/2025 and the Medium-Term Budget.

Recommendation Category: Administrative

Implementation Status: Not Implemented

384. Automation of the Financial Reporting Process

Recommendation

The National Assembly recommended that the Accounting Officer to ensure that all reporting processes are automated and submits a report to the Committee within three (3) months of the adoption of the report.

Management Response

The Management submitted that the KETRACO is in the process of fully automating the projects reporting system (Project services module in SAP) and integrating SAP with Integrated Location Intelligence System (ILIS). This will ensure end to end processing of

the project financial information in the system and reporting. Subsequently, KETRACO has engaged BI experts who are helping in full automation of the project's module in the SAP.

Conclusion on status

The Management is the course of implementing the automation of processes and the preparation of the trial balance and the financial statements is still done manually on excel worksheet. Further, the status report was not yet submitted to the National Assembly.

Recommendation Category: Administrative

Implementation Status: Not Implemented

385. Long Outstanding Wayleave Compensation

Recommendation

The National Assembly recommended that within three (3) months after tabling and adoption of the report, the Accounting Officer to liaise with National Treasury and set aside enough funds to fully compensate the certified land owners

Management Response

The Management submitted that they had requested additional budget/funding from The National Treasury to ensure due payments relating to wayleave compensation are settled.

Conclusion on status

The Management has requested for funds to fully compensate the certified land owners by writing to The National Treasury vide letter ref. KET/6/14C/2/TI/hc dated 30 September, 2024. However, there was no response to the request for the funding.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

386. Delay in Project Implementation

Recommendation

The National Assembly recommended that the Accounting Officer to submit a report to the Committee on the status of the project within three months of adoption of this report

Management Response

The Management submitted that the project was completed in May 2024 awaiting testing and commissioning.

Conclusion on status

Although the Management submitted that the project was completed and was waiting testing and commissioning, they did not avail the evidence a status report was submitted to the National Assembly.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

STATE DEPARTMENT FOR LIVESTOCK - VOTE 1162

387. Prior Year Adjustments

Recommendation

The National Assembly recommended that the Accounting Officer liaises with Treasury and addresses IFMIS issues.

Management Response

The Management submitted that the issue was addressed as evidenced in the Financial Reports for the financial years 2022/2023 and 2023/2024.

Conclusion on status

Although the Management submitted that the issue was addressed as evidenced in the Financial Reports for the financial years 2022/2023 and 2023/2024, there was no information provided to confirm whether the issues with IFMIS were addressed.

Recommendation Category: Administrative

Implementation Status: Not Implemented

388. Lack of Active Audit Committee

Recommendation

The National Assembly recommended that the Accounting Officer should ensure the State Department has an independent and active Audit Committee as required by Section 73 (5) of the Public Finance Management Act, 2012.

Management Response

The Management submitted that the Audit Committee members have been appointed.

Conclusion on status

Although the Management submitted that the Audit Committee members were appointed, the Committee was not yet active.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

389. Incomplete Assets Register

Recommendation

The National Assembly recommended that Accounting Officer should ensure that a complete fixed asset register is maintained pursuant to Regulation 143(1) of the PFM (National Government) Regulations, 2015 and avail the same to the National Assembly within three (3) months

Management Response

The Management submitted that the register was updated

Conclusion on status

Although the Management submitted that the register was updated, subsequent audits have found the register has not been fully updated.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

390. Lack of Works in Progress Register

Recommendation

The National Assembly directed the Accounting Officer liaise with the department for public works and provide the Work in Progress register, and report the same to the National within three months of the adoption of the report

Management Response

The Management submitted that a work in progress register has been created.

Conclusion on status

Although the Management submitted that a work in progress register has been created, the register was not in place as reported in subsequent audits (2023/2024).

Recommendation Category: Administrative

Implementation Status: Not Implemented

391. Unpaid Insurance Claim for Project Vehicles

Recommendation

The National Assembly recommended that the Accounting Officer follows up with the Insurer to resolve the matter conclusively and report progress within three (3) months of adoption of the report.

Management Response

The Management submitted that The State Department of Livestock Development instructed the office of the Attorney General to demand for the settlement of the insurance claim. The insurer did not respond to the claim.

Conclusion on status

Although the Management has commenced claim process, the amount is yet to be settled.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

STATE DEPARTMENT FOR FISHERIES, AQUACULTURE AND THE BLUE ECONOMY
– VOTE 1166

392. Unsupported Training Expenses

Recommendation

The National Assembly directed that the Accounting Officer to avail a roster of names of trained fishermen as well as the list of individuals who have been selected for training per constituency, within three (3) months of the adoption of the report.

Management Response

The Management submitted that the matter was resolved.

Conclusion on status

Management submitted that matter was resolved. However, there is no evidence provided to confirm that a roster of names of trained fishermen as well as the list of individuals who have been selected for training per constituency was prepared and submitted to Parliament within three months as recommended.

Recommendation Category: Administrative

Implementation Status: Not Implemented

393. Pending Bills

Recommendation

The National Assembly recommended that the Accounting Officer must at all times ensure that pending bills are settled as first charge in subsequent financial year when preparing estimates of expenditure and revenues of the entity in conformity with the strategic plan pursuant to the provisions of Section 68(2) (h) of the PFM Act, 2012.

Management Response

The Management submitted that the recommendation is being observed and they are currently handling pending bills as advised and as per section 68(2) of the PFM Act, 2012.

Conclusion on status

The Management did not avail any evidence to confirm whether in the subsequent financial year budget estimates included a portion of the pending bills and therefore, it is not clear whether the proposed budget would settle the bills.

Recommendation Category: Administrative

Implementation Status: Not Implemented

394. Stalled Projects

Recommendation

The National Assembly recommended that the Accounting Officer avails a status report of all incomplete projects to the National Assembly within three (3) months of adoption of the report.

Management Response

The Management submitted that the State department has compiled a status report with completion handing over certificates.

Conclusion on status

Although the Management has provided a status report of all incomplete projects, they did not avail evidence it was submitted to the National Assembly.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

395. Construction of National Mariculture Resource Centre at Shimoni

Recommendation

The National Assembly recommended that the Accounting Officer submits a status report on completion plans of the project within three (3) months of adoption of the report.

Management Response

The Management submitted that the State Department has complied by ensuring supporting documents are submitted on time. The State Department sought support from World Bank and documentation for the project is under review by World Bank for implementation.

Conclusion on status

Although the Management has obtained the information, they did not avail evidence it was submitted to the National Assembly.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

396. Renovation Works at Landing Sites in Lake Victoria Region

Recommendation

The National Assembly recommended that the Accounting Officer ensures completion of the Ogal, Nyandiwa, and Wich Lum projects within reasonable time.

Management Response

The Management submitted that the three (3) projects are to be funded by Aquaculture Business Development Project (ABDP) among nine (9) sites identified for construction and completion in the Financial Year 2024/2025.

Conclusion on status

Management submitted the projects will be funded in the Financial Year 2024/2025. However, there was no information provided on when the projects will be completed within a reasonable time cannot be confirmed.

Recommendation Category: Administrative

Implementation Status: Not Implemented

397. Procurement, Ownership and Utilization of Medium Sized Fishing Boats

Recommendation

The National Assembly reprimanded the Accounting Officer for failure to ensure value for money by failing to procure the fishing gear together with the boats, and directed that the Accounting Officer ensures they are operational within six months of adoption of the report, and report to the National Assembly.

Management Response

The Management submitted that the State Department has complied by ensuring value for money in procurement the fishing gear together with the boats. The State Department is in the process of operationalizing the report.

Conclusion on status

The Management have not ensured the boats are operational within six months of adoption of the report and reported to the National Assembly.

Recommendation Category: Administrative

Implementation Status: Not Implemented

398. Lack of Ownership Documents and Incomplete Fixed Asset Register

Recommendation

The National Assembly directed that the Accounting Officer to avail a comprehensive fixed assets register to the National Assembly within three (3) months of adoption of the report.

Management Response

The Management submitted that a Comprehensive Fixed Asset Register is now in place

Conclusion on status

The Management has put a comprehensive fixed assets register in place.

Recommendation Category: Administrative

Implementation Status: Implemented

399. Lack of a Risk Management Policy

Recommendation

The National Assembly recommended that the Accounting Officer submits the risk Management policy and ensure its operationalization within three (3) months of adoption of the report.

Management Response

The Management submitted that the State Department has finalized on the risk Management policy document and provided it..

Conclusion on status

The recommendation has been implemented because the risk Management policy is now in place.

Recommendation Category: Administrative

Implementation Status: Implemented

400. Undisclosed Revenue from Rent

Recommendation

The National Assembly reprimanded the Accounting Officer for abrogation of duty and directed that he avails proper lease agreements, and that an adjustment of the rent is made to reflect the current market rates; and provide a status report to the Assembly within three (3) months of adoption of report.

Management Response

The Management submitted that the State Department shall ensure that proper lease agreements are in place.

Conclusion on status

The Management has submitted they shall ensure proper lease are in place yet the National Assembly directed to be done within three months. The recommendation has not been implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

401. Ineffective Collection of Revenue by Kenya Fishing Industry Corporation**Recommendation**

The National Assembly recommended that the State Department engages KRA as a collector of revenue as prescribed under Section 75 of the PFM Act, 2012 within three (3) months of adoption of the report.

Management Response

The Management submitted that uploading of service and collection of revenue through eCitizen Platform has been implemented. There is no loss of revenue as Kenya Fishing Industry Corporation (KFIC) does not collect revenue from landing sites. KFIC is meant to collect revenue from fishing points.

Conclusion on status

The revenue collection was automated through eCitizen platform. Further KFIC collects revenue from fishing points and not landing sites and therefore, no revenue was lost at the landing sites through them. The recommendation is no longer applicable.

Recommendation Category: Administrative

Implementation Status: No Longer applicable.

402. Lack of Audit by Internal Audit**Recommendation**

The National Assembly recommended that the Accounting Officer must at all times ensure that they have appropriate arrangements in place for conducting internal audit according

to the guidelines of the Public Sector Accounting Standards Board pursuant to the provisions of Section 73(1)(a) of the Public Finance Management Act, 2012.

Management Response

The Management submitted that the Accounting Officer shall ensure adherence to provisions of Section 73(1)(a) of the Public Finance Management Act, 2012. The internal auditors have developed an audit plan which has been approved by the Accounting Officer.

Conclusion on status

Management submitted they are adhering with Section 73(1)(a) of the Public Finance Management Act, 2012. However, the annual work plan was approved by Accounting Officer rather than the Auditee Committee. The recommendation has been partially implemented.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

STATE DEPARTMENT FOR CROP DEVELOPMENT AND AGRICULTURAL RESEARCH- VOTE 1169

403. Long Outstanding Pending Bills

Recommendation

The National Assembly recommended that the Accounting Officer must ensure that pending bills are settled as first charge in the subsequent financial year.

Management Response

The Management submitted that the Accounting Officer has been paying as first charge but due budget cuts all the pending have not been paid/settled. However out of Kshs.10,782,845,180.46 pending bills, a total of Kshs.6,416,789,864.44 has been paid.

Conclusion on status

The Management had partly settled the pending bills with pending bills for the financial year 2020/2021 brought forward in the financial year 2023/2024 amounting to Kshs.4,366,473,336.72.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

404. Non-Compliance to a Third Rule on Salary Deductions

Recommendation

The National Assembly urged the Accounting Officer to incrementally enforce Section 19(3) of the Employment Act, 2007 on the affected officers.

Management Response

The Management submitted that the Accounting Officer enforced Section 19(3) of the Employment Act, 2007 and no officer is being paid below 1/3 of basic salary.

Conclusion on status

The Accounting Officer has implemented the recommendation and ensured compliance to the one third basic rule.

Recommendation Category: Administrative

Implementation Status: Implemented

405. Failure to Maintain an Up-to-Date Assets Register

Recommendation

The National Assembly recommended that within three (3) of adoption of the report, the Accounting Officer should submit asset register to the National Assembly.

Management Response

The Management submitted that the Accounting Officer has enforced regulation 143 of the public finance Management (National Government) Regulation, 2015 by updating Asset Register for the state department.

Conclusion on status

Management had prepared a fixed asset register. However, the asset register is not prepared as per The National Treasury Guidelines on Asset and Liability Management in The Public Sector March 2020.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

406. Lack of Risk Management Policy and Disaster Recovery Plan

Recommendation

The National Assembly reprimanded the Accounting Officer and directed that he avails the policy within three (3) months of adoption of the report.

Management Response

The Management submitted that the risk Management policy and disaster recovery plan are in the process of being finalized and draft was provided.

Conclusion on status

The State Department does not have a Risk Management Policy and a Disaster Recovery Plan contrary to Regulation 165 of the Public Finance Management (National Government) Regulations, 2015

Recommendation Category: Policy

Implementation Status: Not Implemented

407. Unexplained Variances and Inaccuracies in the Statement of Comparative Budget and Actual Amounts

Recommendation

The National Assembly reprimanded the Accounting Officer and directed that he ensures that reconciliations are done in time and the complete financial statements submitted to the Auditor General in time as provided for in Article 229 (4)(h) of the Constitution of Kenya, 2010 and Section 81(4)(a) of the Public Finance Management Act, 2012.

Management Response

The Management submitted that the Accounting Officer has ensured the reconciliation is done in time as provided for in Article 229 (4)(h) of the Constitution of Kenya, 2010, and Section 81(4)(a) of the Public Finance Management Act, 2012 by reconciling on monthly basis and in subsequent years audit there were no variances.

Conclusion on status

Audit is subsequent year confirmed that the Accounting Officer has implemented the recommendation by ensuring reconciliations are done in time.

Recommendation Category: Administrative

Implementation Status: Implemented

408. Unsupported Expenditure on Seeds and Seedlings

Recommendation

The National Assembly reprimanded the Accounting Officer and directed compliance with provisions of Section 68 (2) of the PFM Act, 2012 and that complete financial and accounting records are presented to the Auditor General pursuant to the provisions of Article 229 of the Constitution of Kenya, 2010 and Section 68 (2) (k) of the PFM Act, 2012.

Management Response

The Management submitted that the Accounting Officer has complied with Section 68 (2) of the PFM Act 2012 and that complete financial and accounting records are presented to the Auditor General pursuant to the provisions of Article 229 of the Constitution of Kenya, 2010 and Section 68 (2) (k) of the PFM Act 2012 by providing the supporting documents for all the expenditure on time.

Conclusion on status

The supporting documents for the Kshs.12,752,500 used to in the acquisition of assorted seeds and seedlings for the year ended 30 June, 2021 were not provided hence the implementation of the recommendation by National Assembly could not be confirmed.

Recommendation Category: Administrative

Implementation Status: Not Implemented

409. Non-Tagging and Non-Serialization of Assets**Recommendation**

The National Assembly reprimanded the Accounting Officer and directed that he submits a complete asset register to the Assembly within three (3) months of adoption of the report.

Management Response

The Management submitted that they have ensured the Asset register is updated. Further, tagging and serialization has been done as provided.

Conclusion on status

Management submitted that they have ensured the Asset register is updated and tagging and serialization done. However, it was possible to confirm the same as the asset register was not provided to indicate the serialization and tagging of assets.

Recommendation Category: Administrative

Implementation Status: Not Implemented

410. Project not in Budget**Recommendation**

The National Assembly recommended that the Accounting Officer must henceforth align the workplans and the budget.

Management Response

The Management submitted that the Accounting Officer has ensured workplans and the budget are aligned.

Conclusion on status

The Management had aligned the budget and work plans hence the recommendation has implemented has been implemented.

Recommendation Category: Administrative

Implementation Status: Implemented

411. Non-Remittance of Value Added Tax

Recommendation

The National Assembly recommended that the Accounting Officer to within three (3) months of adoption of the report, report to the Assembly whether interest and penalties have been accrued from the non-remittance of the taxes to the Kenya Revenue Authority.

Management Response

The Management submitted that there are no interest and penalties accrued from non-remittances of the Taxes to Kenya Revenue Authority to date.

Conclusion on status

Although the Management submitted there are no interest and penalties accrued from non-remittances of the Taxes to Kenya Revenue Authority to date, a status report as recommended had not been submitted to the National Assembly.

Recommendation Category: Administrative

Implementation Status: Not Implemented

412. Amount not Received in Special Purpose Account (SPA) in Baringo County

Recommendation

The National Assembly submitted that the Accounting Officer to provide supporting documents showing the balance was paid to the Special Purpose Account of Baringo County to the Committee within one (1) month of adoption of the report.

Management Response

The Management submitted that the Accounting Officer ensured that the funds were transferred to the project account and utilized for the intended purposes.

Conclusion on status

The Management did not avail the document as recommended and It was not possible to confirm the transfer of balance to Special Purpose Account hence the recommendation has not been provided.

Recommendation Category: Administrative

Implementation Status: Not Implemented

413. Irregular Disbursement

Recommendation

The National Assembly recommended that within one (1) months of adoption of the report, the Accounting Officer should ensure the excess disbursement to Kirinyaga County is refunded.

Management Response

The Management submitted that the Accounting Officer has ensured that the money disbursed to Kirinyaga has been returned.

Conclusion on status

Although the Management submitted that the excess disbursement has been refunded it was not supported by any verifiable documents.

Recommendation Category: Administrative

Implementation Status: Not Implemented

414. Variances Between Financial Statements and IFMIS Ledger

Recommendation

The National Assembly recommended that within three months of tabling and adoption of the report, the Accounting Officer should avail supporting documentation to the Assembly.

Management Response

The Management submitted that the Accounting Officer has ensured the provisions of section 9 (1) (e) of Public Audit Act, 2015. The reconciled vote book was provided.

Conclusion on status

Although a reconciled vote book was provided, there was no evidence it was submitted to the National Assembly.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

STATE DEPARTMENT FOR TRADE AND ENTERPRISE DEVELOPMENT – VOTE 1174

The Management of The State Department for Trade and Enterprise Development Management did not avail any response on the following recommendations outlined in **Table 7** below:

Table 7: Recommendations for State Department for Trade & Enterprise Development

Paragraph	Recommendation	Category
Government Assets - Loss of Motor Vehicles	415. The Committee recommends that the Accounting Officer liaises with the DCI and address the long overdue issue and submit a report to the Committee with three (3) months of adoption of this report.	Administrative
Lack of Ownership Documents for Parcel of Land in South C Nairobi	416. The Committee recommended that within three (3) months of adoption of this report, the Accounting Officer to liaise with the National Land Commission to obtain the title and ownership documents for the parcel of land on which the Weights and Measures Complex in South C Nairobi is built.	Administrative
Lack of Expenditure Returns for Disbursements to Foreign Missions	417. The Committee directs the Accounting Officer to coordinate with the Ministry of Foreign Affairs and provide clarification on the six cases, namely Washington DC (USA), Juba (South Sudan), Addis Ababa (Ethiopia), Islamabad (Pakistan), Kampala (Uganda) and Pretoria (South Africa), indicating whether they have a trade agency account or a joint account. The Accounting Officer to submit his findings to the Committee within three (3) months after the adoption of this report.	Administrative
Delayed Completion of Contract - Kenya Institute of Business Training (KIBT) Phase II	418. The Accounting Officer to submit a status report to the Committee within three (3) months of adoption of this report.	Administrative

Source: OAG Analysis of Tracked Recommendations and Management Responses

In the circumstances, it was not possible to confirm whether they were implemented

STATE DEPARTMENT FOR INDUSTRIALIZATION - VOTE 1175

419. Motor Vehicles without Title Documents

Recommendation

The National Assembly recommended that within three months upon adoption of the report, the Accounting Officer should liaise with National Transport and Safety Authority (NTSA) to investigate the ownership of the 13 vehicles and report to the National Assembly

Management Response

The Management submitted the Accounting Officer confirmed NTSA has provided information on the ownership; eleven belongs to the State Department of Industrialization (SDI) and two belongs to National Treasury and evidence was provided. The SDI has applied for logbooks for the eleven through E-Citizen. SDI has also written to National Treasury regarding the other two vehicles.

Conclusion on status

The Accounting Officer has partially implemented the recommendation as the ownership of the thirteen vehicles has been established. However, no evidence of submission of the information to the National Assembly was provided.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

420. Motor Vehicles without Title Documents

Recommendation

The National Assembly recommended that the Accounting Officer must ensure that vehicles that are unserviceable and no longer useful are disposed off to prevent their condition from further deteriorating.

Management Response

The Management submitted that the Accounting Officer will endeavor to implement recommendation by PAC.

Conclusion on status

There was no evidence on action taken to ensure that vehicles that are unserviceable and no longer useful are disposed to prevent their condition from further deteriorating. Hence the recommendation is not implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

421. Pending Bills**Recommendation**

The National Assembly recommended that the Accounting Officer prioritizes pending bills and treat them as first charge in accordance with Section 74 (4)(d) of the PFM Act, 2012 and Regulation 42 (1)(a) of the PFM (National Government) Regulations, 2015.

Management Response

The Management submitted that out of the pending bills for the year 2020/21 of Kshs.120,698,294, an amount of Kshs.31,386,081 was still pending and had been submitted to the Pending Bills Verification Committee

Conclusion on status

Pending bills of Kshs.31,386,081 was still pending and had been submitted to the Pending Bills Verification Committee.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

422. Irregular Allowances on Office Partitioning**Recommendation**

The National Assembly reprimanded the Accounting Officer and recommended that the beneficiaries be surcharged to recover the funds that were unlawfully granted as allowance, within three (3) months of adoption of the report

Management Response

The Management submitted the amount had been partially recovered as follow: cash received – Kshs.355,969; Stade Department for Industrialization payroll- Kshs.194,031; Other MDAs payroll Kshs.140,000, (of which Kshs.30,000 has been remitted and Kshs.110,000 remains unremitted) and an amount of Kshs.270,000 remains unrecovered.

Conclusion on status

With amount of Kshs.270,000 still outstanding and Kshs.110,000 recovered by other MDAs still not remitted the recommend is partially implemented.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

Cost Savings: Kshs.550,000

423. Non-Payment of Pending Bills**Recommendation**

The National Assembly instructed the Accounting Officer to prioritize pending bills and treat them as first charge in accordance with Section 74 (4)(d) of the PFM Act, 2012 and Regulation 42 (1)(a) of the PFM (National Government) Regulations, 2015.

Management Response

The Management submitted that the pending bills arose due to insufficient budget arising from budget cuts during the year Financial Year 2020/2021. In the financial year 2021/2022 the state department had paid Kshs.70,856,846 leaving a balance of Kshs.11,015,546. The balance of Kshs.11,015,546 was paid in the financial year 2022/2023.

Conclusion on status

Pending bills are not prioritized and treated as a first charge in the subsequent year as some balances were carried out for more than one financial year.

Recommendation Category: Administrative

Implementation Status: Not Implemented

424. One Third Staff Salary Deductions Rule**Recommendation**

The National Assembly urged the Accounting Officer to ensure incremental compliance to the law.

Management Response

The Management submitted that the department through the Human Resource Management department is continuously sensitizing officers whose salaries fall below a third rule to seek other alternative ways of financing their deductions.

Conclusion on status

The Management has demonstrated incremental compliance to the law in although there are employees still earning below a third of their basic salary as evidenced in the audit of Financial Year 2023/2024 conducted in October 2024.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

425. Budgetary Control and Performance

Recommendation

The National Assembly recommended that the Accounting Officer avails an analysis of the under absorption to the Assembly within three (3) months of adoption of the report.

Management Response

The Management submitted that the expenditure relates to the Kenya Youth Employment and Opportunities Project (KYEOP) component implemented under National Industrial Training Authority (NITA). The under expenditure was due to slowdown of project activities caused by COVID 19 pandemic during the implementation period and thus most of the program activities which majorly included training to youths could not be implemented. An analysis of the items of under expenditure was provided.

Conclusion on status

The Accounting Officer provided has not provide evidence the analysis of the under absorption was submitted to the Assembly within three (3) months of adoption of the report.

Recommendation Category: Administrative

Implementation Status: Not Implemented

426. Imprest Management

Recommendation

The National Assembly reprimanded the Accounting Officer for breach of PFM (National Government) Regulations, 2015 on Imprest Management, and directed that he issues a status report on all surrenders for the period under review, within three (3) months of adoption of the report.

Management Response

The Management submitted that the imprests relate to KYEOP component implemented under NITA. The delay in the surrender of imprest was due to late payment for the imprest caused by delay in release of exchequer. This made officers to proceed for second activity before being paid for the first activity.

Conclusion on status

The Accounting Officer did not provide evidence to confirm whether the Accounting Officer issued a status report on all surrenders for the period under review, within three (3) months of adoption of the report as recommended.

Recommendation Category: Administrative

Implementation Status: Not Implemented

427. Deceased Beneficiaries in the Inua Jamii Program Payroll**Recommendation**

The National Assembly recommended that that a head count should be done every two months and stringent controls be put be in place.

Management Response

The Management submitted that the Ministry usually transfers fund for direct transfer to the Holding Accounts at six contracted Banks According to the Payroll figure. However, once the fund land into the Account it comingles with the other funds balances from the previous cycles which includes funds for failed credit, claw back and complementary programme funds. Normally, failed Credit funds are reloaded into beneficiary Account in the next Payment cycle once the issue with the accounts have been addressed through case Management process. On the other hand, the fund for complimentary programmes in the holding account are the ones which are for inactive accounts and whose inactivity issues are being addressed after which they are paid once the issue is addressed. It is true that beneficiaries whose funds had ben clawed back have not been exited and the reason for this is that the payment module under the CCTP-MIS has been undergoing enhancement to provide automatic service of exiting households of beneficiaries who have been clawed back. Once this process of enhancement is complete, the system will automatically be exiting cases once claw back is done. The lesson learnt from the last claw back, cases of PWSD and CT-OVC caregivers who were exited resurfaced to claim back their funds. After investigations were done, it was found that some of these cases were affected by late or non-reporting of change of caregivers and case Management. Going forward, the state department has planned to integrate the CCTP-MIS with civil registration services (CRS) database to automatically identify deceased beneficiaries. This will enable the CCTP MIS to flag out and exit the deceased OPCT beneficiaries. All the funds in the holding account have now been surrendered to The National Treasury Exchequer Account, held at the Central Bank of Kenya in Compliance to the Public Finance Management Act -2012.

Conclusion on status

In absence of automated software linked to Civil Registration services (CRS) and where the process of removing the dead beneficiaries is being done manually, the existence of dead beneficiaries in the registers cannot be ruled out due to the cumbersome nature of the physical process of dead beneficiaries' verification.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

428. Lack of Ownership Documents**Recommendation**

The National Assembly recommended that the Accounting Officer fast-tracks the process and reports to the Assembly within three (3) months of adoption of the report.

Management Response

The parcels of land in question have not been evaluated or included in the financial statements as they were acquired through grants or donations. The State Department is actively working on completing the necessary documentation. Once these processes are finalized and title deeds are secured, the land parcels will be appropriately valued and recorded in the fixed asset register. Each of the institution has at least a piece of Document that indicates the Land was set aside, reserved or planned for the purpose that it is being used for currently. These documents include allotment letters, part development plans (PDPs), correspondences, payments for various bills, levies and processes among many other documentations. Land owned by Statutory Children Institutions which include the Getathuru National Reception, Assessment and Classification Centre, Wamumu Children Rehabilitation School, Nairobi Children Remand home, Othaya Children Rehabilitation School, Kabete Children Rehabilitations, Murang'a Children Remand Home and Thika Children Rescue Centre. A Committee was established and operationalized by the State Department to follow up on titling, fencing and securing of its land parcels across the country. The Statement Department vide the guidance of this Committee has made several request to The National Treasury and through the Parliamentary Departmental Committee on Social Protection to avails funds for titling and fencing to secure the Lands.

Conclusion on status

Despite the action taken, the State Departments does not full ownership of the land.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

429. Lack of Functioning Internal Audit**Recommendation**

The National Assembly recommended that the Accounting Officer must at all times ensure that they have appropriate arrangements in place for conducting internal audit according to the guidelines of the Accounting Standards Board pursuant to the provisions of Section 73(1)(a) of the Public Finance Management Act, 2012.

Management Response

The Management submitted that during the audit review, the state department did possess an internal audit function, but it was notably understaffed with only two (2) officers. This shortage of staff created a substantial workload and limited their ability to adequately cover all the audit activities outlined in the annual work plan. To address the understaffing issue, two additional officers were posted to the internal audit unit. It is true that the audit Committee was inactive during the year under review. This was occasioned by a shortage of financial resources, which impeded Committee's induction process aimed at ensuring a comprehensive understanding of their roles and responsibilities. As a result, the activities of the audit Committee posed considerable challenges.

The Internal Audit Department is now fully functional. Appropriate arrangements are in place for conducting Internal Audit and Assessment according to the Accounting Guidelines and Standards pursuant to the Provisions of Section 73(1) (a) of the Public Finance Management Act, 2012.

Conclusion on status

The State Department had made good progress in the internal audit department by ensuring that various department operations are subjected to internal audits. However, some areas need to be covered particularly the cash transfers to various beneficiaries.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

430. Lack of Internal Audit Reports and Ineffective Internal Controls

Recommendation

The National Assembly reprimanded the Accounting Officer and directed that he ensures the presence and facilitation of an independent Audit Committee as required by Section 73 (5) of the Public Finance Management Act 2012.

Management Response

The Management submitted that a functional audit Committee has been formally established through issuance of appointments letters to external recruited professionals. Additionally successful induction process for the newly appointed ministerial audit Committee members has been conducted. Thus, the ministerial audit Committee is in place and functional.

Conclusion on status

Ministerial Audit Committee (MAC) in place and the recommendation has been implemented.

Recommendation Category: Administrative

Implementation Status: Implemented

STATE DEPARTMENT FOR MINING – VOTE 1192

431. Unsupported Pending Bills

Recommendation

The National Assembly recommended that the Accounting Officer submits to the Committee a report on the review of the pending bills within three (3) months of adoption of the report.

Management Response

The management submitted that the pending bills were verified and report submitted to National Assembly.

Conclusion on status

The recommendation was implemented as the pending bills were verified and report submitted to National Assembly though not within the timelines of three (3) months as the report was submitted seven (7) months after the adoption date.

Recommendation Category: Administrative

Implementation Status: Implemented

432. Unsupported Fixed Assets

Recommendation

The National Assembly directed that the Accounting Officer gives an updated and comprehensive report of the fixed assets register within three (3) months of adoption of the report.

Management Response

The management submitted that the asset register was updated and submitted to Parliament as per correspondences attached.

Conclusion on status

The recommendation is fully implemented as the asset register was updated and submitted to the National Assembly although not within the timelines of three (3) months as the report was submitted seven (7) months after the adoption date.

Recommendation Category: Administrative

Implementation Status: Implemented

433. Compensation of Employees - Irregular Payment of Motivation Allowances

Recommendation

The National Assembly reprimanded the Accounting Officer and recommended a surcharge from the beneficiaries and provide a report to the National Assembly within three (3) months after adoption of the report.

Management Response

The management submitted that the directive for surcharge to the beneficiaries was issued as per letter submitted to Parliament and where payments will not be made will be effected in the payroll.

Conclusion on status

The recommendation is partially implemented as Kshs.240,000 has been recovered from beneficiaries and report submitted to Parliament but not within the timelines of three (3) months as the report was submitted seven (7) months after the adoption date.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

Cost Savings: Kshs.240,000

434. Irregular Payment of Allowances

Recommendation

The National Assembly reprimanded the Accounting Officer and recommended a surcharge from the beneficiaries and provide a report to the National Assembly within three (3) months after adoption of the report.

Management Response

The directive for surcharge to the beneficiaries was issued as per letter submitted to parliament and where payments will not be made will be effected in the payroll

Conclusion on status

Although management has issued a directive to recover the allowances amounting to Kshs.13,007,700 no evidence has been provided to indicate recovery of the amount.

Recommendation Category: Administrative

Implementation Status: Not Implemented

435. Unsupported Non-Tax Receipts

Recommendation

The National Assembly directed that the Accounting Officer to adhere to Section 191 of the Mining Act, 2016 which provides for the establishment and maintenance of up-to-date computerized mining cadaster and registry system, including a register of mineral rights; and

Management Response

The management submitted that the royalty management system contract and implementation status report was submitted to National Assembly as per correspondences provided.

Conclusion on status

The recommendation is fully implemented as the royalty management system and implementation report was submitted to the National Assembly but not within the timelines of six (6) months as the report was submitted seven (7) months after the adoption date.

Recommendation Category: Administrative

Implementation Status: Implemented

436. Unsupported Non-Tax Receipts

Recommendation

The National Assembly directed the Accounting Officer to ensure that the computerized system is operational within six (6) months of adoption of the report.

Management Response

The royalty management system contract and implementation status report submitted to National Assembly as per correspondences provided.

Conclusion on status

The recommendation is implemented as the royalty management system and implementation report submitted to the National Assembly although not within the timelines of six (6) months as the report was submitted seven (7) months after the adoption date.

Recommendation Category: Administrative

Implementation Status: Implemented

437. Unreported and Unauthorized Use of Prospecting Fees

Recommendation

The National Assembly recommended that the Accounting Officer is directed by the Committee to separate revenue streams in the next financial year reports.

Management Response

The management submitted that the revenue and A-I-A streams have been separated in the financial year 2023/2024 financial statements

Conclusion on status

The receiver of revenue statement for the financial year 2023/2024 has separate revenue streams as recommended.

Recommendation Category: Administrative

Implementation Status: Implemented

438. Unreported Cement Levy Arrears by East Africa Portland Cement Company

Recommendation

The National Assembly recommended that the Accounting Officer to provide for documentary proof on follow up for payments from East Africa Portland Cement (EAPC) Company and also the engagements with KRA within three (3) months after adoption of the report.

Management Response

The management submitted that the state Department for Mining have issued demand letters to East Africa Portland Cement (EAPC) Company as provided. The East Africa Portland Cement (EAPC) Company in response to the above demand letters, committed to arrears payments plan of Kshs.3.3M per month. The State Department takes note of the Committee advice and exploring the legal & efficient way of its implementation.

Conclusion on status

The recommendation is partially implemented as management has issued demand notice to East Africa Portland Cement (EAPC) Company and have collected Kshs.700,000 after Parliament deliberations. It was also noted that some correspondences between the State department and East Africa Portland Cement (EAPC) Company were not submitted to Parliament. Management has also not provided evidence of engagement with KRA.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

Cost Savings: Kshs.700,000

**439. Unreported Cement Levy Arrears by East Africa Portland Cement Company
Recommendation**

The National Assembly recommended that the Receiver of Revenue should within three (3) months after adoption of the report provide information to the National Assembly on measures taken to recover the outstanding arrears including instituting legal action to recover any outstanding amounts.

Management Response

The management submitted that the state Department for Mining have issued demand letters to East Africa Portland Cement (EAPC) Company as provided. The East Africa Portland Cement (EAPC) Company in response to the above demand letters, committed to arrears payments plan of Kshs.3.3M per month as provided. The State Department takes note of the Committee advice and exploring the legal and the efficient way of its implementation.

Conclusion on status

The recommendation is fully implemented as the report was submitted to Parliament but not within the timelines of three (3) months as the report was submitted seven (7) months after the adoption date.

Recommendation Category: Administrative

Implementation Status: Implemented

**440. Unreported Cement Levy Arrears by East Africa Portland Cement Company
Recommendation**

The National Assembly recommended that the Cabinet Secretary to consider revision of the Mining Regulations to include interest and penalties for delays in remittance of respective revenues.

Management Response

The management submitted that the State Department takes note of the Committee advice and exploring the legal and efficient way of its implementation.

Conclusion on status

The recommendation is not implemented as the mining regulations have not been revised.

Recommendation Category: Legislative

Implementation Status: Not Implemented

441. Long Outstanding Arrears from Savanna Cement Company**Recommendation**

The National Assembly recommended that the Accounting Officer ensures recovery of all amounts due in full, and submits a status report to the National Assembly within three (3) months of adoption of the report.

Management Response

The management submitted that the State Department is engaging the Attorney General's Office for guidance as there was a court settlement.

Conclusion on status

The recommendation is not implemented as amount owed by Savanna Cement Company Ltd has not been recovered and the report has not been submitted to Parliament

Recommendation Category: Administrative

Implementation Status: Not Implemented

442. Long Outstanding Dues from Tata Chemicals Magadi Limited**Recommendation**

The National Assembly recommended that the Accounting Officer and the Receiver of Revenue provides a status report on collection of dues within three (3) months of adoption of the report.

Management Response

The management submitted that the State Department has prepared an updated arrears status report and submitted to PAC vide letter SDM/FIN/OAG 22-23/013 dated 19th September,2024.

Conclusion on status

The recommendation is partially implemented as the amount due from Tata Chemicals Magadi Ltd is not fully recovered. The management status report indicates that State

Department has collected Kshs.715,333,516 from Tata Magadi as at 27 September, 2024, however, the receipts attached indicate that that management received Kshs.229,763,240 in the months of July 2023 to March 2024 from Tata Magadi. The status report was submitted to National Assembly but not within the timelines of three (3) months as the report was submitted seven (7) months after the adoption date.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

Cost Savings: Kshs.229,763,240

443. Unreported and Long Outstanding Dues from Carbacid (CO2) Limited

Recommendation

The Committee recommends that the Accounting Officer and the Receiver of Revenue provides a status report on collection of dues within three (3) months of adoption of the report

Management Response

The State Department has prepared an updated arrears status report and submitted Public Accounts Committee vide letter SDM/FIN/OAG 22-23/013 dated 19September, 2024.

Conclusion on status

The recommendation is partially implemented as the amount due from Carbacid (CO2) Ltd is not fully recovered as management has recovered Kshs.32.614,900 and the status report was submitted to National Assembly although not within the timelines of three(3) months as the report was submitted seven(7) months after the adoption date.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

Cost Savings: Kshs.32,614,900

444. Unremitted Mining Royalties

Recommendation

The National Assembly recommended that the Receiver of Revenue institutes measures to recover Kshs.17,520,857 from African Diatomite, and provides a status report within three (3) months of adoption of the report.

Management Response

The management submitted that the Ministry on 12 September, 2023 suspended their operations due to non-payment of royalty. The Company has paid arrears to the tune of Kshs.10,000,000 on 20 November, 2023. The Ministry continues to engage the Company to clear the arrears.

Conclusion on status

The recommendation is partially implemented as the amount due from Africa Diatomite Industries Ltd is not fully recovered as management has recovered Kshs.10,000,000 and the status report was submitted to National Assembly but not within the timelines of three (3) months as the report was submitted seven (7) months after the adoption date.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

Cost Savings: Kshs.10,000,000

445. Irregular Underpayment of Cement Levy by National Cement Company Limited**Recommendation**

The National Assembly recommended that all companies must pay uniform levies in accordance to the Mining Act, 2016;

Management Response

The management submitted that the State Department of Mining issued a revocation for the preferential rate and the Company is now paying at the common rate. Regulations (Royalty Collection and Management Regulations 2024) have been developed as per Section 188 (2); Demand for the arrears resulting from the difference has been issued as provided.

Conclusion on status

Although the management submitted, they had revoked the preferential rate, there was no evidence the revocation letter was received by the National Cement Ltd at the time of this audit, hence the recommendation has not been implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

446. Irregular Underpayment of Cement Levy by National Cement Company Limited

Recommendation

The National Assembly recommended that the Cabinet Secretary for Mining should make regulations pursuant to Section 188 (2) of the Mining Act, 2016 within six (6) months after adoption of the report.

Management Response

The management submitted that the State Department issued a revocation for the preferential rate and the company is now paying at the common rate. Regulations (Royalty Collection and Management Regulations 2024) has been developed as per Section 188 (2) of the Mining Act, 2016.

Conclusion on status

The recommendation is fully implemented as the regulations have been made and submitted to Parliament.

Recommendation Category: Legislative

Implementation Status: Implemented

447. Irregular Underpayment of Cement Levy by National Cement Company Limited

Recommendation

The National Assembly recommended that the Accounting Officer ensures the Company makes good the difference within one (1) year of adoption of the report

Management Response

The management submitted that State Department had issued a revocation for the preferential rate and the Company is now paying at the common rate. Regulations (Royalty Collection and Management Regulations, 2024) have been developed as per Section 188 (2) of the Mining Act, 2016. Demand for the arrears resulting from the difference has been issued.

Conclusion on status

The recommendation is not implemented as payments made after the revocation letter on 12 September, 2023 amounting to Kshs.577,885,424 could not be directly linked to recovery of the under collection of cement levy.

Recommendation Category: Administrative

Implementation Status: Not Implemented

448. Failure to Collect Annual Ground Rents**Recommendation**

The National Assembly recommended that the Receiver of Revenue to institute a mechanism to enhance capacity in collecting ground rents.

Management Response

The management submitted that the Public Service Commission approved for appointment of seventy-six Inspectors of Mines. This will go a long way to enhance capacity needed in collection of Annual Ground Rents and Revenue. Up to date payment of ground rent is a conditionality for award of licenses.

Conclusion on status

The recommendation is partially implemented as recruitment is ongoing, however, the capacity adequacy could not be confirmed.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

449. Failure to Collect Annual Ground Rents**Recommendation**

The National Assembly recommended that the Cabinet Secretary includes in the Mining Regulations, interest and penalties for delays in remittance of respective revenues.

Management Response

The management submitted that the up-to-date payment of ground rent is a conditionality for award of licenses.

Conclusion on status

The recommendation has not been implemented as the Mining Regulations have not been amended.

Recommendation Category: Legislative

Implementation Status: Not Implemented

450. Dealing in Minerals Without Valid Licenses

Recommendation

The National Assembly recommended that within sixty (60) days of adoption of the report, the Accounting Officer and Receiver of Revenue should take legal measures to ensure East African Portland Cement Company Limited complies with Section 159 of the Mining Act, 2016.

Management Response

The management submitted that the East Africa Portland Cement Company Limited has since applied for Mining License which was paid for on 02 November, 2023 Mining License number NL/2024/0110.

Conclusion on status

Management stated East African Portland Cement Company had applied and paid for the license. However, the recommendation is partially implemented as the evidence of legal action taken was not submitted to Parliament.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

451. Dealing in Minerals Without Valid Licenses

Recommendation

The National Assembly recommended that the Accounting Officer to avail the cadaster report within three (3) of adoption of the report

Management Response

The management submitted that the Cadaster system is now hosted at Konza as per documents provided

Conclusion on status

The recommendation is not implemented as the cadaster report has not been submitted to National Assembly as recommended.

Recommendation Category: Administrative

Implementation Status: Not Implemented

452. Failure to Share Royalties and Lack of Mechanism for Sharing Royalties

Recommendation

The National Assembly recommended that the State Department should come up with Regulations for revenue sharing within six (6) months following the adoption of the report by the National Assembly

Management Response

The management submitted that the twenty percent share to the County Government is due for disbursement by The National Treasury through County Government Additional Allocation Fund. Further, Mineral Royalty Sharing Regulations 2023 on sharing the 10% to the communities to support the sharing of funds meant for the consolidated fund has been developed.

Conclusion on status

The recommendation is partially implemented as the state department has not finalized with regulations as recommended.

Recommendation Category: Legislative

Implementation Status: Partially Implemented

453. Failure to Establish Artisanal Mining Committees

Recommendation

The National Assembly recommended that the Accounting Officer to provide a response on the queries raised in the Performance Audit and further a status report on the establishment of the Artisanal Mining Committees within three (3) months after adoption of the report.

Management Response

The management submitted that currently, 30 Artisanal Mining Committees have been formed and operationalized mainly in areas where Artisanal Mining is taking place.

Conclusion on status

The recommendation is partially implemented as the state department has thirty gazetted artisanal mining committees.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

454. Lack of Artisanal Miners Register

Recommendation

The National Assembly recommended that the Accounting Officer acts in accordance with Section 93(3) of the Mining Act, 2016. The Accounting Officer to ensure that artisanal miners register is in place within three (3) months following the adoption of the report by the House.

Management Response

The management submitted that the State Department has put in place an online portal for Artisanal Mining Register where artisanal miners' details are captured as it engages The National Treasury for funds to set-up the ASM Register system.

Conclusion on status

The recommendation is not implemented as the online register could not be traced online

Recommendation Category: Administrative

Implementation Status: Not Implemented

455. Lack of Monitoring of Mining Operations

Recommendation

The National Assembly recommended that the State Department collaborates with County Governments in monitoring mining operations in localities, and provide a status report on the same within three (3) months of adoption of the report.

Management Response

The management submitted that the State Department facilitated Regional Mining Officers for enhanced monitoring of mining operations in respective Regions and Counties. A consolidated RMO's mining status report has been provided.

Conclusion on status

The recommendation is not implemented as the state department has not provided evidence to support collaborations with the County Governments.

Recommendation Category: Administrative

Implementation Status: Not Implemented

456. Inaccuracies in the Financial Statements**Recommendation**

The National Assembly recommended that the Accounting Officer to confirm refund of Kshs.35,655,160 to Treasury within three (3) months of adoption of the report

Management Response

The Management submitted that the amount was recovered by The National Treasury as unspent balance as per correspondence submitted for audit review.

Conclusion on status

The Accounting Officer has confirmed the amount of Kshs.35,655,160 was refunded to The National Treasury.

Recommendation Category: Administrative

Implementation Status: Implemented

457. Unsupported Payments to Staff and Suppliers**Recommendation**

The National Assembly recommended that the Accounting Officer should always ensure that the records are reconciled and analyzed with necessary supporting documents and submitted to the Auditor General in compliance with provisions of Section 68 (2) of the PFM Act, 2012 and that complete financial and accounting records are presented to the Auditor General pursuant to the provisions of Article 229 of the Constitution of Kenya, 2010 and Section 68 (2) (k) of the PFM Act, 2012

Management Response

The Management submitted that they had noted the concerns and did put in place measures to ensure complete financial and accounting records are maintained and presented to the Auditor General in compliance with provisions of Section 68(2) of the PFM Act, 2012.

Conclusion on status

The Management submitted it had put measures to ensure that complete financial and accounting records are presented. However, subsequent audit (2023/24) confirmed the

same inadequacies existed with several paragraphs of unsupported and misclassified expenditure reported.

Recommendation Category: Administrative

Implementation Status: Not Implemented

458. Unsupported Fuel Expense

Recommendation

The National Assembly recommended that the Accounting Officer should ensure proper records are provided within reasonable time to the Auditor General pursuant to Section 62 (1) of the Public Audit Act, 2015

Management Response

The Management submitted that Internal controls of fuel Management have been put in place to ensure proper records are provided within reasonable time to the Auditor General pursuant to Section 62(1) of the Public Audit Act, 2015

Conclusion on status

The Accounting Officer provided fuel records on time in subsequent audits (2023/24).

Recommendation Category: Administrative

Implementation Status: Implemented

459. Unaccounted for Transfers to Other Government Entities

Recommendation

The National Assembly recommended that the Accounting Officer to submit requisite information and supporting documents to the National Assembly within three (3) months of adoption of the report.

Management Response

The Management submitted that requisite information and supporting documents have been submitted to the National Assembly by the Accounting Officer within the stipulated time of adoption of the report.

Conclusion on status

Management submitted that they provided the information required. However, there was no evidence provided to confirm whether the Management submitted requisite information

and supporting documents to the National Assembly within three (3) months of adoption of the report.

Recommendation Category: Administrative

Implementation Status: Not Implemented.

460. Purchase of Defective LPG Gas Cylinders

Recommendation

The National Assembly recommended that within three (3) months after adoption of the report, the Accounting Officer should report to the National Assembly the progress made on remedying the faulty gas cylinders;

Management Response

The Management all the remedied cylinders were inspected by an independent inspector who recommendations that the 79,993 were good for release to the market. The State Department has since transferred the cylinders to The National Oil Corporation of Kenya for distribution.

Conclusion on status

Management submitted that all the cylinders were remedied. However, the Management did not report to the National Assembly on the progress made on remedying the faulty gas cylinders as recommended. In addition, as at the time of audit for financial year in 2023/2024 in December 2024, a total of 26,188 cylinders valued at Kshs.55,344,068 had not been remedied by the suppliers as reported in the audit report of 2023/2024.

Recommendation Category: Administrative

Implementation Status: Not Implemented

461. Irregular Payments of Allowances of Staff

Recommendation

The National Assembly recommended that the Accounting Officer regularizes the said allowances with the SRC failure to which the said amounts be recovered from the beneficiaries, within one (1) year of adoption of the report

Management Response

The Management submitted that the State Department is consulting with the SRC on this matter.

Conclusion on status

The Accounting Officer has not implemented the recommendations of the Committee as there was no approval by the Salaries and Remuneration Commission or any of the amount of Kshs.42,979,358.

Recommendation Category: Administrative

Implementation Status: Not Implemented

462. Weaknesses in Implementation of Mwananchi LPG Enhancement Project**Recommendation**

The National Assembly recommended that the Accounting Officer submits to the National Assembly the monitoring and evaluation report and the Concept establishment of the Mwananchi LPG Enhancement Project and policy within three (3) months of tabling and adoption of the report

Management Response

The Management submitted that the Monitoring and Evaluation Report and the Concept establishment of the Mwananchi LPG Enhancement Project and policy have been prepared as recommended by the National Assembly.

Conclusion on status

The Management did provided evidence to confirm whether they provided the monitoring and evaluation report and the Concept establishment of the Mwananchi LPG Enhancement Project and policy to the National Assembly within three (3) months.

Recommendation Category: Administrative

Implementation Status: Not Implemented

463. Delays in Handover of Functions to Energy and Petroleum Regulatory Authority**Recommendation**

The National Assembly recommended the Accounting Officer to facilitate EPRA to transfer the function as envisaged in the Energy Act, 2019 in the FINANCIAL YEAR 2024/25.

Management Response

The Management submitted that the Accounting Officer has facilitated the Authority to fully assume its role. The functions under the jurisdiction of the Ministry remains within the Ministry.

Conclusion on status

There was no information that was provided to confirm whether all functions under EPRA were transferred as recommended.

Recommendation Category: Policy

Implementation Status: Not implemented

STATE DEPARTMENT FOR TOURISM- VOTE 1202

464. Unresolved Prior Year Matter

Recommendation

The Committee recommends that the Accounting Officer avails a matrix on implementation of various recommendations, within three (3) months of adoption of this report

Management Response

The Management of The State Department for Tourism did not provide a response on corrective actions taken.

Conclusion on status

In the circumstances, it was not possible to confirm whether they were implemented.

Recommendation Category: Administrative

Implementation Status: Not implemented

STATE DEPARTMENT FOR WILDLIFE - VOTE 1203

The Management of The State Department for Wildlife did not avail any response on the following recommendations outlined in **Table 8** below:

Table 8: Recommendations made to State Department for Wildlife

Audit Issue	Recommendation	Recommendation Category
Unsupported Purchase of Certified Seed	465. The Committee recommends that the KWS avails returns i.e. procurement of the seedlings and exact location of their planting, within three (3) months of adoption of this report.	Administrative
Unverifiable Assets	466. The Accounting Officer to provide a status report one month following the adoption of this report	Administrative
Acquisition of Assets - Unsupported Office Furniture and General Equipment	467. The Committee recommends that the Accounting Officer to follow up the matter with UNDP and report progress within three (3) months following the adoption of this report	Administrative

Source: OAG Analysis of Tracked Recommendations and Management Responses

In the circumstances, it was not possible to confirm whether they were implemented.

468. Unresolved Prior Year Matters

Recommendation

The National Assembly recommended that within three months of tabling and adoption of the report, the Accounting Officer should submit the fixed asset register to the National Assembly.

Management Response

The Management submitted that the fixed asset register was submitted to The National Treasury and Assembly as recommended on 23 April, 2024.

Conclusion on status

The recommendation has been implemented as the fixed asset register has been submitted to the National Assembly as recommended.

Recommendation Category: Administrative

Implementation Status: Implemented

469. Unresolved Prior Year Matters

Recommendation

The National Assembly submitted that the Accounting Officer must at all times ensure that he/she provides accurate records and other supporting documents pursuant to Section 9 (1) (e) of the Public Audit Act, 2015.

Management Response

The Management did not submit any response.

Conclusion on status

Without any response, it was not possible to confirm whether the recommendation was implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

470. Failure to Comply with the One-Third of Basic Salary Rule

Recommendation

The National Assembly recommended that the Accounting Officer incrementally ensures that all staff adhere with the law.

Management Response

The Management submitted that the Public Service Commission has developed and implemented a new payroll system does not permit any deduction that is below the one-third of the basic salary.

Conclusion on status

There was no evidence provided to support implementation of a new payroll system that does not permit any deduction that is below the one-third of the basic salary.

Recommendation Category: Administrative

Implementation Status: Not Implemented

471. Pending Bills

Recommendation

The National Assembly recommended that the Accounting Officer must pay bills during the year to which they relate. Otherwise they should be paid as first charge in the subsequent year in accordance with Section 74(4)(d) of the PFM Act, 2012 and Regulation 42(1)(a) of the PFM (National Government) Regulations, 2015.

Management Response

The Management submitted that the State Department has cleared part of the pending bills as and when the budget becomes available. Other outstanding bills consist of expenditure whose budget line was removed from the current budgets and therefore not able to pay but following up with National Treasury for provision. Kshs.114,991,167 forwarded to the pending bills verification Committee.

Conclusion on status

The Management has not settled the pending bills in full and it is still recurring in subsequent financial years.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

472. Unresolved Prior Year Audit Issues

Recommendation

The National Assembly reprimanded the Accounting Officer for failing to implement the recommendations issued in the 2019/2020 audit report. The National Assembly recommended that the Accounting Officer avails a matrix on implementation of various recommendations, within three (3) months of adoption of the report

Management Response

The Management submitted that the Accounting Officer enforced adherence to all provisions of PSASB templates and The National Treasury and Planning circulars. The accounts of 2021/2022, 2022/2023 and 2023/2024 adopted the prescribed templates by the Board in reporting. The Accounting Officer had also enforced adherence to treasury

circulars through budget implementation Committee and standing public finance Management Committee.

Conclusion on status

The actions taken did not include submission of a matrix on implementation of various recommendations within three (3) months of adoption of the report as recommended.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

STATE DEPARTMENT FOR YOUTH AFFAIRS - VOTE 1214

The Management of The State Department for Youth Affairs Management did not avail any response on the following recommendations outlined in **Table 9** below:

Table 9: Recommendations for State Department for Youth Affairs

Audit Issue	Recommendation	Category
Unresolved Prior Year Matters	473. The Accounting Officer to address the cited matters and submit a report within three (3) months of adoption of this report	Administrative
Air Ticket to Spain for a Trainee Footballer	474. The Committee requested the Accounting Officer to provide policy framework for identification of talents and details of people identified during the year under review to the Committee within one (1) month of adoption of this report	Policy
Unsupported Acquisition of Assets/ Summary of Fixed Assets Register	475. The Committee directs the Accounting Officer to fast-track completion of an Assets Register and report progress to the National Assembly in a month's time following the adoption of this report by the house	Administrative

In the circumstances, it was not possible to confirm whether they were implemented.

476. Pending bills still outstanding**Recommendation**

The National Assembly recommended that the Accounting Officer to prioritize payment of pending bills as provided for in Section 74 (4) of the PFM Act, 2012. Failure to adhere to the provision, the Accounting Officer commits an offence as he/she will be charged as per Section 199 of the PFM Act, 2012.

Management Response

The Management submitted that the accounts payables amounting to Kshs.124,767 were paid as per documents provided. Out of Kshs.4,453,133 reported under other accounting payables, a total of Kshs.1,669,230 was paid. The balance of Kshs.2,783,903 has no supporting documents. Out of Kshs.8,424,157 brought forward a total of Kshs.7,603,339 had been paid. The balance of Kshs.820,817 was not properly supported to pay.

Conclusion on status

Part of the pending bills remain unsettled.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

STATE DEPARTMENT FOR REGIONAL AND NORTHERN CORRIDOR DEVELOPMENT - VOTE 1222

477. Pending Bills

Recommendation

The National Assembly recommended that within sixty (60) days of adoption of the report, the Accounting Officer to avail status report on efforts to settle the pending bills.

Management Response

The Management submitted that the pending bills of Ksh 867,449,206 relating to Kimira Oluch smallholders and ksh1, 571,890,983 were forwarded to the pending bills Committee of The National Treasury and the state Department is still awaiting the outcome.

Conclusion on status

The Management did not provide information on whether the Accounting Officer provided status report on efforts to settle the pending bills as recommended.

Recommendation Category: Administrative

Implementation Status: Not Implemented

478. Pending Bills

Recommendation

The National Assembly recommended that the Accounting Officer must at all times ensure that pending bills are settled as first charge in subsequent financial year when preparing estimates of expenditure and revenues of the entity.

Management Response

The Management submitted that the pending bills for headquarters amounting to Kshs.5,106,910 were paid during the year 2021/2022. However, the capacity to settle outright all pending bills has consistently been affected by inadequate budgetary provisions based on the sector ceilings and subsequent budget cuts in the course of the Financial Year

Conclusion on status

The Management submitted that the pending bills for headquarters amounting to Kshs.5,106,910 were paid during the year 2021/2022. However, the documents to support the payments were not provided.

Recommendation Category: Administrative

Implementation Status: Not Implemented

479. Irregular advance payment for Kimwarer multipurpose dams

Recommendation

The National Assembly recommended that the outcome of the court process be awaited, and the Accounting Officer to avail a status report to the Committee within three (3) months of adoption of the report.

Management Response

The Management submitted that the case is finalized and the accused person acquitted for lack of evidence.

Conclusion on status

The recommendation was not implemented as the Management did not submit a status report to the National Assembly within three (3) months of adoption of the report.

Recommendation Category: Administrative

Implementation Status: Not Implemented

480. Staff Under Establishment

Recommendation

The National Assembly directed that the Accounting Officer to comply with the Public Service Commission Approval Letter Ref. No. PSC/EMCS/13/2/ (3) dated 29 September, 2020 which authorized the State Department to have an establishment of eighty-one (81), within six months following the adoption of the report by the house.

Management Response

The Management submitted that the State Department conducted the interviews in July, 2022 and the Public Service Commission granted the approval for appointment of the officers. Out of the 42 technical officers, 34 technical officers have so far been recruited.

Conclusion on status

Recruitment of staff was ongoing as recommended.

Recommendation Category: Administrative

Implementation Status: Implemented

481. Non-Compliance with Affirmative Action on Gender Ethnicity and Regional Distribution

Recommendation

The National Assembly recommended that the Accounting Officer and the Public Service Commission to rationalize staff ethnicity in the State Department within six (6) months of adoption of the report by the House

Management Response

The Management submitted that the State Department through the Public Service Commission has managed to rationalize staff ethnicity and is in process of achieving affirmative action.

Conclusion on status

Recruitment has since been done to rationalize the staff ethnicity and gender. Further the state department was merged with State Department of Arid and Semi-arid Areas Development leading to compliance in staff diversity.

Recommendation Category: Administrative

Implementation Status: Implemented

482. Pending bills

Recommendation

The National Assembly recommended that the Accounting Officer to submit status report on the completion of the project within three (3) months of adoption of the report.

Management Response

The Management submitted that the status report was being prepared.

Conclusion on status

The Management has not submitted status report on the completion of the project within three (3) months of adoption of the report.

Recommendation Category: Administrative

Implementation Status: Not Implemented

483. Irregular Payment of Meal Allowances

Recommendation

The National Assembly recommended that the Accounting Officer recovers the Kshs.937,500 from the beneficiaries, within three months of tabling and adoption of the report

Management Response

The Management submitted that the payment to project staff was done at the regional office and all the project staff contracts were terminated and the staffs were laid off.

Conclusion on status

The Management will not be able to recover the irregularly paid meal allowances as project staff contracts were terminated and staff laid off.

Recommendation Category: Administrative

Implementation Status: Will not be implemented

484. Project vehicles not handed over by the consultant**Recommendation**

The National Assembly recommended that the Accounting Officer to resolve the matter with the consultant and offset value of the vehicles from his dues, and provide a status report to the Committee within three (3) months of adoption of the report

Management Response

The Management submitted that a letter Ref: MRD/LBDA/7/7/1 VOL.V was written to Managing Director Lake Basin Development Authority (LBDA) the institution concerned to follow up on the process of recovery of the motor Vehicle and advice the Accounting Officer accordingly.

Conclusion on status

The Management had not implemented the recommendation as the Accounting Officer had not resolved the matter with the consultant and offset value of the vehicles from his dues and provide a status report to the Committee within three (3) months of adoption of the report as recommended.

Recommendation Category: Administrative

Implementation Status: Not Implemented

485. Unreconciled Variance Between the Financial Statements and Payroll Records

Recommendation

The National Assembly reprimanded the Accounting Officer and directed that he ensures that reconciliations are done in time and the complete financial statements submitted to the Auditor General in time as provided for in Article 229 (4)(h) of the Constitution of Kenya, 2010 and Section 81(4)(a) of the Public Finance Management Act, 2012

Management Response

The Management submitted that reconciliation is now done in good time and financial statements submitted to the Auditor-General as provided for in article 229(4)(h) of the Constitution of Kenya, 2010 and Section 81(4)(a) of the Public Finance Management Act, 2012.

Conclusion on status

The reconciliations were done on time and financial statements were submitted on time as confirmed in subsequent audit.

Recommendation Category: Administrative

Implementation Status: Implemented

486. Pending Bills

Recommendation

The National Assembly recommended that the Accounting Officer prioritizes pending bills and treat them as first charge in accordance with Section 74(4)(d) of the PFM Act, 2012 and Regulation 42(1)(a) of the PFM (National Government) Regulations 2015

Management Response

The Management submitted the verified pending bills have been prioritized and paid as first charge as guided by The National Treasury circular. The outstanding pending bills have been submitted to the pending bills verification Committee constituted by The National Treasury and will be considered for payment once the Committee submits its report.

Conclusion on status

The pending bill were not fully prioritised and continued to raise in the financial year 2023/2024.

Recommendation Category: Administrative

Implementation Status: Not Implemented

487. Compensation of Employees - Unsupported 3% Commission on Payroll Deductions**Recommendation**

The National Assembly recommended that the Accounting Officer recognizes the movement of the funds in the financial statements and obtains Treasury acknowledgement going forward.

Management Response

The Management submitted that the Financial Statements recognizes the movement of funds for the 3% commission deductions and obtains Treasury acknowledgement for the payments.

Conclusion on status

Although the financial statements reflected 3% as movement of funds in subsequent audits, there was no confirmation of payment of the same from The National Treasury.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

488. Non-Compliance with the One Third of Basic Salary Rule**Recommendation**

The National Assembly recommended that the Accounting Officer ensures incremental adherence to the provisions of the law.

Management Response

The Management submitted that they noted that such occurrences are occasioned by introduction of mandatory statutory deductions such as the Public Service Superannuation Scheme, shift to a new graduated tax bracket and NHIF contribution after an annual increment or promotion. However, the Office strives to sensitize the officers to

ensure there is adequate gross salary for any unforeseen mandatory deduction due to an introduction of a government policy

Conclusion on status

The State Law has identified measures to take like sensitizing staff but no evidence it has implemented them.

Recommendation Category: Administrative

Implementation Status: Not Implemented

489. Weak Asset Management

Recommendation

The National Assembly directed that the Accounting Officer to ensure that an efficient and reliable Asset Management system is in place and avails a status report within three (3) months of adoption of the report.

Management Response

The Management submitted that The Office now has a comprehensive, efficient and reliable asset register at the Headquarters which was submitted to the Committee during our appearance for examination of Auditor General report for the financial year 2022/2023.

Conclusion on status

The State Law Office provided an updated asset register. However, there was no evidence of provided to confirm the asset register was submitted to the National Assembly as recommended.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

490. Lack of an Approved Enterprise Risk Management Process and IT Strategic Committee

Recommendation

The National Assembly recommended that the Accounting Officer ensures that the Office has an IT Security Policy and avails a status report within three (3) months of adoption of the report.

Management Response

The Management submitted that The Office now has an approved IT Policy and a copy was submitted to the Committee during appearance for examination of Auditor General report for financial year 2022/2023.

Conclusion on status

The State Law Office provided a copy of IT policy. However, there was no evidence provided to confirm the policy was submitted to the National Assembly as recommended.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

491. Weakness in Revenue Collection Management**Recommendation**

The National Assembly recommended that within three (3) months of adoption of the report, the Accounting Officer should put in place proper internal control mechanisms to ensure that there is no loss of revenue and report to the National Assembly

Management Response

The Management submitted that they had deployed additional qualified accountants in the regional offices who have taken charge to ensure that there is no loss of revenue. In addition to this new Internal Control, Monthly returns are being forwarded to the Accounts department at the headquarters for reconciliation and ensure compliance.

Conclusion on status

Management submitted that they had taken measures as recommended. However, subsequent audit in the financial year 2023/24 revealed that revenue collection, preparation, checking reconciliations and reporting of revenue received were being handled by one person instead of segregating among other officers as was observed in 2023/2024. Further, there was no evidence of reporting back to the Committee on the revenue issue.

Recommendation Category: Administrative

Implementation Status: Not Implemented

492. Inaccuracies in the Financial Statements

Recommendation

The National Assembly recommended that the Accounting Officer should ensure that the entity keeps complete and reconciled financial and accounting records that comply with provisions of Section 68(2) of the PFM Act, 2012

Management Response

The Management submitted that they have ensured the Service keeps complete and reconciled records and that the Financial Statements that portray a true and fair view as evidenced by the unmodified/Unqualified audit reports in the financial years 2022/2023 and 2023/2024.

Conclusion on status

The Management has ensured the Business Registration Service keeps complete and reconciled financial and accounting records that comply with provisions of Section 68(2) of the PFM Act, 2012.

Recommendation Category: Administrative

Implementation Status: Implemented

493. Use of Unauthorized Accounting System for Handling Government Data

Recommendation

The National Assembly directed that the Accounting Officer migrates to IFMIS and submit a report to the Assembly within three (3) months of adoption of the report

Management Response

The Management submitted that they have migrated all the data handled by unauthorized accounting system to the Enterprise Resource Planning (ERP) as it is currently being implemented by the Service as report provided.

Conclusion on status

Although the agency had stopped using the unauthorised accounting system to Enterprise Resources Planning, but there was no evidence that they reported the progress back to the National Assembly as recommended.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

494. Lack of a Fixed Assets Register

Recommendation

The National Assembly recommended that the Accounting Officer to submit a complete fixed assets register for review to the National Assembly within three (3) months of adoption of the report.

Management Response

The Management submitted that the Accounting Officer has ensured complete fixed asset register and tagging of the all the Official Receiver's assets.

Conclusion on status

The Accounting Officer developed a complete fixed asset register. However, there was no evidence provided to confirm the register was submitted to the National Assembly as recommended.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

495. Deposits

Recommendation

The National Assembly recommended that KCB Bank Ltd settles the outstanding Kshs.3,054,549 and the Accounting Officer submits a status report on the Kshs.67 million held by Imperial Bank, within three (3) months of adoption of the report.

Management Response

The Management submitted that KCB Bank Kenya Limited has indicated that they are yet to realize sufficient funds to facilitate payment of the balance of 3,054,549.10 that was transferred from imperial Bank (in Receivership) as per their letter dated 20th June 2024 and the Kshs 67 million which still held in Imperial Bank. The State Law Office shall continue to engage KCB Bank to ensure recovery of the whole amount.

Conclusion on status

There was no progress on the amount of Kshs. 3,054,549.10 that was transferred from imperial Bank (in Receivership) neither was a status report on Kshs 67 million which still held in Imperial Bank to the Agency as recommended by the Assembly.

Recommendation Category: Administrative

Implementation Status: Not Implemented

496. Investments

Recommendation

The National Assembly recommended that within three (3) months of adoption of the report, the Accounting Officer should liaise with The National Treasury to get approval to write off this unrecoverable deposit and facilitate adjustment of our financial statements, and reports back to the Committee

Management Response

The Management submitted that the approval to write off the unrecoverable Deposit of Kshs.22,750,355.80 held in Central Finance Ltd (wound-up) and Kshs.5,979,666.70 held in Allied Credit Ltd (wound up) was granted by the Cabinet Secretary, National Treasury vide letter ref: AG.3/77 VOL.9(84) dated 12 November, 2024. The deposit balances of Investments reflected in the financial statements will be adjusted accordingly in the financial statements in the current financial year.

Conclusion on status

The request for write off was approved and would be adjusted accordingly in the financial statements in the current financial year (2024/2025). However, a status report was yet to be submitted as recommended.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

497. Failure to Automate Beneficiaries' Financial Records

Recommendation

The National Assembly recommended that the Accounting Officer automates and submit a report to the Assembly within three months of adoption of the report.

Management Response

The Management submitted that the Trustee has been constituted to spearhead the process. The team has automated the payment module for administration of estates and Trusts which have been uploaded on the server for testing. The front-end workflow processes are being automated by a team from E-Citizen Services and once completed, it will be integrated with the payment module.

Conclusion on status

The automation of Management of beneficiaries' record was ongoing. However, a status report was not submitted to the National Assembly.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

THE JUDICIARY - VOTE 1261

498. Long Outstanding Items

Recommendation

The National Assembly recommended that the Accounting Officer should provide a status report to the National Assembly on its engagement with the Assets Recovery Agency within three (3) months after adoption of the report;

Management Response

The Management submitted that the Accounting Officer in a letter dated 02 April, 2024 sought the status of cases referred to Asset Recovery Agency (ARA). However, the ARA sought for more information through their letter dated 12 April, 2024. The Judiciary is working to respond to the ARA Request.

Conclusion on status

The Accounting Officer had commenced engagement with Asser Recovery Agency. However, there was no evidence on submission to Parliament on status of the engagement as recommended.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

499. Bank Balances-Long Outstanding Items

Recommendation

The National Assembly recommended the Accounting Officer should liaise with The National Treasury on writing off these amounts if they prove they are irrecoverable

Management Response

The Management submitted that the long reconciling items have since been cleared except for items related to fraud and un-transferred deposits from Sub-County Treasuries.

Conclusion on status

The long reconciling items have since been cleared except for items related to fraud and un-transferred deposits from Sub-County Treasuries. Hence those items the items to be written off has been cleared and recommendation is no longer applicable.

Recommendation Category: Administrative

Implementation Status: No longer Applicable

500. Un-Analyzed Long Outstanding District Suspense and Clearance Accounts

Recommendation

The National Assembly recommended that the Accounting Officer should reconcile the figures and provide a status report to the National Assembly within three (3) months of adoption of the report.

Management Response

The Management submitted that the amount of Kshs.26,306,566 receivables comprised Judicial Performance Improvement Project (JPIP) AIEs totaling Kshs.5,538,000 issued to stations whose Expenditure Returns were received after the end of the financial year and cleared. The balance of Kshs.20,768,566 related to GoK unspent AIEs whose cash was subsequently received from the court stations. The District Suspense and clearance accounts of Kshs.26,306,566 were cleared in the financial year 2021/2022. The analysis of Kshs.26,306,566 including extracts of the bank statements.

Conclusion on status

Management provided the reconciliation statement however, there was no evidence provided on whether the statement was submitted to National Assembly as recommended.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

501. Recoverability of Imprests Issued to Non-Employees

Recommendation

The National Assembly recommended that the Accounting Officer liaises with parent Ministries and claim refund of imprests from the officers, and submit an update within three (3) months of tabling and adoption of the report

Management Response

The Management submitted that the amount of Kshs.3,108,300 which was issued to non-staff members seconded from Other Government Agencies was held by police drivers attached to judges who subsequently submitted their surrender documents and cleared. The summary of the status has been provided. The matter was discussed in PAC meeting for FY2021/22 and its awaiting resolution.

Conclusion on status

Management submitted the outstanding amount has been cleared. However, a status report was not submitted as recommended.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

502. Unsupported Contingent Liabilities**Recommendation**

The National Assembly recommended that the Accounting Officer should ensure court awards are settled promptly.

Management Response

The Management submitted that pending balances for Riley Security Services were Settled. The pending bills for court award were also paid except Kshs.69 million due to inadequate budgetary provision.

Conclusion on status

The Accounting Officer had settled the court awards except court awards of Kshs.69 million which was still due and was attributed to inadequate budget.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

503. Pending Bills**Recommendation**

The National Assembly recommended that the Accounting Officer must at all times ensure that pending bills are settled as first charge in subsequent financial year when preparing estimates of expenditure and revenues of the entity pursuant to the provisions of section 68(2) (h) of the Public Finance Management Act, 2012.

Management Response

The Management submitted that all the pending bills for supply of goods and services were settled in FY2022/2023.

Conclusion on status

Management had fully settled the pending bills for 2020/2021. However, The Judiciary pending bills are not all cleared as first charge in each year as observed in financial

statements for the financial year 2023/2024. As at 30 June, 2024 pending accounts payable included an amount of Kshs.82,455, 478 carried forward from financial year 2022/2023.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

504. Delayed Completion of Construction of Thirty (30) Courts

Recommendation

The National Assembly recommended that the Accounting Officer to liaise with The National Treasury and ensure completion of the seventeen (17) courts.

Management Response

The Management submitted that the projects were re-evaluated. Those with slow progress and non-responsive contractors were terminated and repackaged for re-tendering. Budgetary provisions have been made for all the ongoing projects. However, due to budget Rationalization during Supplementary Judiciary budget was reviewed downwards.

Conclusion on status

Management submitted on actions taken. However, they did not avail of any correspondences as evidence of engagement with The National Treasury for the completion of the seventeen (17) projects.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

505. Delayed Completion of Construction of Thirty (30) Courts

Recommendation

The National Assembly recommended that the Accounting Officer should rationalize projects based on budget available.

Management Response

The Management submitted the projects were re-evaluated. Those with slow progress and non-responsive contractors were terminated, and repackaged for re-tendering. Budgetary Provisions have been made for all the ongoing projects. However, due to budget Rationalization during Supplementary Judiciary budget was reviewed downwards.

Conclusion on status

The Accounting Officer submitted that the projects were re-evaluated and made decisions based on status of each project. Budgetary Provisions had been made for all the ongoing projects. however, due to budget Rationalization during Supplementary Judiciary budget was reviewed downwards. Consequently, the recommendation has been implemented.

Recommendation Category: Administrative

Implementation Status: Implemented

506. Failure to Pay Revenue Collected Promptly into the Consolidated Fund**Recommendation**

The National Assembly directed that the Accounting Officer to establish an automated system that would facilitate the prompt transfer of collected funds to the Consolidated Fund, and submits a status report to the Assembly within three (3) months of adoption of the reports

Management Response

The Management submitted that the delay in surrender of revenue was due to the Judiciary holding many bank accounts whose analysis and consolidation would take time. However, this has been remedied by automating revenue collection in a modular Enterprise Resource Planning (ERP) system that will be customized for better revenue Management in receipting, accounting and reconciliation. Since implementation of revenue module of Jumuika ERP from 01 July, 2024, the turnaround time has improved and expected to be more efficient with time.

Conclusion on status

Management submitted that the revenue system had been automated. However, the ERP does not facilitate the prompt transfer of collected funds to the Consolidated Fund within five days, due to system implementation challenges such as forfeiture surrenders which affect the completeness of revenue. Further there was no evidence that a status report was submitted to National Assembly.

Recommendation Category: Administrative

Implementation Status: Not Implemented

507. Loans from External Development Partners

Recommendation

The National Assembly recommended that the Accounting Officer ensures preparation of accurate and complete financial statements that conform to the basic structure of government accounts as provided under Section 68 (2) (b) of the PFM Act, 2012.

Management Response

The Management submitted that The Judiciary Complied by ensuring preparation of accurate and complete financial statements that conform to the basic structure of government accounts as provided under Section 68 (2) (b) of the PFM Act, 2012. This was evident in that Judicial Performance Improvement Project (JPIP) received an Unmodified Audit Opinion by the OAG in the subsequent financial year 2021/2022. The project came to an end final account done in June 2023.

Conclusion on status

The Accounting Officer had implemented measures and subsequent financial statements were submitted were accurate and complete and conformed to the basic structure of government accounts as provided under Section 68 (2) (b) of the PFM Act, 2012.

Recommendation Category: Administrative

Implementation Status: Implemented

508. Irregular Payment of Retention Monies

Recommendation

The National Assembly recommended that the Accounting Officer to always ensure that all necessary documents are provided for audit verification as provided for under Section 62 of the Public Audit Act, 2015

Management Response

The Management submitted that the said payment certificates for OI-Kalou and Mukuruweini were supported and provided. The project came to an end final account done in June 2023 as reported.

Conclusion on status

The Management did not provide information on measures taken to ensure they always ensure that all necessary documents are provided for audit verification as provided for

under Section 62 of the Public Audit Act, 2015. In subsequent audits (2023/2024) there were audit issues on unsupported expenditure in the main Judiciary audit report. Consequently, the recommendation was not implemented.

Recommendation Category: Administrative

Implementation Status: Not Implemented

509. Lack of Fixed Asset Register

Recommendation

The National Assembly instructed the Accounting Officer to maintain a separate fixed asset register for Judicial Performance Improvement Project (JPIP).

Management Response

The Management submitted that a separate asset register was prepared for JPIP. Fixed assets for JPIP projects were separated from the Judiciary and a register for assets acquired under JPIP projects was prepared which included building & structure, transport equipment, office equipment, furniture & fitting, ICT equipment & software.

Conclusion on status

The Accounting Officer has maintained a separate fixed asset register for Judicial Performance Improvement Project (JPIP) as recommended. The project was closed in 2022/2023.

Recommendation Category: Administrative

Implementation Status: Implemented

510. Staff on Acting Capacity

Recommendation

The National Assembly recommended that the Commission to amend the Human Resources manual and provide for competitive recruitment of all senior positions, and provide a report to the Committee on this within three (3) months of adoption of the report

Management Response

The Management submitted the Commission appointed a committee to review Corporate Services Policies and Procedures manual in line with the applicable laws and legislation on Human Resources practices. Presently, the Committee is undertaking the review including benchmarking with similar institutions to amend the Human Resource Manual. Further, the then vacant positions of Deputy Chief Executive Officer and Assistant Director Supply Chain Management were subsequently filled substantively.

Conclusion on status

The commission has commenced the amendment process but is yet to finalize amending the Human Resources manual.

Recommendation Category: Policy

Implementation Status: Partially Implemented

511. Lack of a Disaster Recovery and IT Business Continuity Plan

Recommendation

The National Assembly recommended that the Accounting Officer avails a status report on measures put in place regarding the offsite data center at the Prosecution Training Institute and provide a copy of the draft Disaster Management plan to the National Assembly within three (3) months of adoption of the report.

Management Response

The Management submitted that the offsite data center has been established at the Prosecutions Training Institute, providing an alternate site for data storage and critical system operations. The facility is equipped with the necessary infrastructure, including power backup systems, fire suppression mechanisms, and security protocols to safeguard data integrity.

On the Disaster Recovery Plan Development: a draft disaster recovery plan has been developed, focusing on the recovery of IT systems, infrastructure, and data. The plan includes clear procedures for incident response, data restoration, and resource allocation in the event of an emergency or disaster.

Conclusion on status

Management has submitted status of the offsite data center and disaster Management plan. However, there was no evidence provided that a status report and a copy of the plan was submitted to the National Assembly within three months.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

WITNESS PROTECTION AGENCY - VOTE 1321

512. Under-Staffing

Recommendation

The National Assembly recommended that the Accounting Officer engages the Treasury on budgetary requirements in order to hire the required number of staff within six (6) months following the adoption of the report.

Management Response

The Management submitted that the short - staffing at the Agency is a historical issue. Over the years the Agency Management has sought for authority to recruit additional staff. These requests have been submitted to The National Treasury. In the year 2023/2024 the Agency was allowed to recruit additional staff this brought the short staffing to one hundred and fifty-six (156).

Conclusion on status

The under- staffing has been partly addressed with a shortfall currently at one hundred and fifty-six (156).

Recommendation Category: Administrative

Implementation Status: Partially Implemented

NATIONAL LAND COMMISSION- VOTE 2021

513. Pending Bills

Recommendation

The National Assembly recommended that the Accounting Officer ascertains the legitimacy of the amount owed and considers negotiations for reasonable terms of settlement and avails a status report to the National Assembly within three (3) months of adoption of the report.

Management Response

The Management submitted that the Commission has requested budget allocation on several occasions through Supplementary Budgets but the same has not been granted. Further to this, NLC appeared and submitted the pending bills to the recently constituted Pending Bills Committee to request for financing. Currently they are awaiting the decision and approval of the Committee so that they can settle the bills. NLC has however the same bills with the little budget allocated by The National Treasury to charge.

Conclusion on status

The recommendation has not been implemented as no information that was provided to confirm action taken by the Accounting Officer to ascertain the legitimacy of the amount owed, to consider negotiations for reasonable terms of settlement, and to submit a status report to the Assembly within three (3) months of adoption of the report.

Recommendation Category: Administrative

Implementation Status: Not Implemented

514. Long Outstanding Accounts Receivables**Recommendation**

The National Assembly recommended that the Accounting Officer to follow up with The National Treasury and provide evidence of settlements of the dues regarding liabilities recovered in form of imprest, car loan and advances from former Electoral Commission of Kenya (ECK) staff within three (3) months after adoption of the report

Management Response

The Management submitted that the Commission wrote a letter to the Principal Secretary - National Treasury and requested for his intervention to have the issue resolved by confirming the position to enable the Commission to make the necessary adjustments in the Commission books of accounts and comply with the PAC recommendations. The Commission is yet to receive feedback from the PS National Treasury. As a follow up, the Commission wrote a letter to Attorney General Ref. IEBC/OAG/9/ (14) dated 12 August, 2024 and 19th September, 2024 on the same and in their response dated 9th October 2024, Attorney General requested the Commission to obtain confirmation from The National Treasury that the said amount of Kshs.11,160,000 was fully recovered and accounted for as per The National Treasury Mandate under Section 12 of Public Finance Management Act, 2012.

Consequently, the Commission held a consultative meeting with The National Treasury on 01 August, 2024 and 27 November, 2024 where The National Treasury team advised the Commission that they would only handle the issue of long outstanding receivable relating to car loan of Kshs.26,193,000. They further referred the Commission to the office of the Attorney General on the issue of long outstanding imprest and staff advances of Kshs.11,160,000.

Conclusion on status

The Commission demonstrated having communicated with The National Treasury and the Attorney General on the matter towards resolving the issue. Although the Management has engaged widely, the outstanding imprest and staff advances of Kshs.11,160,000 remain outstanding.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

515. Untitled Land and Buildings

Recommendation

The National Assembly recommended that the Accounting Officer to liaise with the NLC to acquire the title documents for the parcels of land and report to the Assembly within three (3) months of adoption of the report.

Management Response

The Management submitted that The Commission established a Taskforce on Registration of Commission owned land vide memo dated 9th September 2024. The mandate of the taskforce was to coordinate acquisition of title documents in liaison with the County and Constituency offices. With the help of the Taskforce, the Commission has undertaken the following activities:

- a. Visited the Physical Planning Offices at the Ministry of Lands, Public Works, Housing and Urban development to verify the status of the issued Part Development Plans (PDPs). This was followed by a formal request of 39 PDPs for purposes of survey.
- b. The National Director of Physical Planning (NDPP) vide a letter Ref PPD/1/31/X (108) dated 31st October 2024 confirmed that only 5 PDPs were available in the Plan Records and has advised the Commission to avail centre names of sites for ease of identification. Currently, the Commission is establishing the centre names of the sites for submission to NDPP.
- c. The Commission has commenced the process of obtaining the 5 PDPs appearing in the records of the NDPP for purposes of survey and submission to a joint Committee of the National Land Commission and the Ministry of Lands, Public Works, Housing and Urban Development. Valuation of land and buildings will be conducted alongside the exercise.
- d. The Commission also sought from the Director of Surveys Authority for its two members of staff who are surveyors to undertake survey of the Commission land

parcels. This Authority was granted vide letter Ref: AC/62/VOL.IV/194 dated 5th November 2024.

Conclusion on status

The Commission was required to obtain ownership documents for eighty-five (85) parcels of land allocated by the National and County Governments. However, the Commission only sought verification for status of 39 issued Part Development Plans (PDPs). Out of these, only 5 PDPs were available in the Plan Records according to National Director of Physical Planning (NDPP) vide a letter Ref PPD/1/31/X (108) dated 31 October, 2024.

The Commission has commenced the process of obtaining the 5 PDPs appearing in the records of the NDPP for purposes of survey and submission to a joint Committee of the National Land Commission and the Ministry of Lands, Public Works, Housing and Urban Development. The Commission did not provide a remedy for the other 80 remaining parcels of land. Further, no evidence of communication of status to Parliament was provided for verification.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

516. Unconfirmed Ownership and Valuation of Motor Vehicles

Recommendation

The National Assembly submitted that the Accounting Officer to liaise with NTSA to acquire the ownership documents for the motor vehicles and report to the Committee within three (3) months after adoption of the report

Management Response

The Management submitted that The Commission has reconciled and identified 56 vehicles without logbooks and whose records are not in the National Transport and Safety Authority (NTSA) system and not registered in the Transport Information Management System (TIMS). Further, The Commission has since written to the NTSA and introduced an officer assigned to undertake transfer transactions necessary for registration and transfer of motor vehicles. Once the officer is registered by NTSA, the Commission shall proceed to register 22 motor vehicles whose engine and chassis numbers were tape lifted by the Directorate of Criminal Investigations and submitted to NTSA for

registration. Details of twenty-eight (28) vehicles without logbooks and whose records are not in the NTSA's system and not registered in Transport Information Management System (TIMS) were sent to DCI to undertake tape lifting to facilitate registration and issuance of log books.

Conclusion on status

The Management has taken measures to address the matter although the recommendation has not fully implemented.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

517. Long Outstanding Court Awards

Recommendation

The National Assembly Accounting Officer to submit a status report to the Committee within three (3) months after adoption of the report on the long outstanding amounts for review and reporting in subsequent audits.

Management Response

The Management submitted that The Commission is in the process of appointing auctioneers to facilitate the recovery of the costs awarded in favor of the Commission. The Auctioneers Licensing Board has provided the approved list of Registered Auctioneers for engagement by IEBC to recover the cost. The Commission is currently acting on the list to facilitate the recovery of the awarded costs based on the geographical location and area of Jurisdiction. The Commission has also initiated the process of procuring the services of licensed Auctioneers as advised by the office of the Attorney General.

Conclusion on status

Appropriations-In-Aid (AIA) receivables amounting to Kshs.5,396,000 relates to amounts due from court cases which were decided in the year 2013 and costs awarded to the Commission. Although the Management has made efforts including obtaining list of the approved Registered Auctioneers for engagement by the Commission from the Auctioneers Licensing Board to recover the costs, the amounts are still outstanding.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

518. Pending Bills

Recommendation

The National Assembly reprimanded the Accounting Officer for failure to formalize over-expenditure through Treasury and Parliament, and recommends that the Accounting Officer in liaison with the Attorney General provides guidelines of appointment of law firms representing the Commission, including parameters for the compensation, and avails this to the National Assembly within six (6) months of adoption of the report

Management Response

The Management submitted that submitted that The Commission is continuing to engage with The National Treasury and other relevant government departments with a view of obtaining additional budgets and funding for pending bills.

Conclusion on status

Management submitted that The Commission had engaged The National Treasury. However, there was no evidence provided to confirm the nature and the status of the engagement. Further, there was no evidence a status report was submitted to the National Assembly.

Recommendation Category: Policy

Implementation Status: Not Implemented.

519. Procurement of Office Supplies and Services, Accommodation and Transport Service at County Offices

Recommendation

The National Assembly recommend that the Accounting Officer must always act in accordance with second schedule threshold matrix of the Public Procurement and Asset Disposal Regulations, 2020.

Management Response

The Management submitted that The Parliamentary Service Commission provides funds for the operation of County offices. It is important to note that staff in the County offices are appointed by the respective Senators to the offices in which they serve and are headed by a County Office Manager, who is the Accounting Officer for the office. The Commission operates a County Liaison Office which provides compliance guidelines and best practices in the use of public funds entrusted to these offices. In this regard and to foster compliance, County Liaison Office undertakes extensive training of these managers. It is however noted that there is a very high employee turnover experienced in most of the County offices, resulting in handing-over and accounting transition challenges and the need for constant training of the newly hired staff. We shall therefore endeavor to provide regular trainings to encourage adherence to set procurement guidelines.

Conclusion on status

The Management has put in place measures to ensure adherence with procurement process

Recommendation Category: Administrative

Implementation Status: Implemented

520. Lack of Assets Register and Ownership Documents

Recommendation

The National Assembly recommended that the Accounting Officer liaises with the National Land Commission and obtain ownership documents, and reports to the Committee within three (3) months of adoption of the report

Management Response

The Management submitted that on the matter of ownership, the Commission has a register of all the non-movable assets of the Commission which are as follows-

- a. Parliament Stores and Parking- NAIROBI/BLOCK 28/23
- b. Speaker National Assembly residence – NAIROBI/BLOCK 218/428
- c. CPST New Block – NAIROBI/BLOCK 148/990
- d. Imani House – NAIROBI/BLOCK 28/604
- e. Continental House – NAIROBI/BLOCK 28/376
- f. Bunge Tower – NAIROBI/BLOCK 28/656
- g. Speaker Senate residence – NAIROBI/BLOCK 148/1656
- h. Red Cross Building - NAIROBI/BLOCK 28/606
- i. County House – NAIROBI/BLOCK 28/601
- j. Main Parliament Buildings – L.R 209/4991/13
- k. Main Parliament Grounds (mausoleum) - L. R. No. 209/544
- l. Juvenile Court Building – L.R 209/4316
- m. County Hall – L.R 209/4335
- n. Protection House – L.R 209/4314

The Commission has secured ownership documents and converted the Title Deeds pursuant to section 6 of the Land Registration Act, 2012 for the following properties: -

- a. Speaker National Assembly residence – NAIROBI/BLOCK 218/428
- b. CPST New Block – NAIROBI/BLOCK 148/990
- c. Imani House – NAIROBI/BLOCK 28/604
- d. Continental House – NAIROBI/BLOCK 28/376
- e. Bunge Tower – NAIROBI/BLOCK 28/656
- f. Speaker Senate residence – NAIROBI/BLOCK 148/1656
- g. Red Cross Building - NAIROBI/BLOCK 28/606
- h. County House – NAIROBI/BLOCK 28/601
- i. CPST Karen – NAIROBI/BLOCK 192/340
- j. Parliament Stores and Parking- NAIROBI/BLOCK 28/23

The following properties are in control of the Commission but are currently registered in the name of the Commissioner for Lands as has been traditionally the case for properties belonging to Government Institutions. However, under the new laws, specifically, section 53 of the Parliamentary Service Act, 2019, the properties are required to be registered in the name of the Commission: -

- a. Main Parliament Buildings – L.R 209/4991/13
- b. Main Parliament Grounds (mausoleum) - L. R. No. 209/544
- c. Juvenile Court Building – L.R 209/4316
- d. County Hall – L.R 209/4335

The Commission has written severally to the Ministry of Lands and National Land Commission, requesting for the issuance of the title documents for the aforementioned properties. A meeting was to be held between the Commission and the Ministry of Land in November 2023, but the same was postponed to a mutually convenient date to be set. The Commission is therefore following up on the issuance of title documents for the above-mentioned properties from the Ministry of Lands and National Land Commission. Protection House - L.R 209/4314 is currently registered in the name of the Permanent Secretary to the Treasury of Kenya pursuant to the Permanent Secretary to the Treasury (Incorporation) Act, CAP 101. The Permanent Secretary, National Treasury is currently in possession of the title deed. The property was allocated to the Parliamentary Service Commission by the Office of the President. However, The National Treasury is reluctant to transfer the property in favor of the Commission. The National Treasury insists that the Commission ought to acquire the property at Market value. Negotiations are ongoing to have the property transferred to the Commission at peppercorn consideration. A copy of the title deed for Protection House was provided.

Conclusion on status

The Management is yet to obtain ownership documents of four parcels of land under the commissioner of Lands and National Treasury.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

NATIONAL ASSEMBLY - VOTE 2042

521. Pending Bills

Recommendation

The National Assembly recommended that the Accounting Officer obtains from the DCI, copies of documents taken for investigation and avails a report to the Committee within three (3) months of adoption of the report

Management Response

The Management submitted pending bills amounting to Kshs.76,757,601 have since been settled and only Kshs.3,251,000 whose documents are yet to be fully verified is pending. The Parliamentary Service Commission is still following up the release of documents

Conclusion on status

The Management has initiated the process to obtain the documents. However, the process has not been completed. The implementation is in progress

Recommendation Category: Administrative

Implementation Status: Partially Implemented

522. Procurement of Office Supplies and Services, Accommodation and Transport Service at Constituency Offices

Recommendation

The National Assembly recommended that the Accounting Officer must always act in accordance with second schedule threshold matrix of the Public Procurement and Asset Disposal Regulations, 2020.

Management Response

The Management submitted that the Accounting Officer has instituted measures which ensure that the threshold matrix of the Public Procurement and Asset Disposal Regulations, 2020 is adhered to during procurement processes.

Conclusion on status

Management submitted that they have put in place measures to ensure adherence with procurement process. However, the matter still recurred in subsequent audit (2023/2024).

Recommendation Category: Administrative

Implementation Status: Partially Implemented

523. Lack of Assets Register

Recommendation

The National Assembly recommended that within three (3) months after the adoption of the report, the Accounting Officer submits to the Committee a complete Asset Register

Management Response

The Management submitted that The Parliamentary Service Commission developed and adopted a Fixed Asset Management Policy which is a pre-requisite for the development of an asset register. The Management of the National Assembly has since contracted a professional firm to aid in the development of an asset register. This activity is underway and the register will be provided as soon as it is finalized.

Conclusion on status

The Management is in the process of preparing a complete asset register.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

524. Late submission of supporting documentation

Recommendation

The National Assembly recommends that the Departmental Committee on Finance and National Planning considers amending the law to reduce the time period allowed for Accounting Officers to submit financial accounts to the Auditor General from three (3) months to one (1) month

Management Response

The Management did not submit any response.

Conclusion on status

Management did not submit any response a PFM amendment bill was published and underwent first reading in 2024. However, the law has not been amended to reduce the time period allowed for Accounting Officers to submit financial accounts to the Auditor General from three (3) months to one (1) month.

Recommendation Category: Legislative

Implementation Status: Not Implemented

525. Budgetary control and performance

Recommendation

The National Assembly recommended that Treasury and the National Assembly through the Budget & Appropriation Committee, and the departmental Committee on Finance and National Planning make realistic revenue projections and attainable expenditure estimates.

Management Response

The Management did not submit any response.

Conclusion on status

There was no information provided on measures taken to ensure the National Assembly through the Budget & Appropriation Committee, and the departmental Committee on Finance and National Planning make realistic revenue projections and attainable expenditure estimates.

Recommendation Category: Legislative

Implementation Status: Not Implemented

526. Late Exchequer releases

Recommendation

The National Assembly recommended that the Budget & Appropriations Committee of the National Assembly should re-align projections provided by Treasury, and consider zero-based budgeting rather than the current incremental programme-based budgeting

Management Response

The Management did not submit any response.

Conclusion on status

Exchequer releases not done on timely manner

Recommendation Category: Legislative

Implementation Status: Not Implemented

527. Assets Register

Recommendation

The National Assembly recommended that within three (3) months after the adoption of the report, the Accounting Officer submits to the Committee a complete Asset Register

Management Response

The Management submitted that in November 2024, the Parliamentary Service Commission approved the Assets Policy for implementation. The Accounting Officer has since instituted a task force to collate information of various assets and generate an assets register. This is expected to be in place by 30 June, 2025.

Conclusion on status

The Management is the process of developing a complete asset register.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

528. Construction of the Proposed Multi-Storey Office Block

Recommendation

The National Assembly recommended that the Accounting Officer ensures the building is completed and occupied within three (3) months of adoption of the report, without further cost variations.

Management Response

The Management submitted that on 25 April, 2024, Bunge Towers was unveiled and a Certificate of Practical Completion issued. Since then, the building has been in use.

Conclusion on status

The building has been completed and in use.

Recommendation Category: Administrative

Implementation Status: Implemented

JUDICIAL SERVICE COMMISSION - VOTE 2051

529. Pending Bills

Recommendation

The National Assembly recommended that the Accounting Officer should ensure that pending bills in any financial year form the first charge in the budget of the subsequent financial year.

Management Response

The Management submitted that the recommendation has been Implemented with pending bills being the first charge in the subsequent financial year.

Conclusion on status

The Accounting Officer provided the information to confirm the pending bills for 2023/2024 amounting Kshs. 3,026,691 related to employee costs were cleared and paid in the first quarter 2024/2025 and no pending bills had been carried over.

Recommendation Category: Administrative

Implementation Status: Implemented

PUBLIC SERVICE COMMISSION - VOTE 2071

530. Accounts Payables

Recommendation

The National Assembly recommended that the Accounting Officer ensures prompt payment to contractors.

Management Response

The Management submitted that the Accounting Officer engaged the State Department of Public Works to furnish the commission with the correct interim certificates. The Commission further transferred deposit of more than six years to National Treasury in accordance to Regulation 106 of PFM Regulations ,2015 and National Treasury direction. The retention is being settled with the balance currently at Kshs 3,389,661.65 as at 31 December 2024. The commission is Committed to settle any retention monies that follows due and completion certificate issued by State Department of Public works.

Conclusion on status

Management has taken measures to ensure prompt payment to contractors. However, there is a balance of Kshs 3,389,661.65 that is still not settled.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

TEACHERS SERVICE COMMISSION- VOTE 2091

531. Property, Plant & Equipment

Recommendation

The National Assembly recommended that the matter awaits the outcome of the court process, and the Accounting Officer to avail a status report to the Committee within three (3) months of adoption of the report

Management Response

The Management submitted the Court process was conducted and Judgement delivered where the Commission was ordered to release the vehicle to the defendant. The Commission released the vehicle as per the court order and sought approval from The National Treasury to write off the asset from the books of the Commission. The National Treasury provided an advisory on the regulations guiding write off of the loss and the Commission has written off the asset as per the advisory.

Conclusion on status

The recommendation is partially implemented as the Accounting Officer has obtained a status report on the court case which has already been concluded. However, there was no evidence that the status report was submitted to National Assembly as recommended.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

532. Non-Compliance with Public Finance Management Act, 2012

Recommendation

The National Assembly recommended that the Accounting Officer enters into agreement with the tenant for settlement of the rent waived, in instalments, fully recovered within one (1) year of adoption of the report.

Management Response

The Management submitted that pursuant to the recommendation of PAC the Commission entered into an agreement with the tenant to settle the rent waived of Kshs.621,622 and an arrangement to get the payment done within one year. The tenant has since cleared the payment.

Conclusion on status

The recommendations were partially implemented, as the Accounting Officer entered into an agreement with the tenant. However, no evidence was provided to confirm that the amount has been fully recovered. Furthermore, due to the lack of supporting documents, it was not possible to verify compliance with the Committee's directive to ensure full recovery within one (1) year of the adoption of the report.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

533. Recovery of Salary Overpayments**Recommendation**

The National Assembly recommended that the Accounting Officer demands full settlement from those overpaid within six (6) months of adoption of the report, failure to which those responsible for processing the overpayments be surcharged

Management Response

The Management submitted that four (4) teachers who are still on payroll of the commission and overpayment is recovered at a rate to ensure compliance with the 1/3 of the basic salary as per section 19(3) of the Employment Act, 2012. Twenty-four (24) teachers have exited service through retirement or death and the commission issued instructions to The National Treasury – pension department to recover the outstanding overpayment balance. Four teachers have full recovery from payroll or cash refund.

Conclusion on status

The recommendations were partially implemented, as the Accounting Officer fully recovered overpayments for only one (1) out of thirty-two (32) teachers within the stipulated period. Furthermore, no evidence of a surcharge was provided for those responsible for the overpayments for failing to implement the Committee's recommendations of full settlement within six (6) months of the adoption of the Committee report.

Recommendation Category: Administrative

Implementation Status: Partially Implemented

B. RECOMMENDATIONS FOR CONSTITUTIONAL COMMISSIONS AND INDEPENDENT OFFICES

ETHICS AND ANTI-CORRUPTION COMMISSION

Review of Public Accounts Committee Report on Ministries, Departments and Agencies for the Financial Year 2020/2021 revealed eighteen (18) recommendations were referred to EACC for further investigations. The management provided information on the state of fourteen (14) recommendations while no response was provided for four (4) recommendations. The detailed recommendations and status are as provided in **Table 10** below:

Table 10: Status of implementation of recommendations by EACC

Primary Entity	Audit Issue	Recommendation	EACC Submission	Conclusion
National Police Commission	534. Leasing of Counselling Centre in Karen Nairobi	The Committee recommends that the EACC investigates the matter to establish possible loss of public funds and failure to follow the law	No response received	Not implemented
State Department for Livestock	535. Full Payment for Incomplete Works - Marimanti Sheep and Goat Farm	The Committee recommends that the EACC commences investigations into the matter	Investigation on going	Implemented
State Department Correctional Services	536. Collapsed Perimeter Wall at Shimo La Tewa Prison – Mombasa	The EACC to investigate the entire procurement process, the public officers and the construction firms involved in the construction of the perimeter wall at Shimo La Tewa Prison with a view to prosecution of those involved if evidence permits	Investigation on going	Implemented
Ministry of Water	537. Delayed Construction of Mwache Multipurpose Dam Project	The Committee recommends that the EACC investigates the procurement process of the project	Investigation on going	Implemented
Ministry of Water	538. Sustainability of Project's Livelihood Programme	The Committee recommends that the EACC investigates possible misuse of funds in the project	Investigation on going	Implemented
State Department for Vocational & Tertiary Education	539. Procurement and Payment for Consultancy Services	The Committee recommends that the EACC conducts investigations into the procurement process	Investigation on going	Implemented

Primary Entity	Audit Issue	Recommendation	EACC Submission	Conclusion
State Department for Early & Basic Education	540. Procurement of Computers	The Committee recommends that EACC investigates the procurement process	Investigation on going	Implemented
State Department for Crop Development	541. Expenditure on Procurement of Grass Seeds in Isiolo County	The Committee recommends that the EACC commences investigations on the expenditure.	No response received	Not implemented
State Department for Devolution	542. Use of Goods and Services - Refund of Ineligible Expenditure	ii) The EACC investigates the matter with a view of recommending for prosecution those involved	Investigation on going	Implemented
State Department for Devolution	543. Irregular Payment of Demurrage Charges	ii. The EACC conducts investigations on the expenditure of Kshs. 75 million with a view of possible prosecution of those involved	Investigation on going	Implemented
State Department for Housing & Urban Development	544. Amounts Withdrawn and Not Claimed	(i) The EACC should commence investigation of this matter and the whereabouts of EUR 19,822,470.32	Investigation on going	Implemented
State Department for Housing & Urban Development	545. Budget Performance and Lack of Approved Budget	The Committee recommends that the EACC investigates the cited expenditure	Investigation on going	Implemented
State Department for Infrastructure	546. Variation of Contracts	The committee recommends that the EACC investigates into the matter and prosecutes the then Accounting Officer or relevant officer for committing an offence under section 176 (1) (I) of the Public Procurement and Asset Disposal Act, 2015 by contravening section 139 (4) (d) of the Act	Investigation on going	Implemented
State Department for Infrastructure	547. Unconstructed Section of Ring Road Parklands (M15A) Road Due to Encroachment	The Committee recommends that EACC investigates into the project.	Investigation on going	Implemented
State Department for Interior	548. Irregular Procurement - Rehabilitation and Extension of Homa Bay County Commissioner's Residence	The Committee recommends the EACC investigates and recommends the possible prosecution of officers involved in this project, pursuant to breach of Section 176 of the Public	Investigation on going	Implemented

Primary Entity	Audit Issue	Recommendation	EACC Submission	Conclusion
		Procurement and Asset Disposal Act, 2015		
State Department for Public Works	549. Controls Over Motor Vehicles	The Committee recommends that the EACC investigates into the matter.	Investigation on going	Implemented
State Law Office & Dept of Justice	550. Irregular Procurement of Cloud Hosting Services	The Committee recommends that EACC investigates the matter and the Accounting Officer be surcharged to recover amounts lost	No response received	Not implemented
The Judiciary	551. Unconfirmed Accounts Payables	The EACC to initiate investigations to establish the validity of amounts said to have been transferred from the subcounty treasuries to the National Treasury.	No response received	Not implemented

Source: OAG Analysis of Tracked Recommendations and Management Responses

Conclusion

Implementation of fourteen recommendations, representing 78%, had been initiated with investigations ongoing. There was no information provided on action taken on four recommendations, representing 22%.

OFFICE OF THE AUDITOR-GENERAL

Review of Public Accounts Committee Report on Ministries, Departments and Agencies for the Financial Year 2020/2021 revealed twenty-seven (27) recommendations were referred to OAG for further investigations. The Auditor-General was at various stages of implementation as detailed in **Table 11** below.

Table 11: Status of implementation of recommendations by OAG

Primary Entity	Audit Issue	Recommendation	Remarks	Status
General Recommendation	552. General Recommendation on Public Debt	The Committee recommends that the Auditor General conducts a forensic audit on the country's entire debt portfolio and submits a report to Parliament, within six (6) months of adoption of this report	Audit ongoing – At Execution Stage	Partially Implemented
National Treasury	553. Inaccuracies in the Financial Statements	The Committee reprimands the Accounting Officer for failure to perform duty bestowed upon the office and recommends that the Auditor General confirms status in subsequent financial year audit	Financial statements for 2023/24 covered comparatives and fund balance brought forward. Paragraph 1 of the Report of Auditor General on National Government MDAs for the year 2023/24 reported on unsupported prior year adjustments.	Implemented
National Treasury	554. Default on Debt Repayment	The Auditor General to avail to the Committee its report on the special audit on the dams , within one month of adoption of this report.	Submitted in June 2020	No longer applicable
National Treasury	555. Unresolved Prior Years Matters	The Auditor-General to undertake a review and report to the National Assembly in the subsequent audit reporting cycle	The Audit of 2023/24 covered unresolved prior year issues and re	Implemented
SD for Planning	556. Non-Compliance with Affirmative Action on Gender, Ethnicity and Regional Distribution	Moreover, the Auditor General should examine ethnic composition in all agencies, in every year of audit, as a standard parameter in reporting	The Auditor General included Non-Compliance with Affirmative Action on Gender, Ethnicity and Regional Distribution as a subject matter for consideration in the audit of financial year 2023/24 and communicated to	Implemented

Primary Entity	Audit Issue	Recommendation	Remarks	Status
			all auditors through a circular.	
The Presidency	557. Unsupported Imprest Claims	The Auditor General to ascertain status in the financial statements of the State Department of Interior in the subsequent audit	Imprest balances audited part of Financial Audit 2023/24	Implemented
State Dept for Early & Basic Education	558. Transfers to Teachers Training Colleges	The Committee recommends the Auditor General to audit the financials of the teachers training colleges	The Office has audited Financial Statements	Implemented
State Dept for Transport	559. Consultancy Services for Rehabilitation of Jomo Kenyatta International	The Accounting Officer should submit a justification and status report of the rehabilitation of the terminals to the Auditor General for audit of the subsequent financial year	Audit issues picked and planned in the next audit cycle (2024/2025)	Partially implemented
State Dept for Housing & Urban Development	560. Unauthorised Payments	The Office of the Auditor General should conduct a forensic audit in this matter pursuant to the provisions of section 37 of the Public Audit Act, 2015, and report in the next audit	Audit Not Started – Scheduled for this FY (24/25)	Not implemented
Ministry of Water & Sanitation	561. Cash and Cash Equivalents - Unsupported Cash Movement	The Committee recommends that the Auditor General examines the documentation availed for the expenditure of the Kshs. 14,190,152 and report in the subsequent audit	Audit issue picked and scheduled for next audit cycle	Partially Implemented
State Dept for Fisheries & Blue Economy	562. Irregularities in Supply and Delivery of Fingerlings	The Auditor General to conduct a special audit on the entire programme and report to the Committee within six (6) months of adoption of this report.	Audit planned in next audit cycle	Not implemented
State Dept for University Education	563. Outstanding Imprests and Advances	The Committee recommends that the Auditor General reviews the documentation submitted and report in subsequent audit.	Imprest balances audited part of Financial Audit 2023/24	Implemented
State Dept for Industrialization	564. Amount Withdrawn but Unclaimed	The Committee recommends that the Auditor General reviews the documentation and report in subsequent audit.	Audited as part of balances in the year 2023/24	Implemented
State Dept for Industrialization	565. Budgetary Control and Performance	The Committee recommends that the Auditor General reviews the documentation and report in subsequent audit.	The budget process was audited in 2023/24	Implemented
State Dept for Labour	566. Inaccuracies in the Financial Statements	The Committee recommends that the Auditor General confirms the evidence in the subsequent audit.	Financial statements for 2023/24 covered comparatives and fund balance brought forward.	Implemented

Primary Entity	Audit Issue	Recommendation	Remarks	Status
			General on National Government MDAs for the year 2023/24 reported on unsupported prior year adjustments.	
State Dept for Labour	567. Renewal Contracts for Contractual Staff	The Committee recommends that the Auditor General confirms the evidence in the subsequent audit.	Audited as part of Compensation of Employees in audit of 2023/24	Implemented
State Dept for Labour	568. Unsupported Fuel Expenditure	The Committee recommends that the Auditor General confirms the evidence in the subsequent audit.	Audited as part of Use of Good and Services in audit of 2023/24	Implemented
State Dept for Labour	569. Fixed Assets	The Committee recommends that the Auditor General confirms the evidence in the subsequent audit.	Audited as part of Assets in audit of 2023/24	Implemented
State Dept for Labour	570. Compensation of Employees.	The Committee recommends that the Auditor General confirms the evidence in the subsequent audit.	Audited as part of Compensation of Employees in audit of 2023/24	Implemented
State Dept for Labour	571. Activities Without Prior Clearance from the World Bank	The Committee recommends that the Auditor General confirms the evidence in the subsequent audit.	Audited as part of Donor Funded projects in audit of 2023/24	Implemented
State Dept for Social Protection	572. Weak Information Technology- Internal Controls	The Office of the Auditor General to review measures put in place by the department and advise the committee accordingly within one (1) month of adoption of this report.	Audited as part of review of effectiveness of Internal projects in audit of 2023/24	Implemented
State Dept for Social Protection	573. Change of Project Name and Opening Balances - Change of Project Name and Assets Handover	The Committee recommends that the Auditor General confirms the submission and reports in the next audit.	Confirmed through review of financial statements	Implemented
State Dept for Social Protection	574. Opening Balances	The Committee recommends that the Auditor General confirms the submission and reports in the next audit.	Audited as part of comparatives	Implemented
State Law Office & SD for Justice	575. Non-Provision of Service Providers' Contracts	The Committee recommends that OAG conducts a special audit on the E-citizen platform and submits a report to the National Assembly within six (6) months of adoption of this report	This audit has been completed and forwarded.	Implemented
The Judiciary	576. Judiciary Mortgage Scheme Fund	The Auditor General to audit and report to the National Assembly in accordance with the Public Audit Act, 2015.	Financial statements up to 2023/24 audited and report	Implemented

Primary Entity	Audit Issue	Recommendation	Remarks	Status
			submitted to Parliament	
Independent Elections & Boundary Commission	577. Status of Critical Election Equipment	The Committee recommends that a special audit be done on the matter.	Planned in 2025/26 pending funding	Not implemented
Teachers Service Commission	578. Irregular Issuance of Imprest	The Committee recommends that the Auditor General confirms the assertion in subsequent audit.	Audited as part of imprest management in audit of financial year 2023/24	Implemented

Source: OAG Analysis of Tracked Recommendations and Management Responses

Conclusion

Twenty-one (78%) of the recommendations had been implemented, three (11%) were partially implemented and another three (11%) had not been implemented.

DIRECTORATE OF CRIMINAL INVESTIGATION

Review of Public Accounts Committee Report on Ministries, Departments and Agencies for the Financial Year 2020/2021 reviewed the one recommendation was referred to the DCI as per **Table 12** below:

Recommendation

Table 12: Status of implementation of recommendations by DCI

Primary Entity	Audit Issue	Recommendation
State Dept for Mining	579. Long Outstanding Arrears from Savanna Cement Company	The Committee recommends that the DCI immediately commences investigations on how the company was able to operate without a valid license and how the consent was reached

Source: OAG Analysis of Tracked Recommendations and Management Responses

Management Representation

The Management did respond to corresponded sent and received on 06 January, 2025 as at the time of this report.

Conclusion

The status of implementation could not be confirmed without management response.

C. RECOMMENDATIONS FOR OTHER THIRD-PARTY IMPLEMENTING ENTITIES

KENYA BUREAU OF STANDARDS

580. Purchase of Defective LPG Gas Cylinders

Recommendation

The National Assembly submitted that The Kenya Bureau of Standards (KEBS) should review and address the gaps surrounding the pre-shipment verification of conformity procedures and report back to the National Assembly within three (3) months after adoption of the report

Management Response

The Management of KEBs submitted that to address the gaps they instituted the follow;

- a. All Foreign Diamond mark must have a local agent/firm responsible for providing information to KEBs
- b. Quality Assurance Officers will periodically monitor performance of imported goods and report back to their supervisors.

Conclusion on Status

Management has indicated measures to address the gap. However, there is no evidence the measures were to address the gaps highlighted by the National Assembly as there was no link to the issues raised then.

Recommendation Category: Policy

Implementation Status: Not Implemented

CHAPTER FOUR: CONCLUSION

The following conclusions have been drawn from the observations made.

- i. Implementation of audit recommendations is still very low at twenty-one percentage (21%). The state of affairs is of major concern as this review was done almost one year since the report was adopted by the National Assembly and save for a few recommendations of legislative and policy in nature, the recommendations were to be implemented within three months after adoption of the report which was adopted on 28 February, 2024.
- ii. Implementation of audit recommendations will not just improve the efficiency and effectiveness in management of public funds but can also lead to savings of public resources as reported by the accounting officers who have been able to recover Kshs. 275,168,140.
- iii. A significant number of recommendations made by the National Assembly are administrative in nature as reported at 88%.
- iv. A significant number of partially implemented recommendations are because of failure to report back to Parliament on actions taken as directed by the National Assembly. Failure to submit a report on actions taken where required to report back creates a gap in the accountability process as the necessary actions required by National Assembly after the feedback cannot progress.
- v. Implementation of some recommendations require resources. As also reported through the exit report of The Select Committee on Implementation of the 12th Parliament, recommendations are not always accompanied by the requisite resources making it difficult for the Accounting Officers to implement. This has been observed especially with court awards and stalled projects.
- vi. In some instances, recommendations require the intervention of third parties to implement. These are situations requiring an Accounting Officer to liaise with other parties such as The National Treasury on funding, Constitutional Commissions like National Land Commission in matters of public land among others. This therefore affected the timeliness in the implementation of the recommendations.

- vii. Review of some management responses reflected inadequate conceptualization of the recommendation and corrective action needed to address the audit issue and recommendation. The action reported to have been undertaken had no relationship with the recommendation as directed by the National Assembly. This led to non-implementation of the recommendation.

CHAPTER FIVE: RECOMMENDATIONS

To effectively ensure the recommendations are implemented, the following actions should be considered;

- i. The Executive should consider including implementation of audit recommendations as a key performance target for accounting officers. This will motivate the management of state entities to implement the recommendations.
- ii. In the exit report of The Select Committee on Implementation of the 12th Parliament, the wide mandate was identified as a challenge, making it difficult to follow up on the Parliament resolutions. The National Assembly may consider constituting a select committee to focus solely on following up on implementation of reports by the Audit Committees which are currently six in the National Assembly.
- iii. The Parliament should consider reviewing sanctions on failure to implement audit recommendations including anchoring them in law. This will act as a deterrent and ensure recommendations are implemented.
- iv. The MDAS should consider Parliamentary recommendations that require resources to implement when making submissions during budget making process.
- v. The National Treasury should build capacity for accounting officers to enable better conceptualization of recommendations and corrective actions. This will in turn lead to appropriate corrective actions and a higher attainment level of compliance in implementing recommendations and better service delivery to the citizens.
- vi. The Head of the Civil Service should develop a mechanism for coordinating the implementation of audit recommendations requiring multi-agency approach.

APPENDICES

Appendix 1: Implementation Status per Entity

	Entity	Total	Implemented		Partially Implemented		Not Implemented		Will not be Implemented		No Longer Applicable	
		No	No.	%	No.	%	No.	%	No.	%	No.	%
1	The National Treasury	50	18	36%	10	20%	22	44%	-	0%	-	0%
2	State Department for Planning	8	2	25%	2	25%	3	38%	-	0%	1	13%
3	The Presidency	1	-	0%	1	100%	-	0%	-	0%	-	0%
4	State Department for Interior and Citizen Services	25	3	12%	4	16%	18	72%	-	0%	-	0%
5	State Department for Correctional Services	3	-	0%	2	67%		0%	-	0%	1	33%
6	Department for Devolution	10	1	10%	7	70%	2	20%	-	0%	-	0%
7	Department for Development of The Arid and Semi-Arid Lands	13	-	0%	6	46%	7	54%	-	0%	-	0%
8	Ministry of Foreign Affairs	7	-	0%	1	14%	6	86%	-	0%	-	0%
9	State Department for Vocational and Technical Training	11	3	27%	-	0%	8	73%	-	0%	-	0%
10	State Department for University Education and Research	13	1	8%	3	23%	9	69%	-	0%	-	0%
11	State Department for Early Learning and Basic Education	6	4	67%	1	17%	1	17%	-	0%	-	0%
12	State Department for Post Training and Skills Development	1	-	0%	-	0%	-	0%	-	0%	1	100%
13	Ministry of Health	22	-	0%		0%	22	100%	-	0%	-	0%
14	State Department for Infrastructure	54	6	11%	17	31%	31	57%	-	0%	-	0%
15	State Department for Transport	7	-	0%	-	0%	7	100%	-	0%	-	0%
16	State Department for Shipping and Maritime	1	-	0%	1	100%		0%	-	0%	-	0%
17	State Department for Housing and Urban Development	34	2	6%	4	12%	28	82%	-	0%	-	0%
18	State Department for Public Works	10	5	50%	4	40%	1	10%	-	0%		0%
19	Ministry of Environment & Forestry	21	6	29%	5	24%	8	38%	1	5%	1	5%
20	Ministry of Water, Sanitation and Irrigation	51	10	20%	10	20%	31	61%	-	0%	-	0%
21	Ministry of Lands & Physical Planning	7	-	0%	3	43%	3	43%	-	0%	1	14%
22	State Department for Information Communication Technology & And Innovation	2	2	100%	-	0%		0%	-	0%	-	0%
23	State Department for Broadcasting and Telecommunications	4	-	0%	1	25%	3	75%	-	0%	-	0%
24	State Department for Culture and Heritage	8	-	0%	-	0%	8	100%	-	0%	-	0%
25	Ministry of Energy	16	-	0%	10	63%	6	38%	-	0%	-	0%

26	State Department for Livestock	5	-	0%	3	60%	2	40%	-	0%	-	0%
27	State Department for Fisheries, Aquaculture and The Blue Economy	11	2	18%	3	27%	5	45%	-	0%	1	9%
28	State Department for Crop Development and Agricultural Research	12	3	25%	3	25%	6	50%	-	0%	-	0%
29	State Department for Trade and Enterprise Development	4	-	0%	-	0%	4	100%	-	0%	-	0%
30	State Department for Industrialization	4	-	0%	3	75%	1	25%	-	0%	-	0%
31	State Department for Labour	4	-	0%	1	25%	3	75%	-	0%	-	0%
32	State Department for Social Protection	4	1	25%	3	75%		0%	-	0%	-	0%
33	State Department for Mining	25	7	28%	9	36%	9	36%	-	0%	-	0%
34	State Department for Petroleum	8	2	25%	-	0%	6	75%	-	0%	-	0%
35	State Department for Tourism	1	-	0%	-	0%	1	100%	-	0%	-	0%
36	State Department for Wildlife	3	-	0%	-	0%	3	100%	-	0%	-	0%
37	State Department for Gender	3	1	33%	-	0%	2	67%	-	0%	-	0%
38	State Department for Public Service	2	-	0%	2	100%		0%	-	0%	-	0%
39	State Department for Youth Affairs	3	-	0%	-	0%	3	100%	-	0%	-	0%
40	State Department for East African Community	1	-	0%	1	100%	-	0%	-	0%	-	0%
41	State Department for Regional and Northern Corridor Development	8	2	25%	-	0%	5	63%	-	0%	1	13%
42	State Law Office and Department of Justice	14	2	14%	7	50%	5	36%	-	0%	-	0%
43	The Judiciary	12	3	25%	6	50%	2	17%	-	0%	1	8%
44	Ethics and Anti-Corruption Commission	1	-	0%	1	100%	-	0%	-	0%	-	0%
45	Office of The Director of Public Prosecutions	1	-	0%	1	100%	-	0%	-	0%	-	0%
46	Witness Protection Agency	1	-	0%	1	100%	-	0%	-	0%	-	0%
47	National Land Commission	1	-	0%		0%	1	100%	-	0%	-	0%
48	Independent Electoral and Boundaries Commission	5	-	0%	4	80%	1	20%	-	0%	-	0%
49	Parliamentary Service Commission	2	1	50%	1	50%		0%	-	0%	-	0%
50	National Assembly	6	-	0%	3	50%	3	50%	-	0%	-	0%
51	Parliamentary Joint Services	2	1	50%	1	50%	-	0%	-	0%	-	0%
52	Judicial Service Commission	1	-	0%	1	100%	-	0%	-	0%	-	0%
53	Public Service Commission	1	-	0%	1	100%	-	0%	-	0%	-	0%
54	Teachers Service Commission	3	-	0%	3	100%	-	0%	-	0%	-	0%
	Sub-Total	533	88	17%	150	28%	286	54%	1	0%	8	2%
Constitutional Commissions and Independent Offices												
55	Office of Auditor General	27	21	78%	3	11%	3	11%	-	0%	-	0%
56	Ethics and Anti-Corruption Commission	18	14	78%	4	22%		0%	-	0%	-	0%

57	Directorate of Criminal Investigations	1	-	0%	-	0%	1	100%	-	0%	-	0%
	Sub-Total	46	35	76%	7	15%	4	9%	-	0%	-	0%
	Other Entities Referral											
58	Kenya Bureau of Standards	1	-	0%	-	0%	1	100%	-	0%	-	0%
	Sub-total	1	-	0%	-	0%	1	100%	-	0%	-	0%
	Total	580	123	21%	157	27%	291	50%	1	0%	8	1%

Appendix 2: Entities with Recommendations

- 1 The National Treasury
- 2 State Department for Planning
- 3 The Presidency
- 4 State Department for Interior and Citizen Services
- 5 State Department for Correctional Services
- 6 Department for Devolution
- 7 Department for Development of The Arid and Semi-Arid Lands
- 8 Ministry of Foreign Affairs
- 9 State Department for Vocational and Technical Training
- 10 State Department for University Education and Research
- 11 State Department for Early Learning and Basic Education
- 12 State Department for Post Training and Skills Development
- 13 Ministry of Health
- 14 State Department for Infrastructure
- 15 State Department for Transport
- 16 State Department for Shipping and Maritime
- 17 State Department for Housing and Urban Development
- 18 State Department for Public Works
- 19 Ministry of Environment & Forestry
- 20 Ministry of Water, Sanitation and Irrigation
- 21 Ministry of Lands and Physical Planning
- 22 State Department for Information Communication Technology and Innovation
- 23 State Department for Broadcasting and Telecommunications
- 24 State Department for Culture and Heritage
- 25 Ministry of Energy
- 26 State Department for Livestock
- 27 State Department for Fisheries, Aquaculture and The Blue Economy
- 28 State Department for Crop Development and Agricultural Research
- 29 State Department for Trade and Enterprise Development

- 30 State Department for Industrialization
- 31 State Department for Labour
- 32 State Department for Social Protection
- 33 State Department for Mining
- 34 State Department for Petroleum
- 35 State Department for Tourism
- 36 State Department for Wildlife
- 37 State Department for Gender
- 38 State Department for Public Service
- 39 State Department for Youth Affairs
- 40 State Department for East African Community
- 41 State Department for Regional and Northern Corridor Development
- 42 State Law Office and Department of Justice
- 43 The Judiciary
- 44 Ethics and Anti-Corruption Commission
- 45 Office of The Director of Public Prosecutions
- 46 Witness Protection Agency
- 47 National Land Commission
- 48 Independent Electoral and Boundaries Commission
- 49 Parliamentary Service Commission
- 50 National Assembly
- 51 Parliamentary Joint Services
- 52 Judicial Service Commission
- 53 Public Service Commission
- 54 Teachers Service Commission
- 55 Office of the Auditor - General
- 56 Ethics and Anti-Corruption Commission
- 57 Directorate of Criminal Investigations
- 58 Kenya Bureau of Standards

Appendix 3: Entities without any Recommendations

- 1 Ministry of Defense
- 2 State Department for Sports
- 3 Kenya National Commission on Human Rights
- 4 Commission on Revenue Allocation
- 5 National Police Service Commission
- 6 The Commission on Administrative Justice
- 7 National Gender and Equality Commission

Appendix 4: Entities that did not Provide Response

1. State Department for Transport
2. State Department for Culture and Heritage
3. State Department for Trade and Enterprise Development
4. State Department for Tourism
5. State Department for Wildlife
6. State Department for Youth Affairs
7. Directorate of Criminal Investigation

CONTACTS

3rd Floor, Anniversary Towers, University Way, Nairobi

Phone: +254 020 3214000 • **Email:** oag@oagkenya.go.ke • **Website:** www.oagkenya.go.ke



Office of the Auditor-General Kenya



Office of the Auditor-General, Kenya



@OAG_Kenya