



ICPAK PRESS STATEMENT ON THE JUST CONCLUDED ELECTIONS AND TRANSITION TO OFFICE OF THE NEW ELECTED LEADERS

28th August 2017

The Institute of Certified Public Accountants of Kenya (ICPAK) takes this opportunity to congratulate all the elected leaders in the just concluded elections. This shows the confidence Kenyans had in the leaders to champion reform, development and growth in their respective areas for the next five years. Kudos!

As we begin this term, the Institute wishes to point out the following:

(a) Transition at the County Level

The Institute once again congratulates all Governors, Senators and County Assembly Members for the challenging task bestowed upon them by Kenyans to implement devolution for the next five years.

It is worth noting that when Kenyans voted for the new constitution more than seven years ago, few understood its imprint on the governance structure of the country. Most will agree that, among many other provisions, the revolutionising aspect of the Constitution has been the devolved system of government.

In the last four years, we have witnessed the benefits of adopting this system of governance. These benefits range from improved access to basic services such as water and health, proximity to the local leadership and the general upgrade in infrastructure across the country.

We pray that the new leaders will continue in the same trajectory and even better what the pioneer county governments achieved.

The Institute further lauds some of the new leaders who have indicated bold plans to reform and strengthen the County Public Finance Management systems. Indeed, this is a step in the right direction in ensuring prudent utilization of public services and service delivery to Kenyans in line with Article 174 of the Constitution and the County Government Act 2012.

We are however deeply concerned with the threats to unilaterally sack staff in some counties in the pretext of cleaning the system. This may not only disrupt service delivery but will also lower staff morale of other Kenyans working in those Counties. We therefore urge, Governors who intend to audit and reshape the human resources architecture in their counties to do so within the confines of the law and respect to the rules of natural justice.

(b) Need to strengthen Institutions of Governance at the County level

This period presents Counties with an opportunity to continue with reforms aimed at strengthening county Governance. This can only be done by picking lessons from the pioneer County Governments (2012-2017). The Institute proposes the following:

- All Counties need to establish and strengthen the County Budget and Economic Forums as stipulated by Section 137 of the Public Finance Management Act, 2012. This is an important forum in facilitating consultations between citizens and county governments on matters planning, budgeting and overall economic advancement;
- Establish and capacity-build audit committees at the County level as fulcrums of accountability and prudent public expenditure management. We note that quite a number of counties had already initiated efforts and even established these committees prior to the general elections. However, we still have a lot to accomplish to ensure that Audit Committees are effective in the entire public sector.

c) County Planning

The County Government Act 2012 provides for County Planning including but not limited to Principles and Objectives of County Planning. Section 104 of the Act stipulates that a county government shall prepare a plan for the county and no public funds shall be appropriated outside the planning framework developed by the county executive committee and approved by the county assembly.

Section 108 provides for a five year County Integrated Development Plan (CIDP). We note that some of the initial CIDPs 2013-2017 were not as consultative as envisaged by the Constitutional provisions and relevant statutes.

We urge the new leaders to correct some of these anomalies and develop CIDPs that are truly reflective of the needs of citizens. It's only through this mechanism that we'll be able to reap the benefits of devolution.

d) Salaries, remuneration and benefits of civil servants

The Institute lauds the Salaries and Remuneration Commission (SRC) for the efforts to ~~rein~~ in on the runaway wage bill, by prescribing remuneration and benefits for all state officers. It is noteworthy that the SRC took cognizance of the provisions of the labour laws in issuing the guidelines ahead of the general elections. Consequently, we take exception to comments by some Members of Parliament (MPs) – elect who issued a statement that the SRC overstepped its mandate and acted ultra vires the provisions of the Employment and Labour Relations Act.

We see no merit in the argument put forth by the aggrieved MPs-elect since the SRC took steps to publish and gazette the remuneration limits ahead of the elections. This was in our view done in the interest of rules of natural justice by providing all the contestants with indications as to the level of compensation that the positions they sought would attract.

Commented [RM1]: Deleted the g. Reign with a g means to rule.

We urge all State Officers to support the SRC in achieving its constitutional mandate and implementing the new order aimed at bringing the wage bill to sustainable levels and in accordance with the international benchmarks. ICPAK believes that leaders are elected to serve the public interest. This should be the guiding spirit in any discourse on compensation.

FCPA Julius Mwatu

Chairman, ICPAK