# KWALE COUNTY
# ANNUAL CAPACITY & PERFORMANCE ASSESSMENT (ACPA) REPORT

***From***

## 10th July to 14th JULY, 2017

Presented by Lead Consultant

Matengo Githae & Associates
Certified Public Accountants (K)
Head office: 2nd floor, Chaka place,
Chaka Rd. off Argwings Kodhek Rd
Tel: +254 020 2699944

Email: customercare@matengogithae.com
Website: www.matengogithae.com

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# ACRONYMS

| | | |
|---|---|---|
| ACPA | - | Annual Capacity and Performance Assessment |
| ADP | - | Annual Development Plans |
| CARPS | - | Capacity Assessment and Rationalization of the Public Service |
| CB | - | Capacity Building |
| CEC | - | County Executive Committee |
| CFAR | - | County Financial and Accounting Report |
| CGK | - | County Government of Kwale |
| CIDP | - | County Integrated Development Plan |
| CO | - | Chief Officer |
| CPG | - | County Performance Grants |
| EA | - | Environmental Audits |
| EIA | - | Environmental Impact Assessment |
| EMCA | - | Environmental Management and Coordination Act |
| FS | - | Financial Secretary |
| FY | - | Financial Year |
| ICT | - | Information Communication Technology |
| IPSAS | - | International Public-Sector Accounting Standards |
| KDSP | - | Kenya Devolution Support Programme |
| KRA | - | Key Result Area |
| M&E | - | Monitoring and Evaluation |
| MAC | - | Minimum Access Conditions |
| MODP | - | Ministry of Devolution and Planning |
| MPC | - | Minimum Performance Conditions |
| NEMA | - | National Environment Management and Coordination Authority |
| NT | - | National Treasury |
| NWCPC | - | National Water Conservation and Pipeline Corporation |
| PFM | - | Public Finance Management (Act) |
| POM | - | Programme Operation Manual |

# ACKNOWLEDGEMENT

The assessment team from **Matengo Githae & Associates** wishes to thank all Kwale County Government and County Assembly Officials, Senior Management and staff who participated in the Annual Capacity and Performance Assessment. The officials made valuable contributions throughout the assessment and document review processes and provided useful information and insights to the assessors.

We sincerely acknowledge the contribution made by Hon. Patrick Mtsami C.E.C. Community Development. We further wish to appreciate Mr. Martin M. Mwaro, County Secretary for chairing the assessment entry meeting which set the set the tone for the superb cooperation and coordinated support that we received from all the County Government and County Assembly.

Finally, we want to acknowledge all county staff we interacted with during the assessment of Kwale County.

# EXECUTIVE SUMMARY

The Government of Kenya developed a National Capacity Building Framework – NCBF, in 2013 to guide the implementation of its capacity building support for county governments. The program is a key part of the government's Kenya Devolution Support Program - KDSP supported by the World Bank. The NCBF spans PFM, Planning and M & E, Human Resource Management, Devolution and Inter-Governmental Relations and Public Participation.

The Ministry of Devolution and Planning – MoDP, state department of devolution subsequently commissioned Matengo Githae & Associates to carry out an Annual Capacity and Performance Assessment – ACPA in forty-seven counties. The ACPA assessment aims to achieve three complementary roles.

Evaluating the impact of capacity building support provided by national government and development partners under the NCBF will inform the introduction of a performance-based grant (the Capacity & Performance Grant, which will be introduced form FY 2016/17) to fund county executed capacity building and to increase the incentives for counties to proactively invest in their own capacity.

In preparation for the assessment process, MoDP carried out an induction and sensitization training to the consulting team to help them internalize the objectives of the ACPA, size of capacity and performance grants, County Government's eligibility criteria, ACPA tool, and the ACPA assessment criteria.

This report documents the key issues that arose during the assessment of Kwale County Government spanning the methodology used for the assessment, time plan and the overall process, summary of the results, summary of capacity building requirements and the need for follow – up, challenges in the assessment in general and the training methods.

**Table 1: The summary of the assessment was summed as follows:**

| ACPA Measures | Outcome |
|---|---|
| **MAC** | All have complied with MAC except for item 3 and 4- which has not been implemented |
| **MPC** | Have met 7 MPCs. MPC 5-Adherence to Investment Menu is not applicable in this assessment. The county has not MPC 3 on Audit Opinion. |

| ACPA Measures | Outcome | Score |
|---|---|---|
| PM | KRA 1: Public Financial Management | 15 |
| | KRA 2: Planning, Monitoring and Evaluation | 7 |
| | KRA 3: Human Resources Management | 5 |
| | KRA 4: Civic Education and Participation | 14 |
| | KRA 5: Investment implementation & Social And environmental performance | 4 |
| | **TOTAL** | **45** |

**Achievements**

The County performed well in civic education and public participation as was evidenced by the many records availed to the assessors. The County also performed reasonably well in PFM.

**Weaknesses**

Key weakness noted during the assessment was in Human Resource Management and Monitoring and Evaluation of county projects as well as in investment and environmental performance. Specific weaknesses noted were;

- Failure to consolidate departmental accounts to facilitate integration. Accounts not integrated into the IFMIS system
- No County M & E Committee
- Lack of a skills and competency framework
- Absence of County Environmental Committee to facilitate screening and approvals of investment projects

**Challenges**

The main challenges faced during the assessment included:

- Poor and unreliable Internet Connectivity
- Unreliability of the IFMIS system hence getting some reports from the system was difficult
- Some of the tools required to be in place for verification purposes were not presented and some of the staff were unaware of their existence
- The input of the County Assembly was rather minimal since it only provided Bills and Acts passed and financial statements

- Most of the big projects were not near the County Headquarters and it was therefore not possible to see them.

Areas of Improvement

- Implement the IFMIS Hyperion module
- Institute and train an audit committee
- Sensitize and induct staff on the installed ICT based revenue collection
- Develop a HR policy and staff plans,
- Institute proper monitoring and evaluation systems for project implementation
- Train and sensitize the County Assembly Public Finance and Investment Committee to scrutinize external audit reports in a timely manner.

# 1.0 METHODOLOGY, ASSESSMENT TEAM AND ACTIVITIES

## 1.1 Methodology

**The consultants relied on the following activities in carrying out the capacity assessments**

**a) Entrance Meeting**

The consultants held an entrance meeting with the top Kwale County Officials led by the County Secretary. The purpose was to provide the County Management with the opportunity to appreciate the purpose and objective of the exercise and to point out the need to support the exercise since its outcome would assist counties to strengthen their programmes and at the same time avail them with evidence to demonstrate change. This also provided the consultants with opportunity to conduct background review of the County and its operations from internal and external documents.

**b) Data Administration**

The consultants administered the questionnaire within three (3) working days. The consultants applied experiential learning (EL) to conduct Key group and other interviews, engaged with key Kwale County Government Officials, senior management and staff who were knowledgeable in areas that related to the ACPA assessment to identify key capacity building issues and areas.

The assessors also used compliance modeling (CM) and organization review (OR) to establish whether the County Integrated Development Plan (CIDP), Annual Development Plans – ADP's, budgets, financial reports, key project documents, policy documents and departmental reports complied with underlying laws and regulations and were modelled to produce the intended results. The assessors were guided by the ACPA participation and assessment guidelines.

**c) Exit Meeting-Debriefing**

The consultants held a debriefing session with the entire Kwale County team that also comprised members of county assembly to share the outcome of the assessment process. This was meant to iron out issues and any differences arising from the assessment process, and agree on the said issues if any to reduce any potential conflict on the outcome of the results, by explaining the basis for outcome.

The debriefing meeting agenda comprised of the following:

- Preliminary key findings and outcomes of the assessment.
- The level of information availed vis a vis what was expected.
- Comments from the County team

## 1.2 Time Plan

**Table 2: Activity Work Plan**

| Activity | 10th July 2017 | 11th July 2017 | 12th July 2017 | 13th July 2017 | 14t July 2017 |
|---|---|---|---|---|---|
| Inception meeting | | | | | |
| Assessing the Minimum Access Conditions | | | | | |
| Assessing minimum Performance Measures | | | | | |
| Assessing Performance Measures | | | | | |
| Projects site Visits | | | | | |
| Exit Meeting | | | | | |
| Preparing Report | | | | | |

## 2.0 SUMMARY OF RESULTS

The summary of the results of the assessments are provided in the tables **3, 4** and **5** below by MACs, MPCs and PMs respectively.

### 2.1 Minimum Access Conditions (MAC)

**Table 3: Summary of results for Minimum Access Conditions**

| Minimum Conditions for Capacity and Performance Grants (level 1) | Reason and Explanation | Detailed indicator and Means of Verification (MoV) | Timing | Assessment Met/ Not Met | Detailed Assessment Finding |
|---|---|---|---|---|---|
| **1.** County signed participation agreement | To ensure that there is ownership and interest from the county to be involved in the Program, and to allow access to information for the AC&PA teams. | Signed confirmation letter/expression of interest in being involved in the Program<br><br>MoV: Review the confirmation letter against the format provided by MoDP/in the Program Operational Manual (POM). | First ACPA. | **Met** | The signed Participation agreement dated 24th June 2016 signed by the Governor HE Salim Mvurya was availed to the Assessment team. |
| **2.** CB plan developed | Is needed to guide use of funds and coordination. Shows the capacity of the county to be in driver's seat on CB. | CB plan developed according to the format provided in the Program Operational Manual/Grant Manual (annex). MoV: Review the CB plan, based on the self- assessment of the KDSP indicators: MACs, MPC and PMs, and compared with format in the POM /Grant | At the point of time for the ACPA for the current FY. First year a trigger to be achieved prior to the start of FY. | **Met** | The Capacity Building plan for 2016/17 developed in June 2016 according to the format in the POM/Grant Manual<br><br>Reviewed CB Plan for 2017/18 developed in June 2017 was finalized |

| Minimum Conditions for Capacity and Performance Grants (level 1) | Reason and Explanation | Detailed indicator and Means of Verification (MoV) | Timing | Assessment Met/ Not Met | Detailed Assessment Finding |
|---|---|---|---|---|---|
| | | Manual (annex). | | | and signed by the NCBF CB Focal person and the County Secretary on 29th June 2017 |
| **3.** Compliance with investment menu of the grant | Important to ensure quality of the CB support and targeting of the activities. | Compliance with investment menu (eligible expenditure) of the Capacity and Performance Grant) documented in progress reports.<br><br>MoV: Review of grant and utilization – progress reports. Reporting for the use of CB grants for previous FYs in accordance with the Investment menu | | **Not Applicable** | Funds not yet disbursed though the county had used its own resources for development projects |
| **4.** Implementation of CB plan | Ensure actual implementation. | Minimum level (70% of FY 16/17 plan, 75% of FY 17/18 plan, and 80% of subsequent plans) of implementation of planned CB activities by end of FY. | | **Not Applicable** | There was a delay in the program implementation and funding was yet to be given. |

| Minimum Conditions for Capacity and Performance Grants (level 1) | Reason and Explanation | Detailed indicator and Means of Verification (MoV) | Timing | Assessment Met/ Not Met | Detailed Assessment Finding |
|---|---|---|---|---|---|
| | | MoV: Review financial statements and use of CB + narrative of activities (quarterly reports and per the Grant Manual). | | | |

## 2.2 Minimum Performance Conditions

Table 4: Summary of results for Minimum Performance Conditions

| MPCs for Capacity & Performance Grants (level 2) | Reason and Explanation | Detailed indicator and Means of Verification | Timing | Assessment Met/ Not Met | Detailed Assessment Findings |
|---|---|---|---|---|---|
| **Minimum Access Conditions complied with** | | | | | |
| 1. Compliance with minimum access conditions | To ensure minimum capacity and linkage between CB and investments. | Compliance with MACs.<br><br>MoV: Review of the conditions mentioned above and the MoV of these. | At point of time for the ACPA | **MET** | The signed Participation agreement dated 24th June 2016 signed by the Governor HE Salim Mvurya was availed to the Assessment team. |
| **Financial Management** | | | | | |
| 2. Financial statements submitted | To reduce fiduciary risks | Financial Statements with letter on documentation submitted to the Kenya National Audit Office by **30th September** and National Treasury with required signatures (Internal auditor, heads of accounting unit etc.) as per the PFM Act Art.116 and Art. 164 (4). This can be either individual submissions from each department, or consolidated statement for the whole county. If individual statements are submitted for each department, the county must also submit | 3 months after closure of the FY (30th of September).<br><br>Complied with if the county is submitting individual department statements: 3 months after end of FY for department statements and 4 months after end of FY for consolidated | **MET** | Consolidated Reports & Financial Statements for the year Ended 30th June 2016 were submitted and received at the KENAO-Mombasa Hub on 30th Sep 2016.<br><br>However, Departmental reports e.g. Dept. of Education Research and Human Resource Development-Bursary Fund, Community Development, Culture and Talent Management -Youth, Women |

| MPCs for Capacity & Performance Grants (level 2) | Reason and Explanation | Detailed indicator and Means of Verification | Timing | Assessment Met/ Not Met | Detailed Assessment Findings |
|---|---|---|---|---|---|
| | | consolidated statements by 31st October. The FS has to be in an auditable format.<br><br>MoV: Annual financial statements (FSs), submission letters to Office of the Auditor General (OAG) + records in OAG. | statement.<br>If the council is only submitting consolidated statement: Deadline is 3 months after end of FY. | | & PWDs Revolving Fund were received on 1st Nov 2016. |
| **3.** Audit opinion does not carry an adverse opinion, or a disclaimer on any substantive issue | To reduce fiduciary risks | The opinion in the audit report of the financial statements for county legislature and executive of the previous fiscal year cannot be adverse or carry a disclaimer on any substantive issue.<br>MoV: Audit reports from Office of the Auditor General.<br><br>**Transitional arrangements:**<br>Transitional arrangements are in place as audit report may be disclaimed due to balance sheet issues.<br>First year where the Minimum Performance Conditions are applied (i.e. 2nd AC&PA starting in September 2016) the conditions are as follows: | Note. This will be last trigger for release as report is not yet there upon time for the ACPA.<br><br>***Transitional arrangements:***<br>First ACPA where MPCs are applied i.e. in the 2016 ACPA: Issues are defined for the core issues, which disqualify counties as per audit reports, see previous column. | **NOT MET** | Both the County Executive and the County Assembly have been issued with a Disclaimer for Audit Opinion. This is due to lack of sufficient and accurate audit evidence on; Inaccuracies of Financial Statements, Inaccuracy of Exchequer releases, Compensation to employees and Outstanding imprest and advance while the Assembly had the following issues; Budget analysis and performance, Unsupported Balances, Transfers from the County Treasury/Exchequer Releases and Use of Goods & Services respectively. |

| MPCs for Capacity & Performance Grants (level 2) | Reason and Explanation | Detailed indicator and Means of Verification | Timing | Assessment Met/ Not Met | Detailed Assessment Findings |
|---|---|---|---|---|---|
| | | Audit report shows that the county has:<br>• Provided documentation of revenue and expenditures (without significant issues leading to adverse opinion);<br>• No cases of substantial mismanagement (which in itself would lead to adverse audit opinion) and fraud;<br>• Spending within budget and revised budget;<br>• Quarterly reports submitted in last FY to Cob;<br>• Books of accounts (cashbooks) posted with bank reconciliations up-to-date.<br>• Assets register for new assets in place | | | The Audited Financial statements for the year 2015/16 not yet released by the Auditor General<br><br>Nonetheless the following was observed:<br>Quarterly reports to CoB are due on 15th of the following month after the Quarter. The 1st Quarterly Report was submitted on 11th April 2017 as required. (Copies attached)<br>Books of accounts showed postings to the ledger were up-to-date with reconciliations done on time. Sampled reconciliations were for June 2017.<br>Assets register for the year 2016 is in place. This comprises all the assets acquired during the period. Departments are yet to compile and consolidate the |

| MPCs for Capacity & Performance Grants (level 2) | Reason and Explanation | Detailed indicator and Means of Verification | Timing | Assessment Met/ Not Met | Detailed Assessment Findings |
|---|---|---|---|---|---|
| | | | | | current year register |
| **4.** Annual planning documents in place | To demonstrate a minimum level of capacity to plan and manage funds | CIDP, Annual Development Plan and budget approved and published (on-line). (Note: The approved versions have to be the version published on county website) (PFM Act, Art 126 (4).<br><br>MoV: CIDP, ADP, and budget approval documentation, minutes from council meetings and review of county web-site. | At the point of time of the ACPA, which will take place in Sep-Nov, the plans for current year are reviewed. | **MET** | The CIDP, ADP 2017/18 and the budget 2017/18 had been approved. However, they had not been posted on the website.<br><br>ADP for the fiscal year 2017/2018 submitted to the county assembly on 1st Sept 2016. Copy of forwarding letter from Chief Officer Finance C.G/KWL/3/1/20 dated 8th February 2016<br><br>The County Budget Review and Outlook Paper for 2015/2016 forwarded and received by County Assembly on 19th October 2016. County Strategy Fiscal Strategy Paper for 2017/2018 forwarded to and received by the Kwale County Assembly on 9th February 2017 (Ref: C.G.KWL/3/1/ (20))<br>The budget for the financial |

| MPCs for Capacity & Performance Grants (level 2) | Reason and Explanation | Detailed indicator and Means of Verification | Timing | Assessment Met/ Not Met | Detailed Assessment Findings |
|---|---|---|---|---|---|
| | | | | | year 2017/2018 submitted by the Chief Finance Officer vide letter reference No. C.K/KWL/3/1 (22) dated 19th April 2016 received by the County Assembly on 19th April 2017.<br>No budgets are posted online |
| **Use of funds in accordance with Investment menu** | | | | | |
| **5.** Adherence with the investment menu | To ensure compliance with the environmental and social safeguards and ensure efficiency in spending. | Adherence with the investment menu (eligible expenditures) as defined in the PG Grant Manual.<br>MoV: Review financial statements against the grant guidelines.<br>Check up on use of funds from the CPG through the source of funding in the chart of accounts (if possible through the general reporting system with Source of Funding codes) or special manual system of reporting as defined in the Capacity and Performance Grant Manual)<br><br>Review budget progress reports submitted to CoB. | In 2016 ACPA (Q3 2016) this MPC will not be measured as the level 2 grant starts only from FY 2017/18. | **N/A** | The investment menu relates to the actual capacity building grant which is yet to be given |
| **Procurement** | | | | | |

| MPCs for Capacity & Performance Grants (level 2) | Reason and Explanation | Detailed indicator and Means of Verification | Timing | Assessment Met/ Not Met | Detailed Assessment Findings |
|---|---|---|---|---|---|
| 6. Consolidated Procurement plans in place. | To ensure procurement planning is properly coordinated from the central procurement unit instead at departmental, and to ensure sufficient capacity to handle discretionary funds. | Up-dated consolidated procurement plan for executive and for assembly (or combined plan for both).<br><br>MoV: Review procurement plan of each procurement entity and county consolidated procurement plan and check up against the budget whether it encompass the needed projects and adherence with procurement procedures. The procurement plan(s) will have to be up-dated if/and when there are budget revisions, which require changes in the procurement process.<br><br>Note that there is need to check both the consolidated procurement plan for 1) the assembly and 2) the executive, and whether it is revised when budget revisions are made. | At point of the ACPA (for current year) | MET | The procurement plans for the Executive and the Assembly were consolidated.<br><br>Procurement plans per department in the County were prepared by Accounting officers who forwarded the same to the Director of Budget for their consolidation into the county procurement plan. |
| Core Staffing in Place | | | | | |

| MPCs for Capacity & Performance Grants (level 2) | Reason and Explanation | Detailed indicator and Means of Verification | Timing | Assessment Met/ Not Met | Detailed Assessment Findings |
|---|---|---|---|---|---|
| **7.** County Core staff in place | To ensure minimum capacity in staffing | Core staff in place as per below list (see also County Government Act Art. 44).<br><br>The following staff positions should be in place:<br>• The country secretary<br>• Chief officer of finance,<br>• Planning officer,<br>• Internal auditor,<br>• Procurement officer<br>• Accountant<br>• Focal Environmental and Social Officer designated to oversee environmental and social safeguards for all sub projects<br>• M&E officer<br><br>MoV: Staff organogram, schemes of service to review the qualifications against requirements (hence the staff needs to be substantive compared to the schemes of service), sample check salary payments, job descriptions, interview and sample checks. Staff **acting** in positions may also fulfill | At the point of time for the ACPA. | **MET** | The core staff are in place: These were:<br>• The country secretary<br>• Chief officer of finance,<br>• Internal auditor,<br>• Procurement officer<br>• Accountant<br>• Ag. Planning Officer<br>• Ag. Monitoring and Evaluation (M & E).<br><br>The Planning and Monitoring Officer who were in acting capacity had the right qualifications.<br><br>Staff organograms were available for all departments.<br><br>The Schemes of Service were adopted from the Public Service Commission and Salaries Commission (SRC). County Staffing Plan incorporated in the CARPS report. The county had a County Service Public Service Human Resource Manual (May 2013) developed by the |

| MPCs for Capacity & Performance Grants (level 2) | Reason and Explanation | Detailed indicator and Means of Verification | Timing | Assessment Met/ Not Met | Detailed Assessment Findings |
|---|---|---|---|---|---|
| | | the conditions if they comply with the qualifications required in the schemes of service. | | | Public Service Commission. |
| **Environmental and Social Safeguards** | | | | | |
| **8.** Functional and Operational Environmental and Social Safeguards Systems (i.e. screening/vetting, clearance/ approval, enforcement & compliance monitoring, grievance redress mechanisms, documentation & reporting) in place. | To ensure that there is a mechanism and capacity to screen environmental and social risks of the planning process prior to implementation, and to monitor safeguard during implementation.<br><br>To avoid significant adverse environmental | 1. Counties endorse and ratify the environmental and social management system to **guide investments** (from the ACPA starting September 2016).<br><br>2) All proposed investments **screened*** against set of environmental and social criteria/checklist, safeguards instruments prepared. (Sample 5-10 projects). (From the second AC&PA, Sept. 2016).<br><br>3) Prepare relevant **RAP for all investments with any displacement. Project Reports for investments for submission to NEMA**. (From the 3nd AC&PA, Sept. 2017). Sample 5-10 projects.<br>4. Establishment of County Environment Committee. | Note that the first installment of the expanded CPG investment menu covering sectoral investments starts from July 2017 (FY 2017/18).<br><br>Hence some of the conditions will be reviewed in the ACPA prior to this release to ascertain that capacity is in place at county level, and other MPCs will review performance in the year after start on the utilization of the expanded grant menu (i.e. in the 3rd | **MET** | 1. The County Environmental Office had an existing arrangement with NEMA to provide support in implementing an environmental and social safeguards system.<br>In Kwale projects were submitted for screening against set social and environmental checklist/ criteria<br><br>Documents observed include: NEMA approval certification and environmental impact assessment (EIA) reports and County project review reports.<br><br>2.The assessors sampled 10 projects for EIA/ Impact Assessment and noted that 6 |

| MPCs for Capacity & Performance Grants (level 2) | Reason and Explanation | Detailed indicator and Means of Verification | Timing | Assessment Met/ Not Met | Detailed Assessment Findings |
|---|---|---|---|---|---|
| | and social impacts<br><br>To promote environmental and social benefits and ensure sustainability<br><br>To provide opportunity for public participation and consultation in safeguards process (free, prior and informed consultations – FPIC) | MoV: Review endorsements from NEMA, ratification, screening materials and documentation, and contracts. Evidence that all projects are reviewed, coordinated and screened against checklist in Program Operating Manual. Screening may be conducted by various departments, but there is a need to provide an overview and evidence that all projects are screened.<br><br>* In cases where the county has clear agreement with NEMA that it does the screening and that all projects are screened, this condition is also seen to be fulfilled. | AC&PA, see the previous column for details). | | had EIA reports and licenses as follows: were:<br>• NEMA/KWL/5/2/527<br>• NEMA/KWL/PR/5/2/0580<br>• NEMA/KWL/PR/05/2/0579<br>• NEMA/KWL/PR/5/2/523<br>• NEMA/KWL/PR/5/2/0577<br>• NEMA/KWL/PR/5/2/0578<br>3.N/A<br><br>4. County Environmental committee was not constituted. |

| MPCs for Capacity & Performance Grants (level 2) | Reason and Explanation | Detailed indicator and Means of Verification | Timing | Assessment Met/ Not Met | Detailed Assessment Findings |
|---|---|---|---|---|---|
| **9.** Citizens' Complaint system in place | To ensure sufficient level of governance and reduce risks for mismanagement. | Established an operational Complaints Handling System, including a:<br>(a) complaints/grievance committee to handle complaints pertaining to fiduciary, environmental and social systems.<br>b) A designated a Focal Point Officer to receive, sort, forward, monitor complaints<br>c) simple complaints form/template designed and available to the public<br>d) Multiple channels for receiving complaints e.g. email, telephone, anti-corruption boxes, websites etc.)<br>e) Up to date and serialized record of complaints coordinate implementation of the Framework and a grievance committee is in place.<br><u>MoV</u>: Review county policy, availability of the focal office (recruitment files, salary payments, job description for focal point, and evidence for | At point of time for the ACPA. | **MET** | **a)** There was no complaints committee.<br>**b)** There was no designated focal staff managing citizens' complaints.<br>**c)** There was no complaints form/template<br>**d)** d) County did not have multiple channels for complaints. Only Suggestion Boxes were available at County, Sub-County and Ward Offices as per the information given to the assessors.<br>**e)** The County did not have a serialized record of complaints.<br><br>TNA: Set up the citizens' complaint system. |

| MPCs for Capacity & Performance Grants (level 2) | Reason and Explanation | Detailed indicator and Means of Verification | Timing | Assessment Met/ Not Met | Detailed Assessment Findings |
|---|---|---|---|---|---|
| | | operations, etc. + members of grievance committee, minutes from meetings, various channels for lodging complaints, official and up to date record of complaints etc.<br>*See also County Government Act Art. 15 and 88 (1)* | | | |

## 2.3 Performance Conditions

Table 5: The summary of results for Performance Conditions

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
|---|---|---|---|---|---|---|---|
| | KRA 1: Public Financial Management<br>Max score: Maximum 30 points. | | | | | | |
| | *Strengthened budget formulation, resource mobilization and allocation* | | | | | | |
| 1.1 | Program Based Budget prepared using IFMIS and SCOA | Budget format and quality | The annual budget approved by the County Assembly is:<br><br>a) Program Based Budget format.<br><br>b) Budget developed using the IFMIS Hyperion module. | Review county budget document, IFMIS up-loads, the CPAR, 2015.<br><br>Check use of Hyperion Module: all budget submissions include a PBB version printed from Hyperion (submissions may also include line item budgets prepared using other means, but these must match the PBB budget – spot check figures between different versions). | **Maximum 2 points.**<br><br>2 milestones (a & b) met: 2 points<br><br>1 of the 2 milestones met: 1 point | **2** | **a)** The budget was program based.<br><br>**b)** Departments prepared the budgets which they submitted to the Director of Budget for consolidation and the same was prepared using the IFMIS Hyperion module. (Copy Availed) |
| 1.2 | | Budget process follows clear budget calendar | Clear budget calendar with the following key milestones achieved:<br><br>a) Prior to end of August | PFM Act, art 128, 129, 131.<br><br>Review budget calendar, minutes from meetings | **Max. 3 points**<br><br>If all 5 milestones (a-e) achieved: 3 points | **3** | a) The CEC Treasury & Economic Planning issued a budget process circular for the budget for FY 2017/18 on 5th |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
|---|---|---|---|---|---|---|---|
| | | | the CEC member for finance has issued a circular to the county government entities with guidelines to be followed;<br><br>b) County Budget review and outlook paper – submission by county treasury to CEC by 30 September to be submitted to the County assembly 7 days after the CEC has approved it but no later than 15th October.<br><br>c) County fiscal strategy paper (FSP) – submission (by county treasury) of county strategy paper to county executive committee by 28th Feb, County Treasury to submit to county assembly by 15th of march and county | (also from assembly resolutions) circular submission letters, county outlook paper, minutes from meetings and Financial Statements. | If 3-4 items: 2 points<br><br>If 2 items: 1 point<br><br>If 1 or 0 items: 0 points. | | August 2016<br><br>b) The County Budget Review and Outlook Paper for 2015/2016 was forwarded and received by County Assembly on 19th October 2016.<br><br>c) County Strategy Fiscal Strategy Paper for 2017/2018 submitted and received by the Kwale County Assembly on 9th February 2017.<br><br>d)County budget for the year 2017/12018 was submitted by Chief Officer –Finance to the County Assembly on 19th April 2017e) The County Assembly passed the budget for the fiscal year 2016/2017 on 30th June |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
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| | | | assembly to discuss within two weeks after mission.<br><br>d) CEC member for finance submits budget estimates to county assembly by 30th April latest.<br><br>e) County assembly passes a budget with or without amendments by 30th June latest. | | | | 2016. |
| 1.3 | | Credibility of budget | a) Aggregate expenditure out-turns compared to original approved budget.<br><br>b) Expenditure composition for each sector matches budget allocations (average across sectors). | Review the **original** budget and the annual financial statements, budget progress reports, audit reports, etc. Use figures from IFMIS (general ledger report at department (sub-vote) level). | **Max. 4 points.**<br>Ad a): If expenditure deviation between total budgeted expenditures and total exp. in final account is less than 10 % then 2 points.<br><br>If 10-20 % then 1 point. | **a) 1** | a) The Actual expenditure for 2015/16 was KShs. 6, 124, 460, 51 versus the overall original budget of KShs. 7,162,135,440 which was 80%. Positive variance of 20%<br>b) In the year 2015/16, the CGK spent a total of **Kshs 5.801 billion,** representing an absorption rate of **76.22 percent** of the |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
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| | | | | | More than 20 %: 0 point.<br><br><u>Ad b):</u> If average deviation of expenditures across sectors is less than 10 % then 2 points.<br>If 10-20 % then 1 point.<br>More than 20 %: 0 point. | b) 0 | 2015/16 County approved budget. This indicates an average deviation across the sectors of **23.78%.** (Ref: County Budget Review & Outlook Paper FY 2015/2016)<br><br>Recurrent expenditure amounted to **Kshs 2.54 billion** against an approved recurrent budget of **Kshs 2.85 billion.** This represents an absorption rate of **89.38 percent**. This is deviation of **10.62%.** Development expenditure stood at **Kshs 3.26 billion** representing an absorption rate of **68.36 percent** against the annual approved development budget of **Kshs 4.77 billion.** This is a deviation of **31.64%.** |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
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| | *Revenue Enhancement* | | | | | | |
| 1.4 | Enhanced revenue management and administration | Performance in revenue administration | Automation of revenue collection, immediate banking and control system to track collection. | Compare revenues collected through automated processes as % of total own source revenue. | **Max: 2 points.**<br>Over 80% = 2 points<br>Over 60% = 1 point | 0 | At the time of the assessment, revenue collection was done manually using receipt books. An automated revenue collection system was expected to commence during 2017/2018 FY. The County was at the user testing stage of the automated revenue management system. |
| 1.5 | | Increase on a yearly basis in own source revenues (OSR). | % increase in OSR from last fiscal year but one (year before previous FY) to previous FY | Compare annual Financial Statement from two years. (Use of nominal figures including inflation etc.). | **Max. 1 point.**<br><br>If increase is more than 10 %: 1 point. | 0 | Own sources for the fiscal year 2014/2015 was KShs. 253,378,819 compared to the year 2015/2016 of KShs. 248,617,586. This was a decrease of 2%<br>NB: Comparatives for the Fiscal year 2015/16 were not yet audited |
| | *Enhanced capacity of counties on execution (including procurement), accounting and reporting* | | | | | | |
| 1.6 | Reporting | Timeliness | a) Quarterly reports | Review quarterly | **Max. 2 points.** | 1 | Quarterly reports |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
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| | and accounting in accordance with PSASB guidelines | of in-year budget reports (quarterly to Controller of Budget). | submitted no later than one month after the quarter (consolidated progress and expenditure reports) as per format in CFAR, submitted to the county assembly with copies to the controller of budget, National Treasury and CRA.<br><br>b) Summary revenue, expenditure and progress report is published in the local media/web-page. | reports, date and receipts (from CoB). Check against the PFM Act, Art. 166.<br><br>CFAR, Section 8.<br><br>Review website and copies of local media for evidence of publication of summary revenue and expenditure outturns. | (a &b) Submitted on time and published: 2 points.<br><br>(a only): Submitted on time only: 1 point. | | submitted on time. Reports for the quarters ending September 2016-18th Oct 2016, December 2016-20th January 2017, March 2017-10th April 2017 and June 2017-7th July 2017 were availed and reviewed. (Copies availed)<br>b) Summary of revenue, expenditure and progress reports were not published on the web-page. |
| *1.7* | | Quality of financial statements. | Formats in PFMA and CFAR, and standard templates issued by the IPSAS board are applied and the FS include cores issues such as trial balance, bank reconciliations linked with closing balances, budget execution report, schedule of outstanding | Review annual financial statements, bank conciliations and related documents and appendixes to the FS, date and receipts (from CoB and NT).<br><br>Check against the PFM Act, Art. 166 and the IPSAS format. | **Max. 1 point.** Quality as defined by APA team or NT assessment (excellent/satisfactory): 1 point | 1 | Financial statements for the year 2015/16 were prepared according to PFMA and IPSAS. They included; Statement of Receipts and Payments, Statement of Financial Position, Summary of cashflow Statement, Summary statement of Appropriation - |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
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| | | | payments, appendix with fixed assets register. | CFAR, Section 8. Check against requirements.<br><br>If possible, review ranking of FS by NT (using the County Government checklist for in-year and annual report), and if classified as excellent or satisfactory, conditions are also complied with. | | | Recurrent and Development |
| 1.8 | | Monthly reporting and up-date of accounts, including: | The monthly reporting shall include:<br>**1.** Income and expenditure statements;<br>**2.** Budget execution report,<br>**3.** Financial statement including:<br>**a.** Details of income and revenue<br>**b.** Summary of expenditures<br>**c.** Schedule of imprest and advances;<br>**d.** Schedule of debtors | Review monthly reports.<br><br>See also the PFM Manual, p. 82 of which some of the measures are drawn from. | **Max. 2 points.**<br><br>If all milestones (1-3): 2 points<br><br>If 1 or 2: 1 point<br><br>If none: 0 points. | **1** | Monthly reports are prepared which form the basis of quarterly reports submitted to CoB, NT. Bank reconciliations prepared up-to June 2017.The report contained all the milestones except income & expenditure statements |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
|---|---|---|---|---|---|---|---|
| | | | and creditors;<br>**e.** Bank reconciliations and post in general ledger. | | | | |
| 1.9 | | Asset registers up-to-date and inventory | Assets registers are up-to date and independent physical inspection and verification of assets should be performed once a year. | Review assets register, and sample a few assets. PFM Act. Art 149.<br><br>Checkup-dates. | **Max. 1 point.**<br>Registers are up-to-date:<br>1 point.<br><br>Transitional arrangements:<br><u>First year:</u> Assets register need only to contain assets acquired by county governments since their establishment.<br><br><u>Second year</u> onwards: register must include all assets, including those inherited form Local Authorities and National Ministries | 1 | An up to date fixed assets register was availed. It was developed per department. Assets included Furniture and Fittings, Motor vehicles, Computers and accessories and Non-moveable assets such as Land & Buildings were yet to be incorporated since they belonged to the defunct local authorities and are yet to undergo valuation. The assets were coded and tagged. |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
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| | | | | | | | |
| | *Audit* | | | | | | |
| 1.10. | **Internal audit** | Effective Internal audit function | Internal audit in place with quarterly IA reports submitted to IA Committee (or if no IA committee, in place, then reports submitted to Governor) | Review audit reports.<br><br>Check against the PFM Act Art 1.55 | **Max. 1 point.**<br><br>4 quarterly audit reports submitted in previous FY: 1 point. | 1 | The County Government has Internal Audit functions with nine staff members headed by a Director.<br><br>Quarterly reports - Dept. of Agriculture, Livestock & Fisheries, Review of Emergency Fund & Review of Polytechnics were availed for our perusal. The same were being submitted to the Governor. |
| 1.11 | | Effective and efficient internal audit committee. | IA/Audit committee established and review of reports and follow-up. | Review composition of IA/Audit Committee, minutes etc. for evidence of review of internal audit reports. Review evidence of follow-up, i.e. evidence that there is an ongoing process to address the issues raised from last | **Max. 1 point.** IA/Audit Committee established and reports reviewed by Committee and evidence of follow-up: 1 point. | 0 | Though IA Committee was yet to be constituted, the IA reports were submitted to the executive-office of the Governor through the CEC Member Finance & Economic planning for action. There was |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
|---|---|---|---|---|---|---|---|
| | | | | FY, e.g. control systems in place, etc. (evidence from follow-up meetings in the Committee).<br>PFM Act Art 155. | | | evidence of follow-up of issues raised and responses/feedback given by the relevant Departments |
| 1.12 | **External audit** | Value of audit queries | The value of audit queries as a % of total expenditure | Review audit report from KENAO.<br><br>Total expenditure as per reports to CoB. | **Max. 2 points**<br><br>Value of queries <1% of total expenditures: 2 points<br><br><5% of total expenditure: 1 point | **0** | The value of audit queries as a % of total expenditure for the Year 2016 was 111.11% The reviewed queries include; Inaccuracies of Financial Statements 20,555,817,Other Receipts-Waiver3,032,235, Exchequer Releases 322,172,438 and 25,697,562, Compensation to Employees 12,501,892, Defunct Local Authority Assets & Liabilities 4,997,489,080, Retention 146,498,185, Emergency Funds 700,305, Outstanding Imprest and Advances 4,652,975, Pending |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
|---|---|---|---|---|---|---|---|
| | | | | | | | Bills 1,214,480,065, Routine Maintenance of Motor Vehicles 47,355,312, Acquisition of Assets-Kwale Market 23,950,450, Storm water Drainage 22,690,064, Multi purpose hall 6,852,464, Fleet tracking Device 3,600,000, Stalled Project Beach Road 6,101,368<br>Total Value of Queries 6,858,330,212<br>Total payments for the Year 2016 6,172,566,525 |
| 1.13 | | Reduction of audit queries | The county has reduced the value of the audit queries (fiscal size of the area of which the query is raised). | Review audit reports from KENAO from the last two audits. | **Max. 1 point.** Audit queries (in terms of value) have reduced from last year but one to last year or if there is no | 0 | Both audit reports for the Year 2015 and 2016 had a Disclaimer of audit Opinion. There was no reduction in value of audit queries. Total value of Queries |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
|---|---|---|---|---|---|---|---|
| | | | | | audit queries: 1 point. | | reviewed in 2015 was 3,212,754,712 over total payments for the Year 4,614,350,440 This had 69.63% While 2016 had 111.11% This was an increase of 41.48% |
| =1.14 | | Legislative scrutiny of audit reports and follow-up | Greater and more timely legislative scrutiny of external audit reports within required period and evidence that audit queries are addressed | Minutes from meetings, review of previous audit reports. | **Max. 1 point.** Tabling of audit report and evidence of follow-up: 1 point. | 0 | No evidence of Legislative scrutiny of Audit report for 2014/15.<br>However, the said report was forwarded to the Assembly vide a letter dated 19th 2016Ref KWALE C/GOVT/2014/20150 |
| | ***Procurement*** | | | | | | |
| 1.15 | **Improved procurement procedures** | Improved procurement procedures including use of | Note: When PPRA develop a standard assessment tool, APA will switch to using the score from the PPRA | Annual procurement assessment and audit by PPRA and OAG<br>Sample 5 procurements (smaller size) and review | **Max. 6 points.**<br><br>a) IFMIS Steps: <15steps=0 points; | **a) 0** | a) No procurement step is initiated through IFMIS despite the following of the stipulated procedures, |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
|---|---|---|---|---|---|---|---|
| | | IFMIs, record keeping, adherence to procurement thresholds and tender evaluation. | assessment as the PM (PfR may incentivize PPRA to do this in DLI 1 or 3).<br><br>a) 25 steps in the IFMIS procurement process adhered with.<br>b) County has submitted required procurement reports to PPRA on time.<br><br>c) Adherence with procurement thresholds and procurement methods for type/size of procurement in a sample of procurements.<br><br>d) Secure storage space with adequate filing space designated and utilized – for a sample of 10 procurements, single files containing all relevant documentation in one place are stored | steps complied with in the IFMIS guidelines.<br><br>Calculate average steps complied with in the sample.<br><br>Review reports submitted.<br><br>Check reports from tender committees and procurement units.<br><br>Check a sample of 5 procurement and review adherence with thresholds and procurement methods and evaluation reports.<br><br>Check for secure storage space and filing space, and for a random sample of 10 procurements of various sizes, review contents of files. | 15-23=1 point; 24-25=**2 points**<br><br>b) Timely submission of quarterly reports to PPRA (both annual reports plus all reports for procurements above proscribed thresholds): **1 point**<br><br>c) Adherence with procurement thresholds and procurement methods for type/size of procurement in a sample of procurements: **1 point.**<br><br>d) Storage space and single complete files for | **b)** 1<br><br>**c)** 1<br><br>**d)** 1<br><br>**e)** 1 | this is because E-procurement portal does not work effectively<br>Less than 15 steps are done through the portal because the<br>b) Status reports sent to PPRA on contracts for the fiscal year 2016/17 by email were provided.<br>c)Sampled procurements adhered to the thresholds. Open tender was used for procurements of Goods & Services of over KShs. 6million, Request for quotation used for procurements between Kshs. 30,000 and 2million while reserved/restricted procurement was Kes 2m to 6m<br><br>d)There was a central |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
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| | | | in this secure storage space (1 point)<br><br>e) Completed evaluation reports, including individual evaluator scoring against pre-defined documented evaluation criteria and signed by each member of the evaluation team, available for a sample of 5 large procurements (2 points) | | sample of procurements: **1 point**<br><br>e) Evaluation reports:<br>**1 point** | | storage with 4 store keepers. Departments also had their own storage facilities which were adequate.<br><br>e) The assessors reviewed the procurement documents for Installation of LAN in Msambweni County Refferal Hospital and Purchase of land along the road stretch. There was evidence of evaluation reports as follows;<br>individual evaluator scoring against pre-defined documented evaluation criteria and signed by each member of the evaluation team |
| | **Key Result Area 2: Planning and M&E**<br>**Max score: (tentative 20 points)** | | | | | | |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
|---|---|---|---|---|---|---|---|
| 2.1 | County M&E system and frameworks developed | County M&E/Planning unit and frameworks in place. | a) Planning and M&E units (may be integrated in one) established.<br><br>b) There are designated planning and M&E officer and each line ministry has a focal point for planning and one for M&E<br><br>c) Budget is dedicated for both planning and M&E. | Review staffing structure and organogram.<br><br>Clearly identifiable budget for planning and M&E functions in the budget. | **Maximum 3 points**<br><br>The scoring is one point per measure Nos. a-c complied with. | a) 0<br><br>0<br><br>d) 1 | a) Planning and Monitoring and Evaluation units not established. There is County Monitoring and Evaluation Draft Policy 2015 which is currently with the CEC.<br>b) There were no specific M&E focal officers in the departments.<br><br>c)There was a budget for planning and M&E allocated Kshs. 6,000,000 for the year 2017/2018 |
| 2.2 | | County M&E Committee in place and functioning | County M&E Committee meets at least quarterly and reviews the quarterly performance reports. (I.e. it is not sufficient to have hoc meetings). | Review minutes of the quarterly meeting in the County M&E Committee. | **Maximum: 1 point**<br><br>Compliance: 1 point. | 0 | There was no County M&E committee. |
| 2.3 | County Planning | CIDP formulated | a) CIDP: adheres to guideline structure of | CIDP submitted in required format (as | **Maximum: 3 points** | a) 1 | a) The 2013-2017 CIDP was developed as per |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
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| | systems and functions established | and up-dated according to guidelines | CIDP guidelines,<br><br>b) CIDP has clear objectives, priorities and outcomes, reporting mechanism, result matrix, key performance indicators included; and<br><br>c) Annual financing requirement for full implementation of CIDP does not exceed 200% of the previous FY total county revenue. | contained in the CIDP guidelines published by MoDP).<br><br>See County Act, Art. 108, Art 113 and Art. 149.<br><br>CIDP guidelines, 2013, chapter 7. | 1 point for compliance with each of the issues: a, b and c. | b) 1<br><br>e) 1 | the guidelines and submitted in the required format (as contained in the CIDP guidelines)<br><br>b) The 2013 – 2017 CIDP document provided adheres to Art 108 i.e. The CIDP has clear goals and objectives, clear implementation matrix that includes clear outcomes, monitoring indicators and reporting structures. |
| 2.4 | | ADP submitted on time and conforms to guidelines | a) Annual development plan submitted to Assembly by September 1st in accordance with required format & contents (Law says that once submitted if they are silent on it then it is assumed to be passed).<br><br>b) ADP contains issues mentioned in the PFM Act 126,1, number A-H | Review version of ADP approved by County Assembly for structure, and approval procedures and timing, against the PFM Act, Art 126, 1. | **Maximum: 4 points**<br><br>Compliance a): 1 point.<br><br>b) All issues from A-H in PFM Act Art 126,1: 3 points<br>5-7 issues: 2 points<br>3-4 issues: 1 point, see Annex. | **2** | a) The ADP for 2016/17 submitted to County Assembly on 1st Sep. ,2015 and the one for 2017/18 on 31st August 2016 and received on 1st Sept. 2016.<br>b) The assessors reviewed the ADP for the Year 2017/18. The ADP addressed 7 of the issues raised in Section |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
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| | | | | | | | 126 of PFM |
| 2.5 | | Linkage between CIDP, ADP and Budget | Linkages between the ADP and CIDP and the budget in terms of costing and activities. (costing of ADP is within +/- 10 % of final budget allocation) | Review the three documents: CIDP, ADP and the budget. The budget should be consistent with the CIDP and ADP priorities.<br><br>The costing of the ADP is within +/- 10% of final budget allocation.<br><br>Sample 10 projects and check that they are consistent between the two documents. | **Maximum: 2 points**<br><br>Linkages and within the ceiling: 2 points. | 1 | The County Budget is linked to ADP and the original CIDP. Examples are ECDC centers which are captured in the 2013-2017 CIDP page 28 and on page 98 to 103 of 2017/2018 ADP. |
| 2.6 | Monitoring and Evaluation systems in place and used, with feedback to plans | Production of County Annual Progress Report | a) County C-APR produced;<br><br>b) Produced timely by September 1 and<br><br>c) C-APR includes clear performance progress against CIDP indicator targets and within result matrix for results and implementation. | Check contents of C-APR and ensure that it clearly link s with the CIDP indicators.<br><br>Verify that the indicators have been sent to the CoG. | **Maximum: 5 points.**<br><br>a) C-APR produced = 2 points<br><br>b) C-APR produced by end of September. 1 point. | 0 | The County does not prepare a consolidated County Annual Progress Report (C-APR), but each department develops their own progress reports. |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
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| | | | (Ad b) Compliance if produced within 3 months of the closure of a FY and sent to Council of Governors for information. This will be done in reference with the County Integrated M&E System Guidelines. | | c) C-APR includes performance against CIDP performance indicators and targets and with result matrix for results and implementation: 2 points.<br><br>(N.B. if results matrix is published separately, not as part of the C-ADP, the county still qualifies for these points) | | |
| 2.7 | | Evaluation of CIDP projects | Evaluation of completion of major CIDP projects conducted on an annual basis. | Review completed project and evaluations (sample 5 large projects). | **Maximum: 1 point.**<br><br>Evaluation done: 1 point. | 0 | Evaluation of CIDP projects not done in the county. |
| 2.8 | | Feedback from Annual Progress Report to | Evidence that the ADP and budget are informed by the previous C-APR. | Review the two documents for evidence of C-ARP informing ADP and budget | **Maximum: 1 point.**<br><br>Compliance: 1 | 0 | There was no C-APR. |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
|---|---|---|---|---|---|---|---|
| | | Annual Developme nt Plan | | | point. | | |
| | **Key Result Area 3: Human Resource Management**<br>**Max score: 12 points.** | | | | | | |
| 3.1 | Staffing plans based on functional and organization assessments | Organizatio nal structures and staffing plans | a) Does the county have an approved staffing plan in place, with annual targets?<br><br>b) Is there clear evidence that the staffing plan was informed by a Capacity Building assessment / functional and organizational assessment and approved organizational structure?<br>c) Have the annual targets in the staffing plan been met? | Staffing plan<br><br>Capacity Building Assessment / CARPS report<br><br>Documentation evidencing hiring, training, promotion, rationalization, etc.<br>In future years (after first AC&PA), there has to be evidence that CB/skills assessments are conducted annually to get points on (b).<br>Targets within (+/- 10 % variations). | **Maximum 3 points:**<br><br>First AC&PA:<br>a = 2 points,<br>b = 1 point<br>c= NA.<br><br>Future AC&PAs:<br>a=1 point,<br>b = 1 point,<br>c = 1 point | **a) 0**<br><br>**b) 1** | a) Though there was a staffing plan which is part of the CARPS report, it did not include annual targets.<br><br>b) There is clear evidence e.g. From Finance Dept. requesting for additional staff and recruitment process is initiated.<br>c)The County staffing plan did not have targets. |
| 3.2 | Job descriptions, including skills and competence | Job descriptions, specification s and competency | a) Job descriptions in place and qualifications met (AC&PA 1: Chief officers / heads of departments; 2nd | Job descriptions<br><br>Skills and competency frameworks. | **Maximum score: 4 points**<br><br>All a, b and c: 4 points. | **a) 1** | a) Job descriptions in place and qualifications met by the chief officers and Heads of Departments. |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
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| | requirements | framework | AC&PA: all heads of units; future AC&PAs: all staff (sample check))<br><br>b) Skills and competency frameworks and Job descriptions adhere to these (AC&PA 1: Chief officers / heads of departments; 2nd AC&PA: all heads of units; future AC&PAs: all staff (sample check)<br><br>c) Accurate recruitment, appointment and promotion records available | Appointment, recruitment and promotion records | Two of a-c: 2 points<br><br>One of a-c: 1 point | b) 1<br><br>c) 1 | b) Reviewed staff files for Chief officers and Heads of Dept. s had academic qualifications that fitted the skills and competency frameworks requirements and the schemes of service.<br><br>c)Minutes of Accurate recruitment, appointment and promotion records were availed. The records included:<br>• Request for appointment by department to the CPSB (example Ref:CG/KWL15/6VOL.3 /47 for recruitment of ECDE Care Givers and Training Instructors),<br>• Advertisement of vacancies in Public Media (Example Newspaper Advert |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
|---|---|---|---|---|---|---|---|
| | | | | | | | March 2016 by Departments Education and Technical Training,<br>• Short listings and Interviews (see shortlisted candidates for ECDE Instructors and Care Givers) by CPSB<br>• CPSB Meeting held on 25th May 2016 to approve appointment based on merit,<br>• Offer of appointment of Youth Training Instructors by the CPSB through the County Secretary (see Ref CPSB/KWL/APPOINT VOL. 11/28 dated 26th May 2016. |
| 3.3 | Staff appraisal and performance management operationaliz | Staff appraisals and performance managemen | a) Staff appraisal and performance management process developed and operationalized. | Review staff appraisals.<br><br>County Act, Art 47 (1).<br><br>Country Public Service | **Maximum score: 5 points.**[1]<br><br>a) Staff appraisal for all staff in | **a) 0** | a) There was an appraisal performance tool in place adopted from the Public Service Commission. The staff |

[1] Note: higher points only expected in subsequent ACPAs, but PM is kept stable across ACPAs.

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
|---|---|---|---|---|---|---|---|
| | ed in counties | t | b) Performance contracts developed and operationalized<br><br>c) service re-engineering undertaken<br><br>d) RRI undertaken | Board Records.<br><br>Staff assessment reports.<br><br>Re-engineering reports covering at least one service<br><br>RRI Reports for at least one 100 day period | place: 1 point. (If staff appraisal for<br><br>b) Performance Contracts in place for CEC Members and Chief Officers: 1 point Performance Contracts in place for the level below Chief Officers: 1 point<br><br>c) Service delivery processes re-engineered in counties: 1 point<br>d) Rapid Results Initiatives-RRIs launched/upscaled : 1 point | **b) 1**<br><br>**c) 0**<br><br>**d) 0** | appraisal tool was not used for all staff as only a few had performance contracts.<br><br>b) Performance contracts in place for CEC and COs for the financial year 2016/2017.<br><br>c)Service re-engineering not yet done<br><br>d)No RRI undertaken |
| | **Key Result Area 4: Civic Education and Participation -** ***A citizenry that more actively participated in county governance affairs of the society***<br>**Max score: 18 points** | | | | | | |
| 4.1 | Counties establish functional | CEU established | Civic Education Units established and functioning: | County Act, Art 99-100. | **Maximum 3 points.** | **3** | a) There was an established CE unit within the Community |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
|---|---|---|---|---|---|---|---|
| | Civic education Units | | (a) Formation of CE units<br>(b) Dedicated staffing and<br>(c) Budget,<br>(d) Programs planned, including curriculum, activities etc. and<br>(e) Tools and methods for CE outlined. | | CEU fully established with all milestones (a) - (e) complied with: 3 points.<br><br>2-4 out of the five milestones (a-e): 2 points<br><br>Only one: 1 point. | | Development, Culture and Talent Management department.<br>b) There was a designated Officer for civic education and participation.<br>c)There was a budget for Civic Education for 2016/2017 of ksh. 3Million and for 2017/2018 of ksh 5million.<br>d)The County had s CE curriculum developed by the school of Government and the MoDP..<br>e) There curriculum mentioned above outlined tools and methods for conducting CE activities. 2016. |
| 4.2 | | Counties roll out civic education activities | Evidence of roll-out of civic education activities – (minimum 5 activities). | County Act, art. 100. Examples are engagements with NGOs to enhance CE | **Maximum 2 points.**<br><br>Roll out of | **2** | Evidence of roll out of civic education activities;<br>• County Sexual & |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
|---|---|---|---|---|---|---|---|
| | | | | activities/joint initiatives on training of citizens etc. Needs to be clearly described and documented in report(s) as a condition for availing points on this. | minimum 5 civic education activities: 2 points. | | Gender Based Violence Bill held 5th-7th June 2017 at Hill park Hotel<br>• Jamii Thabiti Project by Sauti ya Wanawake Pwani<br>• Women Empowerment (see proceedings of 18th October 2016 at Diani Forest),<br>• Social Amenities on 7th November 2015.<br>• The County has developed a report on public participation on MTEF Budget for 2016/2017 as at March 2016. The report shows records of public views on proposed projects and how the views are reflected in the 206/2017 County |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
|---|---|---|---|---|---|---|---|
| | | | | | | | Budgets. |
| 4.3 | Counties set up institutional structures systems & process for Public Participation | Communication framework and engagement. | a) System for Access to information/ Communication framework in place, operationalized and public notices and user-friendly documents shared In advance of public forums (plans, budgets, etc.)<br><br>b) Counties have designated officer in place, and officer is operational. | County Act, Art. 96.<br><br>Review approved (final) policy / procedure documents describing access to information system and communication framework and review evidence of public notices and sharing of documents. Review job descriptions, pay-sheets and / or other relevant records to ascertain whether designated officer is in place; review documents evidencing activities of the designated officer (e.g. reports written, minutes of meetings attended etc.) | **Maximum 2 points.**<br><br>a) Compliance: 1 point.<br><br>b) Compliance: 1 point. | **a) 1**<br><br>**b) 1** | a) Kwale has a County Public Participation Act passed by the county assembly. The County has developed a communication policy and communication strategy. Information to the public is passed through county based newspapers. The County has in place a service charter that includes public participation.<br><br>b) There are five designated officers in place to support public participation. |
| 4.4 | | Participatory planning and budget forums held | a) Participatory planning and budget forums held in previous FY before the plans were | PFM Act, Art. 137.<br><br>County Act, 91, 106 (4), Art. 115. | **Maximum 3 points.**<br><br>All issues met (a- | **3** | a) Participatory planning meetings held for the budget for the financial year |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
|---|---|---|---|---|---|---|---|
| | | | completed for on-going FY.<br><br>b) Mandatory citizen engagement /consultations held beyond the budget forum, (i.e. additional consultations)<br><br>c) Representation: meets requirements of PFMA (section 137) and stakeholder mapping in public participation guidelines issued by MoDP.<br><br>d) Evidence that forums are structured (not just unstructured discussions)<br><br>e) Evidence of input from the citizens to the plans, e.g. through minutes or other documentation | Invitations<br>Minutes from meetings in the forums.<br><br>List of attendances, Meetings at ward levels,<br><br>Link between minutes and actual plans.<br><br>List of suggestions from citizens, e.g. use of templates for this and reporting back.<br><br>Feedback reports / minutes of meetings where feedback provided to citizens | f): 3 points.<br><br>4-5 met: 2 points.<br><br>1-3 met: 1 point. | | 2015/2016 (MTEF Budget Public Participation Report, May 2015) and 2016/17 as per the report on public participation on MTEF Budget for 2016/2017 (MTEF Budget Public Participation Report, March 2016 Report) Budget Implementation Report of County Assembly (11th March 2016) adopted. Invitations available for public participation done through Newspapers Records of proceedings of Public forums at ward level availed and list of attendance available, meetings at ward level available<br>e) List of suggestions from citizens available in the report of public |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
|---|---|---|---|---|---|---|---|
| | | | f) Feed-back to citizens on how proposals have been handled. | | | | participation for 2016/2017 (March 2016)<br>f) No evidence of feedback provided to citizens |
| 4.5. | | Citizens' feed back | Citizen's feedback on the findings from the C-APR/implementation status report. | Records of citizens engagement meetings on the findings of the C-APR. Review evidence from how the inputs have been noted and adhered with and whether there is feed-back mechanism in place. | **Maximum points: 1**<br><br>Compliance: 1 point. | 0 | The Kwale County Government had not produced C-APR. |
| 4.6 | | County core financial materials, budgets, plans, accounts, audit reports and performance assessments published and shared | Publication (on county web-page, in addition to any other publication) of:<br>**i)** County Budget Review and Outlook Paper<br>**ii)** Fiscal Strategy Paper<br>**iii)** Financial statements or annual budget execution report<br>**iv)** Audit reports of financial statements | PFM Act Art 131. County Act, Art. 91.<br>Review county web-page.<br><br>(N.B.) Publication of Budgets, County Integrated Development Plan and Annual Development Plan is covered in Minimum Performance Conditions) | **Maximum points: 5 points**<br><br>9 issues: 5 points<br><br>7-8 issues: 4 points<br><br>5-6 issues: 3 points<br><br>3-4 issues: 2 | 3 | While the Assessors reviewed hard copies of some of the listed documents, they were not published on the County Website. There was no evidence of the documents being shared with the public. The following documents were reviewed by the |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
|---|---|---|---|---|---|---|---|
| | | | v) Quarterly budget progress reports or other report documenting project implementation and budget execution during each quarter<br>vi) Annual progress reports (C-APR) with core county indicators<br>vii) Procurement plans and rewards of contracts<br>viii) Annual Capacity & Performance Assessment results<br>ix) County citizens' budget | | points<br><br>1-2 issues: 1 point<br><br>0 issues: 0 point. | | assessors:<br>▪ CIDP 2013-2017<br>▪ Annual development plans 2016/2017 and 2017/2018<br>▪ County Budget Review and Outlook Paper 2014/2015 and 2016/2017<br>▪ Fiscal Strategy Paper 2016/2017<br>▪ Approved budget 2016/2017 |
| 4.7 | | Publication of bills | All bills introduced by the county assembly have been published in the national and in county gazettes or county web-site, and similarly for the legislation passed. | County Act, Art. 23.<br><br>Review gazetted bills and Acts, etc.<br><br>Review county web-site. | **Maximum 2 points**<br><br>Compliance: 2 points. | 1 | The County government of Kwale had sent 40 Bills to County Assembly and 33 of these were passed into Acts. All Bills and Acts were published in the respective Kenya Gazette- County Edition. These Bills and Acts are also available on Kenya Law Reports |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
|---|---|---|---|---|---|---|---|
| | | | | | | | http://kenyalaw.org/kl/index.php?id=6366. However, the Bills and Acts Were not uploaded on the County website |
| | **Result Area 5. Investment implementation & social and environmental performance Max score: 20 points.** | | | | | | |
| 5.1 | Output against plan – measures of levels of implementation | Physical targets as included in the annual development plan implemented | The % of planned projects (in the ADP) implemented in last FY according to completion register of projects<br><br>*Note: Assessment is done for projects planned in the Annual Development Plan for that FY and the final contract prices should be used in the calculation. Weighted measure where the size of the projects is factored in.* If there are more than 10 projects a sample of 10 | Sample min 10 larger projects from minimum 3 departments/sectors.<br><br>Points are only provided with 100 % completion against the plan for each project.<br><br>If a project is multi-year, the progress is reviewed against the expected level of completion by end of last FY.<br><br>Use all available documents in assessment, including: | **Maximum 4 points (6 points in the first two AC&PAs).**[2]<br><br>More than 90 % implemented: 4 points (6 points in the first two AC&PAs).<br><br>85-90 %: 3 points<br><br>75-84%: 2 points<br><br>65-74%: 1 point | 0 | We could not effectively assess this indicator due to lack of register. We requested for completion reports and certificates, but by the end of assessment period, there was no information availed to us for verification. The Assessors sampled departmental project status reports of 10 projects from various departments (Department Health, Education, Community Development, Trade, |

[2]As VFM is only introduced from the third ACPA, the 5 points for this are allocated across indicator 5.1 to 5.4 in the first two ACPA on the top scores in each PM, e.g. from 4 points to 6 points in the Performance Measure No. 5.1

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
|---|---|---|---|---|---|---|---|
| | | | larger projects is made, and weighted according to the size. | CoB reports, procurement progress reports, quarterly reports on projects, M&E reports etc. | Less than 65 %: 0 point.<br><br>If no information is available on completion of projects: 0 point will be awarded.<br><br>An extra point will be awarded if the county maintains a comprehensive, accurate register of completed projects and status of all ongoing projects (within the total max points available, i.e. the overall max is 4 points/6 respectively in the first two AC&PA). | | Agriculture Livestock and Fisheries, Infrastructure and Public works |
| 5.2 | Projects implemented according to | Implementation of projects and | Percentage (%) of projects implemented within **budget** estimates | Sample of projects: a sample of 10 larger projects of various size | **Maximum 4 points. (5 points in the first two** | **0** | 10 projects were sampled and the following projects were |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
|---|---|---|---|---|---|---|---|
| | cost estimates | in accordance with the cost estimates | (i.e. +/- 10 % of estimates). | from a minimum of 3 departments/ sectors.<br><br>Review budget, procurement plans, contract, plans and costing against actual funding. If there is no information available, no points will be provided. If the information is available in the budget this is used. (In case there are conflicts between figures, the original budgeted project figure will be applied). Review completion reports, quarterly reports, payment records, quarterly progress reports, etc. Review M&E reports.<br><br>Compare actual costs of completed project with original budgeted costs | **AC&PAs).**<br><br>More than 90 % of the projects are executed within +/5 of budgeted costs: 4 points (5 points in the first two AC&PAs)<br><br>80-90%: 3 points<br><br>70-79%: 2 points<br>60-69%: 1 point<br><br>Below 60%: 0 points. | | within the allocated budget, included in the ADP for the FY2016/17, in the progress status report for 2016/2017. Below are the sampled Projects which highlight actual expenditure vs allocated budget<br>**1)** AAutomation of revenue 22.60M/ 49.32M=46%<br>**2)** Supply of Breeding Stock-Dairy cows 11.84M/12M=99%<br>**3)** Construction of grain store at kaloleni 2.00M/6.00M=33%<br>**4)** ereal store refurbishment 4.03M/ 6.00M=67%<br>**5)** urchase of boats and accessories 2.68M /9.00M=30% |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
|---|---|---|---|---|---|---|---|
| | | | | in the ADP/budget. | | | **6)** onstruction of Silaloni cattle dip 3.99M/4.00M=100% **7)** rehabilitation of cattle dip 3.58M/4.00M=89% **8)** roposed storm water drainage at Ukunda 4.81M/5.65M=85% **9)** quisition of land 5.71M/6.00M=95% **10)** Purchase of specialised plant 27.76M/94.76M=29% Progress Quarterly reports give the project status of completion and expenditure as per the budget estimates. |
| 5.3 | Maintenance | Maintenance budget to ensure | Maintenance cost in the last FY (actuals) was **minimum 5 % of the** | Review budget and quarterly budget execution reports as well | **Maximum 3 points (4 points in the first two** | **0** | Maintenance budget was provided for under individual departments |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
|---|---|---|---|---|---|---|---|
| | | sustainability | **total capital budgeted evidence in selected larger projects** (projects which have been completed 2-3 years ago) have been sustained with actual maintenance budget allocations (sample of min. 5 larger projects). | as financial statements.<br><br>Randomly sample 5 larger projects, which have been completed 2-3 years ago.<br><br>Review if maintenance is above 5 % of the capital budget and evidence that budget allocations have been made for projects completed 2-3 years ago and evidence that funds have actually been provided for maintenance of these investments. | **AC&PAs).**<br><br>Maintenance budget is more than 5 % of capital budget and sample projects catered for in terms of maintenance allocations for 2-3 years after: 3 points (4 in the first two AC&PA).<br><br>More than 5 % but only 3-4 of the projects are catered for: 2 points.<br>More than 5 % but only 1-2 of the specific sampled projects are catered for: 1 point. | | and which is an aggregate amount under the use of goods and services.<br>Sampled Dept.- Community Devt., Culture and Talent Management was Kes 7,480,000 |
| 5.4 | Screening of environment | Mitigation measures on | Annual Environmental and Social **Audits/reports** | Sample 10 projects and ascertain whether | Maximum points: 2 points (3 points | **2** | We sampled Impact Assessment (EIA) |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
|---|---|---|---|---|---|---|---|
| | al social safeguards | ESSA through audit reports | for **EIA /EMP** related investments. | environmental/social audit reports have been produced. | in the first two AC&PAs)<br><br>All 100 % of sample done in accordance with framework for all projects: 2 points (3 points in the first two AC&PAs)<br><br>80-99 % of projects: 1 points | | Reports for the following 10 projects (both private and public initiated). EIA and EMP is done through technical assistance of NEMA officers based at the County;<br>• NEMA/KWL/5/2/527<br>• NEMA/KWL/PR/5/2/0580<br>• NEMA/KWL/PR/05/2/0579<br>• NEMA/KWL/PR/5/2/523<br>• NEMA/KWL/PR/5/2/0577<br>• NEMA/KWL/PR/5/2/0578 |
| 5.5 | EIA /EMP procedures | EIA/EMP procedures from the Act followed. | Relevant **safeguards instruments Prepared**: Environmental and Social Management Plans, Environmental Impact Assessment, RAP, etc. consulted upon, | Sample 5-10 projects | All 100 % of sample done in accordance with framework for all projects: 2 points<br><br>80-99 % of | **2** | The following 10 sampled projects had safeguards instruments prepared:<br>• Kwale County Headquarters Administration |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
|---|---|---|---|---|---|---|---|
| | | | cleared/approved by NEMA and disclosed prior to commencement of civil works **in case where screening has indicated that this is required**. All building & civil works investments **contracts** contain **ESMP implementation provisions** (counties are expected to ensure their works contracts for which ESIAs /ESMPs have been prepared and approved safeguards provisions from part of the contract. | | projects: 1 points | | Block-<br>• Drug Store at Kwale Hospital<br>• Pediatric Ward at Kwale Hospital<br>• Mortuary at Kwale Hospital<br>• Amphitheatre-Dept. of Community, Culture & Talent.<br>• Kombani ECDE Unit Dept. of Education.<br>• Kombani open Air Market-Dept of Trade,<br>• Kombani Rehabilitation Centre- Dept. of Community, Culture & Talent<br>The County Government has passed 2 Acts (Quarrying Act 2016 and Air pollution, noise pollution and Nuisance Act 2016) |
| 5.6 | Value for the Money (from the 3rd AC&PA). | Value for the money. | Percentage (%) of projects implemented with a satisfactory level of value for the money, calibrated in the value | To be included from the **3rd AC&PA only.**<br>A sample of minimum 5 projects will be reviewed. | **Maximum 5 points.**<br><br>To be developed during | In order to ensure that the | N/A |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
|---|---|---|---|---|---|---|---|
| | | | for the money assessment tool. | The methodology will be developed at a later date, prior to the 3rd AC&PA.<br><br>**Note** that a sample will be taken of all projects, not only the ones, which are funded by the CPG. The % of projects (weighted by the size of the projects) with a satisfactory level of value for the money will be reflected in the score i.e. 80 % satisfactory projects= XX points, 70 % = XX points. | implementation based on the TOR for the VfM.<br><br>Points: maximum 5, calibration between 0-5 points.<br><br>E.g. more than 90 % of projects Satisfactory: 5 points, more than 85 % 4 points, etc. | scores always vary between 0-100 points, the 5 points are allocated across the PMs 5.1-5.4 with 2 extra points to the PM No. 5.1 and 1 extra to each of the PMs No's 5.2-5.4 until VfM is introdu | |

| No. | Priority Outputs | Performance Area | Performance Measure (Detailed Indicators) | Means of Verification and Issues to Check | Scoring /level of importance | Result (Score) | Detailed Assessment Findings |
|---|---|---|---|---|---|---|---|
| | | | | | | ced from the 3rd AC&PA . | |
| | | | | | Total Maximum Score: 100 points. | 45 | |

# 3.0 SUMMARY OF CAPACITY BUILDING REQUIREMENTS

## 3.1: Summary of Results

Table 6: Summary of Results for Minimum Access Conditions

| Minimum Conditions for Capacity and Performance Grants (level 1) | Assessment<br><br>Met/ Not Met |
|---|---|
| 1. County signed participation agreement | Assessment Met |
| 2. Capacity Building plan developed | Assessment Met |
| 3. Compliance with investment menu of the grant | Not Applicable |
| 4. Implementation of CB plan | Not Applicable |

Table 7: Summary of Results Minimum Performance Conditions

| MPCs for Capacity & Performance Grants (level 2) | Reason and Explanation | Assessment<br>Met/ Not Met |
|---|---|---|
| Minimum Access Conditions Complied with<br>1. Compliance with Minimum access conditions | To ensure minimum capacity and linkage between CB and Investments | Assessment Met |
| Financial Management<br>2. Financial statements submitted | To reduce fiduciary risks | Assessment Met |
| 3. Audit Opinion does not carry an adverse opinion or a disclaimer on any substantive issue | To reduce Fiduciary risks | Assessment Not Met |
| Planning<br>4. Annual planning documents in place | To demonstrate a minimum level of capacity to plan and manage funds | Assessment Met |
| Investment<br>5. Adherence with the investment menu | To ensure compliance with the environmental and social safeguards and | Assessment Not Applicable |

| | | |
|---|---|---|
| | ensure efficiency in spending. | |
| 6. Procurement Consolidated procurement plans in place | To ensure procurement planning is properly coordinated from the central procurement unit | Assessment Met |
| 7. County Core staff in place | Core staff in place as per County Government Act | Assessment Met |
| 8. Environmental and social safeguards | To ensure that there is a mechanism and capacity to screen environmental and social risks | Assessment Met |
| 9. Citizens' Complaint System in place | To ensure sufficient level of governance and reduce risks for mismanagement | Assessment Met |

Table 8: Summary of Results for Performance Measures

| Key Result Area | Results /Score |
|---|---|
| KRA 1: Public Financial Management | 15 |
| KRA 2: Planning and Monitoring and Evaluation | 7 |
| KRA 3:Human Resources Management | 5 |
| KRA 4: Civic Education and Participation | 14 |
| KRA 5:Investment implementation & Social and environmental performance | 4 |
| Total Score | **45** |

The following is a summary of findings on capacity building requirements of the county based on the assessment (overall indicative areas) listed by Key Result Areas.

a) Public Finance Management

- Training of revenue staff will be key in the success of the new revenue system.
- Training of Finance and Non-Financial Staff on PFMA and related legislations.

b) Human Resources

- TNA to inform capacity building.
- Complete the development of the county staffing plan (with support of an HRM consultant) currently ongoing.
- The CGK (County Secretary, HRM and PSB) needs to develop clear JDs for all cadres of staff based on the approved schemes from Public Service Commission (PSC)
- Skills and competency framework development for all County staff.
- Development of a HRIS (Human Resource Information System) and a digitalization of County records management system.
- Development and enforcement of an effective PMS.

c) Environment and Social Safeguards

- Increased staffing and adequate budgetary provisions.
- Sensitization of citizens through public participation.
- Institutionalize and train County Environmental Committee-
- Develop a County Environment Policy that will guide the development of appropriate legislation.

d) Planning, Monitoring and Evaluation

- Recommend that the County Government fast tracks the approval of the County Monitoring and Evaluation Policy 2015 to enable for an effective M&E Unit (M&E Staff, M&E Committee).
- Consolidation of departmental annual progress reports into County Annual Progress Reports (C-APR) as per the guidelines.
- Institutionalize publication of key documents and information on County Website. These documents include: CIDP 2013-2017, Annual development plans 2016/2017 and 2017/2018, County Budget Review and Outlook Paper 2014/2015 and 2016/2017, Fiscal Strategy Paper 2016/2017 and Approved budget 2016/2017.

e) Civic Education & Participation

- Set up a citizens' complaint system.
- Develop an effective ICT Platform for the CGK- including ICT infrastructure.

## 4.0 CHALLENGES IN THE ASSESSMENT

The following were some of the key challenges encountered during the process of undertaking the assignment.

- Internet connectivity was very unreliable in Kwale.
- The County Assembly staff were not available to participate in the assessment.
- Long distance of some of the County projects from Kwale town made field visits difficult.

## 5.0 SPECIFIC AND GENERAL COMMENTS TO INDIVIDUAL ASPECTS OF THE ASSESSMENT PROCESS

Issues raised and respective recommendations made by individual aspect of assessment, i.e. MACs, MPCs and PMs are provided in the following sections 5.1 to 5.3.

### 5.1 MAC's

The documents were availed

### 5.2 MPC's Issues

- Audit report and financial statements were not available for the fiscal year 2015/16 as the office of the Auditor General was yet to release them.
- Planning requirements were met with minimal gaps identified in the assessment
- Procurement indicators were largely met other than the Consolidation of Procurement Plans.
- Core Staff were in place.
- Environmental and Social Safeguards systems were in place due to technical support and work collaboration with the County NEMA office.
- There was no Complaints management system.

### 5.3 PMs

#### KRA 1: Public Finance Management

The following observations were made:

- Budget review, outlook papers and financial reports need to be posted online
- Fast track the implementation of electronic revenue collection and training of revenue staff will be key in the success of the new revenue system.
- Onsite support of IFMIS
- Training of Finance and Non-Financial Staff on PFMA and related legislations

#### KRA 2: Planning and Monitoring & Evaluation

The following was observed:

- County Government to fast track the approval of the County Monitoring and Evaluation Policy 2015 to facilitate an effective M&E Unit (M&E Staff, M&E Committee).
- The County needed to upload official documents to the county website. These documents included: CIDP 2013-2017, Annual development plans 2016/2017 and 2017/2018, County Budget Review and Outlook Paper 2014/2015 and 2016/2017, Fiscal Strategy Paper 2016/2017 and Approved budget 2016/2017.

### KRA 3: Human Resource

- Skills and competency framework for all CGK staff to be developed.
- Development of a HRIS (Human Resource Information System) and a digitalization of County records management system.
- The County needed to develop and enforce an effective PMS.

### KRA 4: Civic Educations and Participation

- Set up the citizens' complaint system.
- Develop an effective ICT Platform including ICT infrastructure.

### KRA 5 Investments and Social Environment Performance

- Provide adequate staff
- Improve on public sensitization to embrace the role of environmental impact assessments (EIAs) for public good
- Improve political support in resolving environmental complaints from the citizens
- Appoint and institutionalize a County Environmental Committee

## 6.0 NOTIFICATION OF DISAGREEMENT WITH THE OUTCOME OF THE ASSESSMENT ALREADY NOTED DURING THE FIELD-TRIP

- No notice of disagreement was noted as the team gave an overview of their experience during the assessment and a highlight of the weak areas that needed improvement and which the County staff admitted as a need.
- None of the Quality assurance variation issues have arose so far on the assessment report.

## 7.0 OVERVIEW OF THE 5 WEAKEST PERFORMANCE

Table 9: Areas of the county of weakest performance during the field visit.

| KRA | Performance Measure | Issues |
|---|---|---|
| KRA 1 | Public Finance Management | • Inability to Integrate the Departments accounting into the IFMIS system<br>• Training of Finance and Non-Financial Staff on PFMA and related regulations |
| KRA 2 | Planning & M&E | • No County M & E Committee<br>• Key planning and budget documents not uploaded on the website |
| KRA 3 | Human Resource Management | • Lack of Skills and competency framework<br>• Need to develop a HRIS (Human Resource Information System) and a digitalization of County records management system.<br>• Development and enforcement of an effective Performance Management System. |
| KRA 5 | Investment implementation & social and environmental performance | • Absence of County Environmental Committee to facilitate screening and approvals of investment projects<br>• Lack of public sensitization so as to embrace the role of environmental impact assessments (EIAs) for public good |

## APPENDIX 1: ENTRY MEETING MINUTES

**Held on 10th July 2017 at Community Development Boardroom**

Agenda

1. Welcoming Address from The Chair
2. Prayers
3. Introductions
4. Objectives of the ACPA- Kwale Focal Person
5. Main Key Milestones of ACPA- By Consultants, Matengo & Githae
6. Three Day Schedule of the KWALE ACPA
7. Closing Remarks

1. **Welcoming Address from The Chair and Prayers: The Chairman of the meeting Mr.** Martin Mwaro, who is also County Secretary welcomed everyone to the Kwale ACPA Entry Meeting. He humbly requested Mr. Patrick T. Mtsami, CEC – Community Development to lead the meeting in prayers. Mr Mtsami did the opening prayers to thank the Almighty God and to request for his guidance during the ACPA.

2. **Introductions:** After the prayers those present introduced themselves. Among the participants were the Annual Capacity and Performance Assessment (ACPA) Consultants from Matengo & Githae Associates, Nairobi, County Staff led by Hon. Patrick Mtsami, CEC –Community Development, Chief Officers, Directors and selected staff of the County Government. In his further remarks, the County Secretary emphasized the importance of the Annual Capacity and Performance Assessment (ACPA), adding that the exercise would help identify the capacity challenges facing the County Government of Kwale (CGK).

3. **Objectives of the ACPA:** The Kwale County ACPA focal person Mr. Vincent Mbito briefed the meeting on the objectives, process and schedule of the ACPA process. He noted that the ACPA had been commissioned by the Ministry of Devolution and Planning with financial support of the World Bank. He added that the main purpose of the ACPA assignment was geared towards strengthening the capacity of County Governments officials to improve performance and deliver better services to the citizens. The focal person noted that the ACPA started with a self -capacity assessment that identified capacity gaps that needs to be addressed, noting that Kwale County Government has already reviewed capacity building plan that was developed in the last quarter. It was reported that the ACPA is a three-step process.

4. **Main Key Milestones of ACPA- By Consultants, Matengo & Githae:** The Consultants Mr. Martin Waweru and Mr. Thomas Kirongo, the team of Consultants undertaking the ACPA for Kwale expounded on the key milestones of the ACPA. They explained that the ACPA was part of the Kenya Devolution Support Programme (KDSP) that will support the

implementation of five key result areas (KRAs) under the National Capacity Building Framework (NCBF) Medium Term Intervention (MTI). It would support the results around the strengthened capacity of both national and county institutions in five key result areas:

- **KRA 1- Public Finance Management** including improved county budgeting, revenue management; use of IFMIS; financial accounting, recording and reporting, procurement and internal audit performance.
- **KRA 2- Planning, Monitoring and Evaluation** including improved county planning, process reports, monitoring & evaluation, and linkages between county plans and budgets.
- **KRA 3- Human Resource and Performance Management including** county staffing plans, HR Competency frameworks, appraisal and performance contracting systems.
- **KRA 4- Devolution and Intergovernmental Relations** including introduction of a new performance based –conditional grant.
- **KRA 4-Civic Education and Public Participation:** Enhanced rollout of civic education **and** county civic education units; greater number of counties that meet county Government Act requirements for public participation and transparency.

It was further emphasized that the KDSP under NCBF-MTI would support county level results that contributed to strengthened institutions for devolved service delivery.

5. **Three Day Schedule of the KWALE ACPA:** The County Secretary informed the meeting that the Kwale ACPA will be undertaken for three days and would end on 12th July 2017 with a visit to county projects. He reiterated that Mr. Vincent Mbito would coordinate the exercise in consultation with the assessors.

6. **ACPA Exit Meeting Closing Remarks:** The County Secretary reminded the meeting that on Wednesday afternoon, there would be an exit meeting to have an overall sum-up of the three-day ACPA.

# APPENDIX 2: EXIT MEETING MINUTES

**Held on 12th July 2017 at Community Development Offices Boardroom, Kwale**

**Members Present**

| S/No. | Name | Department | Designation/Title | TELEPHONE CONTACTS |
|---|---|---|---|---|
| 1. | Peter J. Jumwa | Governor's Office | Interim County Secretary | 0721 209133 |
| 2. | Francis Muasya | Admin & Devolution | Caseworker | 0703 340752 |
| 3. | Samuel M. Mwanyasi | Admin & Devolution | Director Human Resource Management | 0726 428756 |
| 4. | Solomon Nzaro | Finance | Accountant | 0703 318064 |
| 5. | Josphat M. Disii | Finance And Planning | Revenue Officer | 0712 755642 |
| 6. | Malusha Abedi | Admin & Devolution | Ag Director Ce&Pp | 0723 829276 |
| 7. | Jacob Mwaguru | Admin & Devolution | Ward Adminstrator | 0722 322928 |
| 8. | Rachel Mwadime | Cspb | Ag Secretary / Ceo | 0722 556758 |
| 9. | John Nzioka | Admin & Devolution | Chief Officer Admin & Devolution | 0720 241732 |
| 10. | John Waweru | Finance | Procurement Officer | 0729 731072 |
| 11. | Peter Salai | Admin & Devolution | Asst Director Human Resources | 0725 649122 |

**Agenda**

1. Welcoming Address from The Chair
2. Feedback of ACPA Process by County Staff
3. Brief Overview of ACPA Process by MGA Consultants
4. Key Findings of Kwale ACPA
5. Way forward an Closing Remarks

1. **Welcoming Address from The Chair:** The Chairman of the meeting Mr. Vincent Mbito, who was also Director- Accounting Services, welcomed all the staff and the assessors to the Kwale ACPA Exit Meeting. He thanked everyone for the contribution they made in ensuring the success of the Kwale 2017 ACPA. He added that he had learnt many lessons from the process. He also shared his appreciation of the assessors for undertaking the exercise in a professional manner.

2. **Feedback of ACPA Process by County Staff:** Various department representatives thanked the County leadership led by the Country Secretary for enabling the exercise to take place and

the consultants for their wealth of experience in the assessment. They hoped that the final report of the assessment shall be shared with the Kwale county level teams. The Consultants made an assurance that the report would be shared with the CGK by the Ministry of Devolution and Planning.

3. **Brief Overview of ACPA Process by MGA Consultants:** On behalf of the assessors, Mr. Martin Waweru, thanked all the CGK staff for their excellent contribution and clarification of issues during the exercise. He also noted the excellent support from the County Leadership led by the County Secretary. He thanked the Kwale ACPA Focal Person Mr. Vincent Mbito for the excellent coordination of the ACPA during the three -day period. The County Procurement Officer was appreciated for offering office space for use by the assessors.

4. **Key Findings of Kwale ACPA:** Mr. Martin Waweru & Mr Thomas Kirongo- Matengo & Githae Consultants briefed the meeting on some of the Key findings of the Kwale ACPA as follows:
   - Financial Management of CGK is efficient
   - Visited 5 selected projects
   - Health and Education Key for CGK- Given priority through planning and budgeting
   - Need to Develop PMS/ F that is effective.

5. **Public Finance Management**
   - Budget review, outlook papers and financial reports needed to be posted online
   - Electronic revenue collection in Kwale (KwalePay) will commence the financial year 2017/2018. The system currently is being tested by the county. Recommended the increased use of electronic revenue collection and reduce the physical collection. Training of revenue staff would be key in the success of the new revenue system.
   - Training of Finance and Non-Financial Staff on PFMA and related legislations.

6. **Planning &M&E**
   - Recommend that the County Government fast tracked the approval of the County Monitoring and Evaluation Policy 2015 to enable for an effective M&E Unit (M&E Staff, M&E Committee).
   - Consolidation of departmental annual progress reports into County Annual Progress Reports (C-APR) as per the guidelines.
   - The County needed to upload official documents to the county website. These documents include: CIDP 2013-2017, Annual development plans 2016/2017 and 2017/2018, County Budget Review and Outlook Paper 2014/2015 and 2016/2017, Fiscal Strategy Paper 2016/2017 and Approved budget 2016/2017.

7. **Human Resource Management:**
   - TNA to inform capacity building.
   - Complete the development of the county staffing plan (with support of an HRM consultant) currently ongoing.
   - The CGK (County Secretary, HRM and PSB) needs to develop clear JDs for all cadres of staff based on the approved schemes from Public Service Commission (PSC)
   - Skills and competency framework for all CGK staff.
   - Development of a HRIS (Human Resource Information System) and a digitalization of County records management system.

- CGK needs to develop and enforce an effective PMS. The County Secretary should ensure this is done in the 2017/2018.
- MCAs and PAs training on roles and responsibilities to enhance transparency and accountability.

8. **Civic Education and Participation**
   - Set up a citizens' complaint system.
   - Develop an effective ICT Platform for the CGK- including ICT infrastructure.
   - Feedback to the community through website need to be revisited as currently the public is unable to get information on county affairs directly from the county.

7. **Way forward an Closing Remarks:** There being no other business the Chairman thanked everyone for their participation in the 2017 Kwale ACPA exercise.