



PUBLIC SERVICE COMMISSION

TALKING NOTES FOR CHAIRPERSON PSC – MEETING WITH THE NATIONAL ASSEMBLY DEPARTMENTAL COMMITTEE ON ADMINISTRATION AND NATIONAL SECURITY ON THE COMMISSION’S (VOTE 2071) BUDGET POLICY STATEMENT 2022 AND FY 2022/2023 BUDGET ESTIMATES, CONTINENTAL HOUSE, PARLIAMENT BUILDINGS, THURSDAY 3RD FEBRUARY 2022 AT 11:00AM.

Honourable Chairman,

May I at the onset express our gratitude to you and the entire membership of the National Assembly Departmental Committee on Administration and National Security the support your Committee has continued to extend to my Commission over the years. My Commissioners have shared with me the invaluable contributions, thoughts and reflections which the Honourable Members have espoused on various issues that Public Service Commission has tabled before the Committee overtime; including budget support which have immensely supported the delivery of our mandate. We also appreciate your invitation of granting the Commission an opportunity to brief the Committee on the 2022 Budget Policy Statement and budget proposals for the FY 2022/2023.

1.0 Commission Mandate

Honourable Members,

The mandate of the Public Service Commission is spelt out in Articles 234, 171(2), 232, 155(3), 158 of the Constitution and entails provision of competent human resource, promotion of good governance and ensuring efficiency and effectiveness in the provision of quality services in the public service.

The Commission has a 5 – year Strategic Plan (2019 – 2024) focused on the following:

- a) Vision:** A citizen-centric public service.
- b) Mission:** To reform and transform the public service for efficient and effective service delivery.
- c) Key Result Areas and Strategic Objectives:**

Three Key Result Areas and corresponding Strategic Objectives

- i)* Efficient public service delivery.
 - Improve performance and productivity
 - Improve service delivery
 - Improve human resource management practices
- ii)* Ethical and value based public service.
 - Promote constitutionalism, values and principles
- iii)* Enhanced Commission capacity.
 - Build Commission's internal capacity

2.0 Key Milestones

Honourable Members,

The Commission's Strategic Plan 2019-2024 had projected a resource requirement of Kshs. 39.7 Billion over the five-year period. In the last two financial years (2019/20 and 2020/21), we required Kshs. 10.6 Billion against an allocation of Kshs. 4.4 Billion which represents 41.5% of the required funding.

During the first two financial years of the plan implementation, the Commission had 121 planned targets. Out of the 121 planned targets, 25 were fully achieved, 49 were partially achieved while 47 were not achieved. The status of implementation of the planned targets during the period 2019 to 2021 was 40.8%. Overall, the cumulative implementation status for the 5-year plan stands at 21.5% against a cumulative resource allocation of 11.08%.

The under performance of the Strategic Plan performance targets is largely attributed to inadequate funding; while in some cases, the achievement of planned targets necessitated the development of Performance Management Regulations. However, the Strategic Plan is due for Mid-Term review and evaluation during the current FY 2021/22.

Honourable Members,

During the last FY 2020/21, the Commission registered key achievements in the following areas:

- a) Recruited a total of 8,522 new entrants for MDAs; out of which 4,125 were male and 4,397 were female; and 150 were PWDs;

- b) Reviewed organizational structures for 48 MDAs and promoted 32,107 officers under succession management programme to address stagnation and gaps in grading structures;
- c) Recruited, inducted and deployed to MDAs a total of 9,760 interns (since inception) under the Public Service Internship Programme; out of which 518 have transitioned into full employment;
- d) Processed and recommended 44 persons for consideration for appointment to fill 8 positions in 7 Public Universities to the President for Chancellors; and to University Councils for Vice Chancellors, Deputy Vice Chancellors, Principals and Deputy Principals;
- e) Installed necessary IT equipment and adopted online remote/virtual platforms for interviews of candidates on advertised jobs;
- f) Developed and gazetted the Public Service Commission (Performance Management) Regulations, 2021;
- g) Provided technical support for development of the draft Public Service Human Resource Management Bill and submitted to the National Assembly Departmental Committee on Administration and National Security for stakeholder engagement and enactment;
- h) Prepared and submitted two annual statutory reports to the President and Parliament on:
 - i. Annual Report on Commission's operations in compliance with Article 254(i) of the Constitution and Section 90 of the Public Service Commission Act, 2017; and
 - ii. Annual Evaluation Report on status of Public Service Compliance with the Values and Principles in Articles 10 and 232 of the Constitution.
- i) Reviewed, published and released the Curriculum for Administrative Officers examination to the service for implementation;
- j) Provided technical support to 13 county governments on human resource matters.
- k) Determined 342 (91.4%) of appeal cases from 15 county governments; out of a total of 374 cases received.
- l) Re-engineered processes of payment of pensions for retirees at Pensions Department and TSC and implemented a 100-days RRI where over 10,000 backlog cases were processed and

payment of over Kshs.40 billion as lump sum was done. Going forward, the target is to achieve a seamless transition from salary to pension for all retiring Public servants.

3.0 Resource Allocations in the Budget Policy Statement

Honourable Chairman and Members,

From the Budget Policy Statement 2022 the Commission’s proposed allocations are as follows:

- a) Recurrent Estimates Kshs. 2,485.84 Million against a resource requirement of Kshs. 4,440.84 Million;
 - Allocation for Personnel Emoluments Kshs. 1,850.14 Million inclusive of Kshs. 1,000 Million for internship stipend.
 - Allocation for Operations and Maintenance Kshs. 635.70 Million.
- b) Development Estimates Kshs. 26.3 Million against a resource requirement of Kshs. 65 Million.

4.0 Funding Priorities for Financial Year 2022/23

Honourable Members,

The Commission plans to implement various programmes as outlined in the 2022/23 Financial Year Sub-Sector Report submitted to the Public Administration and International Relations Sector Working Group.

In this report, the Commission intends to implement a number of key priority programmes.

- (a) Under the **Human Resource Management and Development Programme**, the Commission will review organizational structures and staff establishment for MDAs; and undertake appointment and promotions for the public service and ensure representation of PWDs, gender, minority and marginalized groups in the public service.

Honourable Members,

As we are all aware, 2022 is a transition year in terms of a new administration and as such, the Commission will play a central facilitative role in the re-organization and restructuring of public offices in line with the Executive Order on Organization of Government by the incoming administration. This will involve the recruitment of Principal Secretaries among other positions.

The Commission will also recruit and recommend candidates for appointment to vacant positions in various Constitutional Commissions, Independent Offices, Public Universities and other statutory bodies; Implement the Public Service Internship Programme; Hear and determine discipline and appeal cases from MDAs and County Governments; and implement the Human Resource Master Plan (2022-2030) for the public service; among others.

- (b) Under **the Governance and National Values Programme**, the Commission will prepare and submit the annual Report to the President and Parliament on the extent to which the values and principles are complied with in the public service in compliance with Article 234 (2)(h) of the Constitution; Promote values and principles under Article 10 and 232 of the Constitution; Conduct annual and ad hoc compliance and payroll audits in 48 MDAs; Undertake work place investigations on organization, administration and personnel practices in the public service; and Develop and disseminate a Standardized Citizen Service Delivery Charter for the public service.

Honourable Members,

- (c) Under **the Performance and Productivity Management Programme**, we will review Business Processes in selected MDAs and make recommendations for improved service delivery; develop and maintain an Integrated Performance Management System for the public service; Implement the Public Service Commission (Performance Management) Regulations, 2021; and Implement the Annual Public Service Excellence Award (PSEA) scheme.

Honourable Members,

- (d) Under **the General Administration, Planning and Support Services Programme**, we will prepare and submit the Annual Report to the President and Parliament on the operations of the Commission in compliance with Article 254 (i) of the Constitution and Section 90 of the Public Service Commission Act, 2017; Establish regional virtual interview and service delivery centers across the country; Improve ICT infrastructure, systems, facilities and digital platforms to facilitate online interviews of candidates and other Commission programmes; Undertake summative evaluation of the Strategic Plan (2019-2024) and develop a new Strategic Plan for the period 2024-2029; Implement provisions of the Communication

Strategy; Undertake research for innovative, efficient and effective discharge of the Commission's functions; and refurbishment of the old Commission House.

Honourable Members,

The Commission is also funded under the Development Vote where the allocated funding is intended for completion of the on-going project of construction of additional offices on the roof top of the existing old office block. The funding will also be used for repainting of the Commission Building to comply with a Presidential directive for repainting of all Government buildings issued in the year 2020.

Honourable Chairman,

The issue of adequate and suitable office accommodation for the Commission at its present location has continued to pose a big challenge over the years owing to the limited space and old facilities as the building was constructed in the 1950's. This challenge became more pronounced with the promulgation of the 2010 constitution which expanded the functions of the Commission necessitating the need for additional staff, offices and facilities. To address this challenge, the Commission has been carrying out refurbishing works, re-modifications and expansion of office space within the current premises.

Under the Development Estimates, the Commission has submitted proposals totaling to Kshs.65 Million for completion of an ongoing project on additional offices, re-painting works, modernization of main reception and other refurbishment works. The proposed allocation for the FY 2022/23 is Kshs.26.3 Million which is not adequate.

5.0 Request to the Honourable Committee

Honourable Members,

For the Commission to be able to focus and deliver on the above-mentioned key programmes, we required Kshs. 4.4 Billion under the Recurrent Estimates; out of which Kshs. 2.5 Billion was to be dedicated to the Public Service Internship Programme. The balance of Kshs. 1.9 Billion was to be utilized on P.E of PSC staff at Kshs. 850 Million and the Kshs. 1.1 Billion was to support other Commission programmes in the Strategic Plan.

You will however note that in the Financial Year 2022/23 budget proposals, the Commission has been allocated Kshs. 2.48 Billion under the Recurrent Estimates, which is inadequate to support the implementation of the Commission's programmes targeted for the year.

Honourable Chairman and Members,

It is therefore my humble appeal, that this Honourable Committee considers my request for additional total funding of **Kshs. 1,817.36** Million under the Recurrent Estimates to bridge the budget gaps on the following:

- a) Underfunded and unfunded key priority areas in the FY 2022/23 budget allocations;
- b) Other key emerging priorities not included in the FY 2022/23 budget allocations; and
- c) Other emerging Human Resource Requirements not included in the FY 2022/23 budget allocations.

5.1 Underfunded and Unfunded Budget Priorities for Financial Year 2022/23

5.1.1 Public Service Internship Programme (PSIP)

The mandate to recruit interns for the public service (including state corporations) was centralized and is currently domiciled at the Commission. The current demand from the Public Service is 10,161 interns from 210 MDAs against a budget constrained supply of 3,200 while 46,256 applications were received. There's need to recruit an additional 3,000 interns to bridge the shortfall.

5.1.2 Government Re-organization after 2022 General Elections

Re-organization and re-structuring of offices in line with the Executive Order on Organization of Government by the new administration will require recruitment of Principal Secretaries and other senior positions in Government. The Commission will also mount induction programmes for newly appointed Cabinet Secretaries and Principal Secretaries. In addition, the reconstituted County Public Service Boards and County Assembly Boards in all the county governments will be inducted together with capacity building programmes for technical staff.

Further, there is also need to conduct internal training programs within the Commission to improve skills and competencies required to handle the emerging dynamics on added functions.

5.1.3 Implementation of Public Service Commission (Performance Management) Regulations 2021

The regulations were gazetted in August 2021 and the Commission is tasked to set performance service delivery standards, prepare Performance Contract guidelines, recruit Independent Negotiation Committee Members and implement the Public Service Excellence Award Scheme.

5.1.4 Operationalization of Regional Service Delivery and Interview Centers

The aim is to set up regional interview and service delivery centers to decentralize Commission services. During the FY 2020/21, the National Treasury funded the Commission to purchase IT equipment to be deployed in 8 regional centers. The required funding during FY 2022/23 will facilitate furnishing and necessary fittings to operationalize the centers.

The funds will also be used to improve ICT infrastructure, systems, facilities and digital platforms to facilitate online interviews of candidates and other Commission services.

5.1.5 Technical and Vocational Education and Training (TVET) Functions

The Human Resource Management function of managing the TVET trainers was transferred from TSC to PSC without corresponding funding. The Commission needs to undertake the function of investigating, monitoring and evaluating organization, administration and personnel practices under Article 234(2)(d) in the 198 TVET institutions.

Where gaps are established, the Commission will need to make interventions in the form of capacity building, organizational structures and staff establishment. The proposed funding will further cater for evaluation of compliance with Values and Principles in Articles 10 & 232 for the 198 TVET Institutions, capacity building and other technical support programs.

5.1.6 Leasing of Additional Office Space (10,000M²)

As a short term intervention to the challenge of office accommodation, the Commission intends to lease additional office space equivalent to 10,000M² to ameliorate the current constraints in office space and office provision for additional staff.

5.1.7 Recruitment for Public Universities, Constitutional Commissions & other statutory bodies

The Commission's recruitment mandate was expanded to include senior management positions in Public Universities, in addition to Constitutional Commissions and other statutory bodies.

Additional funding is required to process applications and pay allowances for gazetted selection panels as approved by SRC.

5.2 Unfunded Emerging Priority Areas for Financial Year 2022/23

Subsequent to the conclusion of the FY 2022/2023 budget submissions under the Sector Working Groups in September 2021, there have been emerging developments with significant implications on the Commission's mandate and their delivery. As a matter of priority, there will be need to address some key emerging issues which have legal, financial and administrative implications as outlined in the schedule below:

5.2.1 Compliance with the Nairobi Employment and Labour Relations Court Order in Petition No. E161 of 2021 delivered on 25th January 2022 on the constitutional mandate of the Commission over State Corporations

In view of the court directive giving the Commission 365 days to remedy the situation, the Commission requires budgetary support to facilitate compliance with the Court Order in the following areas:

- a) Put in place internal structures to be able to abide by the court decision.
- b) Establish positions within the Commission and recruit staff to be able to fully undertake the constitutional responsibilities of the Commission for over 300 State Corporations.
- c) Facilitate the Commission's exercise of its functions and powers over State Corporations across the country specifically the function of monitoring and evaluating personnel practices in State Corporations.
- d) The organisational structures, staffing levels, capacity building and other technical support programmes will be key areas of intervention.

5.2.2 Legal Representation and Compensation Awards on Court Matters

There is an emerging trend where the Commission is increasingly being sued even on matters touching on State Corporations. The Commission currently has 347 pending court cases touching on constitutional matters and 144 cases emanating from disciplinary actions from across the public service within the realm of its mandate. There is need to engage external counsel where necessary to fast track pending court cases. The proposed funding is for hire of external counsel, court awards and capacity building for the Commission.

6.0 Other emerging Human Resource Requirements

From the key priority areas, and other emerging issues there will be need to progressively strengthen the capacity of the Commission secretariat staff in terms of numbers, skills and competencies. The current number of secretariat staff is 223 against a staff establishment of 434. During the FY 2022/23, the Commission proposes to recruit an additional 93 staff to support the implementation of its target programmes at an estimated budget of Kshs. 222.16 Million.

7.0 Conclusion

Honourable Chairman and Members,

Cognizant of the prevailing economic challenges in our country, it is my humble appeal that this Honourable Committee considers our request for additional resources totaling to **Kshs. 1,856.06** Million to bridge the significant budget deficits and fund key priority and emerging areas summarized as follows:

- a) Recurrent Estimates **Kshs. 1,817.36** Million
 - Underfunded and unfunded priority areas Kshs. 1,405 Million
 - Other key emerging priorities Kshs. 190.2 Million
 - Emerging human resource requirements Kshs. 222.16 Million
- b) Development Estimates **Kshs. 38.7** Million

Finally, Honourable Chairman, the Commission wishes the very best to you and all the Honourable Members of this Committee as you go out to seek a fresh mandate as Members of the 13th Parliament and other elective positions under the new administration. At the same time, we thank you and appreciate most sincerely for your continued support to the Commission on these matters.

Honourable Chairman,

The details of our submissions as guided in the Letter from the Clerk of the National Assembly are presented for your consideration in the detailed report before you.

Thank you and God bless you all.

AMB. ANTHONY M. MUCHIRI
CHAIRPERSON