



THE PRESIDENCY
EXECUTIVE OFFICE OF THE PRESIDENT
HEAD OF THE PUBLIC SERVICE

Telegraphic Address

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When replying please quote

OP/CAB.9/1A

Ref. No.....

and date

STATE HOUSE

P.O. Box 40530-00100

Nairobi, Kenya

October 18, 2019

....., 20.....

The Attorney General
All Cabinet Secretaries
All Principal Secretaries

RE: ALTERNATE DIRECTORS REPRESENTATING GOVERNMENT AGENCIES IN STATE CORPORATIONS

As part of efforts to enhance the oversight of State Corporations by respective line ministries, and secure the anticipated performance and service delivery objectives, this office has identified alternate directors who represent Ministries and other government agencies as critical enablers and developed additional mechanisms for their enhanced participation in Boards of State Corporations.

Alternate directors are required to articulate Government policy and guidelines as applicable to the State Corporation, and will henceforth be required to make regular reports to their appointing authorities on critical Board deliberations and outcomes. Any alternate directors facing challenges in pursuit of this objective are to report to the appointing authority for action. Consultations with the principal member on agenda items should be undertaken prior to attendance of meetings to facilitate expedient decision making by the Board. The principal member may be required to attend critical Board meetings in person for the purpose of assuring government priority objectives.

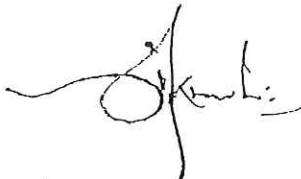
Consequently, selection of alternate directors should be on the basis of subject matter expertise, knowledge and experience, and be persons of

integrity. The select officers should be senior personnel (Job Group "P" and above) well versed with the Government policy of the particular sector and functions of the agency. Designated officers in lower job groups than prescribed should receive the express approval of this office prior to appointment.

All ministries are also expected to establish a state corporation coordination unit to coordinate state corporations within the ministry (see Annex 1 for Terms of Reference).

As previously stated, public officers should not be appointed to serve as independent members unless the enabling law specifically provides for the same. The requirement on gazette ment of alternate directors previously communicated vide circular no. OP/SCAC.9/73A(48) of 4th May 2015 is hereby vacated.

Appointing officers are required to ensure all alternate directors receive formal appointment in the specified template annexed hereto. Distinct consultative sessions with alternate directors will be organized by this office to further augment this strategy.



JOSEPH K. KINYUA, EGH
HEAD OF THE PUBLIC SERVICE



MINISTRY OF
State Department for
Office of the Principal Secretary

Ref. No.

Date:.....

Mr/Ms.,

.....,

P.O. Box,

NAIROBI

Dear

**RE: LETTER OF APPOINTMENT AS AN ALTERNATE BOARD
MEMBER OF STATE CORPORATION/AGENCY**

Reference is made to sectionof theAct (No....of
...../Cap.....) that designates the Principal Secretary/..... responsible
for..... as a member of the
Board/Council. I am pleased to convey to you the decision to appoint you as
the alternate Board member of, within the provisions
ofAct as above.

As an Alternate Director, you are expected to play a critical role in seeking
to enforce compliance with Government policy and regulation. This includes
the implementation of the line Ministry's policies and guidelines, the prudent
utilization of financial resources and adherence to public finance
management protocols, and legal compliance. You are therefore expected to

have a higher standard of reporting on corporation activities both to the appointing authority and to the relevant oversight agencies through this office, in order to avert the occurrence of unnecessary breaches.

As an Alternate Board member, you are specifically expected to:

1. Provide adequate advisory on relevant Government policies, priorities, circulars and directives to the Board
2. Inform Government of any instances where a Board decision is contrary to law or Government policy
3. Brief the substantive member at the end of every meeting on the deliberations of the meetings, and particularly decisions of a critical nature
4. Exercise the highest degree of care, skill and diligence in discharging your duties
5. Act in the best interest of the Corporation
6. Avoid conflict of interest
7. Devote sufficient time to carry out your responsibilities as an Alternate Board Member
8. Promote transparency and accountability in the Corporation at all times
9. Promote team work within the Board and the Corporation

ALLOWANCES

You will be entitled to a sitting allowance and any other allowances as may be approved within the prevailing Government guidelines

REPORTING

You will be expected to prepare and submit periodic reports to this office, outlining your contribution to the Board, specifying the advice or intervention provided and its policy, regulatory or other legal basis, and further indicating any proactive strategies implemented in support of your mandate. You will also be expected to update this office of decisions of the Board of a significant nature including budget and expenditure reports, statutory reports, performance reports, etc.

Any alternate directors facing challenges in pursuit of this objective are to report to the appointing authority for action. Consultations with the principal member on agenda items should be undertaken prior to attendance of meetings to facilitate expedient decision making by the Board. You will be expected to sign an Accountability Pledge. This pledge commits the signatory to personal liability in the event of conflict with the tenets of the Leadership and Integrity Code and the Public Officers Ethics Act. The Accountability Pledge is annexed hereto the letter to be signed in duplicate and returned as above.

By accepting this appointment, you have confirmed that you are able to devote sufficient time to meet the expectations of your role. The agreement of the appointing authority should be sought before accepting additional commitments that might affect the time you are able to devote to your role as Alternate Member of the Board.

Yours

.....
(Cabinet Secretary or Principal Secretary whichever is applicable)

CC:
Head of the Public Service
Harambee House,
NAIROBI

.....
Cabinet Secretary
The National Treasury
Treasury Building
NAIROBI

Secretary,
State Corporations Advisory Committee,
Executive Office of the President,
NAIROBI

.....
Chief Executive Officer
State Corporation/Agency
NAIROBI

REPUBLIC OF KENYA



MINISTRY OF XXXXXXXXXXXXXXXX
REPORTING FRAMEWORK FOR ALTERNATE BOARD MEMBER OF
.....STATE CORPORATION/AGENCY

REPORTING MONTH: _____

NAME: -	
PERSONNEL NO:	
DESIGNATION:	
BOARD/COUNCIL:	
SUMMARY OF BOARD DECISIONS:	
CONTRIBUTION TO BOARD BUSINESS:	
SPECIFY ADVISE/INTERVENTION PROVIDED AND ITS POLICY/LEGAL BASIS:	
PROACTIVE STRATEGIES:	
CHALLENGES ARTICULATING GOVERNMENT POLICY IN THE BOARD (If any)	
COMMENTS	
DOCUMENTATION: (Annex)	

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TERMS OF REFERENCE OF OFFICERS/UNITS RESPONSIBLE FOR STATE CORPORATIONS IN LINE MINISTRIES

1. Support the ministry's monitoring of State Corporation planning, budget preparation, performance and reporting and coordinate transmission of reports to relevant oversight entities;
2. Facilitating compliance monitoring of policy direction and guidelines issued by the Head of Public Service, line ministry, and the National Treasury;
3. Organizing engagement visits, assessments and inspection of state corporations within the ministries' mandate
4. Coordinate the alternate directors representing the Principal Member and secure reporting;
5. Coordinating through the Cabinet and Principal Secretaries support needs of the State Corporation, including management of capacity building of Boards and Management;
6. Documentation and keeping of proper records of State Corporations including instruments of incorporation, assets, tracking Board appointments and succession management;
7. Creating synergies across the Ministry and wider sector in line with the whole of government approach;
8. Preparing of requisite briefs as and when required;
9. Any other assignments as may be required.