

COUNTY ASSEMBLY OF BUNGOMA

COUNTY ASSEMBLY DEBATES

DAILY

HANSARD

WEDNESDAY 16TH MARCH, 2022

Afternoon Sitting

COUNTY ASSEMBLY OF BUNGOMA

HANSARD OFFICIAL REPORT

WEDNESDAY 16TH MARCH, 2022

The House met at 2:30 p.m.

(Mr. Deputy Speaker [Hon. Stephen Wamalwa] in the Chair)

PRAYER PAPERS

The following Paper was laid on the Table of the County Assembly:

Report by the Sectorial Committee on Agriculture, Livestock, Irrigation, Fisheries and Cooperatives Development on the Annual Affairs of the Committee during the 5th Session from 12th January 2021 to 17th February 2022 laid by Hon. Sospeter Nyongesa (*Vice Chairperson, Agriculture*).

NOTICE OF MOTION

The following Notice of Motion was issued:

That this House adopts a report by the Sectorial Committee on Agriculture, Livestock, Irrigation, Fisheries and Cooperatives Development on the Annual Affairs of the Committee during the 5th Session from 12th January 2021 to 17th February, 2022 issued by Hon. Sospeter Nyongesa (*Vice Chairperson, Agriculture*).

MOTION

BUNGOMA COUNTY GOVERNMENT QUARTERLY REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH SEPTEMBER, 2021 BY PUBLIC ADMINISTRATION AND ICT COMMITTEE

Hon. Francis Chemion (Leader of Minority): Thank you, I rise to move a Motion by the Public Administration and ICT Committee on the Bungoma County Government quarterly report and Financial statements for the period ended September 30th 2021 in respect to the departments of County Public Service Board, Public Service Management and Administration, Governor and Deputy Governor, County Secretary, ICT and Record Management.

It is my pleasure and duty to present the Bungoma County Government quarterly report and Financial statements for the period ended 30th September, 2021 in respect to the department of County Public Service Board and Public Service Management and Administration, Governor and Deputy Governor, County Secretary, ICT and Records Management. This document was tabled in the County Assembly of Bungoma and committed to each of the sectorial Committee for their interrogation and important recommendation through a report to this Honourable House.

Committee Membership

Mr. Speaker Sir, the following are members of the Committee on Public Administration and ICT

1. Hon. Henry Majimbo Chairperson
2. Hon. Joan Kirong Vice Chair
3. Hon. Stephen Wafula Member
4. Hon. Joseph Juma Member
5. Hon. Francis Chemion Member
6. Hon. Ely Tindi Member
7. Hon. Meshack Simiyu Member
8. Hon. Joseph Magudah Member
9. Hon. James Mukhongo Member
10. Hon. Jack Wambulwa Member
11. Hon. Hillary Kiptalam Member
12. Hon. Tony Barasa Member
13. Hon. Erick Wapang'ana Member
14. Luke Opwora Member
15. Hon. Grace Sundukwa Member

Mandate of the Committee

Mr. Speaker Sir, the Committee on Public Administration and ICT is constituted pursuant to the provisions of Standing Order 196 of the County Assembly of Bungoma and has executed its mandate in accordance with the aforementioned provisions of the said Standing Order, in particular, Standing Order number 196 (5) provides that the Committee shall:

1. Investigate, inquire into and report on all matters relating to the mandate, management, activities, administration operation and estimates of the assigned departments
2. Study the programme and policy objectives of the departments and effectiveness of the implementation.
3. Study and review all County legislations referred to it
4. Study assesses and analyze the relative success of the departments as measured by the results obtained as compared with their stated objectives

5. Investigate and inquire into all matters relating to assigned departments as may deem necessary and as may be referred to them by the County Assembly.
6. To vet and report on all appointments where the constitution or any law requires the County Assembly to approve except those under a Standing Order 185 on Committee on appointment
7. Make reports and recommendations to the County Assembly as often as possible including recommendations of proposed legislation.

Guiding principles of Bungoma County quarterly reports and financial statements

Mr. Speaker Sir, in the execution of its mandate, the Committee is guided by core constitutional and statutory principles on Public finance Management as well as established customs, traditions, practices and usages. These principles includes the following:

1. Constitutional principles on Public Finance

Article 201 of the constitution of Kenya 2010 enacts fundamental principles that shall guide all aspects of finance in the republic. These principles include inter alia that 201(a) there shall be openness and accountability including Public participation in financial matters. 201 (d) Public money shall be used in a prudent and responsible way and 201 (e) Financial Management shall be responsible and fiscal

Reporting shall be clear.

2. Direct personal liability

Article 226(5) of the Constitution of Kenya 2010 is emphatic that if the holder of a Public office including a political office directs or approves the use of Public funds contrary to law, or instructions, the person is liable for any laws arising from that use and shall make good the laws, whether the person remains the holder of the office or not.

3. Obligations of accounting officers

The Public Finance Management act 2012 section 149(1) and (2) a,f and q states as follows; section 149(1) an accounting officer is accountable to the County Assembly for ensuring that resources of the entity for which the office is designated are used in a way that is lawful and authorized, effective, efficient, economical and transparent.

Section 149 (2) in carrying out the responsibilities imposed by section 1, an accounting officer shall in respect of the entity concerned, section 149 2(a) ensure that all expenditure made by the entity complies with section 1.

Section 149(2) (f), being a matter to the executive Committee Member responsible for the entity, if the accounting officer's opinion, a decision or policy or proposed decision or policy of the entity may result in resources being used in a way that is contrary to sub section 1.

Section 149(2) q, provide information on any fraud, loses or violations of subsection1 and provide explanations for the actions taken to prevent similar conduct in future.

The Public Finance Management Act 2012 section 166 states as follows;

1. An accounting officer for a County Government entity shall prepare a report for each quarter of the financial year in respect of the entity.
2. In preparing a quarterly report for a County Government entity, the accounting officer shall ensure that the report;
 - a) Contains information on Financial and non-financial performance of the entity.
 - b) Is in a form determined by the accounting standards board
3. Not later than 15 days after the end of each quarter, the accounting officer shall submit the quarterly report to the County treasury.
4. Not later than one Month after the end of each quarter, the County treasury shall;
 - a) Consolidate the quarterly reports and submit them to the County Assembly
 - b) Deliver to the office of Controller of Budget National treasury and the Commission on Revenue Allocation and;
 - c) Publish and publicize them

Acknowledgement

Mr. Speaker Sir, I take this opportunity to thank the offices of the Speaker and the Clerk of the County Assembly of Bungoma for the support received as it discharged its mandate. I also appreciate Committee Members for dedicating their time to examine and analyze the Bungoma County Government quarterly report and financial statements for the period ended 30th September 2021.

Further, I would also like to appreciate the Members of staff who worked with us for their commitments to make the production of this report a success.

Mr. Speaker Sir, it is therefore my pleasant duty and privilege on behalf of the Hon. Members of the Public Administration an ICT Committee to table this report and recommend it to Assembly for consideration and adoption.

Signed by Hon. Majimbo Okumu MCA Khalaba Ward,

Chairperson of the Committee on 4th of February 2022.

Departmental expenditures analysis

County Public Service

In the financial year 2020/2021, the County Public Service Board had an approved Budget of 33,714, 920 for recurrent programmes and none for development.

Exchequer releases

A total of Ksh. 7,625, 230 was released and spent in the first quarter of the financial year.

Detailed personnel expenditure

The Board spent Ksh. 2,502, 131 to pay salaries and allowances to board secretariat for the 3 months under review. The board had paid all the funds appropriated for gratuity, for the contracted personnel worth Kshs.2, 607,765 at the end of the financial year.

A breakdown of the payroll is attached to this report.

Pending Staff Receivables (Outstanding Imprests)

During the first quarter, the Board did not issue any imprest, thus no outstanding imprest. As at 30th September 2021, the Board had utilized a total of Kshs. 7,625,230 equivalent to 23% of the approved annual budget.

Budget Implementation reports. (Programmes implemented in the period under review as per the approved PBB and activity costing.

The report gives the expenditures of the programmes implemented below with the activities carried to determine whether funds were spent on approved activities.

Recurrent expenditure of Kshs. 7,625,230 constitutes the items below:

- a) Basic Salaries; Kshs.1, 794,110
- b) Courier and Postal Services; Kshs.4, 500
- c) Travel Costs; Kshs.1, 271,120
- d) Daily Subsistence Allowance; Kshs. 1,083,200
- e) Accommodation Allowance; Kshs.1, 053,000
- f) Boards, Committees, Conferences and Seminars; Kshs. 2,419,300

Pending Bills

Mr. Speaker, as at 30th September, 2021, a total of Kshs. 6,146,589 was outstanding payments due to suppliers of goods and services as per the attached list.

2.2. PUBLIC SERVICE MANAGEMENT AND ADMINISTRATION

The department had an approved budget of Kshs. 357,162,655 on recurrent and none on development.

Exchequer Releases

The exchequer releases for the first quarter was Kshs 59,379,166.90 on recurrent and none on development.

The recurrent releases facilitated the programmes below:

- a) Domestic travels Kshs. 1,100,000
- b) Field Operation Allowance Kshs.4, 807,400
- c) Training Kshs. 1,495,700
- d) Boards and Committee Kshs. 606,050

Personnel Emolument

The personnel emolument for the period under review was Kshs. 51,370,017 representing an absorption rate of 27.6%. The salaries were paid out as follows:

July	Kshs.18, 153,721.60
August	Kshs. 18,097,810
September	Kshs. 15,118,485

The detailed information on personnel expenditures was submitted for the Offices of the County Secretary and Public Administration.

Pending Staff Receivables (Outstanding Imprests)

The department has pending staff receivables (outstanding imprests) amounting to Kshs.5, 163,400 in the period under review. The report indicated the imprests have been surrendered.

The committee took note of the following programs implemented within the first quarter:

- a) Imprest of Kshs. 1,166,000 for facilitation for engagement on preparedness and conflict management given on 22nd September 2021; and
- b) Imprest of Kshs. 3,097,400 also for facilitation for engagement on preparedness and conflict management given on 28th September 2021.

It's important to note the provisions of the PFM Act 2021 on management of imprests. The Public Finance Management Regulations, 2015 section 93 subsection 5 provides that, "A holder of a temporary imprest shall account or surrender the imprest within seven working days after returning to duty station"

Pending Bills

The department did not submit the list of pending bills for the period under review. However, the cumulative pending bills from the previous financial years amount to Kshs.41, 976,907 for recurrent and Kshs.4, 484,126.52 for development.

2.3. OFFICE OF THE GOVERNOR AND DEPUTY GOVERNOR

Exchequer Releases

The Governor's office had an approved budget of Kshs. 499,095,561. The cumulative exchequer releases for the first quarter was Kshs. 86,008,311.

Personnel Emoluments

The department spent Kshs. 66,236,247 on salaries broken down as follows:

- a) July –Kshs. 22,330,136

- b) August- Kshs. 20,617,662
- c) September-Kshs. 23,288,449

The personnel emolument represents an absorption rate of 19% as opposed to 25% in the first quarter of the last financial year.

Pending Staff Receivables (Outstanding Imprests)

The department had pending staff receivables (outstanding imprests) amounting to Kshs. 13,022,539 in the period under review with most of the imprests submitted but not surrendered.

The activities undertaken by the Office include:

Facilitation for:

1. Stakeholders' engagement meeting
2. Accountable documents
3. Chepkube Market attendants meeting
4. Women group meetings
5. Kanduyi farmers representation meeting
6. Youth and women sensitization on procurement opportunities.
7. Bungoma Business community meeting
8. Mombasa-National Association of Christian Chaplains.
9. Meetings with boda boda managers

Expenditures

The exchequer releases for the first quarter was expended on the following votes:

1. Domestic travels has Kshs. 8, 490,239.
2. Foreign travels Kshs. 775,450
3. Training Kshs.3, 168,375
4. Hospitality Kshs. 7,338,000

Pending Bills

The department did not have any pending bills in the period under review. However, the pending bills submitted related to the previous financial years which had not been settled amounting to Kshs.41, 976,749.88.

Office of the Deputy Governor

The Office of the Deputy Governor has an allocation of Kshs. 14,619,266 for the financial year 2021/2022.

The office had an exchequer release of Kshs. 2,088,000 spent on the following items:

1. Domestic Daily Allowance; Kshs. 900,000
2. Accommodation Allowance; Kshs.238.000
3. Boards, Committee and Conferences and Seminars; Kshs. 950,000

2.4. COUNTY SECRETARY, ICT AND COUNTY ATTORNEY

The Office of the County Secretary, ICT and County Attorney had an approved budget of Kshs. 349,586,171 broken down as follows; Kshs.206, 923,222 on recurrent and Kshs. 142,662,949 on development.

Exchequer Releases

The exchequer releases for the first quarter was Kshs. 603,000 expended on Daily Subsistence Allowances and Accommodation.

Pending Bills

The department submitted pending bills amounting to Kshs. 8,579,995 in the period under review.

Pending Staff Receivables (Outstanding Imprests)

The department provided details of outstanding imprests amounting to Kshs. 21,446,500 as per the attached list.

Notably were imprests that remained un-surrendered by the end of the quarter as follows:

- a) Imprest warrant No; 3200446 given for facilitation for media engagement ; Kshs. 1,552,500;
- b) Imprest warrant No. 3856432 given as office imprest; Kshs. 400,000.

The rest of the imprests were indicated as submitted and surrendered although the IFMIS clearance reports were not submitted.

Grants/Development

The department had a grant of Kshs. 212 million in the FY 2019/20 which was partially spent on the construction of the 300 bed capacity maternity ward at the Bungoma County Referral Hospital. A balance of Kshs. 85,556,142 was brought forward to the FY 2020/21. The report gave actual expenditure at Kshs.166, 965,416 for the FY 2020/21.

CHAPTER THREE

3.0. COMMITTEE'S OBSERVATIONS AND RECOMMENDATIONS

3.1. Committee Observations

Mr. Speaker Sir, the committee made the following observations:

1. All the funds received from the exchequer during the first quarter by all the departments over sighted by the committee were entirely for the recurrent programmes.
2. Besides the Office the Governor, all the departments submitted details of the payroll for scrutiny by the committee as requested by the County Assembly vide the letter date 27th January, 2022.
3. All the departments over sighted by the committee recorded pending bills accrued during the financial year 2020/2021 as outlined below:
 - a) County Public Service Board – Kshs. 6,146,589

- b) Public Service Management and Administration – Kshs. 46,461,033.
 - c) Governor’s/Deputy Governor’s Office – Kshs.41, 976,749.88.
 - d) Office of the County Secretary –Kshs. Kshs. 8,579,995
4. Besides the CPSB, all the departments under the PSMA had un-surrendered imprests during the period under review which had not been cleared by the County Treasury by the time of production of this report. The committee noted that the imprests remained outstanding contrary to the provisions of PFM Act, 2012 and PFM regulations 2015 on handling of imprests.
 5. The committee noted expenditures in the following departments which at the time of production of the report, had not been clarified nor any information submitted on the breakdown of the expenditures:
 - a) Kshs.4, 263,400 for engagement on preparedness’s and conflict management in the department of PSMA;
 - b) Kshs. 8,490,239 for domestic travels and Kshs. 7,338,000 for hospitality in the Office of the Governor; and
 - c) Kshs. 1,552,500 for media engagement in the Office of the County Secretary.

3.2. Committee Recommendations

Mr. Speaker Sir, the committee recommends that:

1. That all the Accounting Officers in the departments over sighted by the committee should submit detailed lists of all the pending bills authenticated and verified by the County Treasury within fourteen (14) days of adoption of this report.
2. That the Office of the Governor to submit to the County Assembly a detailed payroll for the first quarter of the financial year as directed by the County Assembly within fourteen (14) days of adoption of this report.
3. That the departments under the Public Service Management and Administration should submit to the County Assembly key supporting documents and imprest clearance reports on the surrender of the outstanding imprests within fourteen (14) days of adoption of this report.
4. That the Accounting Officers in the department of Public Service Management and Administration, Office of the Governor and the County Secretary to submit the financial and non-financial report engagement on preparedness and conflict management, domestic travels and hospitality and media engagement respectively within fourteen (14) days of adoption of this report. This will enable the committee to determine if the activities were implemented as per the approved fiscal documents.

Honorable Speaker that marks the end of the report, we have annexures;

1. Adoption Schedule
2. Supporting Documents: (Payroll extracts, list of pending bill, lists of outstanding imprests and budget implementation reports)

- i. County Public Service Board;
- ii. Public Service Management and Administration;
- iii. Governor and Deputy Governor's Office
- iv. Office of the County Secretary
- v. ICT and Records Management

The report is adopted and signed by most of the members. I now take this opportunity to call upon our able Chairperson, honorable 001 Henry Majimbo to second this report.

(Applause)

Hon. Henry Majimbo: Thank you, Mr. Speaker. I rise to second the motion on the quarterly report and financial report for the period ended September 30th 2021 in respect to the departments of County Public Service Board, Public Service Management and Administration, Governor and Deputy Governor, County Secretary, ICT and Records as moved by Hon. Francis Maasai our leader of minority and member of the committee the MCA for Kaptama ward. I stand to second the motion with the following observations for the members consumption. I want to draw the attention of the house on page seven of this report which highlights citation on section 166 of the PFM Act 2012 that states as:

166 (1) An accounting officer for a county government entity shall prepare a report for each quarter of the financial year in respect of the entity.

Mr. Speaker, allow me go directly to subsection 3 that states that:

3. Not later, than fifteen days after the end of each quarter, the accounting officer shall submit the quarterly report to the County Treasury.

Lastly sub section four states that;

4. Not later than one month after the end of each quarter, the County Treasury shall—
 - (a) Consolidate the quarterly reports and submit them to the county assembly;

Mr. Speaker, what I am trying to submit is that the County Executive has not complied with the provisions of 166. Imagine this is a report for the first quarter and we are tabling it in the third quarter. It is really sad. I don't know when the third quarter will be tabled but we want to call upon the executive to comply with the law. Any delay with compliance with the law is denying this assembly and the electorate at large to know the operations of this County Government. The law is very clear it says; not late than one month after the end of each quarter the county treasury shall consolidate quarterly reports and submit them to the County Assembly. This is the only County Assembly in Bungoma County, we are now moving this report in March and when I look at when I signed, I signed this report on 4th of February which means we were even behind schedule.

So as we move forward, I want to call upon the leader of majority to reign in because he is the leader of government business in this County to reign in on the respective entities to ensure that

they comply with the law, otherwise we will be going against the law ourselves as County Assembly, we are supposed to ensure that they submit these reports on time. I don't know whether the first quarter report is ready? I am not very sure, I don't know if we have interrogated it, I am not very sure but my point is very clear that as a County Assembly, an entity of this County Government that is constitutionally mandated to oversight the executive we should also ensure that they comply.

Recommendation number two; That the Office of the Governor to submit to the County Assembly a detailed payroll for the first quarter of the financial year as directed by the County Assembly within fourteen (14) days of adoption of this report. The office of the governor has in its own wisdom been declining to submit these payrolls for interrogation, we don't know what they hide in these payrolls, and we have been requesting them to avail the payrolls but to no avail. So as we adopt this report as an assembly, I wish that the table clerk will communicate to the office of the Governor reminding them of this recommendation number two.

In all the reports that have been tabled in this house, the issue of the imprests is everywhere, you find that none of the entities has been complying with the provisions on management of imprests. The law is very clear on management of imprests but what has been happening is that this county government has taken upon itself to utilize funds meant for operations as pocket change where they go out showcasing how they have money. I also want to call upon the leader of majority who is the leader of Government business here to have them...

(Laughter)

Hon. Machani is laughing...

I just want to call upon the leader of majority who is the leader of government business here to see whether this county government can change this trend of utilizing imprests as if it is pocket change. Otherwise thank you Mr. Speaker, I want to second this motion and request the honorable members to support this motion and have it adopted for onward transmission to the executive for action.

Mr. Deputy Speaker: Thank you so much, Hon. Henry Majimbo for the secondment which has been very in depth. Now a motion having been moved and duly seconded, I now propose the question that this house adopts the report by the sectorial committee on Public Administration and ICT on the Bungoma County first quarter financial report for the period ended September 30th 2021 in respect to the departments of County Public Service Board, Public Service Management and Administration, Governor and Deputy Governor's office, County Secretary, ICT and Records Management.

I propose.

(Question proposed)

Well you know I saw the Hon. Machani Mutoka laughing when the seconder of the motion was referring to the majority leader as government business person in the house and it was so amusing and I don't understand the reasons for the laughter but I know it is good. There is no response because the mood is we ask the question.

Honorable members, I now put this question that a motion having been moved and duly seconded, I now put the question that this house adopts the report by the sectorial committee on Public Administration and ICT on the Bungoma County first quarter financial statements for the period ended September 30th 2021 in respect to the departments of County Public Service Board, Public Service Management and Administration, Governor and Deputy Governor's office, County Secretary, ICT and Records Management.

Question put and agreed to

The Ayes have it!

(Applause)

The report is adopted and the table clerks will work on it to facilitate the transmission to the relevant offices as required.

There being no other business on the Order Paper, this House will adjourn to tomorrow, Thursday 17th March 2022 at 2:30 p.m.

(House Adjourns)

