

COUNTY GOVERNMENT OF BUNGOMA

COUNTY ASSEMBLY OF BUNGOMA

COUNTY ASSEMBLY DEBATES

THE DAILY HANSARD

THURSDAY 6TH APRIL, 2023

Afternoon Sitting

COUNTY ASSEMBLY OF BUNGOMA

HANSARD OFFICIAL REPORT

THURSDAY 6TH APRIL, 2023

The House met at 2:30 p.m.

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

PRAYER

COMMUNICATION FROM THE CHAIR

Mr. Deputy Speaker: Honorable Members, I do have a Communication to make. Our Speaker, Hon. Emmanuel Situma is out on official function with County Assembly Service Board.

We also have visitors in our gallery. These are students from the Dominion Training Institute which is domiciled in Khalaba Ward. They are students taking Journalism and Media studies who have attended to observe the County Assembly proceedings. When I call out your name you be upstanding,

1. Jorai Wekesa
2. Chepkorir Maurine
3. Duncan Mapesa
4. Eunice Omusebe
5. Wanjala Jentrix
6. Abel Wafula

Together with other Members in the gallery we appreciate your presence. Honorable Members kindly applaud them.

(Applause)

PAPERS

THE REPORT ON GENDER, CULTURE AND SOCIAL WELFARE ON THE STATUS OF GENDER BASED VIOLENCE CASES IN BUNGOMA COUNTY

Hon. Jack Kawa: I'm on my feet on behalf of the Committee on Gender to table the report on Gender, Culture and Social Welfare on the status of Gender Based Violence cases in Bungoma County.

Mr. Deputy Speaker: Thank you, Hon. Zakayo. In the Bible we have Zakayo whom we are told was a very short person but we are glad here in the Assembly we have a tall Zakayo.

Honorable Members, a report by the Committee on Gender, Culture and Social Welfare on the status of Gender Based Violence cases in Bungoma County having been procedurally laid in this House; it is now the property of the Assembly.

NOTICES OF MOTION

THE REPORT ON GENDER, CULTURE AND SOCIAL WELFARE ON THE STATUS OF GENDER BASED VIOLENCE CASES IN BUNGOMA COUNTY

Hon. Jack Kawa: Mr. Speaker, I'm on my feet and in my mood because I'm expecting Jesus of Tongaren to be crucified.

(Applause)

I'm once gain on my feet to issue a Notice of Motion that this House adopts the report by the Sector Committee on Gender, Culture and Social welfare on the status of Gender Based Violence cases in Bungoma County.

Mr. Deputy Speaker: Thank you, Honorable Zakayo. Honorable Members, the Notice of the Motion having been duly issued in procedural manner, I therefore direct that it be circulated to the Honorable Members of this Honorable House for their critical perusal and in depth consumption and forms part of the business that will be considered by this House.

STATEMENTS

BUSINESS OF WEEK COMMENCING TUESDAY 11TH TO 13TH THURSDAY APRIL 2023

Hon. Johnston Ipara: I stand to present to you a weekly programme of the County Assembly for the week commencing Tuesday 11th to 13th April 2023.

Tuesday 11th April 2023 at 2:30 p.m.

Papers

A report by Budget and Appropriation Committee on the County Medium Term Debt Management Strategy Paper for the financial year 2023/2024/2025/2026

Notices of Motions

That this House adopts the report by the Budget and Appropriation Committee on the County Medium Term Debt Management Strategy Paper for the financial year 2023/2024/2025/2026

Statements

1. Response from the County Executive Committee Member for Roads, Transport, Infrastructure and Public Works to a statement sought by the Hon. Jack Wambulwa in respect to the Implementation of CEF Road projects in Kimaeti Ward in the financial year 2019/2020 and 2021/2022.
2. Response from the County Executive Committee member for Roads, Transport, Infrastructure and Public Works to a statement sought by Anthony Lusenaka in respect to the Construction of Lumoro, Lutaso Namirembe Road.
3. Response from the County Executive Committee Member for Public Administration and ICT to a statement sought by Hon. Anthony Lusenaka in relation to the Construction of Ward Offices in Bukembe West Ward.

Wednesday 12th April 2023 at 9:30 a.m.

Papers

A report by the Sectoral Committee on Finance and Economic Planning on the Bungoma County Integrated Development Plan for 2023 to 2027.

Notices of Motion

That this House adopts the report by the Sectoral Committee on Finance and Economic Planning on the Bungoma County Integrated Development Plan for the Financial year 2023 to 2027

Statements

A statement sought by Hon. Stephen Wamalwa from the Chair Person Sectorial Committee on Health and Sanitation in relation to the status of Construction of Misanga Dispensary and Makutano Health Centre in Soysambu/Mitua Ward.

Motions

That this House adopts the report by the Budget and Appropriation Committee on the County Medium term debt management Strategy Paper for the Financial year 2023/2024/2025/2026.

Wednesday 12th 2023 at 2:30 p.m.

A report on the Sectoral Committee on Lands, Urban, Physical Planning and Housing on the Implementation Status of Spatial Plans, Land Registry and GIS Laboratory in the County.

Notices of Motion

That this House adopts the report by the Sectoral Committee on Lands, Urban Physical Planning and Housing on the Implementation Status of Spatial Plans, Land Registry and GIS Laboratory in the County

Motions

That this House adopts the report by the Sectoral Committee on Finance and Economic Planning on the Bungoma County Integrated Development Plan for the Financial year 2023 to 2027.

Thursday 13th April 2:30 p.m.

Statements

A statement informing the County Assembly of the Weekly Business Coming before the House from Tuesday 18th to Thursday 20th April 2023

Motions

That this House adopt the report by Public Accounts and Investments on Auditor General Reports on the Staff Car and Mortgage Fund for financial year 2018/2019, 2020/2021.

I table the programme.

Mr. Deputy Speaker: Thank you, Hon. Johnston Ipara Okasida. I applaud you for pronouncing words very well for the local names like Lumoro, Lutaso, and Namirembe. That is great.

Honorable Members, we do have the Students from Dominion. I want to give some time so that we have our chair on Education. I will have a female and a male Honorable Member to at least say something to encourage the students who are here in the gallery. We will begin with any lady Honorable Member then also have one male Honorable Member then before that we will have an MCA representing Khalaba Ward who is not for official duty, we can ask his neighbor who is willing to stand in for the Honorable Cornelius who is out on official duty.

We begin with any female Honorable Member whose Holy Spirit is telling her to encourage the students

Hon. Catherine Kituyi: Thank you for this opportunity to encourage the students. I just want to tell them that education is the key. As you put Education first, with God everything is possible. So put your efforts in everything. Work smart in whatever you are doing. Be focused and everything is going to be okay.

Mr. Deputy Speaker: Thank you, Hon. Mating. I want to request Honorable for East Sang'alo who is also a neighbor to Khalaba to say something then we have the Chair.

Hon. Everton Nganga: Thank you for giving me a chance to encourage students from Dominion. First, I would like to welcome students from Dominion Training Institute. When I was teaching at Sang'alo Institute from 2007 up to 2016, that is when I came to know Dominion Institute.

Initially they were operating from Moghe Plaza and when I was at Sang'alo Town Campus, I was the Dean of curriculum and those students from Dominion who were taking Social Work and Community Development; I was the one who was welcoming them when they were taking their oral interviews which is a unit in their Course.

These students are disciplined and it was a College that was competing Sang'alo Institute and it is a nice place to be and there are a number of courses that are offered at Dominion Training Institute. As a certified Member of ICPAK, there are students who are looking for my assistance, those taking section 5 and 6 especially Financial Management and Advanced Financial Reporting, you are welcome as you pursue your courses. Encourage other students...

Recently, there was an advert by the Public Service Commission. They want tutors who can teach in our Vocational Training Colleges and when you look at the adverts, those students taking Social Work, Telecommunication, Plumbing and other courses are on high demand. This is a nice college for they are imparting skills to our people.

Students, I would wish to thank you for electing Hon. Cornelius. In this Assembly, he is a competent debater as he represents Khalaba Ward in a good way. I urge you to continue supporting him and I know you will get more bursaries from the County Government. We are in preparation and soon the bursaries will be awarded. We are having shortfalls here and there but soon we will finalize.

(Applause)

Mr. Deputy Speaker: Thank you, Hon. Sifuna. I didn't know that you had a relationship with the College but you have made it clear and we appreciate that. You also happened to have interacted with the same. It has been so wonderful for you talking about your experiences with the college. Let me ask the chair in charge of Education to have a say. These are journalism Students

Hon. Otsiula Benjamin: Thank you for giving me this opportunity to pass a word of encouragement to our visitors from Dominion Training College. First, I want to appreciate the efforts of the students, the path they have taken I believe is the right one. They are pursuing knowledge and I'm happy.

I know you have also mentored many students in your field and if I may borrow your own words that Education is an equalizer. Let them come out of that college, change people and be ready to

transform the society. The importance of education is to improve your ability to generate ideas, become innovative and become a completely different person in the society.

They have gone through several phases from the ECDE, they have gone through the Primary Education, Secondary Education and they are now in a tertiary institution. They have enjoyed their rights, their parents have played a role and this is investment. Therefore to better this Country, they must use their available resources in College as my senior Hon. Everton Nganga has clearly put it and I want to agree with his sentiments that these students here before us represent the future.

These Honorable Members seated here Legislate with a mind to safeguard the future interest and rights. These are kin to educational interests of our people in Bungoma County.

This being an institution in this County, we must be very grateful for our students. When they go back home, they have to understand that we have their interests at heart. Otherwise as they go back, we also wish their lecturers and tutors very good lives. We appreciate the role they play nurturing our people and I hope that should they complete their studies, may they seek to achieve much in future.

(Applause)

Mr. Deputy Speaker: Thank you, Hon. Benjamin. Honorable Members, may I take this opportunity also to wish the students from Dominion College well in their studies. I know it is the same institution that the likes of Sammy Kisondio have been and today they have excelled. They have hit the airwaves and those of you Honorable Members who listen to Sulwe FM, you have heard the likes of Kisondio Sammy and the likes of Nandemu Barasa who was of West Media and now working at the Senate are all students who started their journey at Dominion.

So I want to wish the students from Dominion all the best in their studies. Journalism plays a major role in issues that are contemporary and I believe that you are working within tenets of discipline, so that, you are people who can be relied upon as you work for this Country.

May God bless you, may you have it well as you keep on studying. Thank you so much and feel at home.

(Applause)

MOTIONS

REPORT BY THE SECTORAL COMMITTEE ON YOUTH AND SPORTS ON THE IMPLEMENTATION STATUS OF BUNGOMA YOUTH COUNTY FUND

Hon. Violet Makhanu (Chair, Youth): Thank you, Mr. Speaker. You were trying to communicate something that in the near future it will be implemented. This Committee needs to go back to where it was under Gender, Culture, Youth and Sports.

Mr. Speaker: Honorable Chair, you carry on with the issue at hand.

Hon. Violet Makhanu: It has been on a light note. Before I read the report, I want to let the House know that the Jesus Christ of Tongaren is under tight security and nothing is going to happen to him.

Mr. Deputy Speaker: Hon. Violet. Jesus is at home.

Hon. Violet Makhanu: I'm on my feet on behalf of the Committee on Youth and Sports to move a report on the Implementation status of the Bungoma County Youth Empowerment Fund. This is a report that no Honorable Member can afford to miss.

Allow me to skip the mandate of this Committee for it is well known in this House.

Committee Membership

- | | |
|----------------------------|--------------|
| 1. Hon. Violet Makhanu - | Chair Person |
| 2. Hon. Grace Sundukwa - | Vice Chair |
| 3. Hon. Charles Nangulu | Member |
| 4. Hon. Job. Mukoyandali | Member |
| 5. Hon. Cornelius Makhanu | Member |
| 6. Hon. Caleb Wanjala | Member |
| 7. Hon. Abraham Obama | Member |
| 8. Hon. Martin Chemorion | Member |
| 9. Hon. Iddi Owongo | Member |
| 10. Hon. Metrine Nangalama | Member |
| 11. Hon. Catherine Kituyi | Member |
| 12. Hon. Dorcus Na Ndasaba | Member |
| 13. Hon. Everlyne Anyango | Member |
| 14. Hon. Allan Nyongesa | Member |
| 15. Hon. Aggrey Bosire | Member. |

Acknowledgement

The Committee wishes to register its appreciation to the office of the Speaker and the Clerk of the County Assembly of Bungoma for their administrative and logistical support that enabled the Committee to execute this exercise.

I also want to express my thanks to the Committee, Honorable Members who honored their obligation and participated in coming up with this report.

The Committee in addition wishes to appreciate the service rendered by the ever committed reliable Secretariat for their efforts and input that made the work of the Committee and production of this report not only possible but also timely.

It is therefore my pleasant duty on behalf of the Committee on Youth and Sports to table this report to this House for adoption.

The report is signed by Hon. Violet Makhanu, the Chairperson - Youth and Sports Committee.

Introduction

Bungoma County Youth Empowerment Fund was established by the County Government of Bungoma and derives its authority from the Bungoma County Youth and Women Empowerment Fund Regulations, 2015. The Fund is domiciled in the department of Gender, Culture, Youth and Sports under the Chief Officer, Youth and Sports as a revolving fund.

Objectives of the Fund

- i. To provide funds to be used for granting low-interest loans to youth with a view to scaling up their lending activities, value addition amongst other activities as may be prescribed;
- ii. To provide funds to support, revive and initiate micro-enterprises owned by women and the youth in sectors that can have an immediate impact to household economy;
- iii. To attract and facilitate investment in economic sectors that have linkages to micro, small and medium enterprises that benefit the youth;
- iv. Facilitating access to business development services by micro and small enterprises; Facilitating formalization and upgrading of informal micro and small enterprises; and promoting an entrepreneurial culture

The Fund's Main Goal

The Fund's main goal is empowering marginalized groups of the society by providing access to affordable loans and capacity building.

LEGAL FRAMEWORK

In the execution of its mandate afore-stated, the Committee on Youth and Sports is given a legal backing and guided by core principles on the County Fund under the Constitution of Kenya

2010, Public Finance Management Act and Regulation 2012, County Governments Act 2012 and the Bungoma County Women and Youth Empowerment Fund 2015.

These statutory provisions include:

Power to Establish County Public Funds

The provisions of section 116 (1) of the Public Finance Management Act, 2012 states that a County Executive Committee Member for Finance may establish other Public Funds with the approval of the County Executive Committee and the County Assembly. Section 116 (4) of the said Act states that the administrator of a County public fund shall ensure that money held in the fund, including any earnings or accruals is spent only for the purpose for which the fund is established. Section 167 of the same Act provides as follows;

- I. The administrator of a County Public Fund established by the Constitution of Kenya 2010, an Act of Parliament or County legislation shall prepare financial statements for the fund for each financial year in a form prescribed by the Accounting Standards Board.
- II. In preparing a financial statement for a county public fund, the administrator shall ensure that the report contains information on the financial and non-financial performance of the fund.
- III. Not later than three months after the end of each financial year, the administrator of a county public fund shall submit the financial statements prepared under this section to the Auditor General and;
- IV. The Administrator of the Fund shall submit a copy of the report to the County Executive Member responsible for the fund.

Constitutional Principles on Public Finance

Article 201 of the Constitution of Kenya, 2010 enacts fundamental principles that “...*shall guide all aspects of public 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.*

Public Finance Management Act, 2012

Section 116 of the Public Finance Management Act on the establishment and winding up of the Public Fund states that:

- i. A County Executive Committee Member for Finance may establish other public funds with the approval of the County Executive Committee and the County Assembly.
- ii. For every county public fund established, the County Executive Committee Member for Finance shall designate a person responsible for administering that fund.
- iii. The administrator of a County public fund shall ensure that the earnings of, or accruals to a county public fund are retained in the fund, unless the County Executive Committee Member for Finance directs otherwise.

- iv. The administrator of a county public fund shall ensure that money held in the fund, including any earnings or accruals referred to in subsection (3) is spent only for the purposes for which the fund is established.
- v. The County Executive Committee Member for Finance may wind up a county public fund with the approval of the County Assembly.
- vi. On the winding up of a county public fund—
 - (a) The administrator of the fund shall pay any amount remaining in the fund into the County Exchequer Account; and
 - (b) The County Executive Committee member for finance shall, with the approval of the County Assembly, pay any deficit in the fund from the County Exchequer Account.
- vii. The administrator of a county public fund shall—
 - (a) Prepare accounts for the fund for each financial year;
 - (b) not later than three months after the end of each financial year, submit financial statements relating to those accounts to the Auditor-General; and present the financial statements to the County Assembly.
- viii. The administrator of a county public fund shall ensure that the accounts for the fund and the annual financial statements relating to those accounts comply with the accounting standards prescribed and published by the Accounting Standards Board from time to time.

Public Finance Management Regulation, 2015

Section 197 (d) of PFM Regulation provides that the administration costs of the Fund shall be a maximum of three 3% of the approved budgets of the Fund; and Section (e) states that “the County Executive Committee Member responsible for the County Government entity functions shall confirm in writing that the establishment of the Fund and its continued existence will not depend on annual financing from the County exchequer;”

The Fund was established pursuant to the Bungoma County Youth and Women Empowerment Fund Regulations, 2015, whose management and operation is guided by the following principles:

- a) Public participation and financial inclusivity
- b) Protection of the interests of the marginalized and youth
- c) Local ownership and sustainability

INQUIRY AND TERMS OF REFERENCE

The Committee on Youth Affairs and Sports approved this activity since the Bungoma County Youth Empowerment has been previously neglected, mismanaged and has not received any Budgetary allocation for several financial years. This necessitated the Committee to look into the matter and come up with this report.

METHODOLOGY

The Committee wrote to the department requesting for relevant information via a letter dated 6th March 2023. The Committee further invited the CECM Gender, Culture, Youth and Sports on 13th March, 2023 to shed more light on the written submissions received. (*Annexed is the Letter for Invitation*)

OPERATION AND MANAGEMENT OF THE FUND

a) Principal Activities

The principal activity/mission/ mandate of the Fund;

The principal activity/mission/ mandate of the Fund are to enhance economic activities and social welfare of the marginalized persons in the society through access to loans.

Board of Trustees/Fund Administration Committee

Ref	Position	Name
1	Chairman of the Board	Saphia Awil Ibrahim-
2	Chief Officer	Saphia Awil Ibrahim-
3	Chief Officer finance(representative)	Musungu Joseph
4	Committee Members (PLWD representative)	Adrian Sakwa
5	Fund Administrator	Fredrick Makokha
6	Committee Members (CBO representative)	Rev Johnstone Wanyonyi
7	Committee Member (Youth Representative)	Metrine Tenga
8	Committee Members (County Legal Representative)	Cynthia Nanyokia
9	Member/Women Representative	Umami Maloba

b) Key Management

Ref	Position	Name
1	CECM-Gender Culture Youth and Sports	Nancy Kibaba
2	Ag. Chief Officer Youth and Sports	Saphia Awil
3	Fund Manager/ Administrator	Fredrick Makokha
4	Fund Accountant	Washington Makata
5	Fund Clerks	Lydia Wanjala.

c) Fiduciary Oversight Arrangements

Ref	Position	Name
1	Directorate Internal Audit	Brian Makokha
2	Executive Audit Committee	Committee Members

3	County Assembly Sector committee on Youth and Sports	County assembly
4	County Office of the Controller budget	Dennis Nyamweya

Since inception in the FY 2013/2014, the Fund has had County exchequer releases twice for operation and disbursement. Up to date, the fund has been allocated Kshs 193,500,000 out of which only Kshs 31 M has been released. Despite approval of the Committee, the department has been unable to run the fund as a result of insufficiency in releases.

Financial yr.	Allocations	Releases
2013/2014	40,000,000	6,000,000
2014/2015	50,000,000	25,000,000
2015/2016	51,500,000	0
2016/2017	20,000,000	0
2017/2018	15,000,000	0
2018/2019	10,000,000	0
2019/2020	0	0
2020/2021	0	0
2021/2022	0	0
2022/2023	7,000,000	0
Total	193,500,000	31,000,000

That is the table and the graph as shown.

The current bank balance as at 1st March 2023 was Kshs 131,000. However, the department did not submit the bank statements supporting this since the signatories were not in office at the time of the submission.

Beneficiaries of the Fund and recovery

The Bungoma County Youth Empowerment Fund was meant for youth groups across all the 45 wards in Bungoma County. The criteria used to get the beneficiary groups per ward were through consultative meeting with the then sector committee on Gender and Culture. It was agreed that since all County projects are Ward based, each ward should get equal amount. That is Kshs 25 Million was to be divided equally among the 45 Wards therefore each ward was to get Kshs. 550,000

The fund was advanced to 474 youth groups across all the 45 wards in Bungoma County since inception each group receiving Kshs. 50,000 translating to a total of Kshs. 23,700,000. (*Attached is an annex 1, the list of the names of all groups per ward that were advanced the loan*). The Kshs. 50,000 was the principal amount having an administrative fee of 5% which represents Kshs. 2,500 of the principal amounts.

The groups were required to pay back the full loan amount of Kshs. 50,000 over the course of 12 months with Kshs. 4,200 monthly instalments. The total amount recovered so far for the loans is Kshs 9,726,220 (41%) leaving an outstanding balance of Kshs 13,973,780 (59%).

Below is the schedule showing the disbursement and recovery percentage per ward

	Ward	NO of groups	Amount advanced	Amount recovered	Outstanding balance	% of recover
1	Mbakalo	11	550,000	458,370	91,630	83
2	Bumula	11	550,000	442,200	107,800	80
3	Elgon	9	450,000	327,710	122,290	73
4	Ndalu	11	550,000	363,600	186,400	66
5	Cheptais	11	550,000	351,900	198,100	64
6	Namwela	11	550,000	347,300	202,700	63
7	South Bukusu	11	550,000	346,065	203,935	63
8	West Nalondo	11	550,000	344,280	205,720	63
9	Luuya/Bwake	11	550,000	343,130	206,870	62
10	Bukembe West	10	500,000	287,000	213,000	57
11	Kapkateny	11	550,000	304,400	245,600	55
12	Soysambu	11	550,000	295,310	254,690	54
13	Bokoli	11	550,000	278,720	271,280	51
14	West Sang'alo	11	550,000	273,390	276,610	50
15	Township	11	550,000	262,450	287,550	48

16	Khasoko	11	550,000	259,420	290,580	47
17	Marakaru/Tuuti	9	450,000	208,500	241,500	46
18	Ndivisi	11	550,000	254,585	295,415	46
19	Musikoma	11	550,000	241,935	308,065	44
20	Kimaeti	8	400,000	174,787	225,213	44
21	Maraka	11	550,000	237,250	312,750	43
22	Chesikaki	11	550,000	236,900	313,100	43
23	Chwele/Kabuchai	11	550,000	210,927	339,073	38
24	Naitiri/Kabuyefwe	11	550,000	202,080	347,920	37
25	Bukembe East	12	600,000	219,600	380,400	37
26	Sitikho	11	550,000	198,530	351,470	36
27	Siboti	11	550,000	195,890	354,110	36
28	Kimilili	5	250,000	87,270	162,730	35
29	Kibingei	11	550,000	183,300	366,700	33
30	Matulo	9	450,000	147,000	303,000	33
31	Kaptama	13	650,000	176,900	473,100	27
32	East Sang'alo	10	500,000	131,500	368,500	26
33	Kabula	13	650,000	166,150	483,850	26
34	Mukuyuni	11	550,000	127,400	422,600	23
35	Khalaba	11	550,000	109,400	440,600	20
36	Tongaren	11	550,000	93,450	456,550	17
37	Milima	11	550,000	90,160	459,840	16
38	Kamukuywa	11	550,000	87,700	459,840	16
39	Malakisi/Kulisiru	11	550,000	87,510	462,300	16
40	Misikhu	8	400,000	61,750	338,250	15
41	West Bukusu	5	250,000	31,500	218,500	13
42	Mihuu	11	550,000	55,755	494,245	10
43	Maeni	11	550,000	35,500	515,000	6
44	Chepyuk	11	550,000	34,500	515,500	6
45	Lwandanyi	11	550,000	8,800	541,200	2
	TOTAL	474	23,700,000	9,726,220	13,973,780	41%

From the table above the committee observed that:

- Funds were not distributed equally per ward, as some were awarded more than the proposed allocation.
- Kimilili and West Bukusu wards had the fewest beneficiary groups, 5 groups, while Kabula and Kaptama wards had the most, 13 groups.

- Mbakalo ward has the highest recovery percentage of 83%, while Lwandanyi ward had the lowest recovery percentage of 2%.

Kshs. 31,000,000 was released, with Kshs. 23,700,000 going to youth groups and the remainder going to administrative expenses.

The administrative expenses included;

1. Formation of regulations
2. Formation of the Youth Fund Policy
3. Recruitment of the fund secretariats, ward committees and fund committee
4. Remuneration of the fund ambassadors, fund manager and secretariats
5. Fund committee facilitations like committee meetings and trainings
6. Review of regulations
7. Other small operational overheads like stationary, office cleaning etc.

The Amalgamation of the Fund

There have been minimal activities in the past five years with regards to this fund. However, the budget of the FY 2022/23 saw an allocation of Ksh 7M towards this fund. Due to the failure of the program in the first roll out, the County Government under the stewardship of the current Governor, H.E Hon Kenneth Lusaka, has vowed to revamp this fund and operationalize it in an attempt to empower the youth in the County. Being a program launched in his first administration, the Governor still has the vision of empowering the youth through this revolving fund.

The amalgamation of this fund is a new process where all the Funds in the County are merged to one corporation. Formulation of a corporation under the County Government is a lengthy process that involves a lot of consultation. A task force was formed to come up with regulations and guidelines on the amalgamation of the Funds in Bungoma County and submitted its report to the Cabinet for onward action.

1. Compliance with the Constitution of Kenya 2010.

Article 201(d) of the Constitution provides that public money shall be used in a prudent and responsible way. The Bungoma County Regulation set up a County Committee and various Ward Committees which would be funded and run by the same fund. The Controller of Budget proposed that only the County Committee should be retained and the administrative structure established in the County Government Act should be utilized to reach the grass roots.

2. The Public Finance Management Act, 2012

Regulation 18 establishes a Fund Unit and under Regulation 19(3) the unit shall prepare the financial statements which are the responsibility of the officer administering the Fund. It is the responsibility of the person so designated to be answerable as provided under Section 116 of the PFM Act. The Regulations neither recognizes the role of the County Executive Committee

Member for Finance to designate the officer administering the fund, nor do they spell out the officer responsible for administering the Fund.

Regulation 6(1) provides that one of the sources of monies is any sum or money borrowed by the Fund with the approval of the County Assembly.

Section 142 of the Public Finance Management Act provides that;

- i. The County Assembly may authorize short-term borrowing by County Government entities for cash management purposes only.
- ii. Any borrowing under subsection (1) may not exceed five percent of the most recent audited revenues of the entity.
- iii. A County Government entity that has any such borrowing shall ensure that the money borrowed is repaid within a year from the date on which it was borrowed.

3. Bungoma County Women and Youth Empowerment Regulations, 2015

Regulation 6(1)(a) of Bungoma County Women and Youth Empowerment Fund, 2015 provides that the Fund shall comprise of at least 2% of the annual County Government budget estimate which shall from time to time be voted by the County Assembly. This provision contravenes the requirement of Regulation 197 (1) (e) of the PFM Regulations which states that one of the requirements to be met for a Fund to be set up is a confirmation that the Fund shall not be dependent on the annual financing from the County Exchequer. Further, it goes against the principle of programme-based budgeting where the projects and activities determine the amount to be allocated.

The Regulations establish a Fund, County Committee, Ward Committee and the Fund Unit. The County Committee is presumed to be the governing body which makes decisions to be implemented by the Unit and the Fund administrator. However, in Regulation 8, the County Committee has powers to approve or reject proposals and under Regulation 22, the Unit also has powers to approve and reject proposals hence over lapping of functions. The roles of each stakeholder in the fund should be clearly spelled out.

Challenges that hinder the Operation of the Fund

The following are the challenges that hindered the operation of the Fund;

- I. Legal framework; the Bungoma County Youth and Women Empowerment Fund Regulations, 2015 was so bureaucratic in operations. The formation of ward committees, the fund ambassadors and the fund secretariats were unnecessary and this led to increased administrative costs in the operation of the fund.
- II. Inconsistency in the Regulations; some clauses have been inconsistent with other existing laws like Property Recovery Act and Affirmative Act, 2000.
- III. Political interference; in some areas the local leaders make statements that the loan is a grant which interfered with the recovery of the loans.
- IV. Identification and vetting of groups; if a wrong group is approved in the vetting stage, there will be a problem in the repayment.

V. Budgetary performance; since inception, Kshs. 232 Million has been allocated towards the program but so far only Kshs. 31 Million has been released representing 13.4% hence low working capital for Fund to meet its financial obligations.

The following are the steps that the department has taken to ensure the programme achieves its objective;

- i. Review of the legal framework; the Bungoma County Youth and Women Empowerment Fund Regulation has been reviewed severally to enable compliance and to avoid inconsistency with other laws. The review of the Regulation has not been submitted to the County Assembly.
- ii. Recovery of outstanding loans; the department has put up recovery measures to ensure the loans are recovered and that the fund is up and running to achieve its objective.
- iii. Separating the legal provisions to make the fund independent from disability and women fund.
- iv. Lobbying for more funds through sector Committee; more funds are needed to sufficiently meet the increasing demand of the youth for purpose of empowerment.
- v. The amalgamation process is still on but a lot of consultations are ongoing with stakeholders that include; the County Assembly, other Counties, County Treasury, National Treasury, the Controller of Budget, banks and microfinance. The department is keenly following up so that the gap existing in the previous operations is narrowed.

OBSERVATIONS AND RECOMMENDATIONS

Committee General Observations

The following observations were made.

1. Since inception, the fund has had an allocation of Kshs. 193,500,000 but only Kshs. 31million has been released representing 16.02% and out of which Kshs. 23.7 million was disbursed to youth groups.
2. The number of beneficiary groups ranged from 5 to 13 youth groups per ward as opposed to 11 groups per ward that was agreed between the sector Committee and the department.
3. The department has not taken any steps to recover the outstanding loans from the defaulting groups since 2017.
4. The department is committed to revamping and re-launching the Fund that will be managed under a revised regulation.
5. The task force formed to amalgamate the Funds in the County has taken over five years, a demonstration of lack of seriousness. This has denied the services to the Youth and marginalized groups in the County thus the task force has violated the values and principles of public service more specifically the provisions of Article 232(1) (a)(b) and (c) of the Constitution of Kenya 2010 which states as that,
“(1) the values and principles of public service include—
(a) High standards of professional ethics;
(b) Efficient, effective and economic use of resources;
(c) Responsive, prompt, effective, impartial and equitable provision of services.

6. Some provisions in the Bungoma County Youth and Women Empowerment Fund Regulations 2015 are inconsistent with prudent financial management provided for in Article 201 of the constitution and Sections 116 of PFM Act.

7. The department did not avail documents supporting the oral submission of having Ksh. 131,000 as the running balance as at 1st March 2023.

Committee's Recommendations

The Committee made the following recommendations;

1. That, the department should endeavor to implement the resolutions passed by the County Assembly in respect to programs touching the residents of various Wards.

2. That, the department should identify all the defaulting groups and institute legal process with a view of recovering all the outstanding debt.

3. That, the CECM Gender, Culture, Youth and Sports should liaise with the task force in place to fast track the review of regulations in respect to all funds with a view of revamping affordable loans to youths in the County within 60 days from the date of adoption of this report and report back to this Honourable House.

4. That, the CECM Gender, Culture, Youth and Sports should ensure that all legal instruments conform to the Constitution of Kenya 2010, Public Finance Management Act 2012 and other enabling statutes to avoid inconsistency of the laws in future.

5. That, the department should consider automation of debt collection in order to deal with rogue fund ambassadors who did not remit some of the funds they collected from the debtors.

6. That, going forward Fund Management should strictly adhere to the set provision on General expenses as provided for in the Bungoma Youth Empowerment Regulations 2015 to forestall over expenditure on mandatory expenses as earlier occasioned.

7. That, in future, the Fund administrator should strictly comply with the provisions of Section 156 (4) of the PFM Act, 2012 and further the Committee on Delegated County Legislation should undertake a review of all the approved Funds Regulations with a view of advising the administrators accordingly to avert poor expenditures and management of the Fund.

8. That, the department to fast track the process of formulating an amalgamated fund to be centrally and efficiently managed and make demonstrable efforts through formulation of the necessary legal framework with a view of ensuring that the same is not only ring-fenced but also completely separated from political influence.

9. That, the department within 60 days after adoption of this report, should provide bank statements to this Honorable House through the Committee supporting the expenditure and the oral submission of having a balance of Ksh 131,000 as at 1st March, 2023.

The report is duly signed by all honorable members of this committee. I now take this time to call upon Martin Chemorion who is a member of this committee to second the report.

(Applause)

Thank you so much the Hon. Namaemba. She wasn't given water, that's nice. Thank you so much for the eloquence in a presentation moving the report. Therefore, we welcome the Hon. Martin Cheseto Chemorion Member County Assembly for Cheptais

Martin Cheseto Chemorion: Thank you, Honourable Speaker for giving me this chance. First I want to congratulate my chairperson, for reading out the report in an articulate way. Youth fund is a very noble idea to the people of Bungoma County, because its main purpose is to reach out to the vulnerable and marginalized groups within the community, especially the youth who sometimes don't have starting income to initiate various micro enterprises. So the chairperson, having read in the report, there are few observations that I want to emphasize on; this Fund was created to have youth to access easy monies to initiate their own projects but there's some institutional framework that these funds can be accessed, whereby the fund administrator is supposed to ensure the prudent use of this money as per the PFM Act.

There is this regular allocation, year in year out with an exception of 2019 and 2020 but since inception, funds have been allocated but unfortunately they are only released twice to these groups. The slow release of this money is occasioned by maybe the fund administrator not providing to the exchequer with the performance progress reports on the extent of funding, extent expenditure and maybe the achievement they are in and recovery of this loan fraud from the beneficiaries and maybe sanctions against defaulters, who renege on the agreed terms on the use of this financing.

Sometimes you've also seen some weaknesses in the monitoring unit of this fund. So if you have the institutions from the Ward committees, the fund ambassadors and maybe even the structures of the county, if they were working very well, this fund would be going on up to now.

The chairperson has identified regulations that are conflicting with legal statutes like the PFM Act. So those kinds of regulations should be looked at as amalgamations of these funds are being done.

On loan disbursement to these groups, we have seen that there are some groups in some Wards that are performing better, like Mbakalo; having a recovery of 83% is good. If you compare with Lwandanyi with the 2% recovery. That is a very serious indictment on the institutions that are running these funds maybe in Wards. So moving forward, if you see that maybe a particular Ward or group is performing better, why don't we increase the funding for that group so that they can expand their businesses?

I would suggest that may be in those Wards that have poor recovery record; like having 2% recovery percentage is a very serious indictment which maybe if there is an organization, there is an institution or there are some consultancy monies, you can even do the case study. Why is Mbakalo performing better? Why is Lwandanyi performing poorly, so that it can inform the

decision makers to make necessary or to come up with the best approaches that are responsive to the needs of those people in that particular region? So I think with those few remarks. I beg to second the motion.

Mr. Deputy Speaker: Thank you, Hon. Martin Cheseto Chemorion for seconding of the motion. Honourable members, the motion having been moved and duly seconded, I now propose the question that this House adopts the report by the Sectoral Committee on Youth and Sports on the implementation status of Bungoma Youth County Fund.

(Question proposed)

Mr. Deputy Speaker: Hon. Mukoyandali Lubwani.

Hon. Job Mukoyandali: Thank you, Mr. Speaker for giving me this opportunity. First, let me take this chance to applaud my chair. I have never known she's that perfect until today.

(Applause)

Let me congratulate her for actually taking us through the report in that eloquent way. Secondly, I would like to say that the youth are the key pillars right now to the economy of this country. If actually, these youth will be properly supported through this fund, then I'm definitely sure that in the near future, this crippling economy of this country will be on a climbing lane. This can only happen just like we have seen in the report, if clear structures are actually put in place to ensure that this fund serves its purpose.

Let members of this House actually come together and in our respective Wards, ensure that when the disbursement of these funds is done to the groups that will be chosen at the end of the day in our respective Wards. Let us ensure that we also follow up the recovery process.

This is a revolving fund and I want to believe that it's not just supposed to remain in ten groups, but it's supposed to be a fund which is going to help as many groups as possible within our respective Wards if proper mechanism of recovery of these loans that are given is put in place. As Honourable Members, if we properly help in the choosing of those groups, I'm sure this money will not get lost at the end of the day.

Lastly, I want to believe that from the research, most of these groups that were receiving this money and at the end of the day, you have seen a lot of debts in terms of recovery. Most of these groups were chosen but proper information was not collected on these groups before the disbursement of these funds. Therefore, you realize this money might have just ended in the hands of two, three leaders among the group members, and eventually, when we begin now doing a follow up of this fund for recovery, you can't make a proper recovery. You cannot trace

where the money actually went and also, you can't trace what this money actually did to these groups. Was this money able to help these groups?

Let us support this report because at the end of the day, this report is giving a solution on how we can be able as a county to account for the money that has been put on this fund and also when we are going down now to look for these groups, let us go ahead and have proper groups so that when this fund is given out, let's look at the history of how these groups have been performing before we go ahead and disperse this fund. I support the motion.

Mr. Deputy Speaker: Thank you, Hon. Lumbwani Mukoyandali. Honourable members, in recognition and respect for House leadership, it comes first and therefore I want to give this opportunity to the Honourable Deputy Leader of Majority who will use the dispatch. Deputy Leader of Majority, Hon. Joan Kirong.

Hon. Joan Kirong: Thank you, Mr. Speaker. Allow me to applaud this committee for coming up with a very good report about the youth.

(Applause)

I think the report is self-explanatory but let me add my voice by saying that Youths are indeed marginalized in our community. Why I say this is because you find many youth completed either O-level education or University studies but they are doing nothing and that contributes them to be involved in bad things like *maandmano*.

(Laughter)

They are involved in *maandamano* because they don't have any projects or wealth to protect. I want to urge the County Government that let them be serious on allocation of these funds that let these 3% Go straight to the Ministry of Youth, and we are lucky that we have the ministry in place that is Youth and Sports.

I want also to thank His Excellency the Governor for refunding these funds because we have seen the need of this money in our County and also want to urge the Honourable House is that let us put the policy in place so that it will guide this Funds. So if policy is there the crops will be included uniformly and even money will be given uniformly and the funds will work well. The policy will also help in the recovery of the funds from defaulters. I will not Labour much on it. I rest my case.

(Applause)

Mr. Deputy Speaker: Thank you Hon. Joan Kirong member for Kapkateny and Deputy Leader of Majority. Now on the line we have the Hon. Allan Wanyama Nyongesa.

Hon. Allan Nyongesa: Thank you, Mr. Speaker. I want to start by informing Majority Leader that the youths of Kenya have a right to demonstrate as per the Constitution of Kenya.

(Applause)

It is on a light note Deputy Majority Leader. First, I want to thank the Chair, members and even secretariat of the committee for coming up with good report and for the good work they have done.

I want to applaud the governor His Excellency Ken Lusaka for remaining committed to the Youths of Bungoma County. You all remember he is the initiator of this of this Youth Fund in 2013. And he is committed up to now. Maybe this time around he will do it better. The youths of Bungoma County are well educated, they have degrees and diplomas, but they are jobless because there are no jobs. The only way of survival is venturing into small scale businesses, but the challenge has been capital. So there is need to help the youths of Bungoma County by giving them such kind of funds.

So I urge the Department of Youth and Gender to fast track the regulations so that we can help the youths of Bungoma County. With that brief remark, I support the report.

Mr. Deputy Speaker: That is the Hon. Allan Nyongesa representing the youth of this County eloquently. Next Hon. Ipara Johnstone Okasida.

Hon. Johnstone Ipara: Thank you, Honourable Speaker for allowing me to have an opportunity to raise several issues on the Youth Fund. First of all, allow me to thank the chair for this committee for taking us through on this particular fund report.

I want to take you back on the whole House that 80% of our population is youth and when you talk about 53 million Kenyans then we are saying that 80% of that is likely about 40 million. If the population is 40 million and you heard from the chair herself saying that out of that what were allocated for this particular group was 193,500,000 and the releases were 31 million then the question to ask is, where did the rest of the money go? If it was allocated, I hope the chair will address and I want also to believe that the executive will also consider this particular group who represent the highest percentage in our County. The unemployment mostly affects the youth. If you walked today to Soysambu/Mitua Ward where Honourable Speaker come from, you will find that most of our younger generation are loitering within the markets with nothing to do, and if this money was given out, I want to believe that we could have reduced unemployment by at least 15% across the 45 Wards.

The other question that I did not hear from the chair is it seems like these groups were jointly given the loan and when I was reading through, I found that 50,000 Kenya shillings was supposed to be given to every group. She said that 13 or 11 groups have been the beneficiaries, at 550,000. I'm quoting from Tongaren. Then the question is how much did each group get? Because we need to understand so that we can see how much was given to our groups or the groups were just heaped together? And it is only one group that was the beneficiary. It is sad to see that 23,700,000 were given out to 474 beneficiaries. But the only money that we have been able to cover is 9,726 220, leaving a balance out of 13,973 780.

If you go to observation number three, *the committee says the department has not taken any steps to recover the outstanding loans from their defaulting groups since 2017* and what amazes me more is recommendation number four, where the committee says the department is committed to revamping, how do you revamp when those who are in office are not serious? I think number one is we must come out with a recommendation that those who are in the office should not be allowed at any other time to run the Youth Fund because they are a let-down.

What we want to hear from the chair as she comes to address, and I want to assure you, we shall support this because we are fathers, parents, and leaders and we mean well for the youth. What remedy has a different board taken in place to deal with the defaulters because it has not been spelled out and we purporting that we wish well for the youth?

And we are also saying that the youth are the future leaders and I want to say that they're not the future leaders but they are the leaders of tomorrow and where we want Hon. Allan, Katila and Linda to be the leaders of tomorrow. We must allow them to own properties today, we must allow them to know how to manage the fund today and not tomorrow and we should not sympathize with the people who misappropriate funds intended for the goodwill of our people. I support.

(Applause)

Mr. Deputy Speaker: That was very passionate Hon. Okasida. The Hon. James Barasa Mukhongo, the veteran.

Hon. James Mukhongo: Thank you, Honourable Speaker. On the onset, let me also join my colleagues who have spoken to applaud the entire committee of Youth and Sports for a good report. Let me thank my sister Hon. Violet. She has taken us through this report in a systematic manner and we appreciate for that.

The funds main goal was to change the lives of our youths by then and when this fund was being created, I was in this Honourable House and we started failing from the onset because looking at

the list of the beneficiaries in my Ward, and if we continue making mistakes like that and we don't mention them, we will not go far.

(Applause)

Any fund or any activity undertaken by the executive must incorporate this House regardless of our political affiliations.

(Applause)

I remember by then I was in the opposition. The ruling government was of the current Governor but I thank God today I am in the Government. It is very shocking when you look at a table here, it leaves us with so many questions; how did they reach the groups that were benefitting from the funds?

If the committee was very wise, you could have even asked because those groups were registered by the social services by then, you could have looked at the certificates. Believe me you will find a group of two people has been given some money because they support the Government and if you are against the Government you are not being considered. That is how it failed because some of us as members of this Honourable House were also being divided into political lines.

When they were identifying these groups in my ward, I wasn't involved because I have looked at the challenges being mentioned by my sister here. One of the challenges is political interference, even in the current situation we are in, political interference which has cost this country because I was not involved, I want to convey to this Honourable House. We told our people and one word from a politician is enough. We told our people this is money from our taxes, don't pay it back. Just one word and that is why most of the groups never realize that this was a revolving fund.

I want to agree with my sister the Deputy Leader of Majority when he said many youths in this country are very idle. The Government is thinking good for them, they are starting a fund and they are not ready to utilize the opportunity but when you call them for demonstration, you will find many of them turning up in large numbers. At the end of it, destruction is being done by the same youths. I have looked at the page here, most of the youths were from my ward and they do business in Chwele market.

If indeed what is going on in this country happened in my ward by then what were the results? We need to be very careful Honourable members but where I disagree with you Chair; you have given us a table showing the allocations per every Financial Year, you have made some observations here. Since inception, the fund has had an allocation of 193,000,500, that was very good money but only 31 million was released and the group benefitted 23.7 million.

This is a report from the committee, where is the difference now? Not 162, 31 million was released. Out of it the groups received 23 which means 8 point something million is hanging somewhere. So if you want us to revamp back the same ideas, you need to look into it because it is telling us that there was misappropriation of funds from the beginning.

(Applause)

I want to agree in totality with the committee that some recommendations made in this Honourable House must be adhered with the executive. By so doing, we will take this County far.

Finally, I am also disappointed, this is an issue touching on our electorates particularly the elected members. Look at the House, because you have the eyes. I do not want to raise it up again. Some of the Wards mentioned here with highest defaulters, some members are not here. Others are here like me...

(Applause)

I am also among the highest number of defaulters; I have looked at the table. Going forward, we need to encourage our colleagues to stay behind up to the last minute because we will miss and things will be passed here erroneously and some of us will cry again. I support the report.

(Applause)

Mr. Deputy Speaker: Yes, those were sentiments of a veteran politician in this County, Hon. Mukhongo Barasa MCA Kabuchai/Chwele serving his fifth term in this very House as an elected leader. He is not going anywhere, he is just here, and he is much disciplined. Hon. Alfred Mukhanya Wekesa,

Hon. Alfred Mukhanya: Honourable Speaker, I also want to support the report by the committee of this group. From the word go, the committee has done a good job as we are seeing from the report only that from my own side having been a banker, I want to add a few sentiments so that for the future of this groups and the youths at large.

Mr. Deputy Speaker: Hon. Ipara, under which Standing Order?

Hon. Johnston Ipara: 96(ii)

Mr. Deputy Speaker: Very well Hon. Ipara.

Hon. Johnstone Ipara: Honourable Speaker, you have allowed the Honourable member to continue referring to the committee as a group. Where is it written in the Standing Orders that it's a group?

(Applause)

Mr. Deputy Speaker: Very well Hon. Mukhanya, can you use parliamentary language!

Hon. Alfred Mukhanya: Mr. Speaker, I meant the committee not a group. Going forward, the youths in this country are the largest and going forward these are the fellows we are supposed to

support so the future of this country will look bright especially in Bungoma. Looking at the report given by the committee, it's a good report and what they have done is a very good job only that the money given out when you are talking of 193 million and only 31 has been given out that means there is a problem somewhere and we should look at the management which was running this fund.

When you look at the management and what they have given out, there must have been a rush and when they gave out the money, they may not have sensitized our youth groups and the beneficiaries because when you get such a large amount of money, considering that time even up to now we need to use this money effectively for the growth of our youths in the County.

This money is meant to support our youth groups there being no employment. Right from around 2010 up to date employment is a problem in the country so if the committee looked at it and came out with what they have given us that means the management was not prepared and they did not have that experience because you can imagine giving a youth group money and they are not able to recover the money, that means others will not get this money.

Out of 193 what they have given out to our youth group is very little and also considering from that time when this fund was given out up to now, they have given only thrice and the rest of the years there has been nothing that has been given out. That means it becomes a problem when it comes to recovery. Imagine you have given somebody money and you do not go and reclaim to be paid back. That means there is a lapse somewhere that somebody is not caring and when you leave it for so long it becomes very difficult for you to go and recover. For example when you are keeping money in banks, you immediately start repaying but if you are given that grace period of that number of years surely and you go back tomorrow and start asking for payment it becomes a very big problem.

How I wish the management that were giving out these funds were retained at the same station because they know whom they gave the money such that if they are transferred sometimes it becomes very difficult to make a follow up such that they look for the responsible groups that they gave money to recover. How I wish even the same fund if we made some amendments such that before we give them money, you look at who you are giving, the responsibility of repaying the money such that when it comes to repaying when you make a follow up, the money is repaid so easily.

This Youth Fund is a good fund but it has taken long since that year up to the current year. It has only been given out thrice. Where the rest of the money is nobody knows. The management at the initial stages may have rushed into giving money to their people not knowing that this money will not be repaid. Looking at the administrative cost like *Mheshimiwa* Mukhongo has put it, it may have been rushed such that that difference that we have in the fund may have landed in wrong hands. Politically, we as politicians want to please our people forgetting that this is a revolving fund which is supposed to be recovered and given to another group.

We as politicians today like Hon. Mukhongo has put it, you can see what is happening, the rest of the groups...Members of the County Assembly have moved out. I have seen people walk out. The moment they heard about this report being read on the floor of the House most of them walked out. This is an indication that even some of our wards where we represent we may have also played a role when it came to giving out this money.

Finally, I would suggest that this fund be reviewed such that when you start giving out, we have to know who is being given, if the groups are there and they are registered, that will be the best way to go so that when it comes to recovery it becomes very easy. Otherwise, they will think this is a charity organization that you give out money and it goes like that and that is the end and that is a notion in the public domain.

As I conclude, the security aspect can support us when we are giving out this money such that it becomes very easy for us to recover just in case somebody resists in repaying. That one will support our fund and as a revolving fund, if we recover, we will give it to another group for example in my ward out of what we gave out only 46% has been repaid. How are we going to recover the remaining balance from this group even some of them may have died so it becomes very difficult for us to recover this money? With those few remarks, I support the report.

(Applause)

Mr. Deputy Speaker: Very passionate contribution there again coming from Hon. Mukhanya Alfred Wekesa from Ndivisi. Thank you so much for that.

Lastly, we have our young legislator here, Hon. Sifuma Sheila then I will be calling the mover of the motion to reply. Hon. Sheila Sifuma happens to come from Ndivisi and Mihuu.

Hon. Sheila Sifuma: Thank you Mr. Speaker Sir for this opportunity to contribute to this report. I would just start by appreciating unfortunately in absentia I have just realized that Hon. Mukhongo is very intelligent and has a formidable voice in this House because most of the contribution that he has made to the youth of Bungoma County is actually what I was rising up on so ...much appreciation to you senior!

Mr. Deputy Speaker: Members can you applaud Hon. Mukhongo!

(Applause)

Very well! Hon. Sifuma proceed!

Hon. Sheila Sifuma: Initially, when I stood on a point of order, it was just because I felt like this document is very important and not to be misconstrued as I was against anyone. It was a very important document for me as a young person of Bungoma County because you see Bungoma County is among the top 5 most poor counties in this country and things like these are what will enable us to be able to raise our living standards, to be able to be better and to come out of the

below poverty index because Bungoma as a County is very rich so I just want to make that clear and I am so happy that these days the youth of Bungoma County no longer go for *Maandamano* and I think it's a good time for us to give them more money to be able to do business.

(Applause)

I would support and say if an allocation has been given of 193,000,000 and only 23,000,000 is being put to use, we are not being fair to the young people of Bungoma County. We would rather give almost 100 million and only 90 remains or something close to that instead of giving very small percentages so I think this would go to issues of management of the fund. We need to look at how to help the executive or to help this fund be managed better either if we will be changing the fund administrator or whoever is responsible and even incorporate some young people in that board because we are saying as young people there is nothing for us without us so there is no point of leaving it to a few people who are mismanaging our money.

As I finish, I think I want to mention in terms of regulation. I am not so sure about the regulation of the fund. I have not gone through it. However, I feel like if the repayments rates are this low and I have just read that there is no recovery currently from 2017 that raises the question of the regulations. How are the regulations strong enough to ensure that whenever money is given out we can be able to recover just as the hustler fund, it will be very hard for you to tell a young person to actually give you their title deed before you give them a loan so it's very hard to ask for a guarantee from young people. However, if the regulations are stringent you can be able to do this. I support the report.

(Applause)

Mr. Deputy Speaker: Thank you, Hon. Sheila Sifuma. I now call upon the mover of the report to reply.

Hon. Violet Makhanu: Thank you, Honourable Speaker. I really want to know why you like calling me Namaemba! One of these fine days...

Mr. Deputy Speaker: After this session, you will come so that I explain.

Hon. Violet Makhanu: Mr. Speaker, one of this fine days I may want to understand you very well because I told you that name was meant for my late mother alone.

I want to take this time to first appreciate the Honourable members who have been patient up to the end. This is moral support and it is not something to be taken for granted. You have been patient enough for us as a committee. I want to thank you for that.

First, I also want to appreciate members who have contributed to this motion like I said in the beginning this is one of the documents that is very crucial because it is touching on the lives of a very important sector in this County Government of Bungoma. Those are our youths. So I want

to appreciate the fact that we have been all around and members have been able to contribute on the same and I want to request the members of this Assembly to adopt this report. I am sure something will be done for our youths in this County Government of Bungoma.

First and foremost, Hon. Mukhongo talked about the discouragements and the reason as to why money was not paid on time and up to 100%. On political statements; I remember that time I was a nominated member in this Assembly and we are talking about a fund that was released in the first Assembly, that is 2013/14 up to 2017 and the last disbursement according to our report was done around 2015 and the statements that were being made on the ground were that this is a public fund and it is a grant and it will not be refunded. That is why most of the groups did not pay back this money and I also want to appreciate the fact that...there is a statement that was made by Hon. Mukhongo about the beneficiaries of this loan.

You realize that if you go keenly and follow up on the same, you will realize that most of the beneficiaries were just family members. A family comprising of a mother, father and the children and again this is touching on us the politicians again that most of the other beneficiaries of the same fund were of the office bearers in our respective Wards. You follow up on the same you realize that the ward manager, the secretary and the rest of the office bearers were the ones benefitting and the office manager was coming up with a group maybe comprising of family members, the secretary the same thing and they are the ones who benefitted.

Out of the ward office, it comprises of maybe five or 6 groups that benefitted from this fund because you follow up on the same you just realize that the same people are the beneficiaries of the same fund. That has really affected the repayment of this same fund and I am sure Honourable members who have been here with me from that time can agree with me that anytime recoveries have been done, you realize that these are the teams that close up their Houses and get lost. They disappear in the sugarcanes just because they are not able to pay and they shared the money amongst themselves and they were being guided by the Honourable members by then in those offices.

Another thing that has also contributed to this is the issue of these fund ambassadors. We have recoveries that have been made and you realize that maybe it was landing in the wrong hands. The ambassadors, who were in charge of the recoveries, misused the fund. There were no regulations following up on the same to ensure that these funds are supposed to be repaid on a given account. I am sure this money even landed in wrong hands. We are talking about the ambassadors who had no pay. They were just surviving on that small percentage so they were able to pay themselves according to our standing and this affected the recoveries of this same fund.

That is why we are saying we must come up with a regulation that governs the recovery of this particular fund and as a committee, we have recommendations that we have made. In our recommendations, we asked the Committee on Delegated Legislation to undertake a review of all

the approved funds, regulations with a view of advising the administrator accordingly to avert poor expenditure in management. That is on page 25 under recommendations of the committee. We are recommending that the Committee on Delegated Legislation of the County takes up the matter and does the needful according to what is supposed to be done.

According to Hon. Ipara, he wants to know out of 30 million only 23 million was disbursed. You realize that in between this fund and the beneficiaries, we had so many committees. We had the Ambassador of the Fund, the Fund Administrator, Ward Fund Committee and the Ward Fund Committee, the Fund Ambassadors and many other committees that were in between this fund and according to the report they were supposed to get their allowance.

There is a percentage for the committees and if it weren't just for one committee, I am sure the 3% that is regarded for the administrative costs could just be a small fraction of that amount; but realizing that there are so many committees in between, I am sure this fund just got in some such like unnecessary committees. That is why as a committee we have recommended somewhere under the fund regulation something where it is advising that only the County Committee to remain, so that we do away with the others. It is saying under the compliance with the Constitution of 2010 that the Controller of Budget proposes that only the County Committee should be retained; and the administrative structure established in the County Government Act should be utilized to reach the grassroots. So, only the County level should remain, so that we do away with other unnecessary committees like the ward committees. So that we are able to ensure the percentage that is made for administrative cost is utilized minimally to enable us give the groups the remaining balance and we will be able to assist our groups.

Then according to Hon. Ipara about the issue of the many members of groups that benefited from his ward, we are talking of 50,000 maybe divided by the number of groups that benefited from your Ward. Honourable members, I want to put to your attention that the Committee on PAIC is also looking into this matter and we have been following up.

There is a time this team appeared before the Committee on PAIC; that is the Chief Officer of the same fund and the fund administrator who was not even able to express himself, he was just fumbling together with the Chief Officer and as a committee we are also doing what is supposed to be done to ensure that the right thing is done, so that we are able to protect the funds meant for our youths.

Maybe these are some of the things that are causing some of these senior officers of the County to resign; because they know the mistakes that have been done in this County and how money has been spent unnecessarily without proper usage of the same fund. Despite the fact that they resign, we will follow up on them to ensure that the right thing is done, so that we are able to recover what is meant for the youth of Bungoma County.

(Applause)

I want to urge the County Government of Bungoma under the leadership of His Excellency Ken Lusaka who was the founder of this fund; that we come up with a regulation governing it to ensure that this fund is dispatched in a way that will be able to be recovered in a very nice way, so that other groups; because this is a revolving fund; that once it is recovered, many other groups will be able to benefit from the same fund.

Hon. Ipara again talked about Kshs.193,000,000 being allocated and only Kshs31,000,000 being released; I am not protecting the executive but what I know, what was released is what was dispatched and only Kshs31,000,000 was released and Kshs23,000,000 was dispatched. The rest of this other amount we can as well blame the exchequer releasers from the national government because it was not released.

Hon. Sheila wants to know about that, the other bit we may want to find out from the controller of budget to let us know why they didn't release the whole amount of Kshs193, 000,000. Otherwise as a committee on Youth and Sports, we are hands on to ensure that our youths in this County get what is theirs. This fund once it is brought back, I am sure we will be able to keep our youth busy and enable them have small businesses and move on.

We also want to ensure that as Honourable members, we can also advise our youths as they get this funds because it is going to come; they may start distributing this money in the near future, they should also ensure that they recover. Most of the youths make a lot of unnecessary noise; but once they are funded, they are the same youths who will again start defaulting and not paying back this money. We just want to encourage our youths that kindly for heavens sake once they receive this money, let them repay the money to enable other youths to benefit from the same funds.

With all that said and done, I want to appreciate you all for being here for us and I now want to ask this House to adopt this report for the betterment of our youths of Bungoma County.

(Applause)

Mr. Deputy Speaker: Thank you Hon. Violet Makhanu for the wonderful reply that you have given to the House, closer to you following keenly was Hon. Obama Abraham Kimungui also following keenly was the entire membership that is present. Honourable members, the motion having been moved and dully seconded and debate having in ensued, I now put the question...

(Question put and agreed to)

This report will be disseminated by the table clerks to the respective offices for further actions recommended by the committee on Youth Affairs and Sports. Honourable members, having said this; I want to make this; that taking consent of the emerging trend that has been witnessed lately if left unaddressed it will balloon into a cancer; a monster that will cripple business in this

honorable House. I thus direct the department of Sergeant at Arms to ensure that the register is signed in the last quarter of business in any given time in this assembly.

(Applause)

I want to repeat that I direct the Sergeant at Arms office to ensure that the register is signed in the last quarter of business at any given time in this Assembly to deter the movement of Honourable members who come, register and leave. This is in response to the emerging trend which is very dangerous.

I want to appreciate the Honourable members who have been here throughout. This is our mandate; this is why we were elected and thank you for living up to expectations as led by the veteran Hon. Mukhongo having been given an applause and recommendation from other members...

(Applause)

As you can see, he and the mover of the motion are the only members who have been here in the first Assembly, the second assembly and then the third assembly. This maybe could be the reason why, isn't it? So for the new members, those nominated take leave from the Hon. Violet Makhanu who was nominated but came in the second and third assemblies as an elected member. I want to appreciate the Hon. Metrine Nangalama who came in the second Assembly and is here.

(Laughter)

Having said that Honourable members, and there being no any other business, we adjourn this sitting accordingly.

(House adjourns)