

COUNTY ASSEMBLY OF BUNGOMA

COUNTY ASSEMBLY DEBATES

DAILY HANSARD

WENESDAY 30TH MARCH, 2022

Morning Sitting

2nd County Assembly,

6th Session

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COUNTY ASSEMBLY OF BUNGOMA

HANSARD OFFICIAL REPORT

WEDNESDAY 30TH MARCH, 2022

The House met at 9:30 a.m.

(Mr. Speaker [Hon. Emmanuel Situma] in the Chair)

PRAYER

PAPERS

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

Report of the Auditor General on the financial statements of Bungoma County Assembly Employee Car Loan and Mortgage Fund for the year ended 30th June, 2020 laid by Hon. Sudi Busolo (*Chief Whip*).

Mr. Speaker: Honourable members, the Auditor General's report on financial statements of Bungoma County Assembly Employee Car Loan and Mortgage Fund for the year ended 30th June 2020 is hereby tabled and I commit it to the Committee on Public Accounts Committee for processing and report back to the House.

MOTIONS

REPORT ON THE CABINET MEMORANDUM TO AVAIL LAND FOR DEVELOPMENT OF AFFORDABLE HOUSING TO COUNTY PENSION FUND THROUGH PARTNERSHIP

Hon. Sudi Busolo (*Chief Whip*): Hon. Speaker, on behalf of my chairperson Lands Committee I wish to read through this report.

PART ONE

1.0 PREAMBLE

Mr. Speaker Sir, it is my pleasure to present the report on the Cabinet Memorandum to avail land for development of affordable housing to County Pension Fund through partnership which was tabled in the County Assembly of Bungoma on 16th December, 2022 and stood committed to the sectoral committee on Lands, Urban, Physical Planning, Trade, Energy and Industrialization.

1.3 Background Information

Mr. Speaker Sir, the Government of Kenya has committed to deliver a series of ambitious social programs to promote long-term economic development for Kenyan citizens through its Big Four Agenda including affordable housing, universal health coverage, enhancing manufacturing and food security and nutrition . The housing pillar in the Big Four agenda will facilitate the development of 500,000 low cost homes, together with the supporting infrastructure, using innovative funding mechanisms and technologies by 2022. The State Department of Housing and Urban Development is championing the realization of the affordable housing plan through establishment of a robust project delivery and financing framework that will leverage on private sector funding.

For the County governments to benefit on the housing pillar geared towards achieving low cost houses, they have to align themselves and position themselves through corporation with both public entities together with other stakeholders under the programme of public private partnerships to ensure the low cost housing units are built within its locality.

Mr. Speaker Sir, County Governments; including the County Government of Bungoma has put in place measures and mechanism including encouraging partnership with other development partners such as County Pension Fund(CPF) where the county has identified part of county government land (10 acres) as a site to construct affordable housing to meet the current and future housing demand. The identified land is within Musikoma Ward registered in the name of the County Government of Bungoma of which the department of Lands, Urban/physical planning and Housing proposes to avail to the developer subject to the County Assembly approval.

1.4 Acknowledgment

Mr. Speaker Sir, I would like to thank your office and the office of the Clerk of the County Assembly for granting and facilitating the committee to undertake this activity. I further appreciate the Members of Lands, Urban, Physical Planning, Trade, Energy and Industrialization Committee for their dedication and commitment, in interrogating the cabinet memorandum for reporting to this Honourable House.

Lastly, I extend my gratitude to the members of the secretariat for the technical and logistical support offered towards preparation of this report. Signed by;

Hon. Hamphrey Sifuna- Mca Bumula Ward

Chairperson, Lands, Urban, Physical Planning, Trade Energy and Industrialization Committee.

PART TWO

2.0 KEY HIGHLIGHTS ON THE CABINET MEMORANDUM APPROVAL

Mr. Speaker Sir, the Cabinet Memorandum is highlighted as follows:

2.1 Background information

Mr. Speaker Sir, the section focuses on Vision 2030 and other short and medium term development plans and strategies including the Big Four Agenda where affordable housing as a pillar is discussed.

The County Government of Bungoma has enumerated some of its flagship projects including among others; Upgrade to dual carriage road from Sangalo Junction at Musikoma to Kanduyi, construction of Masinde Muliro Stadium, Dairy plant at Webuye and establishment of Industrial Park among other cottage industries throughout the county.

2.2 Description of the land to be leased

Mr. Speaker Sir, the land to be availed is approximately 10 acres registered in the name of County Government of Bungoma with the actual survey area of 11.53 hacteres which translates to 29 acres while the registered area is 12.95 hectares which translates to 32 acres. The land earmarked is sub divided in 8 parcels as follows:

1. East Bukusu /South Kanduyi/23517 measuring 0.46 Ha
2. East Bukusu /South Kanduyi /23518 measuring 0.46 Ha
3. East Bukusu /South Kanduyi/23519 measuring 0.47 Ha
4. East Bukusu /South Kanduyi/23520 measuring 0.60 Ha
5. East Bukusu /South Kanduyi/23521 measuring 0.44 Ha
6. East Bukusu /South Kanduyi/23524 measuring 0.50 Ha
7. East Bukusu /South Kanduyi/23523 measuring 0.50 Ha
8. East Bukusu /South Kanduyi/23522 measuring 0.50 Ha

The total is 9.7 acres and the land is located in Kanduyi Constituency, Bungoma Municipality in Musikoma ward along the old Bungoma- Mumias road and 200 meters from the dual road currently under construction.

2.3 Planned use of the land

Mr. Speaker Sir, the initial purpose of the purchased 32 acre land was for construction of County Government headquarters including the Governor's residence. The land requested is to be availed for a period on terms as shall be recommended by the cabinet for adoption by the County Assembly. The remaining land after hiving the 10 acres for housing scheme has been planned for

construction of a Mini stadium/playground and recreational park; construction of an open air market and lastly the construction of a bus park.

2.4 Objective and specific purpose of availing the land

Mr. Speaker Sir, the overall objective of availing the land was to allow the developer (County Pension Fund-CPF) to come up with a program of constructing affordable housing units in the specified area.

The main purpose/ benefits of availing land include;

- Creation of employment to the youth within the neighborhood hence increased income and improved livelihood.
- The contractor will assist the county in improving the accessibility within the neighborhood as he accesses construction yard.
- The contractor will clear the site, fence and enhance security through installation of street lights which has been an issue as the land has been left bushy since it was purchased.
- The construction site yard will be near the construction site hence the contractor will save on time for the County to realize the intended impact of the road within the stipulated timeframe.

Justification to avail land

Mr. Speaker Sir, the justification for partnership and specifically the provision of land.

- There is high demand for housing units within Bungoma Municipality
- The County doesn't have adequate finances to start implementing the planned activities on the noted land
- The County will achieve its target of having the housing units developed and completed within the shortest time possible.

Process of availing the land

Mr. Speaker Sir, the section highlights the procedure to be followed during the availing of land to a developer as follows;

- Request for land for development of affordable housing units by the County Pension Fund- CPF to County Government of Bungoma
- CECM for lands, Urban/Physical Planning and Housing submits a cabinet memorandum to the cabinet for deliberation.
- Upon approval, the CECM- Lands, Urban/Physical Planning and Housing submits the MoU prepared by the County Attorney to the cabinet for consideration and adoption.
- The MoU is forwarded to the County Assembly for consideration and approval before signing of the contract.

- The MoU is signed between the County Government of Bungoma (Department of Lands, Urban/Physical Planning and Housing) and the developer County Pension Fund-CPF before the County Attorney.

PART THREE

SUBMISSIONS FROM COUNTY PENSION FUND AND CECM FOR LANDS, URBAN/PHYSICAL PLANNING AND HOUSING

SUBMISSIONS FROM OFFICIALS OF COUNTY PENSION FUND

Mr. Speaker Sir, the committee vide letter reference BCA/CC/SECT/8VOLII (45) and (46) dated 22nd February, 2022 invited the CEC Member for Lands, Urban, Physical Planning, Trade Energy and Industrialization and the Chief Executive Officer County Pension Scheme copied to the County Attorney to appear before the committee and make submissions on the memorandum.

CEC Member Lands, Urban, Physical Planning, Trade Energy and Industrialization made the following submissions:

THAT:

1. The County received a request from CPF requesting for allocation of 10acres for construction of affordable housing as per the attached copy.
2. The County department prepared the blue print (Advisory Plan and Mutation form) that earmarked the land including the purpose for the land being affordable housing scheme.
3. The CEC Member availed copies of title deeds for the land to be leased which was subdivided as follows:
 - East Bukusu/South Kanduyi/ 23517 Measuring approximately 0.46 Ha
 - East Bukusu/South Kanduyi/ 23518 Measuring approximately 0.46 Ha
 - East Bukusu/South Kanduyi/ 23519 Measuring approximately 0.47 Ha
 - East Bukusu/South Kanduyi/ 23520 Measuring approximately 0.60 Ha
 - East Bukusu/ South Kanduyi/ 23521 Measuring approximately 0.44 Ha
 - East Bukusu/South Kanduyi/ 23524 Measuring approximately 0.50 Ha
 - East Bukusu/South Kanduyi/23523 Measuring approximately 0.50 Ha
 - East Bukusu/South Kanduyi/23522 Measuring approximately 0.50 Ha

The total acreage of the earmarked land is approximately 3.93 Ha which is equivalent to approximately 9.7acres

4. The area is within a residential area and the change if user was addressed by the prepared advisory plan

5. The expected benefits to the County will include among others meeting the demand for housing within Bungoma Municipality. This shall be addressed in the MoU to be prepared and signed.
6. The affordable housing will come along with social amenities such as playground, social hall among others that will be addressed in the MoU to be prepared and signed.
7. The cabinet memo was prepared by the department and forwarded to the Cabinet for approval and subsequent forwarding to the County Assembly for consideration and approval / adoption
8. There are no Pre-Partnership agreements as we look forward to the approval and adoption by the County Assembly before such agreement is prepared.
9. CPF will provide the funds for the construction of the housing units which will be in the MoU where obligations of each party will be outlined
10. The securities required in the scheme will be addressed in the MoU to be prepared and signed by all parties.
11. The mode of sharing the dividends of profit and losses derived from the project will be outlined in the MoU to be prepared and signed by all parties.

The Chief Executive Officer County Pension Scheme

The management of the County Pension Scheme was invited to appear and make submissions on the following:

- The concept paper for the intended project
- The partnership agreements on how the project will be administered and limitations of both parties i.e. County Government of Bungoma and CPF
- Source of funding and the consent of CPF members who are the contributors to the scheme
- Securities required in the implementation of the partnership
- Mode of sharing the dividends of profit derived from the project.

Despite an invitation having been made to the Chief Executive Officer of the County Pension Fund Scheme vide letter reference BCA/CC/SECT/8VOLII (46) dated 22nd February, 2022, the committee was not in receipt of any correspondence from the said scheme managers by the time of consideration of this matter.

PART FOUR

COMMITTEE OBSERVATIONS, RECOMMENDATIONS AND CONCLUSIONS

Committee Observations

Mr. Speaker sir, the committee made the following observations

1. If the MoU is accepted it will create a Policy which will create an enabling, sustainable, and competitive industrialization environment in the County.

2. The County department did not submit the social impact assessment report on the intended project which outlines public participation as requirement in the constitution of Kenya
3. The Committee is not fully furnished with the modus operandi of the policy since some of the invited stakeholders (CPF) were not cooperative to divulge the requisite information for consideration and subsequent adoption.
4. There is multiple plans on the land which deviates the initial purpose of the purchased land
5. The memorandum is not supported by the resolution from the members of CPF who are shareholders approving the project and expenditure of funds towards the construction of affordable housing scheme in partnership with the County Government of Bungoma.

Committee Recommendation

Mr. Speaker Sir, the committee recommends the disapproval of the Cabinet Memorandum to avail land for development of affordable housing to County Pension Fund through partnership. And further directs the Department of Lands, Urban, Physical Planning and Housing to explore all the requisite processes and re submit the Memorandum for consideration by the committee and tabling in the House for approval.

That is the end, the attachments are here, well adopted schedule by the members of the Committee. I call upon my senior Hon. Majimbo to second the report.

(Applause)

Hon. Henry Majimbo: Thank you, Mr. Speaker. I stand to second the report as moved by honorable Sudi Busolo on behalf of the Chairperson Lands committee.

Mr. Speaker: Thank you, Hon. Majimbo for seconding the motion. Members I will proceed and propose a motion for this House to debate. Honorable members, a motion has been moved and seconded that this House adopts the report by the sectorial committee on Lands, Urban, Physical planning, Trade, Energy and Industrialization on the Cabinet Memorandum to avail land for development to affordable housing to the county pension fund through partnership. I propose.

(Question proposed)

Honorable members thank you for your contribution once again; I proceed with a question to the said motion for the house to make a decision accordingly. A motion has been moved and seconded that the House adopts the report by the sector committee on Lands, Urban, Physical Planning, Trade, Energy and Industrialization on the Cabinet Memorandum to avail land for development of affordable housing to County Pension Fund through partnership.

(Question put and agreed to)

The Ayes have it!

(Applause)

This report with very beautiful recommendations be forwarded to the relevant department for consumption and action accordingly. Thank you honorable members, that was the last item on our Order Paper; we will adjourn for now and resume our sittings at 2:30 p.m. today.

(House Adjourns)