

① Dch.
7.0.0.A
Steel
12/6/2023.
② KBC
13/6/23



RECORDS SECTION
COUNTY ASSEMBLY OF BUNGOMA
08 JUN 2023
RECEIVED
P.O. Box 1886-50200

COUNTY ASSEMBLY OF BUNGOMA

Telephone: 055-2030854/020-2030309
Email: bungomacountyassembly@gmail.com

P.O BOX 1886-50200,
BUNGOMA, Kenya.

REF: REPORT NO. (3)

8th June, 2023

INTERNAL MEMO

**FROM: CHAIRMAN COMMITTEE ON TOURISM, WATER, ENVIRONMENT
& NATURAL RESOURCES**

TO: CLERK OF ASSEMBLY

**RE: REPORT BY THE COMMITTEE ON TOURISM, WATER, ENVIRONMENT
AND NATURAL RESOURCES ON 9 MONTH FINANCIAL STATEMENT FOR
PERIOD ENDING 31ST MARCH 2023**

The above subject matter refers.

Forwarded herewith, please find the report by the committee on Tourism, Water, Environment and Natural Resources on consideration of 9 Month financial statement for period ending 31st March 2023 for tabling before the House.

HON. EDWIN OPWORA

COUNTY ASSEMBLY OF BUNGOMA
(LPCS)
15 JUN 2023
TABLED
By.....

COUNTY ASSEMBLY OF BUNGOMA
(LPCS)
15 JUN 2023
NOTICE ISSUED
By.....

REPUBLIC OF KENYA

COUNTY GOVERNMENT OF BUNGOMA



COUNTY ASSEMBLY OF BUNGOMA

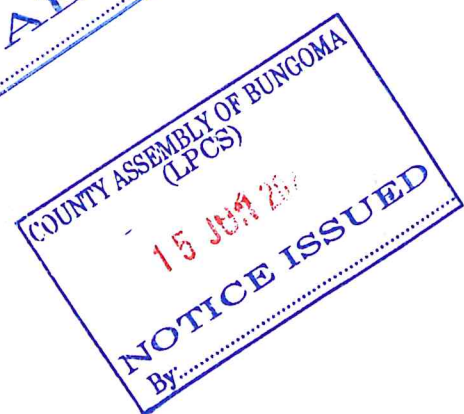
THIRD ASSEMBLY, SECOND SESSION

**REPORT BY COMMITTEE ON TOURISM, ENVIRONMENT,
WATER AND NATURAL RESOURCES ON THE NINE MONTHS
FINANCIAL STATEMENTS REPORTS FOR THE PERIOD
ENDED MARCH, 31ST 2023**

**IN RESPECT TO THE DEPARTMENT OF TOURISM,
WATER, ENVIRONMENT AND NATURAL RESOURCES.**

JUNE, 2023

**Clerk's Chambers
County Assembly Buildings
PO BOX 1886,
BUNGOMA, KENYA**



CHAPTER ONE	3
1.1 Preamble	3
1.2 The Mandate of the Committee.....	3
1.3 Committee Membership.....	4
1.4 Guiding principles in the Examination of the Bungoma County Government Quarterly Reports and Financial statements.....	5
1. Constitutional Principles on Public Finance	5
2. Direct Personal Liability.....	6
3. Obligations of Accounting Officers	6
1.5 Acknowledgment	7
CHAPTER TWO.....	8
2.1 ANALYSIS OF COUNTY QUARTERLY REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH,31 ST 2023.....	8
CHAPTER THREE.....	16
3.1 DEPARTMENTAL EXPENDITURE ANALYSIS.....	16
4.0 CHAPTER FOUR:.....	19
COMMITTEE OBSERVATIONS, RECOMMENDATIONS AND CONCLUSION	19
4.1 COMMITTEE OBSERVATIONS	19
4.2 COMMITTEE RECOMMENDATIONS.....	20
4.3 Conclusion	21
Annexures.....	21

CHAPTER ONE

1.1 Preamble

Mr. Speaker Sir, it is my pleasant duty to present the report by the Committee on Tourism, Water, Environment and Natural Resources on the nine months executive Financial Statements Financial year 2022/23 for period ended March, 31 2023 for Tourism, Water, Environment and Natural Resources department. The document was tabled in this House on 3rd May, 2023 and was committed to each Sectoral Committee for processing and reporting back.

1.2 The Mandate of the Committee

Mr. Speaker Sir,

The Committee on Tourism, Water, Environment and Natural Resources is a Select Committee established pursuant to the provisions of Standing Order No. 217 of the County Assembly of Bungoma and executes its mandate in accordance with Standing order 217(5) read together with the second schedule of the same Standing Orders which provides as follows:

- a) Investigate, inquire and report all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned departments.
- b) Study the program and policy objectives of departments and the effectiveness of the implementation;
- c) study and review all county legislation referred to it;

- d) study, assess and analyze the relative success of the departments as measured by the results obtained as compared with their stated objectives;
- e) investigate and inquire into all matters relating to the assigned departments as they may deem necessary, and as may be referred to them by the County Assembly;
- f) to vet and report on all appointments where the constitution or any law requires the County Assembly to approve, except those under Standing order 208 (Committee on Appointments); and
- g) make reports and recommendations to the County Assembly as often as possible, including recommendations of proposed legislation.

1.3 Committee Membership

Mr. Speaker Sir, the Committee on Tourism, Water, Environment and Natural Resources as currently constituted comprises the following Members:-

- | | | |
|-----|-----------------------|------------------|
| 1. | Hon. Edwin Opwora | Chairperson |
| 2. | Hon. Martin Chemirion | Vice Chairperson |
| 3. | Hon. Joseph Juma | Member |
| 4. | Hon. Meshack Simiyu | Member |
| 5. | Hon. Anthony Luseneka | Member |
| 6. | Hon. Vitalis Wangila | Member |
| 7. | Hon. Sudi Busolo | Member |
| 8. | Hon. James Mukhongo | Member |
| 9. | Hon. Benjamin Otsiula | Member |
| 10. | Hon. Miliar Masungo | Member |

11. Hon. Orize Kundu	Member
12. Hon. Benard Kikechi	Member
13. Hon. George Kwemoi	Member
14. Hon. Ndasaba Dorcas	Member
15. Hon. Aggrey Mulongo	Member

1.4 Guiding principles in the Examination of the Bungoma County Government Quarterly Reports and Financial statements

Mr. Speaker Sir, in the execution of its mandate, the Committee on Tourism, Water, Environment and Natural Resources is given a legal backing under the Public Finance Management Act, 2012, County Government Act, 2012 and the Constitution of Kenya 2010. These statutory provisions include 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 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.*

Section 149(1) (a) and (b) of the PFM Act 2012 provides as follow...*“an accounting officer is accountable to the County Assembly for ensuring that the resources of the entity for which the officer is designated are used in a way that is;*

- a) *Lawful and authorized*
- b) *Effective, efficient, economical and transparent*

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 loss arising from that use and shall make good the loss, whether the person remains the holder of the office or not”*.

3. Obligations of Accounting Officers

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 the financial and nonfinancial performance of the entity; and*
 - (b) *is in a form determined by the Accounting Standards Board.*
3. *Not later, than fifteen 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 copies to the Controller of Budget, National Treasury and the*

Commission on Revenue Allocation; and


(c) publish and publicize them

1.5 Acknowledgment

Mr. Speaker Sir, may I take this opportunity to thank the office of the Speaker and Clerk for giving the Committee logistical support that made this exercise a success.

I also appreciate the Honorable members and the secretariat of the Committee on Tourism, Water, Environment and Natural Resource for carefully examining the nine (9) months executive Financial Statements Financial year 2022/23 for period ended March, 31, 2023 in respect to the department of Tourism, Water, Environment and Natural Resources.

Further, this Committee extends its gratitude to the Executive Arm of the County Government, Department of Tourism, Water, Environment and Natural Resources for the role they played in offering explanations and supporting documents as requested by the Committee.

Signed  Date..... 8/06/2023

Hon. Edwin Opwora

Chairperson,

Sectoral Committee on Tourism, Environment, Water and Natural Resources.

CHAPTER TWO

2.1 ANALYSIS OF COUNTY QUARTERLY REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH,31ST 2023.

(a)County Resource Envelope for FY2022/2023

Mr. Speaker Sir.

The total budget for the whole financial year 2022/23 is kshs. **14,821,204,142** as per the approved 1st supplementary budget with the breakdown of the sources as indicated below:

No.	Source	Amount
1	Equitable share	10,659,435,192.00
2	Equitable share b/f	867,288,525.00
3	Retention	293,425,903.00
4	Conditional grant Devpt partner	1,540,443,462.00
5	Conditional grants National	113,228,200.00
6	Local revenue as per act	500,000,000.00

7	AIA	847,382,860.00
	Grand Total	14,821,204,142.00

The financial statement submitted gives an expenditure outlay of Kshs. 14,164,547,621 I.e. Kshs. 656,656,521 less the approved amounts. The difference relates to AIA in the ministry of health for facilities.

(b) REVENUE

In third quarter, the County received a total revenue of Kshs. 6,321,552,397. Actual in the half year financial statements was ksh.4, 085, 058,115. The source of the amount was as shown here below;

- a) Exchequer releases - Kshs. 6,303,156,902
- b) Other receipts (Mabanga ATC) - Kshs. 18,395,495

c) Exchequer Releases

Description	Period ended March 2023	Comparative period
	Kshs.	Kshs
Total Exchequer release quarter 1	1,664,556,086	1,514,522,313
Total Exchequer release quarter 2	2,409,398,463	2,821,653,159
Total Exchequer release quarter 3	2,229,202,353	2,271,332,689
Total	6,303,156,902	6,607,332,689

(d) Other receipts

	Period ended March 2023	Comparative period
AMC fees(Mabanga Agricultural Training centres)	Ksh.18,395,495	Ksh. 16,616,359

Grants received from development partners and National government was Kshs. 489,256,980 for implementation of:

- Scholarships and other educational benefits ksh. 200,000,000.
- Other capital grants and transfers as detailed below:
 - NARIGP Kshs.237, 245,331
 - ASDSP II Kshs. 5,344,642
 - KDSP Kshs. 32,416,882

On local revenue, the report does not indicate what the County managed to collect in the period under review except Mabanga ATC reporting a collection of 18,395,495. In reference to Mabanga these translates to 70.4% of the set target in 9 Month hence an under achievement of 5%.

(e) COUNTY EXPENDITURE

The expenditure target for the period under review was Kshs 11,115,903,107 out of the total budget for the entire Fiscal year represents 75 % .Recurrent expenditure target was Kshs.7, 780,757,791.50 while the target for development expenditure programs in the period is Kshs. 3,335,145,315.

Notably the revenue realised was Kshs. 6,321,552,397 out of which 6,204,930,588 was expended translating to an absorption rate of 43% as opposed to 75%.

The transfer of a total of ksh. 772,981,290 to other Government entities represents releases to the County Assembly in the quarter under review.

Personnel expenditures was 3,512,979,410 compared to 2,556,661,364 spent in 9 Months.

Budget Execution by programmes and sub-programmes, the information contained in the report from the treasury is not sufficient enough to interrogate every department. Submission of departmental budget implementation reports is necessary for scrutiny by the committee.

(i) Comparative receipts and payment 2023 and 2023.

Receipts		Period ended March 2023	Comparative period
	Notes	Kshs.	Kshs.
Exchequer releases (Transfer	1	6,303,156,902	6,607,508,161

from CRF)			
Other receipts (Mabanga ATC)	2	18,395,495	16,616,359
Total receipts		6,321,552,397	6,624,124,520
Payments			
Compensation to employees	3	3,512,979,410	3,218,169,746
Use of goods and services	4	1,032,758,738	936,293,433
Transfer to other Government entities	5	772,981,290	696,343,439
Other grants and transfers	6	489,256,980	517,327,834
Social security benefits	7	46,456,661	2,275,629
Acquisition of assets (pg25)	8	348,638,108	900,272,579
Other payments	9	1,859,400	121,816,408
Total payments		6,204,930,588	6,392,499,067
Surplus /deficit		116,621,809	231,625,453

(f) Retention

The period under review reported a bank balance of ksh. 204,054,364 as retention funds compared to ksh. 260,334,174 bank balance in the half year financial statements.

Outstanding retention 1 July 2022 Kshs. 293,425,903

Addition for July 2022-March 2023 Kshs.15, 294,298

Total balance Kshs.308, 720,201

Less: Retention Payment I July 2022- March 2023 Kshs. 104,665,837

Balance as at 31st March 2023 Kshs. 204,054,364

(g) Accounts Payable

Pending accounts payables (pending bills) across all the departments was Kshs. 1,199,681,317 with a total of Kshs. 316,728,948 paid up in the 3rd quarter leaving a balance of Kshs. 882,952,369. This amount is broken down in the report as follows:

- i) Construction of buildings Kshs. 74,064,436
- ii) Construction of Civil works Kshs. 248,921,595
- iii) Supply of goods Kshs. 185,087,589
- iv) Supply of services Kshs. 374,878,750

The specific creditors for each department with the respective amounts was shown in the submitted report.

(h) Accounts Receivable.

Accounts receivables (outstanding Imprests) across all departments amounted to **Kshs. 294,183,471**. Finance and Economic Planning department has the highest outstanding imprests at Kshs. 144,557,460 followed by Office of the Governor and Deputy Governor

at ksh. 35,111,650 The department with least outstanding imprests is Roads and Public Works at ksh. 1,261,500 and Trade & industrialization at ksh. 537,600. The individual officers holding unaccounted imprests in every department is given in the submitted report.

Un surrendered Imprest for the period under review.

1.	Agriculture, livestock and cooperatives Mgt	4,418,426
2	County Secretary	11,947,880
3.	County Public Service board	3,302,850
4.	Education and VTC	3,005,100
5.	Finance and Economic planning	144,557,460
6.	Gender, Sports and youth	33,033,400
7.	Governors and DG	35,111,650
8.	Heath and sanitation	12,194,325
9.	Roads and public works	1,261,500
10.	Lands and urban planning	16,213,300
11.	Public Administration	19,214,000

12	Tourism and water	9,385,980
13	Trade and industrialization	537,600
	Total	294,183,471

CHAPTER THREE

3.1 DEPARTMENTAL EXPENDITURE ANALYSIS

Mr. Speaker Sir.

In the current financial year 2022/2023, the department of Tourism, environment, water and natural resources had an annual approved budget of Kshs. 293,829,230 as recurrent and Kshs. 141,885,107 as Development in Tourism and Environment, ksh. 83,308,234 recurrent and ksh. 314,764,221 Development in Water and Natural resources.

The absorption rate for the department was at 39 % in quarter under review, for recurrent and development expenditure.

The programmes are as under:

(a) General Administration planning and support service

- The allocation for Human resource Management was ksh. 64,736,155, the department has utilized ksh. 34,794,576 representing 54% absorption rate in the period under review.
- The allocation for policy and legal framework formulation was ksh.800,000, it is at 0% absorption.

- The allocation for Marking of international/ national events was ksh. 3,900,000 it is at 0% absorption.
- The allocation for Annual devolution conference was ksh. 3,000,000, it is at 0% absorption in the period under review.

(b) Water and sewerage services

- The allocation for water services provision was ksh. 324,748,647 the department has utilized ksh. 74,704,299 at an absorption rate of 22%
- The allocation for stakeholders engagement (water users association) was ksh. 4,800,000 the absorption rate is 0% in the period under review.
- The allocation for Routine maintenance of water suppliers was ksh. 2,400,000 the absorption rate is 0% in the period under review.
- The allocation for Office operation and maintenance was ksh. 87,378,695, the department has utilized ksh. 54,176,262 representing 38%

(c) Integrated solid waste management

- The allocation for Dumpsite management was ksh. 12,850,705 the absorption rate is 0% in the period under review.
- Garbage collection and transportation the allocation was ksh.225877,107, the department has utilized 75,218,489 at an absorption 67%.

(d) The status of outstanding imprests

Mr. Speaker Sir.

The department had a pending staff receivables (outstanding imprests) amounting to Kshs. **9,385,980**. In the period under review, unlike in the half year financial

statements the department did not have un surrendered imprest However, the total County outstanding imprest for all the departments was Kshs. **294,183,471** at end of the period under review.

4.0 CHAPTER FOUR:

COMMITTEE OBSERVATIONS, RECOMMENDATIONS AND CONCLUSION

4.1 COMMITTEE OBSERVATIONS

1. The County treasury did not indicate how much each department received as revenue (Exchequer release) to implement their programmes in the period under review.
2. The executed programmes were not broken down into activities to disclose the detailed information on the actual budget implementation of the department.
3. Departmental monthly/annual work plans and the budget implementation status report should be submitted to the committee for comparison purposes with the financial report.
4. Notes as to how the outstanding staff imprests would be surrendered or recovered were not indicated in the report. Most imprests are beyond the 7 days limit.
5. The pending bills for the department was ksh. 9,972,605 in the period under review.

4.2 COMMITTEE RECOMMENDATIONS

1. THAT the County treasury should indicate how much each Department received as exchequer for easy comparison in the quarters.
2. THAT the department should break down the Budget Execution by programmes and sub-programmes, into activities for easy scrutiny and oversight.
3. THAT the department should submit departmental monthly /annual work plan and budget implementation reports for comparison purposes with the financial report by the committee.
4. THAT the department should ensure compliance of Regulation 93(5 and 6 of PFM Regulation, 2015 on surrendering imprest and also enhance imprest management system. *A holder of a temporary imprest shall account or surrender the imprest within seven working days after returning to duty station*
5. THAT the department should give pending bills first charge, when it comes to budgeting.

4.3 Conclusion

Honorable Speaker, I beg this Honorable house to adopt this report of Tourism, Water, Environment and Natural Resources committee on the County 9 Months Financial Statements for period ended 31st without amendments

Annexures

- 1. Adoption Minutes*
- 2. Adoption Schedule*
- 3. Bungoma County Government Nine Month financial statement for period ended 31st March 2023.*

**MINUTES OF THE TOURISM, WATER, ENVIRONMENT AND NATURAL
RESOURCES COMMITTEE HELD ON 3RD JUNE, 2023 AT VICTORIA
COMFORT IN HOTEL AT 9:00 A.M**

MEMBERS PRESENT

1. Hon. Edwin	Opwora	Chairperson
2. Hon. Martin	Chemirion	Vice Chairman
3. Hon. Joseph	Juma	Member
4. Hon. Anthony	Lusenaka	Member
5. Hon. Meshaka	Simiyu	Member
6. Hon. Sudi	Busolo	Member
7. Hon. Miliah	Masungu	Member
8. Hon. Vitalis	Wangila	Member
9. Hon. James	Barasa	Member
10. Hon. Aggrey	Mulongo	Member
11. Hon. Bernard	Kikechi	Member
12. Hon. Benjamin	Otsiulah	Member
13. Hon. Orize	Kundu	Member
14. Hon. Ndasaba	Dorcas	Member
15. Hon. George	Tendet	Member

MEMBERS OF THE SECRETARIAT

- | | | |
|-------------|---------|-------------------------|
| 1. Jocktan | Kabeyi | Committee Clerk |
| 2. Phisher | Makokha | Commisionare |
| 3. Ignatius | Wangila | Principal Legal Officer |
| 4. Caro | Akirapa | Hansard |

Agenda :

1. Prayer
 2. Determination of the quorum
 3. Adoption of the agenda
 4. Communication from the Chair
1. Adoption of the report on 9 Month financial statement for the period ending 31st March 2023.

MIN. 1/3/6/23- PRAYER. The Chairperson called the meeting to order at 9:32 a.m. and said the opening prayer.

MIN. 2/3/6/2023 DETERMINATION OF THE QUORUM. The quorum was determined as sufficient for the meeting.

MIN.3/3/6/2023 ADOPTION OF THE AGENDA. Hon. Vitalis Wangila proposed the agenda and was seconded by Hon. Ndasaba Dorcas the agenda for the meeting was adopted.

MIN. 4/3/6/2023- COMMUNICATION FROM THE CHAIR. The Chair read to members a report forwarded by the department on Climate Change Participatory Risk Analyzed and Action Plan reports presented to the Committee and informed members that the report has to be received by the clerk before the Committee interrogate the reports


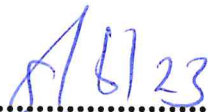
MIN. 5/3/6/2023. ADOPTION OF THE 9 MONTH FINANCIAL STATEMENT FOR PERIOD ENDING 31ST MARCH 2023. The members upon going through the report, they made some observation from which recommendation were made to the executive for implementation.

The Chair read all the recommendation to members and did put a question for members to approve the report and the recommendation there in, the members through acclamation adopted the report.


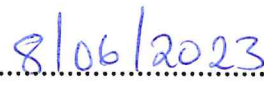
ADJOURNMENT

There being no other business the meeting adjourned at 10.34 a.m. The committee will reconvene on notice.

Confirmation:

Mr. Jocktan Kabeyi  **Date** 




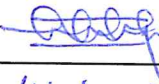
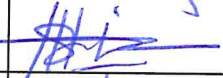

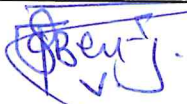




Committee Clerk

Hon. Edwin Opwora  **Date** 

**Chairperson, Tourism, Environment, Water and Natural Resources
Committee**

ADOPTION SCHEDULE

We the undersigned Members affix our signatures adopting this report with the contents therein.

	MEMBERS NAME	DESIGNATION	SIGN
1	Hon. Edwin Opwora	Chairman	
2	Hon. Martin Chemirion	Vice Chairman	
3	Hon. Joseph Juma	Member	
4	Hon. Anthony Luseneka	Member	
5	Hon. Vitalis Wangila	Member	
6	Hon. Meshack Simiyu	Member	
7	Hon. Miliyah Masungu	Member	
8	Hon. Benjamin Otsiula	Member	
8	Hon. Aggrey Mulongo	Member	
10	Hon. James Barasa	Member	
11	Hon. Sudi Busola	Member	
12	Hon. Orize Kundu	Member	
13	Hon. Benard Kikechi	Member	
14	Hon. Ndasaba Dorcas	Member	
15	Hon. George Kwemoi	Member	