

COUNTY GOVERNMENT OF BUNGOMA

COUNTY ASSEMBLY OF BUNGOMA

COUNTY ASSEMBLY DEBATES

THE DAILY HANSARD

TUESDAY, 30TH APRIL, 2024

Afternoon Sitting

Third County Assembly

Third Session

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COUNTY ASSEMBLY OF BUNGOMA
THE HANSARD- OFFICIAL REPORT
TUESDAY, 30TH APRIL, 2024

The House met at the County Assembly Chamber at 2:30 p.m.

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

PRAYER

COMMUNICATION FROM THE CHAIR

Honourable Members, I will be making two communications for now and then on Thursday at 2:30 p.m., I will make one from the minority side.

1. COMMUNICATION FROM HIS EXCELLENCY THE GOVERNOR

Honourable Members, we received a name of the nominee for County Attorney. The Committee on Appointments was assigned the task of processing and subsequent reporting; which is yet to reach the House Business Committee. The Governor of Bungoma County, His Excellency, Hon. Kenneth Makelo Lusaka, has written to us recalling the nominee for the office and I will read:

County Government of Bungoma,
Office of the Governor;

Reference: CG/BGM/GVN/CA/Vol. I/13 of 29th of April, 2024

To the Clerk,
County Assembly of Bungoma

Dear Sir,

Reference: Recall of the Bungoma County Attorney's Appointee

Pursuant to the communication that I did to your office on 15th of April, 2024 submitting the name of Ms. Esther Masanyangila Wafula of ID number 29252737 for approval by the County Assembly as Bungoma County Attorney, I hereby write to recall that name. Looking forward to your cooperation

Yours faithfully,

His Excellency, Rt. Hon. Kenneth Makelo Lusaka- EGH, Governor, Bungoma County,
Copied to the Speaker

Subsequently, the earlier commitment of the name of the nominee, Esther Masanyangila Wafula of ID number 29252737 to the Committee on Appointments is hereby removed from our HANSARD and expunged from our records; that we never had such a name, and it is not part of

our records anymore. That simply means that in the absence of the nominee, there cannot be a report of the Committee on Appointments. So don't wait for the report to come because that report contains that name that has been recalled; hope you are getting me. We should not wait for the report to come, because there is no name in that report.

2. RECESS ACTIVITIES

Lastly, I wish to have a meeting of the entire House after this session to do housekeeping because we are commencing our recess, and we must agree. As we go on recess, there are activities that we are going to be engaged in for the 30 days. Being at home is not easy. So we will sit back and agree on one or two issues.

PAPERS

1. THE BUNGOMA COUNTY GOVERNMENT 2ND SUPPLEMENTARY BUDGET ESTIMATES, FINANCIAL YEAR 2023/24
2. THE BUNGOMA COUNTY GOVERNMENT ANNUAL BUDGET ESTIMATES, FINANCIAL YEAR 2024/25

(Papers laid by Hon. Joseph Nyongesa)

Mr. Speaker: Honourable Members, the Bungoma County Government 2nd Supplementary Programme Based Budget for the financial year 2023/24 and equally the Bungoma County Budget Appropriation Estimates for the financial year 2024/25 are all committed to the Committee on Budget and Appropriations for processing and reporting back to the House accordingly.

3. REPORT ON THE SHORT TERM CONTRACTUAL POLICY FOR BUNGOMA COUNTY PUBLIC SERVICE

Mr. Speaker: Sorry, sorry Hon. Sudi... yes, please.

Hon. Isaiah Sudi: On behalf of my chairperson, Public Administration and ICT, I wish to table the report on short term contractual policy for Bungoma County Public Service.

(Paper laid by Hon. Sudi)

Mr. Speaker: It must be a very strong Policy that our Deputy Chief Whip wants to fall down. Honourable Members, the report on short term contractual policy for the Bungoma County Public Service is hereby tabled and I commit the same to the Committee on Labour Services.

Next item?

NOTICE OF MOTION

1. REPORT ON THE SHORT TERM CONTRACTUAL POLICY FOR THE BUNGOMA COUNTY PUBLIC SERVICE

Mr. Speaker: I think we do have some confusion here, this is a report from the Public Administration Committee; it is not a Policy. To my understanding, it is a report on the Policy by the Public Administration Committee. That being the position, it cannot be committed to the Committee on Labour because we are going to issue a notice right away. My directive on committing it to the Committee of Labour should be expunged from our HANSARD.

Proceed now and issue a notice accordingly.

Hon. Isaiah Sudi: I hereby issue a notice on the report by Public Administration and ICT on the Short Term Contractual Policy for the Bungoma County Public Service.

Mr. Speaker: Honourable Members, a notice of motion having been duly issued by the Committee on Public Administration and ICT on the Short Term Contractual Policy for the Bungoma County Public Service, I direct the Clerks- at- the- Table to share this report with the MCAs. The same will come up on our Order Paper as a motion once scheduled by the HBC.

STATEMENT

1. MEMBER OF THE HOUSE BUSINESS COMMITTEE PURSUANT TO THE PROVISIONS OF STANDING ORDER 47(2) (A).

Mr. Speaker: Today HBC was full house and I haven't seen whoever is having the weekly program. Hon. Henry is sharing the same... he be given a copy or are you the one giving it out? Proceed; please... you are on your feet already.

Hon. Johnston Okasida: Thank you Hon. Speaker. Let me have the privilege to take the Honorable Members through the tentative weekly program of Business of the County Assembly for the week commencing Tuesday 30th April to Thursday 2nd May, 2024.

Tuesday 30th April, 2024 at 2:30 p.m.

Papers

1. The Bungoma County Government 2nd Supplementary Budget Estimates for the financial year 2023/24.
2. The Bungoma County Government Annual Budget Estimates, financial year 2024/25; by the Leader of the Majority Party.

3. Report by the Sectoral Committee on Public Administration and ICT on the Short Term Contractual Policy for Bungoma County Public Service. It will be done by the Chairperson of the Sectoral Committee.

Questions and Statements

1. Statement No.10 of 2024; Member of the House Business Committee, pursuant to provisions of the Standing Order No. 47(2)(a) will do the statement informing the County Assembly of the weekly Business coming before the House on Tuesday 30th April and Thursday 2nd May, 2024.
2. The Member for Tongaren Ward, Hon. Johnston Ipara to seek a response from the CECM of Tourism, Water, Environment and Natural Resources.
3. Question 12 of 2024, Member for Tongaren Ward, Johnston Ipara to seek a response from the CECM, Health and Sanitation.

Motions

1. A report by the Joint Committee of Public Accounts and Investment of Bungoma and Trans-Nzoia County Assemblies on the interrogation of the Nzoia water Services Company limited Auditor General's report on the financial statements for the period ended 30th June, 2022. It will be done by the Chairperson Public Accounts and Investment Committee.
2. A report by the sector Committee on Finance and Economic Planning on the Bungoma County Receivers of Revenue Financial Statements for the period ended 30th June, 2023.

Bills

1. The Bungoma County Second Supplementary Appropriation Bill, 2024; first reading
2. The Bungoma County Appropriation Bill, 2024; first reading

Thursday 2nd May, 2024 at 2:30 p.m.,

Papers

1. A report by the Committee of Powers and Privileges on the 2023 biannual declaration of wealth by Honorable Members. It will be done by the Chairperson, Committee of Powers and Privileges.
2. A report by the sector committee on Agriculture, Livestock, Fisheries, Irrigation and Cooperative Development on Agricultural Inputs and Services, Support Guidelines, 2023 and the Bungoma Agricultural Land Lease Guidelines, 2023. Hon. Speaker, it will be done by the Chairperson, Committee of Agriculture

Notices of Motions

1. That this House adopts the report by the Committee of Powers and Privileges on biannual declaration of wealth by Honorable Members. Chairperson, Committee of Powers and Privileges will do that.
2. That this House adopts the report by the Committee on Agriculture, Livestock, Fisheries, Irrigation, Cooperative Development on Agricultural Inputs And Services, Support Guidelines, 2023 and the Bungoma Agricultural Land Lease Guidelines, 2023. The Chairperson will do that.

Questions and Statements

1. Question 13 of 2024, Member for Tongaren Ward Hon. Johnston Ipara to seek a response from the CECM, Education and Vocational training.
2. Question 14, 2024, Member for Tongaren Ward Hon. Johnston Ipara to seek a response from the CECM, Finance and Economic Planning.

Hon. Speaker that is the tentative weekly program for this week; I submit.

Mr. Speaker: Thank you for sharing the tentative weekly program for the House.

The next item,

MOTION

1. REPORT BY THE JOINT COMMITTEES OF PUBLIC ACCOUNTS AND INVESTMENTS OF BUNGOMA AND TRANS-NZOIA COUNTY ASSEMBLIES

(Resumption of debate)

Mr. Speaker: Honorable Members, we are at the resumption of the debate and I will be inviting the mover. I confirm that I received on time some amendments to the proposed recommendations from one of the Honourable Members. I will therefore invite the Honourable Member to share his amendments and after that I will invite the mover of the motion to respond then we move accordingly.

The only challenge I have is that I had so many proposals of what they were planning to do but it was just hot air; they all vanished. If you say you have proposed amendments and you don't do it in writing, it is not an amendment to us; it must be in writing for the Speaker to allow it on the floor of the House accordingly. So I will invite the Deputy Speaker. Yes, proceed.

Hon. Stephen Wamalwa: Thank you Hon. Speaker.

Mr. Speaker: Then as you do so you must have a seconder of your amendments.

Hon. Stephen Wamalwa: Yes, I have a seconder of my proposed amendments.

Hon. Speaker, I wish to thank you. Honorable Members, I rise in relation to the motion of amendment to the report of the interrogation of the Nzoia Water Services Company limited audit queries for their period ended 30th June, 2022 by the joint committees of Public Accounts and Investments of Bungoma and Trans-Nzoia County Assemblies. Arising from the debate held on Wednesday the 24th April, 2024 in the afternoon sitting, I wish to propose the amendments as follows.

1. That in view of the de-clustering Task Force Gazette notice number 2789 dated March 2023, the CECM responsible for Water and Natural Resources of the County Government of Bungoma to avail a report of the said task force and its implementation status to this House within 14 days from the date of the adoption of this report.
2. That after 14 days from the adoption of this report, the Committee on Implementation shall fast-track the resolution and report to this House after a further 14 days.

I move on and call upon Hon. Linda Kharakha to second.

Mr. Speaker: Hon. Linda you have the honour of seconding. Everybody has this amendment on their gadget. Some people demonstrate impunity by allowing their phones to be on loud volume with interesting songs! You know they are inviting... Hon. Linda sorry proceed

Hon. Linda Kharakha: Thank you, Mr. Speaker. Sorry, I do not have my card.

Thank you for according me the opportunity to second the proposed amendment by the Hon. Deputy Speaker. I rise to support the proposed amendment as read.

Mr. Speaker: Thank you. Honourable Members, you will vote on every amendment; it is not done in an omnibus way where you just vote generally; you vote on every amendment.

An amendment has been read that in view of de-clustering, the task force...Hon. Lusenaka, we must take this amendment first; if they all collapse, you reply, if they are taken on board they will form part of the report at the end of the reply so that we have them.

In view of gazette notice No. 2789 of Hon. Stephen Wamalwa, we have a challenge here and the challenge is so huge. I have never seen a gazette notice that has no date...You are out of order Hon. Masungu! Which date? No. If there are no dates, I will ignore all of them. The challenge we have is that this is the amendment and not the gazette you are showing me, my deputy. When you do things in a hurry, the law must be followed to the end. Are we together? The amendment that was shared is this one, not the gazette notice and that is the position in law. Not because I am

the Speaker here, that is the law. So now, if you bring me different things, I decline...this is the proper one.

So that the gazette notice of 3rd of March, 2023, the CECM responsible for Water, Natural Resources of Bungoma County Government, to avail a report of the state task force and its implementation status to this House, 14 days from the date of the adoption of this report.

(Question put and agreed to)

The Ayes have it

The second one; that after 14 days from the adoption of this report, the Committee on Implementation shall fast track the resolution in the report to this House after a further 14 days.

(Question put and agreed to)

The two proposed amendments form part of the recommendations of the report. Hon. Lusenaka, you reply. Sorry, let me give you a microphone first.

Hon. Anthony Lusenaka: Thank you, Hon. Speaker. I wish to appreciate all the members that contributed to this motion and also the Hon. Deputy Speaker who came up with amendments and I hope they strengthen our recommendations when the Senate takes up the matter.

There are several issues that were raised during the debate; the issue of illegal connections that was raised by Hon. Kirong. I know there are some challenges, especially where we have the source of water since residents from those areas have an entitlement to this water. That is where we are having challenges of illegal connections.

There is also a challenge of staff, they are not able to provide services as required and that is why we have those illegal connections. They are not able to make legal connections by providing the water meters and providing services where pipes have been vandalized; they are not able to repair on time. I hope that once we get the report from the task force which we have said that it should be provided within 14 days; failure to which the Committee of Implementation will take up the matter and I know this House is in a better position to handle such a matter.

Nothing prevents this House from amending any report done by any Committee, the House has a final say. So, the Committee should not feel that maybe the mandate has been taken away. It is the House that makes a decision, whichever way, on any report or any document that is put before it. I want to end there by requesting members to pass the report with the amendments. Thank you, Hon. Speaker.

Mr. Speaker: Thank you, Hon. Lusenaka for your response to the motion. Honourable Members, I will proceed and put a question to the same motion.

(Question put and agreed to)

The joint report of the two committees of Trans-Nzoia and Bungoma Assemblies is adopted with amendments as proposed and seconded by Hon. Stephen Wamalwa and Hon. Lindah Kharakha accordingly.

Honourable Members I think there is a mix up in this Order Paper; not even a mix up but a confusion with the Clerks- at- the- Table because I think Hon. Ipara read the questionnaire under Order seven then we had statements under it; so I think I will go back to number seven to allow Hon. Ipara ask his statement because it is on the Order paper.

STATEMENTS

1. STATEMENT NO. 11 OF 2024; MEMBER FOR TONGAREN WARD HON. JOHNSTON IPARA- MCA

Mr. Speaker: Hon. Ipara you are...proceed, please!

Hon. Johnston Ipara: Thank you Hon. Speaker for the correction. I proceed under the Standing Order No.49. I hereby seek for answers from the CECM, Tourism, Water, Environment and Natural Resources. This is in relation to unclear operation of the County water rig. In the response, let the CECM inquire and report on the following.

1. What was the cost of the water rig, complete with accessories that were sourced with?
2. How many boreholes have been sunk across the county so far? Name them and the wards they are in.
3. During the Financial Year 2023/24, how much was set aside for the rig operations?
4. The rig being a technical machine, how many skilled operators operate the rig? Name them and the grades that each of them holds.
5. During the Financial Year 2022/2023, how many boreholes were sunk in the six wards of Tongaren Sub-County?
6. The County Rig Policy that was enacted by the County Assembly had a clause on reviewing; why has the policy not been reviewed despite many issues and particularly effects of climate change?
7. What is the standard cost of upgrading a borehole?

8. When you conduct a quick cost analysis on sinking a borehole using our own rig compared to contracted services, which one is cost effective and why?

Mr. Speaker: Thank you. Honourable Members. Looking at the nature of the statement raised by Hon. Ipara, especially a statement under number two; it does warn that basically this matter be heard in the open plenary here because it is asking about 45 wards in this county. When it is under the committee level, some members here may miss that session of the report. So, the Chair of the Committee on Tourism if you are here, we will urge that basically the CECM will come and answer these questions from here.

It is affecting all of you and I think that way, we will avoid a situation where the following day, Hon. Orize from Siboti or Hon. Job will be asking the same thing about his ward; so that will be done on the open floor here. So we will ask that we be given a response in the first day upon resumption.

Honourable Members, we will be resuming on 4th of June and on the first day when we come from home people need to rest properly. We will hear him on Wednesday, 5th of June at 2:00 p.m. The CECM will appear in this House to respond to these queries.

2. STATEMENT NO. 12 OF 2024; MEMBER FOR TONGAREN WARD, HON. JOHNSTON IPARA,

Mr. Speaker: Hon. Ipara!

Hon. Johnston Ipara: Thank you, Hon. Speaker. Under the Standing Order No. 49, I hereby seek for answers from the CECM, Health and Sanitation. This is in relation to concerns of lack clear information. In the response, let the CECM inquire and report on the following:

1. Was the occupier of the current position of the Director of Medical Services in the County recruited as per the constitutional / legal provisions and was the Health Service Act of 2019 adhered to during the recruitment process?
2. How many health facilities has the Director of Health Services in his supervisory role personally or through his assistance visited in the last 10 calendar months?
3. In fulfilment of his duties, could the CECM give the details of equipment supplied to Sub-County hospitals, health centres, and the dispensaries since the start of this year, 2023/2024, across the county?
4. In ensuring there is efficiency in the Department, could the CECM state how much money was collected in his Department from patients' visits for medical services in the health facilities during the year 2022/23 and half of the financial year 2023/24?

5. The CECM is personally accountable to his department. May he explain the infrastructure development that has been put across in the county during the Financial Year 2022/23 and 2023/24 by naming the ward, the name of the project, the cost, and the current status?

6. The CECM by extension in his/her roles is to ensure there are enough personnel in health facilities. May he state the number of the health personnel who are supposed to be at Tongaren Health Center, Makololwe Dispensary, and Lukhuna Dispensary in Tongaren Ward as per the needs assessment?

7. Could the CECM state the measures he has put in place in upgrading Tongaren Health Center to Sub-County hospital, bearing in mind that the facility is the oldest in the Sub-County and serves a population of over 50,000 residents in the ward plus other visiting ones?

8. The CECM to provide a list of partners (donors) who supported the medical services in the county from the Financial Year 2022/23 and the current Financial Year 2023/24 and the donations, grants they have provided.

Mr. Speaker: Thank you, Hon. Ipara! This statement sought is touching on some area in the entire county; it will be responded to on 5th of June at 2:30 p.m. in this open session. Hon. Job!

Hon. Job Mukoyandali: Thank you, Hon. Speaker. On behalf of the Chair of the Health Committee I would like to report to the House that question number one sought by the Honourable Member is being addressed by the Committee on Implementation and the Public Service Board is appearing before the Committee to respond over the same on the 10th ...

Mr. Speaker: Is it the same statement as sought or it has some variance?

Hon. Job Mukoyandali: No, question number one is the same.

Mr. Speaker: In this a statement?

Hon. Job Mukoyandali: Yes.

Mr. Speaker: He will come and say I have already answered that and then answer the remaining ones.

Next item, please.

MOTION

1. REPORT ON THE BUNGOMA COUNTY RECEIVERS OF REVENUE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH JUNE, 2023

Hon. Francis Chemion: Thank you, Hon. Speaker. On behalf of the Chair, Finance Committee, I rise to move a motion on revenue financial statement for the period ending June. That is the receivers of revenue.

CHAPTER ONE

Preface

Mr. Speaker Sir, the receivers of revenue financial statement for the period ending June 30th, 2023 was tabled in the House on 1st November, 2023 by the Leader of Majority and committed to the Committee on Finance and Economic Planning.

The report has highlighted on the general performance in own source revenue collection including appropriation in Aid by the Bungoma County.

The Committee critically analyzed the report and did comparison with performance in previous years which aided it to make critical observation with clear and workable recommendations for the House to consider.

Generally, the Committee observed each revenue streams performance against the budget and historical behavior in revenue collection across all revenue streams including during Covid-19 period.

Mandate of the Committee

The mandate of the Committee is as stated in our Standing Order No. 217 (5) I do not need to read

Committee Membership

Mr. Speaker Sir, the Committee on Finance and Economic Planning as currently constituted comprises of the following members:-

- | | |
|---------------------------|------------------|
| 1. Hon. James Mukhongo | Chairperson |
| 2. Hon. Orize Kundu | Vice Chairperson |
| 3. Hon. Stephen Wamalwa | Member |
| 4. Hon. Everlyne Mutiembu | Member |
| 5. Hon. Vitalis Wangila | Member |
| 6. Hon. Violet Makhanu | Member |

7. Hon. Jack Kawa	Member
8. Hon. Francis Chemion	Member
9. Hon. Tony Barasa	Member
10. Hon. George Makari	Member
11. Hon. Aggrey Mulongo	Member
12. Hon. Godfrey Wanyama	Member
13. Hon. Everton Nganga	Member
14. Hon. Christine Mukhongo	Member
15. Hon. Catherine Kituyi	Member

Legal Framework

We have the legal Framework that is PFMA 157 (1) (2), 158 (1), 164 (1) and (2) (a) (b) (c) (d) (e) (f), (3) and (4), 165 (1) (2) (3) (4) and (5)

Acknowledgement

Let me take this opportunity to express my gratitude and sincere thanks to the Members of the Committee and its Secretariat for dedicating their time to analyze the receivers of revenue Financial Statement report and diligently carrying out critical analysis of the report including interrogation of the Department.

The Committee is grateful to the offices of Hon. Speaker and Clerk of the County Assembly of Bungoma for the support received as it discharged its mandate in the preparation of this report.

Lastly, the Committee lauds the County Executive Committee Member of Finance and Economic Planning and his team for appearing before the Committee and availing the necessary information that enabled it compile this report.

Mr. Speaker Sir, it is therefore my singular duty, on behalf of the Committee of Finance and Economic Planning to table this report and recommend it to the County Assembly for consideration and adoption.

Signed by Hon. James Barasa Mukhongo, MCA Chwele/Kabuchai Ward and Chairperson, Committee on Finance and Economic Planning

CHAPTER TWO

Statement of performance against predetermined objectives

Operation of the fund

The County Government collects local revenue using the Bungoma Automated Revenue management system (BARMS) system. Every collecting officer has a Point of Sale (POS) machine to ensure that all revenue paid is captured directly into the system to avoid leakages and encourage efficient revenue collection. The revenue collected are banked daily in the four Collection accounts and swept to the Bungoma County Revenue Fund held at CBK every Tuesday.

AIA is revenue collected from Mabanga ATC/AMC, level 3, 4&5 hospitals and County vocational training centers. The revenues include: receipts from County Government, Donations and receipts from offering services, hire of county machines & assets and sale of goods. Most cash are collected through agents that are located within the facility entities.

Revenue Enhancement Measures

The Department has continued to institute new measures directed at sealing all the possible leakages to enhance revenue collection and improve collection efficiency.

1. The market entry fees module has been developed and re-structured. It is now possible to register all market traders, which allow them to generate bills and pay through M-pesa. This new module is meant to reduce cash handling amongst tax payers and revenue collectors. The Department can now track market fee defaulters. The Finance Act, 2021 requires all payments of market fees to be cashless while exempting low value traders with no structures.

The Committee through comparison approach established that as much as the collection has gone cashless, still revenue collection targets are not met yet. During its inception during covid-19 even when there were no proper structures for cashless collection, all revenue streams recorded high revenue collection, this implies that apart from going cashless, there is an element of integrity/corruption perpetuated by the revenue collectors and traders. Thus, the Committee implores that there is need for all stakeholders to sit down and address this problem.

2. The Department continues to implement flexible payment plans for property rates. Defaulters with huge balances will enter into a twelve-month payment plan. This strategy has enabled improved performance of property rates.
3. Measures that are more aggressive are underway to get all defaulters of property rates to comply. The Department has forwarded a list of defaulters to County Attorney for legal action by the County.
4. The Department had started arresting and arraigning defaulters of trade licenses in court. This was halted after public outcry and incitement. The Committee acknowledges the principle of Public participation and advises that sensitization has to be initiated to enlighten traders on their obligations and consequences for noncompliance.
5. Inadequate number of revenue vehicles had hampered mobility of revenue supervisors and collectors. In the FY 2022/23 budget, the Department allocated funds to carry out

major services for the vehicles in revenue. *The Committee implored the Executive to assess the gaps for consideration 2024/2025 budget.*

6. The Department of Finance and Economic Planning is pursuing the responsible departments to fast track the long pending revenue support legislation.

Statement of Receiver of Revenue's Responsibility

The receiver of revenue is responsible for the preparation of the receiver of revenue financial statements which give a true and fair view of the state of affairs of the receiver of revenue for and as at end of the period.

2.3.1 Table 1.

Statement of Receipts and Payments for The Period ended 30th June, 2023			
	Period ended June 2023	Comparative period ended June 2022	Variance same period
	Kshs	Kshs	Kshs
County Own Source Revenue			
Hospital Fees	639,015,369	728,619,105	(89,603,736)
Single/Business Permits	86,594,895	87,932,427	(1,337,532)
Parking Fees	69,049,416	72,436,640	(3,387,224)
Cess	44,579,724	41,302,577	3,277,147
Market Fees	36,398,310	43,552,246	(7,153,936)
Land/Poll Rate	31,245,664	21,379,076	9,866,588
Hire Of County Assets	27,786,632	17,621,385	10,165,247
Administration Control Fees and Charges	21,733,039	25,600,530	(3,867,491)
Advertising	13,281,001	21,331,893	(8,050,892)
Miscellaneous receipts	12,852,746	554,987	12,297,759
Physical Planning and Development	12,786,512	11,488,211	1,298,301
Property Rent	11,977,860	15,749,535	(3,771,675)
Conservancy Administration	4,069,567	11,852,405	(7,782,838)
Public Health Service Fees	1,101,510	5,540,632	

			(4,439,122)
Other Fines, Penalties, And Forfeiture Fees	371,980	385,725	(13,745)
Total County Own Source Revenue	1,012,844,225	1,105,347,374	(92,503,149)
Other Receipts			
Transfers From County Government	-	53,299,987	53,299,987
Total Other Receipts	-	53,299,987	53,299,987
Total Receipts	1,012,844,225	1,105,347,374	92,503,149
Balance b/f at the beginning of the year	150,013,919	176,705,772	
Expenditure By Facilities collection AIA	-679,974,550	-826,046,268	
Disbursements To CRF	-330,427,054	-359,292,947	
Balance Due for Disbursement	152,456,540	150,013,919	

Total revenue collected in the period was Kshs1, 012,844,225 compared to Kshs1, 105,347,375 collected same period in the previous year; a negative variance of Kshs92, 503,149. Out of the amount collected, Kshs. 639, 015,369 relates to hospital facilities.

These facilities collected less than projection because cash disbursements from the NHIF, Linda mama and Edu Afya were received after close of the Financial Year.

The balance of Kshs373, 828,856 relates to AIA and own source revenue. Kshs27, 120,967 was from AIA and Kshs346, 707,889 from own source. Out of the amount collected, only Kshs330, 427,054 was transferred to County Revenue Fund account leaving a balance of Kshs43, 401,802.

Table 2; Statement of comparison of budget vs. actual amount for the period ended June 30th 2023

Own source revenue	Final budget	Actual cash	Variance	%
Hospital fees	767,056,828	639,015,369	-128,041,459	83
Single Business permits	115,258,685	86,594,895	-28,663,790	75
Parking	95,187,928	69,049,416	-26,138,512	73

Cess	48,000,000	44,579,664	-3,420,336	93
Market fees	48,299,948	36,398,310	-11,901,638	75
Land /poll rate	50,454,672	31,245,664	-19,209,008	62
Hire of County Assets	31,801,804	27,786,632	-4,015,172	87
Administration control fees	26,699,668	21,733,039	-4,966,629	81
Advertising	27,473,695	13,281,001	-14,192,694	48
Miscellaneous receipts	43,054,145	12,852,746	-30,201,399	30
Physical planning and development	21,854,301	12,786,512	-9,067,789	59
Property rent	12,154,685	11,977,860	-176,825	99
Conservancy Administration	12,247,768	4,069,567	-8,178,201	33
Public Health Service fees	12,180,272	1,101,510	-11,078,762	9
Other Fines Penalties and forfeitures	2,706,094	371,980	-2,334,114	14
Other revenue sources	32,952,485	0	-32,952,485	0
Total Receipts	1,347,382,978	1,012,844,165	-334,538,813	75

The County expected Kshs1, 347,382,978 from AIA and local revenue. Kshs1, 012,844,165 was collected which translates to 75 per cent of the target; a negative variance of Kshs334, 538,813.

None of the revenue streams achieved the set target. Hospital fees was less by Kshs128,041,459, Single business permit Kshs28.6M, parking fees Kshs26M, Market fees Kshs11.9M, Public Health services Kshs11M, Conservancy Administration Kshs8M, physical planning and development Kshs9M, Advertising Kshs14M, Administration control fees Kshs4.9M, Hire of County assets Kshs4M, CESS Kshs3.4M

2.3.3 Table 3. Statement of Arrears of Revenue as at 30th June, 2023

Source of Revenue	Balance as at 1 st July 2022	Arrears received during the year	Additions in arrears for current year to June 30 th 2023	Total arrears as at 30 th June 2023	Measures taken to recover the arrears	Assessment of recoverability
Cess	65,857,330			65,857,330	-	-
Land rates	160,354,731	7,764,528		152,590,203	-	-

Total Arrears	226,212,061	7,764,528	-	218,447,533		
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Breakdown of Collection

Cess

Description	Period ended June 2023	Comparative period 2022	variance
	Kshs.	Kshs.	Kshs.
Farm Produce	44,296,944	38,228,222	6,068,722
Quarrying	170,280		170,280
Fish farming	3,000	23,200	-20,200
Veterinary	109,500	3,051,155	-2,941,655
Total	44,579,724	41,302,577	3,277,147

Land /Poll rates

Description	Period ended June 2023	Comparative period 2022	variance
	Kshs.	Kshs.	Kshs.
Land rates	22,954,732	12,147,843	10,806,889
Land penalties /interest	1,660,592	4697884	-3,037,292
Arrears	6,630,339	4,533,349	2,096,990
Total	31,245,663	21,379,076	9,866,587

Single Business permits

Description	Period ended June 2023	Comparative period 2022	variance
	Kshs.	Kshs.	Kshs.
Business permits application fees	5,070,979	4,136,550	934,429
Annual Business permit fees	73,728,725	73,283,750	444,975
Business permit penalties and interest	2,421,725	2332328	89,397
Business permit renewal fees	5,373,466	8,179,800	(2,806,334)
Total	86,594,895	87,932,428	-1,337,533

Property Rent

Description	Period ended June 2023	Comparative period 2022	Variance
	Kshs.	Kshs	Kshs

County Housing	6,427,072	10,320,100	(3,893,028)
Plot Rent	4,793,138	318,000	4,475,138
Transfer of Property	193,200	2,894,155	(2,700,955)
Stalls/kiosks rent	402,050	1,327,800	(925,750)
Consent to charge	30,000	103,000	(73,000)
Clearance certificate	111,400	366,500	(255,100)
Extension of lease	4000	-	4,000
Survey fees and beacon search	17000		17,000
Total	11,977,860	15,329,555	(3,351,695)

Parking fees

Description	Period ended June 2023	Comparative period 2022	variance
	Kshs.	Kshs.	Kshs.
Street parking fees	6,106,580	9,876,670	-3,770,090
Monthly toll /sticker fees	45,397,873	61,085,700	-15,687,827
Motorbike fees	2,018,683	1,474,270	544,413
Registration fees	159,000		
Reserved parking	540,000		
Bus park fees	14,827,280		
Total	69,049,416	72,436,640	-3,387,224

Market Fees

Description	Period ended June 2023	Comparative period 2022	variance
	Kshs.	Kshs.	Kshs.
Market entry fees	29,558,465	32,544,598	(2,986,133)
Livestock	3,573,280	7,916,214	(4,342,934)
Slaughter fee	1,592,050	3,087,434	(1,495,384)
Charges for Carriers/ Loaders With Commodities	187,200		187,200
Fees for Market Premises	28,060		28,060
Charges for Auction Ring-Market Fees Bill	1,459,255		1,459,255
Total	36,398,310	43,548,246	(7,149,936)

Advertising

Description	Period ended June 2023	Comparative period 2022	variance
	Kshs.	Kshs.	Kshs.
Branding	7,113,560		7,113,560
Billboard advertising	6,071,440	21,331,893	(15,260,453)
Outdoor Advertisement	96,000		96,000
Total	13,281,000	21,331,893	(8,050,893)

Hospital Fees

Description	Period ended June 2023	Comparative period 2022	variance
	Kshs.	Kshs.	Kshs.
Level 5 & 4 hospitals	639,015,369	598,341,742	40,673,627
Level 3 hospitals		112,784,219	(112,784,219)
Public Health fees		1,431,482	(1,431,482)
Vocational Training Centres(Vtc) fees		16,061,662	(16,061,662)
Total	639,015,369	728,619,105	(89,603,736)

Public Health Services Fees

Description	Period ended June 2023	Comparative period 2022	variance
	Kshs	Kshs.	Kshs.
Inspection of buildings/premises/Institutions	95,230	1,927,842	(1,832,612)
Public health permit	168,880	3,612,790	(3,443,910)
Food Drugs and Chemical substance License	837,400		837,400
Total	1,101,510	5,540,632	(4,439,122)

Physical Planning and Development

Description	Period ended June 2023	Comparative period 2022	variance
	Kshs	Kshs.	
Building plans approval	12,279,382	11,464,386	814,996
Occupational Permits		19,000	(19,000)
Physical Planning	28,000	4,825	23,175
Hoarding fees	10,000		10,000
Building Inspection	469,130		469,130
Total	12,786,512	11,488,211	1,298,301

Hire of County Assets

Description	Period ended June 2023	Comparative period 2022	variance
	Kshs	Kshs.	
Agricultural Mechanization Services (AMS)	4,000	1,010,320	(1,006,320)
Hire of Machines and Equipment	3,891,010	20,000	3,871,010
Hire of County Stadium	4,000	59,000	(55,000)
Conference facilities/Agricultural Training Centers (ATC)	23,887,622	16,532,065	7,355,557
Total	27,786,632	17,621,385	10,165,247

Conservancy Administration

Description	Period ended June 2023	Comparative period 2022	variance
	Kshs	Kshs.	
Refuse disposal fees	150,200	11,749,805	(11,599,605)
Dumpsite fees	12,000	63,000	(51,000)

Sewerage fees	13,200	39,600	(26,400)
Sale of seedlings	3,894,167		3,894,167
Total	4,069,567	11,852,405	(7,782,838)

Mr. Speaker: Hon. Aggrey Mulongo, if you want me to take action against you, it will come as hot as it is. I will not require anybody to name you; I will just send you away for six months. You can proceed.

Hon. Francis Chemion: Thank you Mr. Speaker. We are not on item no. 13 on administration control fees and charges

2.4.13. Administration Control Fees and Charges

Description	Period ended June 2023	Comparative period 2022	variance
	Kshs	Kshs.	
Weights and measures	21,270	288,040	(266,770)
Fire Services	17,579,985	19,375,490	(1,795,505)
Liquor licenses	4,063,684	5,937,000	(1,873,316)
Betting levy	67,100		67,100
Change of Business Location	1,000		1,000
Total	21,733,039	25,600,530	(3,867,491)

2.4.14 Miscellaneous Receipts

Description	Period ended June 2023	Comparative period 2022	variance
	Kshs	Kshs.	
Stock Movement	3,090,862		3,090,862
Miscellaneous Income	-	73,024	(73,024)

Overpayment Recovery	38,931	96,215	(57,284)
Salary Recovery	4,068,860		4,068,860
Other charges(Unclassified)	5,654,093	103,648	5,550,445
Cooperative		282,100	
Total	12,852,746	554,987	12,579,859

2.4.15 Bank balances

The County had Kshs150, 013,919 as cash balance brought forward at the end of Financial Year 2021/2022, and Kshs152, 456,540 at the end of 2022/2023. However, the closing balances for Bumula Sub County Hospital, Bungoma HSSF (Consolidated), Public Health collection account KCB 11569933, Public Health collection account KCB 12259218, Bungoma vocational training (consolidated) have the same closing balances for the 2 years, hence the accuracy of the entire balance cannot be ascertained.

2.4. Challenges the Department faces in Local Revenue Collection

The Department highlighted the following as challenges in revenue collection:

- i. There is unprecedented resistance to pay taxes from the citizens obligated to pay. The major sectors affected are town service vehicles and boda boda who claim that the dual carriage road is still under construction and not in good shape. Most of the town service vehicles ply between Bungoma town and Kanduyi.
- ii. Political interference and incitement against the tax payers is evident. This starts with non-compliance by the political class in regard to payment of property rates, parking fees, single business permits, liquor licenses and stall rent.
- iii. The market support infrastructure is still in bad state. These include the auction rings (Chwele, Kimilili, Kamukuywa, Misikhu, Webuye and Mbakalo), sanitation facilities, slaughter houses (Bungoma, Webuye and Kimilili) The County staff houses where the Department collects rent are in deplorable condition.
- iv. Motivation programs for Revenue Collectors with sterling performance have not been possible. Re-imburement of transport to revenue collectors and supervisors traversing across large geographical locations collecting trade licenses, plan approval fees, market

fees and liquor licenses have been limited by the budget constraints. There is need to allocate funds to motivate revenue collectors.

CHAPTER THREE

Committee's observations and recommendations

Committee's observations

Mr. Speaker Sir, the Committee noted the following;

1. That there is poor performance of many revenue streams despite automation and system enhancement (budget vs. actual collection as well as comparison with previous Financial Year).
2. That the Department did not Comply with section 165 (4) of the PFM Act which states that not later than two months after the end of each Financial Year, a receiver of revenue for the County Government shall submit to a County Assembly a report with respect to all waivers and variations of taxes, fees or charges granted by the receiver during that year.
3. In relation to single business permits, the committee noted that new business applications increased by Kshs934, 429 while existing business renewal fees decreased by Kshs2.8M.
4. Collection from rental County houses dropped by Kshs.3.8M. It was noted that several properties are occupied with no rent being collected due to poor inventory system that has allowed some house occupants not to be captured on check off deduction. Money collected from check off is not properly matched to houses to allow ease of auditing to confirm which house rent has been paid and which has not. Some houses are occupied by individuals that are known yet do not pay rent.
5. Plot/ground rent from government plots leased increased from Kshs318, 000 to Kshs4, 793,138 due to collection of arrears backdated to 2019.
6. In relation to market fees, collection from livestock dropped by Kshs4.3M while from slaughter fees dropped by half from Kshs3M to Kshs1.5M because:
 - a) There are no auction rings in the markets
 - b) Slaughter houses in Kimilili, Bungoma, Webuye and Sirisia were shut down for several months by NEMA due to poor state of hygiene affecting revenue collection.

c) Traders have opted to slaughter animals from private slaughter slabs because they are cheaper and more hygienic

7. From the report, several revenue streams reported to have dropped were disputed by Revenue Department as wrong posting.

i) Public Health permit dropped from Kshs3.6M to Kshs168, 800 yet actual collection from Revenue Department indicate Kshs3,367,390 was collected.

ii) Agriculture mechanization services collections dropped from Kshs1M to Kshs4, 000 while actual collection from Revenue department was Kshs4.2M

iii) Refuse disposal/conservancy fee dropped from Kshs11.7M to Kshs150, 200, while actual collection from Revenue department was Kshs12.5M

iv) Liquor license dropped by Kshs1.8M yet according to Revenue, collection improved to from Kshs5.8M to Kshs7.2M.

8. Arrears relating to Financial Year 2022/2023 have not been disclosed hence the figure declared is incorrect.

9. Own source revenue collected in the period was Kshs1, 012,844,225. Revenue collected from hospital facilities was Kshs639, 015,369, which means revenue collected from other sources is Kshs373, 328,856 yet only Kshs330, 427,054 was transferred to County Revenue Fund. The report is silent on the balance of Kshs43M

10. Accuracy of closing cash balance cannot be ascertained in the absence of bank statements and also because of balances that remained the same in the two financial years

3.1.2 Committee's Recommendations

1. **That** the County Executive Committee Member for Finance and Economic Planning is directed to compile revenue enhancement strategy for each stream and share with the Committees for engagement at the end of financial year 2023/2024
2. **That** the County Government should be in Compliance with section 165 (4) of the PFM Act
3. **That** the County Executive Committee Member for Finance should effective July 2024 avail lists of all businesses that did not renew their Single Business Permit 2023/2024 accompanied by supporting notes to the Committee for engagement.
4. **That** the County Executive Committee Member department of Lands and Director of Housing should avail to the Assembly a catalogue of houses owned by the county, their location, house rent per month per house, occupants and rent payment status. The Committee further noted that since the drop in collection of house rent is significant, the County Executive Committee Member for Finance and Economic Planning together with his counterpart department of Lands, Urban Planning and Housing should urgently

establish the course of serious revenue drop and furnish the Committee with intervention strategies aimed at addressing the gaps by end of Financial year 2023/2024.

5. **That** the Chief Officer - Finance and Economic Planning is directed to ensure application of similar strategies that raised revenue in plot/ground rent is applied in other revenue streams to boost general revenue performance.
6. The County Government should improve services on all market centers to boost revenue collection. These include sanitary facilities, Slaughter house, auction rings etc. This should be considered in the 2024/2025 budget.
7. **That** the Chief Officer, Finance and Economic Planning should urgently streamline accurate coding of revenues to ensure correct posting codes and accounting for all revenue collected.
8. **That** all arrears of revenues should be accurately disclosed and measures put in place to enforce collection clearly understood by traders and collectors
9. **That** the balance of Kshs43M should be disclosed at the beginning of the Financial Year 2023/2024 as opening balance and separated from collections relating to the current Financial Year to avoid confusion.
10. **That** the Bank statements should be availed to the Committee to confirm closing balances immediately upon adoption of the report.

Adoption schedule; Mr. Speaker Sir, we, the undersigned members of the Committee on Finance and Economic Planning, append our signatures adopting this report with the contents therein. All the Members of the Committee adopted the report.

On annexures; we have adoption minutes, receivers of revenue report for the period ending 30th, June 2023 and the list of rate defaulters.

Hon. Speaker, I can't see the person who was supposed to second this report

Mr. Speaker: That is not an excuse for me.

Hon. Francis Chemion: Kate, any Member of your Committee? I have a strong and able lady called Mating'. Therefore, Hon. Mating' Kituyi will second our report.

(Applause)

Hon. Catherine Kituyi: Thank you Mr. Speaker Sir. First of all, I wish to thank Hon. Chemion for moving the motion eloquently. I want to second the motion.

I know the Committee is also planning to look into the revenue and they have good plans to improve. I second the motion.

Mr. Speaker: Thank you Honourable Members; a motion has been moved and seconded that this House adopts the report by the Sector Committee on Finance and Economic Planning on the Bungoma County Receivers of Revenue Financial Statement for the period ending 30th of June, 2023, laid on the table of the House on the 6th of March, 2024.

(Question proposed)

Hon. Sudi Busolo: Thank you, Honourable Speaker for giving me this chance to make my remarks. I report that my able Chair for Lands Committee has read well this report on behalf of the Finance Chairperson. The whole report, if you listen carefully it has shown us how we have been losing revenue in the County. It has highlighted that even the automated system that we are using are also not efficient.

Speaker, if you listen very carefully to the whole report and even the recommendations, there are so many leakages in our revenue streams. I don't know what we shall do because the same people, even if we make recommendations, something serious has to be done. For instance Kshs43M was lost and the report observed that the people in charge were silent about it.

If you look at the inventories, the housing inventory system is not well done. We are losing revenue because some of those living in that houses are not paying and some of them are very able citizens of this county and yet they are not paying rent. They should have recommended punitive measures so that we find out those who are behind loss of funds. Someone is enjoying! How do we lose 43 million shillings?

As a House, we need to internalize and see how we can come up with other serious measures so that we can improve. When own-source revenue is improved, we can also increase our Ward Fund to even Kshs30 million or even Kshs50 million. We can reach there if we put stops on these illegalities so that money goes to the right place where it can support our people.

Therefore, as a House, let us internalize the report and moving forward, we should not leave this issue only to the Committee of Finance and Economic Planning. As leaders of this County, we have a duty to ensure revenue is increased by encouraging those who are not paying rent to pay. Equally, we need to ensure that the generated revenue is put into proper use so that we can grow. Thank you Mr. Speaker, I support the report.

Hon. Francis Chemion: *(Mover to reply)* I wish to first of all thank the members that have remained steadfast in following this report. It was a report full of figures. And I am very sure as Hon. Sudi said; we will have another opportunity to continue interacting with the report.

Members, if you have time, continue looking at that report critically. It is a report that is compressed, but it can help this county grow its revenue. On inventory, we have organized as a Committee. On Thursday, we will be having a meeting of the Committee with the CECM, Lands and CECM, Finance. We want to know where the issues are. Hon. Speaker, in other areas where there are leakages, the report is pushing for the sealing of those leakages and that is why we have

been able to highlight where the Revenue Department is saying they collected this amount and what is reported by the Finance is lower than what was reported by the Directorate of Revenue Collection. The mismatch is what the Committee is looking into.

There is a plan Hon. Speaker; a document is coming on your table to approve for the Committee to use in this recess; to go to the field and carry out proper fact-finding on all these things that we have spoken about in the report. So that next time when we bring another report, we would have seen exactly what happens at the local level. Otherwise, we want the Executive, the Department of Finance, to ensure that these recommendations that we are giving are adhered to so that we can grow our own revenue. Honourable Members, Bungoma has a potential of growing its revenue to even Kshs2 billion. We have the potential if all of us work together to ensure that the collection is done.

Otherwise, I wish to urge the Members to support this motion, approve it for further processing outside there. Thank you, Hon. Speaker.

Mr. Speaker: Thank you Hon. Chemion for your reply to the motion before the House. Honourable Members, allow me now proceed and put question;

(Question put and agreed to)

Ayes have it.

The report plus its observation and importantly its recommendations is hereby adopted by the House.

BILLS

1. THE BUNGOMA COUNTY SECOND SUPPLEMENTARY APPROPRIATION BILL, 2024

A Bill for an Act of County Assembly of Bungoma to authorize the issue of a sum of money out of the Revenue Fund and its application towards the service of the year ending on 30th June, 2024; and to appropriate that sum and a sum voted on account by the County Assembly for certain public services and purposes. *First reading*

Mr. Speaker: Honourable Members, the Bungoma County Second Supplementary Appropriation Bill, 2024, is hereby committed to the Committee of Budget and Appropriations for processing and reporting back.

2. THE BUNGOMA COUNTY APPROPRIATIONS BILL, 2024

A Bill for an Act of County Assembly of Bungoma to authorize the issue of a sum of money out of the Revenue Fund and its application towards the service of the year ending on 30th

June, 2025; and to appropriate that sum and a sum voted on account by the County Assembly for certain public services and purposes.

Mr. Speaker: Honourable Members, the Bungoma County Appropriations Bill, 2024 is hereby committed to the Committee on Budget and Apparitions for processing and reporting back to the House.

ADJOURNMENT

Honourable Members, looking at our Order Paper; that was the last item under Bills; we will now adjourn our sitting and resume on Thursday, 2nd May, 2024. As you are aware Members, tomorrow is a public holiday; Labour Day and a circular has been issued to that effect. We will therefore not sit tomorrow; however, you are free to walk in town. I thank you Members.

(The House rose at 4:43 p.m.)