

**COUNTY GOVERNMENT OF BUNGOMA**

**COUNTY ASSEMBLY OF BUNGOMA**

**COUNTY ASSEMBLY DEBATES**

**THE DAILY HANSARD**

**WEDNESDAY, 25<sup>TH</sup> SEPTEMBER, 2024**

**Afternoon Sitting**

# COUNTY ASSEMBLY OF BUNGOMA

## HANSARD OFFICIAL REPORT

**WEDNESDAY, 25TH SEPTEMBER, 2024**

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

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

### PRAYER

### COMMUNICATION FROM THE CHAIR

#### 1. VISITING DELEGATION FROM BRIDGE INTERNATIONAL ACADEMY

Honourable Members, I wish to make the following communication regarding the visiting delegation of 60 grades four, five, six, seven pupils and four teachers from Bridge International Academy from Musikoma Ward; who are on an academic tour on social studies and ethics. Let me ask the pupils to be upstanding.

*(Pupils rise)*

Honourable Members, you can appreciate them.

*(Applause)*

You can now get sited, pupils.

*(Pupils resume their seats)*

Accompanying the pupils are teachers; and my request that when I call the name of the teacher, he or she will stand up.

- 1) Mr. Nyongesa Duncan,
- 2) Madam Carolyn Anyango,
- 3) Mr. Silas Bokosi,
- 4) Mr. Martin Ojungo.

Let us appreciate them. You can get seated.

*(Applause)*

*(The teachers resumed their seats)*

Honourable Members, at an appropriate time during the statement hour, I will direct that you shall be allowed to make comments and words of encouragement to the students or pupils. I therefore advise the House that we observe that. I will make a request because of the enormous tasks ahead of us; that we limit the number of Honourable Members to make comments. We can

have at most four female Honourable Members and four male Honourable Members and then lastly, we can have the Chair of the Committee on Education, Hon. Benjamin Otsiula.

## STATEMENT

### 1. HONORABLE MEMBERS' REMARKS ON THE VISITING DELEGATION

**Mr. Deputy Speaker:** Honourable Members, as I had already indicated, we can have a few members now to make comments. Some short remarks, words of encouragement to the school that is visiting. This is a school from Musikoma in Kanduyi Sub-county or Constituency. We mentioned the name of the school; it is Bridge International Academy from Musikoma Ward. The Hon. Kuloba Jeremiah, member for township?

**Hon. Jeremiah Kuloba:** Thank you Mr. Speaker. First of all, I would like to thank you for giving me this chance to welcome the students who happen to be my neighbours. Previously, the same school used to be in my ward, but because of the boundary delimitation, it was moved to my colleague, Hon. George Makari's Ward. Mine is just to encourage you students to be disciplined, work hard, fear your teachers or respect your teachers, respect your parents and above all be of good moral to others. You have come here to learn. We want you to be future leaders, leaders of tomorrow; and tomorrow does not begin tomorrow, it will begin today. What you learn from this Assembly, go and give it positive publicity, talk good of the Assembly and then when you are out there, just behave. On the behalf of my neighbour, Hon. George of Musikoma Ward, I say *karibu* (welcome) to this Assembly.

**Mr. Deputy Speaker:** Thank you so much Hon. Jeremiah Kuloba, Member for Township Ward. Allow me before we bring in the Chair of the Committee on Education; let us have Hon. Christine Cunera Mukhongo, Member for Kimilili. You are on....

**Hon. Christine Mukhongo:** Thank you Hon. Speaker for giving me this chance to say a few things to our students from Bridge International, Musikoma. First of all, we want to welcome you to this House and also to take this chance to welcome our teachers who accompanied the students today in the Bungoma County Assembly. I know you have been taken through as a class on how this House looks like and how we are seated.

If you look around, you can see the Speaker, you can see the Clerk, you can see the mace... I know during the *maandamano* (demonstrations) or how do you call it in English? You saw some young men running away with that mace and that was a very, very big mistake. That is a symbol of authority in the House. So you are not supposed to come and touch it; but you can see it from a distance. When it is not there, then the House is not on and there is also a symbol of respect in this House. When we come, we bow before the mace just for the respect of this House.

This House is also constituted of two parts; the Majority Party or Coalition of Parties are seated from that end and come up to this place. All these Honourable Members are part of the majority team and then from there; going the other side, those are the members of minority team. When we

are here we work as a team, members from both the majority and minority side, to ensure that we serve our people equally so that we all feel the fruits of devolution.

As I finish up, this House is also made up of so many teachers, me being one of them. Seated in front there, the Speaker is also a teacher and many others. We have lawyers here and so you have the opportunity as a student as you learn. I know you are aspiring to become a lawyer. Hon. Simiyu Museveni you are confusing me... and all professionals are here. So when you look at the Members of our Assembly seated here, they are all professionals; different professionals. I have just mentioned a few.

So as you learn, maybe you are aspiring to become a doctor or what, you are not limited to that. One time, one day, you can be one of the members of this House. So my final word is just to encourage you to put in more effort, work smart, show that kind of discipline so that one day because of your nature of discipline and hard work, you might be one of us in this House; since we are also aging and we needing you to be in this House to continue running the counties and the Republic of Kenya.

**Mr. Deputy Speaker:** Thank you Hon. Christine Mukhongo Cunera. We have Hon. Ali Machani Mutoka, Member for Maraka. A moment, please... Let me hand you the microphone. Commissioner Ali Machani.

**Hon. Ali Machani:** Thank you Hon. Speaker for giving me time to also say a word or to pass my message to the pupils sited in this House. I am aware I have been advised by a colleague that this is a school from Musikoma and from my understanding; this is a private institution, not a public one, but imparting some skills to our children from the community. In the absence of Hon. Makari George, I wish to thank him for making it possible for them to come to this environment.

When you are pupils in a primary school, there are three or four things you learn. One, you learn from your parents, two, you learn from the environment where you are seated; where you go... there are so many other things you learn. Three, you learn also from the teachers who are more of your parents because they will always be with you and they can make you and mentor one to become a very serious citizen.

What you hear also can make you learn a lot because it depends on whether you are within an environment where they play music, you will also be a fan of music; or if you go to where they preach, out of that environment, you listen to the word of God and you can also become a preacher or you can also be someone very closer to the word of God.

Coming to this institution, to the pupils who are seated and the teachers accompanying our pupils, it is something very unique. Those days in the late 70s and early 80s, it was very rare for one coming from such an area like Western to go to Nairobi.

Even if it could be something organized by the teachers, our parents could not be in a position to pay because paying for a trip going to Nairobi in 70s... no parent could allow one to go to Nairobi! First, even hearing the name Nairobi was not easy; but I want to thank the teachers for working closely with the area Member of County Assembly. For them to come here; it is not

something you can take it lightly, but my words of wisdom to them is, one, to work smart, respect your teachers, k now that the sky is the limit. For some of us when we were in primary, we did not enjoy the privileges which nowadays pupils are enjoying.

I didn't go to school using a motorbike, I didn't use a bicycle, I could not even manage to have a car around me while going to school; but nowadays, the parents who are here, and I know majority of them are parents, we are being... I can say, it is not even giving voluntarily, but we are being forced by the situation to take our children to school using different means just because they can't walk. In those days, if you didn't go, it was up to you. If you don't go to school, nobody would question you... it was better than you remaining at home because you would look after animals.

You can remember even during April holidays; even you might have gone through such a situation; that when the school closed down and pupils went home, a few of them were selected to stay around the school because the school was big and with just one watchman. So those in top classes were selected to make some sort of duty roster so that you can go and walk around the school, check the school for safety. Those that were not on that duty roster would be at home cultivating maize just around April up to May. When the schools closed, the parents could feel happy that now they were able to get those who would take care of the animals and those who would assist them to cultivate.

Now, something came in between. The human rights came up with some arrangements. We have the Childrens' Act, I think the lawyers, like the Chairman of Education will advise on that; and women's rights. When the *mamas* (women) went to Beijing things changed. That you cannot even discipline a pupil in school... even at home, we cannot discipline our own spouse. During those days, I saw my father disciplining my mother, but it was not an offense.

What am I saying? That after the obvious things said in this House, that you can come to this House, see the majority side, the minority side; you can come to this House, see the Serjeant-at-arms; but there are other things that when you come here, you can also learn from this House. One, this is a replica of National Assembly, whereby National Assembly works within the limits of the law.

The other laws that are also applicable are the County Governments' Act, the Urban Areas and Cities Act... we have other laws and traditions, like the Commonwealth laws which are also applicable in such a House, because we are in a country that subscribes to the Commonwealth laws. So, when the pupils are in this House, there are so many things that they are privileged to learn about.

So they are privileged and I wish to thank the management and the teachers for making it possible for them to be in this House. I also wish to say thank you for making the arrangements. It is through your wisdom that you have given time for members to contribute, and also to say that they should be within this environment. It is your prerogative... These are powers that are within your hands; that parents can make arrangements for visiting this House, but you can also say that today, we are not receiving visitors. So I want to thank you for that through the leadership, and through the team sited before you.

**Mr. Deputy Speaker:** Thank you so much Hon. Ali Machani Mutoka. Now let us have the Chair, Education Committee closing that session. Hon. Benjamin Jeremiah Otsiula, Member for Khasoko.

**Hon. Benjamin Otsiulah:** Thank you Hon. Speaker for giving me another opportunity to again say a word of encouragement to the pupils of Bridge International Academy from Musikoma Ward. First and foremost, I wish to appreciate the efforts of the teachers and the pupils for sparing time to ensure that they come over to the County Assembly of Bungoma for purposes of learning and enriching themselves.

On behalf of the Committee on Education, I wish to pass across a few points that I would like the pupils to be very clear about. I would like them to be very keen so that when they leave this House, they will get back to school having learned and maybe they will encourage those whom they left behind to also at one given point in their lifetime visit a place like this. First of all, the County Assembly is run or rather headed by the Speaker who moderates the proceedings and the debate in the House.

The House is led by the House leadership. We have the Majority Party and the Minority Party or the minority coalition. The majority party is led by the Leader of Majority and a Deputy Leader of Majority. The Minority Coalition is led by the Leader of Minority and the Deputy Leader of Minority. The majority side also has a Majority Whip and a Deputy Majority Whip. The Minority side has a Minority Whip and a Deputy Minority Whip.

The work of the Leader of Majority is to lead the Business of the government in the House. The work of the Leader of Minority is to present and protect the interests of the minority coalition in the House. The purpose of the whips is to ensure that members from those respective coalitions respect and maintain the policies and opinions and the rules set by the respective coalitions.

The Whips have authority to whip or discipline errant members who are not towing the line of the coalition or the respective Party. I also want the pupils to understand that while the Speaker moderates the proceedings in the House; he is also assisted by the Serjeant- at- Arms. The pupils were very keen when the Speaker was getting in to the House.

They saw the Speaker being escorted by the Serjeants. They are very important in this House. They ensure the safety of the Speaker and Members and they ensure that the House is orderly to give the Hon. Speaker ample time to moderate debate and proceedings of this Honourable House. They also ensure that all these Honourable Members are safe

The Hon. Speaker, while presiding over the House, is guided by what we call the Order Paper. The Order Paper contains the information or the agenda set for the day. The Business on the Order Paper is introduced to the House by the Clerks -at -the Table. I want the pupils to be very keen and see the sitting position of the Speaker. The Clerks -at -the Table are seated in front of the Speaker. They read out the Business of the day and also assist the Speaker in moving the agenda.

Finally, I wish to remind the pupils that those ones who are in grade five, six, and seven and they have learned about the legislature; they are also taught about the Executive. At the county level, we only have two levels of government, the County Assembly and the Executive. The County Assembly here performs three roles. Members seated in this House represent the people who entrusted them and gave them the mandate to represent them; having been elected on the 9<sup>th</sup> of August, 2022. They collect the views of members of the public from their respective wards and they present them here and also to the county government entities to ensure that the views of their members are well captured and well handled.

Number two, this House is a legislative organ. All the laws governing the County Government of Bungoma are passed in this House, save for the grand law, which is the Constitution that is passed by the National Assembly. However, the policies and the laws that are approved by this House in turn assist the County Government in running the business of the people of Bungoma County.

Finally, members seated here offer the oversight role; meaning that they keep the government of the day; that is, the Governor and all the CECMs, the Directors, the Chief Officers, and members of staff in those departments in check to ensure that they are delivering on their promise and they are also implementing what this House has passed and recommended. I want to give you an example. This is what maybe you are seeing on the TVs in Nairobi. Hon. Ali Machani has told you very well that whatever happens in Nairobi also happens here. This is a replica of the National Assembly.

When you hear of an impeachment motion, even this County Assembly; these members, if they are dissatisfied with the service of members of the County Executive can move a motion on the Floor of this House, preferring to impeach a certain member of the county government who is maybe behaving, who is perhaps guilty of gross misconduct or other vices. I want our students to understand that these Honourable Members are very important. If you hear about the budget, it is passed by this House. When you talk about education in this county, these Honourable Members are very crucial.

In this financial year, the House has set aside Kshs180 million meant for bursaries for the needy students. They have also set aside Kshs125 million to cater for scholarships. Two weeks ago, you saw bursaries being distributed to pupils and to students across the county. It is one of our core functions here to ensure that you are in school and therefore, I wish to implore you, pupils that don't take it for granted. Work very hard, be disciplined, and respect your teachers at any given time.

You must work very hard to ensure that your parents back at home are happy and we as a society, we are looking forward to seeing you prosper in future. To echo the statement of Hon. Christine, so that you become very important people in future and you take up roles such as teaching, become surveyors, become lawyers, become doctors, become engineers and we also want to see you sited in this County Assembly serving the great people of this County.

For our teachers, I want to appreciate you, applaud you for nurturing pupils; because without teachers, today I would not be speaking this very fluent English. In this House as you have

already been told we are full of teachers, we are still being educated; learning because learning is a continuous process.

The Deputy Speaker of the County Assembly of Bungoma sited up there is a teacher by profession and he is also running academies just like Bridge. He is empowering our people and ensuring that in future we shall not lack ideas. We have the Hon. Christine Mukhongo, member for Kimilili ,she is a teacher and that is why you that saw she was the first person who wanted to pass a word of encouragement to her colleagues who are teachers there and their pupils

I know some of my colleagues are not here today but we have many. Hon. Angeline Rugut, Hon. Psero, Hon. Tendet, Hon. Allan Nyongesa who has just walked in is a teacher of History. My senior the Hon. Maasai Chemion a teacher by profession and therefore teachers you can witness. Hon. Job is here he has crossed over to the government, but he is a teacher. So Hon. Speaker you can see I was not lying when I said the House is full of teachers and so I want the teachers to feel encouraged

*(Laughter)*

Hon. Speaker, I don't know why he is worried when I say he has crossed over to the government. It is happening even in Nairobi and so my brother should have felt very comfortable sitting in government. So for our teachers when you go back feel encouraged that this House is full of people like you and we appreciate the role that you are playing in the society . Otherwise thank you so much for giving me this opportunity. If I have taken more than you had expected, it is because the speakers were very few. The members who contributed to this matter are all from the Committee on Education; even Hon. Jeremiah Kuloba has served under the Committee on Education and Vocational training...

*(Applause)*

...so the information that he is passing over is because of my good patronage in that Committee.

*(Applause)*

**Mr. Deputy Speaker:** Thank you the Hon. Benjamin Otsiula, Member for Khasoko and Chair, Education. I take this time also to wish the school the best... Luck is for the fable and I want to say that work hard, work smart because in the current dispensation, the settlement that we have is what we call the aristocratic settlement which can enable you to stay and live anywhere for as long as you are keen to take in instructions given by yourselves. Education is the greatest equalizer of our time; therefore use it very well effectively for your future.

Thank you so much; when you go back mercies as you travel. We proceed to the next item.

## MOTIONS

### 1. REPORT BY THE SECTORIAL COMMITTEE ON EDUCATION AND VOCATIONAL TRAINING

**Hon. Benjamin Otsiula (Chairperson, Committee on Education):** Thank you Hon. Speaker. I wish to move a motion on behalf of the Committee on Education and Vocational training on the half year financial statements financial year 2023/24.

It is my pleasant duty to present the Bungoma County Government Half-Year report and financial statements FY 2023/2024 for the period ended 31<sup>st</sup> December, 2023 in respect to the Department of Education and Vocational Training. This document was tabled in the County Assembly of Bungoma on 22<sup>nd</sup> March, 2024 and committed to each of the Sectoral Committee for their interrogation, input and recommendation through a report to this Honorable House.

### **Committee mandate**

The sector Committee on Education and Vocational Training was constituted pursuant to the provisions of Standing Order No. 217 of the County Assembly of Bungoma and executes its mandate in accordance with Standing Order No. 217(5).

### **Committee Membership**

Hon. Speaker, the Committee on Education and Vocational Training as currently constituted comprises of the following Members:-

|                            |                  |
|----------------------------|------------------|
| 1. Hon. Benjamin Otsiulah  | Chairperson      |
| 2. Hon. Stephen Kaiser     | Vice Chairperson |
| 3. Hon. Christine Mukhongo | Member           |
| 4. Hon. Mildred Barasa     | Member           |
| 5. Hon. John K. Wanyama    | Member           |
| 6. Hon. Aggrey Mulongo     | Member           |
| 7. Hon. Angeline Rugut     | Member           |
| 8. Hon. Joan Kirong        | Member           |
| 9. Hon. Johnston Ipara     | Member           |
| 10. Hon. Jacob Psero       | Member           |
| 11. Hon. Timothy Chikati   | Member           |
| 12. Hon. Abraham Obama     | Member           |
| 13. Hon. Ali Machani       | Member           |
| 14. Hon. Hon. Jack Kawa    | Member           |
| 15. Hon. Allan Nyongesa    | Member           |

### **Acknowledgement**

Hon. Speaker,

I take this opportunity to thank the Offices of the Hon. Speaker and Clerk of the County Assembly of Bungoma for the support received as it discharged its mandate.

I also appreciate Committee Members for dedicating their time to examine the Bungoma County Government Half- Year report and financial statements of the Education and Vocational Training

department for the period ended 31<sup>st</sup> December, 2023. Further, I would also like to appreciate the members of staff who worked with us for their commitment.

It is therefore my pleasant duty and privilege, on behalf of the Committee on Education and Vocational Training, to table this report and recommend it to the House for consideration and adoption. The report is signed by Hon. Benjamin Otsiula, MCA Khasoko Ward, Chairperson, Sectoral Committee on Education and Vocational Training.

## CHAPTER THREE

### Examination of the Half Year Financial Statements

#### Overview of FY 2023/24 Budget

The County targeted revenue projection for the financial year 2023/2024 was Ksh15, 470,095,611 as per the approved first supplementary budget comprising Kshs5, 643,037,428 (36 per cent) and Kshs9, 827, 0528, 184(64 per cent) allocation for development and recurrent programmes respectively.

Below is the Breakdown of the sources of Revenue:

| <b>A. REVENUE</b> |   |  |
|-------------------|---|--|
| No.               | <b>Source</b>                             | <b>Approved 1st Supplementary Estimates FY 2023/24</b> |
| 1                 | Bal. b/f - (i) Equitable Share.           | 275,350,297  |
|                   | ii Retention                              | 150,000,000  |
| 2                 | Transfers from Central Government         | 11,111,983,608   |
| 3                 | Conditional Grant- National Government:   | 807,390,864  |
| 4                 | Conditional Grants- Development Partners: | 946,289,771  |
| 5                 | Funds                                     | 158,808,217  |
| 6                 | Locally Generated AIA:                    | 1,152,071,383  |
| 7                 | Local revenue as per expected finance act | 868,201,471  |
|                   | <b>Total</b>                              | <b>15,470,095,611</b>                                  |

#### Departmental Budget

The Department of Education and Vocational Training is implementing a budget of Kshs1,694,682,113 comprising of Kshs1,235,580,113 recurrent and Kshs459,102,000 Development as per the approved first supplementary budget for 2023/2024 which was broken down as follows;

Education Section has an approved allocation of Kshs1, 654,760,383 comprising of Kshs1, 227,158,383 on recurrent and Kshs427, 602,000 on development.

The Vocational Training Section had an approved allocation of Kshs39, 921,730 comprising of Kshs8, 421,730 on recurrent and Kshs31, 500,000 on development.

**Mr. Deputy Speaker:** Hon. Otsiula, you can take your seat briefly, we have to minimize points of information

**Hon. Hentry Nyongesa:** (*On a Point of Information*) Hon. Speaker I wish to request that the mover of the motion is not reading a novel; it is a report. The speed he is reading with is like he is reading a novel.

**Mr. Deputy Speaker:** Hon. Otsiula you are reading a report and not a novel and bear in mind that we have different ages and you have to know the signs of aging so that you read for every person and every Honourable Member's consumption. So take care of the interests of Hon. Hentry

**Hon. Benjamin Otsiula (Chairperson, Committee on Education):** I appreciate that concern that my brother in-law is actually aging; but the other members would wish, because they have the report on their gadgets, that I go through this report very first so that I allow another motion which is supposed to be moved. So if I take all the laxity in reading this motion I know my brother in-law will get tired but I am going to moderate.

**Mr. Deputy Speaker:** Use the speed that is okay so that even pupils in the gallery can know that you can read well

**Hon. Benjamin Otsiula (Chairperson, Committee on Education):** I am going to moderate  
**Revenue Received**

Honorable Speaker,

Treasury reported the Department to have received a total of Kshs523, 927,047 all from exchequer. However, the Department submitted to have received a total of Kshs608, 110,725.65 as revenue with Kshs605, 168,815.65 being from exchequer and Kshs2, 941,910 as a grant from UNICEF. The balances at the close of the second quarter for the 149 Vocational Training Centers accounts were Kshs6, 049,563 for operational account and Kshs646 for project account.

From the two submissions, there appears to be a variance of Kshs93, 324,188.65 on the revenues received by the Department.

The Variance arises from the accounting model used whereby the Education Department uses the accrual method while the Treasury uses the Cash basis of accounting.

## **Expenditure**

The financial Statements provide expenditures per programs and sub-programs as provided for in the program based budget. As per these classifications;

Salaries and allowances program had a reported expenditure of Kshs492, 675,478 from the consolidated financial statements. However, the Department submitted an expenditure of Kshs596, 970,251.65 on this program translating to a variance of Kshs104, 294,737.65 on the two reports. The total allocation for this program is Kshs1,210,144,825 which includes an allocation of Kshs26,163,912 for hiring of additional ECDE instructors; a process that is yet to be finalized yet we are in the fourth and final quarter of the financial year.

Administration and support services with a total allocation of Kshs8, 948,129, reported an expenditure of Kshs7, 880,000 translating to an absorption rate of 88 per cent.

Policy formulation incurred an expenditure of Kshs3, 261,551 accounting for 41 per cent of the allocated amount of Kshs8, 024,989. As per the program based budget, the Department had plans to formulate the Vocational Training Policy and finalize on four policies; the pre-primary, school feeding program, childcare and resource centers policies. This House has not yet received any draft policies from the Department despite an expenditure on the vote.

The following sub-programs, that had allocations in the budget, have NIL absorption as per 31<sup>st</sup> December, 2023; ECDE quality assurance (Kshs2 Million), curriculum development (Kshs2 Million), learning materials (Kshs3 Million), and M&E (Kshs3 Million).

The total expenditure on recurrent vote by December 31<sup>st</sup> was Kshs503, 817,029 translating to an absorption rate of 41 per cent.

## **Development**

VTC capitation with an allocation of Kshs19, 462,080 had absorption of Kshs10, 116,996 translating to 52 per cent. In the approved budget, the allocation for this program is Kshs19, 000,000 for development and Kshs462, 080 recurrent.

Ward based projects allocation is Kshs86, 602,000 while pending bills allocations of Kshs18, 000,000 was added during the first supplementary to bring the total allocations to Kshs104, 602,000. On this figure, there was an expenditure of Kshs9, 993,022 translating to 10 per cent absorption.

Education support scheme with an allocation of Kshs320 Million, renovation of the DICECE building with an allocation of Kshs3 Million and VTC infrastructure development with an allocation of Kshs12, 500,000 all witnessed nil absorption by end of half year.

In total, only Kshs20, 110,018 of the approved development vote of Kshs459, 102,000 was absorbed by half year translating to absorption of 4.4 per cent.

## **Accounts Payables (Pending bills)**

Pending Bills declared in the beginning of the financial year amount to Kshs12, 964,226 with a recurrent of Kshs2, 690,250 and development of Kshs10, 470,527. During the period under review, Kshs196, 552 was paid.

However, the pending bills from the Department exceed those presented by Treasury. According to the submissions from the Department, the total pending bills stood at Kshs332, 891,464.41 broken down as follows;

|                                 |                       |
|---------------------------------|-----------------------|
| Education support (fee arrears) | - Kshs115, 760,000    |
| Recurrent                       | - Kshs1, 690,250      |
| Development                     | - Kshs64, 262,564.75  |
| Commitments                     | - Kshs152, 868,899.60 |

A perusal of the list of suppliers provided both by the Department and those from the financial statements from Treasury, reveals a lot of discrepancies in data capture. For instance under recurrent pending bills, the financial statements provides a figure of Kshs1, 000,000 owed to Shreeji Services which is missing from the Department's submission. Additionally, Mali Safi garage is listed to be owed the full Kshs460, 000 by the Department while the Treasury figures acknowledge the same amount as having been owed but an amount of Kshs196,552 had been paid by half year leaving a balance of Kshs263,448.

The same trend can be witnessed under development where for example, a company by the name Damaso Building and Construction Ltd is listed to be owed Kshs379,424 in the submitted financial statements from Treasury while the same company is listed by the Department to be owed Kshs400,534.06 begging the question as to which is the authentic pending bill.

### **Accounts receivables (Outstanding imprests)**

The outstanding imprests stood at Kshs8, 338,920. During the interrogation, the Department provided a list of the imprest and the activities funded totalling to the above figure with the status being that they have all been surrendered.

## **CHAPTER FOUR**

### **Committee's Observations and Recommendations**

#### **Committee's Observations**

- i. There were discrepancies between the figures submitted by Treasury and those submitted by the Department during interrogation. Some of these relate to even the most basic item which should not have conflicting figures e.g. salaries and allowances. In future, reporting should be unified under one accounting method.
- ii. There appears to be non-adherence to the approved program based budgets and departmental work plans. For instance, the department has an expenditure of Kshs3, 261,551 on policy formulation with no single policy being brought to the County Assembly for approval.

- iii. There are some programs and sub-programs with nil absorptions halfway through the financial year e.g. Education support program with a budgetary allocation of Kshs320 million.
- iv. There is a lot of inconsistencies in the declaration of pending bills in that at some instances they appear to be overestimated and in others they are under estimated to suit the situation
- v. From the Financial statements submitted there were un-surrendered imprest totaling to Kshs8,338,920
- vi. There was low absorption rate as a result of delay in exchequer releases.
- vii. There should be policy consultation with the Committee before initiating the policy formulation process

### **Committee's Recommendations**

- i. **THAT**, the Treasury should work with education Department to ensure consolidated financial statements are submitted to the Floor of the House.
- ii. **THAT**, both the itemized and program based budgets to be followed by the Department in implementing programs and activities.
- iii. **THAT**, the Department should be working on its procurement plans early enough to ensure all planned projects and activities are funded early to avoid reporting nil expenditures on some programs.
- iv. **THAT**, the department must provide detailed report concerning pending bills within 30 days that shall form the basis of all future budgets.
- v. **THAT**, the Chief Officer, Education should ensure all imprests have been surrendered within seven (7) days; failure to which the imprest holder will be surcharged.
- vi. **THAT**, the County Treasury should be releasing funds to departments in time to enable departments execute their programs and activities. In cases where the Treasury is not able to release the funds in time, a feedback mechanism should be in place to ensure the implementing departments have a clear view of the status of their fund requisitions.

Hon. Speaker we have the adoption schedule dully executed by all the Honourable Members, 15 members and we also have annexures. I now call upon the House to support. I call upon my brother Hon. Kennedy Wanyama to second

**Hon. Kennedy Wanyama:** Thank you Mr. Speaker. I rise to second a report for half year financial statements for the financial year 2023/24 from the Department of Education and

Vocational Training. Before I delve into the issues captured in the report, schedule four of the Constitution is very clear and the core mandate of devolved units is ECDE and VTCS. It is critical that all devolved functions focus their energies to ensure that these two sectors are well managed so that we can experience success.

Unlike the period under review, we have witnessed a little effort from the Department to allocate resources towards infrastructure development and capacity building to ECDEs and VTCs. This has been witnessed in the annual development plans for 2025/26 but as they say planning without implementation is wasted effort. So I just wish to urge the Department just like we have recommended in our report to ensure that all planned programs and projects are executed within the same financial year so that the people of Bungoma can get value for money.

On page 10 of our report, this is under revenue; you see that there was a variance of Kshs93, 324,188.65 and some heavy accounting terms have been used, and this is accrual and cash basis. So I want to bring to the attention of this House that the variance of Kshs93, 324,188.65 related to salaries for the month of December, 2023 which the Department recorded in the financial statements, but the actual payments was done in January. So the Department only recognized the expense in January but the variance related to December salaries for the Department.

The current ratio of ECDE teachers in Bungoma County is about 96:1, which is a very sorry state if you compare it to the recommended ration of 25:1. In the period under review, the County Assembly had appropriated KShs52Million for recruitment of ECDE teachers. This was reduced to KShs26Million in the first supplementary budget. By the end of the financial year as much as the process was started; interviews were done and no recruitment was done. I just want to urge the Department that going forward, let us ensure that we allocate enough resources so that we can recruit enough teachers within these institutions also that students can actually receive high quality education.

When you look at issues like policy formulation; the department incurred an expenditure of KShs3, 261,551 against an appropriated budget of KShs8, 024,988 which translated to about 41 per cent. Up to date not even a draft document has been brought to this Assembly for review and so I also want to take this opportunity to urge the Department that any pending policies should be fast tracked in order to facilitate smooth operations in the department.

We also witnessed nil absorption in key areas like ECDE quality assurance; it had a budget of KShs2Million, nil absorption under ECDE curriculum with a budget of KShs2Milion and ECDE learning material with a budget of KShs3Million. The Department needs to plan well so that all monies appropriated are actually absorbed.

I wish to move to Ward based projects, under this period had a budget of KShs86,602,000 but by half year, that is the period under review we had only experienced an absorption of KShs9,993,022 translating to about 12 per cent. During interrogation we realized that most of these delays are as a result of procurement process so we urge the Department to ensure that they start the procurement process early enough so that these Ward based projects can be executed on time so that all the budgeted amounts are absorbed within the financial year.

Lastly, on pending bills, we have as per our recommendations asked the Department to submit verified list of pending bills and on this I want to urge my elected colleagues to get involved in this process because you know where these projects are, at what stage they are because most of these projects you will realize that contract terms have even been breached and where contract terms have been breached the contract should be terminated; so that those projects are re advertised and executed accordingly. I second.

**Mr. Deputy Speaker:** Thank you so much Hon. John Kennedy Wanyama for dissecting the report.

*(Motion proposed)*

**Hon. Francis Chemion:** Thank you Hon. Speaker. First of all I would like to thank the mover and the seconder for elaborating the report. The report is very clear. Recommendation number five is a very nice recommendation but I wish to ask the Committee and the Department that the issue of getting the list of beneficiaries in our Wards is where we also have a problem. How I wish that now that we know the budget that has been allocated for both bursaries and scholarship, why can't we then as a County Government go and start vetting those bursary beneficiaries as early as today so that the lists will be used in processing the bursaries for onward transmission to schools.

My advice is that let us also be proactive this time around as we push the Executive to give a circular as soon as possible to allow the Ward Bursary Committees to do vetting and present the lists to the Department so that anytime they require they will be having those names on their finger-tips. That will help us not to go back again when the monies are there and we will take, some even more than a month, preparing those lists. That is my input on bursary and scholarship but I also wish to thank the Department that had been a thorn in our flesh. As we speak today, full bursaries were paid and scholarship is almost complete and that is a plus because we were worried. I want to thank the Leader of Majority; you assured us that this will happen and it came to pass. That it happened and we are sorted; but this time as the report is recommending, let us be proactive early enough. Let us do the part that is supposed to be done at the ward level so that what remains is done down there. Otherwise I support the report with the sentiments that I have raised.

**Mr. Deputy Speaker:** Thank you so much Hon. Francis Masai Chemion, Member for Kaptama. Hon. Metrine Nangila Wilson, specially elected member?

**Hon. Metrine Wilson:** Thank you Hon. Speaker Sir for allowing me also to give an input on this report. First I would like to appreciate the Chair of the Committee for reading the report eloquently and also to thank the Committee for coming up with such a clear report. Mine is on the issue of the ECDE teachers; in our county we are facing a very high rate of unemployment and with the little resources that we have, we use some resources to have the Public Service Board have a retreat. We used some funds to have this opportunities advertised and also we used our resources to have this Public Service Board sitting in hotels to make sure that they have shortlisted and interviewed the candidates. It is unfortunate that our people had high hopes and

unfortunately they were not given a chance because we didn't allocate money as salaries and they happened to miss that opportunity.

Like Hon. Kennedy said, we urge this House that every time we have such plans, we should have the money ready for every process so that our people can be happy and benefit as the residents of Bungoma. They were really happy that they, like those who were shortlisted and interviewed... you know such a process gives you hope and when it reaches a time and you find that nothing is happening; it really makes them to lose the morale of an opportunity to work within their county. So with those few remarks I wish to support the motion.

**Mr. Deputy Speaker:** Thank you so much the Hon. Metrine Nangila Wilson. Let us have our Leader of Majority, Hon. Joseph Nyongesa Juma.

**Hon. Joseph Juma:** Thank you Speaker. First allow me appreciate our Chair, Education and more so the seconder of this report. The seconder really simplified everything in this report though I was also impressed on his awarding that actually the Department should be smart in terms of prioritizing its programmes. How I wish the Chair, Implementation could also be around to enable us follow up some issues that were touched on. On observation No. 3, so that maybe the Deputy Leader of Minority could hear it; and that is why I am mentioning the Committee on Implementation. KShs3.2 million was paid to unknown policies which up to now as an Assembly we have not seen or even the sector committee has not also seen it. That is why I am saying that if we could have a proactive Committee on Implementation, such issues could be ironed out. One thing; if the Department paid for KShs3 million, you know in the morning we were saying that we have a pending bill of KShs4 million in the Gender Youths and Sports Department. Five policies were forwarded to the Committee, but now in Education KShs.3.2 million has been paid but there is no indication. As a House, we should make a follow up.

Again, we shall request the Committee on Education that for us to get good services and I am so sure the chairperson is a lawyer and could know it; kindly be serious in this Department because what they are doing to us is a disservice. If we could try to dig deeper into this report, you can see that indeed we need seriousness and the only help for us is the mother Committee to intervene so that the priority, especially on the issue of VTCs and ECDEs could be taken care of. I support.

*(Applause)*

**Mr. Deputy Speaker:** Thank you so much the Hon. Joseph Nyongesa Juma, Leader of Majority. On line we have Hon. Edwin Wekesa Opwora and we shall finish with the Hon. Martin Cheseto Chemorion, so that we call the mover to reply.

**Hon. Edwin Opwora:** Thank you Mr. Speaker. First of all I would like to congratulate the Chair for reading the report eloquently until some of our Honourable Members who are not used to listening to FM stations could not understand. However, I just want to echo what the Leader of Majority has said because I had also noted that, and the Chair in the Committee has noted that indeed there are no policies. I think as part of our oversight, we should take a step further and ensure that the CECM and the Chief Officer are summoned; including the Director, to explain to

the House where these policies are. Let it not be usual business where money is appropriated to ensure that policies and Acts are made yet there is no activity that takes place. I want to push strongly that the Committee on Implementation should actually ensure they do a follow up.

**Mr. Deputy Speaker:** Thank you Hon. Edwin Wekesa Opwora, Member for Luuya/ Bwake. We have Hon. Martin Cheseto Chemorion, Member for Cheptais

**Hon. Martin Chemorion:** Thank you Mr. Speaker Sir. First and foremost, I would like to also appreciate the Chair for Education and the Committee Members. I also wish to laud what my colleagues have said especially on the observations and the recommendations from the team. However, mine is just to emphasize on what the Committee has to do to at least divert from the pressure that they have been giving the Department. I think we have realized results so we know that there are functions which have been devolved like the VTCs and ECDEs and this is paramount for us to emphasize on those.

If I can highlight on the issue of the way they credit monies to VTCs; sometimes that brings challenges. I also find some challenges in my Ward; in some of the VTCs, they do not have IFMIS accounts and their monies are channeled through other VTCs...At the end of the day, sometimes money can 'grow legs' and disappear. So, if I can give you maybe an example of a VTC in my Ward, which was credited with Kshs140, 000 as a grant, but it was diverted to another VTC which was supposed to give out the money; unfortunately when they issued the cheque in favour of that VTC, the cheque bounced.

So, I want to encourage or challenge the Committee to ensure that all the VTCs have the IFMIS system so that they did not find themselves in situations where VTCs that do not have IFMIS system lose money; that they give out the monies to other VTCs. I think with those few remarks; I want to support the motion.

**Mr. Deputy Speaker:** Thank you so much Hon. Cheseto Chemorion. Let us finish that with the Hon. Hentry Nyongesa, Member for Bumula and then we call the Chair to reply.

**Hon. Hentry Nyongesa:** Thank you Hon. Speaker. One, I want to thank the Chair of the Committee for moderating the reports in terms of reading and I am now happy with it.

I have only one or two things to mention as the Leader of Majority was saying. I am one person who is satisfied with the Department at the rate it handles issues; especially the development aspect. As members have said, this is one of the departments which has done the procurement at the last minute and when you look at the absorption rate, you realize that it is a department which has realized the lowest absorption in terms of development with a budget of Kshs15 million; only Kshs8 million was absorbed.

When I go to that, I wish to mention that outside there, maybe members do not know but I wanted to bring to your attention that some of the contractors are going to hospitals to be attended to due to hypertension arising from debts. The County is holding their dues in terms of payment for the projects they have done within the county.

Those who don't have pressure are being auctioned because of the animal called pending bills. So, the Department should do something to avoid that and I am hopeful that in this Financial Year, they will pull up their socks.

You look at something called VTC program as the Leader of majority has mentioned; you realize that we even have the money in the budget, almost Kshs30 million which I have not seen being mentioned, but we don't have the guidelines for that money. Those things are not being done on the ground. There is nothing we have seen about it in the funerals or in other programs we handle. That you want to have ECDE programs that the children are enjoying. I want to have this and refer to our guests, the school that has visited us. I happened to have passed through their school and they have almost everything in terms of making a child to feel at home while at school and this includes the feeding program. Though it is a private academy but we want that extension to be done in our schools. That was our case in point when we started this program under the devolution. As you have said, ECDE is a function...

I wish to look at something that has been mentioned here and that is accounts receivables under imprest. It has been mentioned that the Department had an imprest of around Kshs8 million and the Committee recommends under the accounts receivable that that money was paid. But when you go down to the observation, you realize that the Committee again, is making an observation that that money was not paid.

So, the Chair should come clear on that note; that we want to have the accounting system that is open and can speak the same language. Where in the discussion, the money was paid, but under the observation, the money was not paid. So, the Chair should come out very clearly on that.

Under the VTCs, the Chair has been very categorical and has said the capitation program...I don't know if we can align that with the national government that handles capitation because capitation refers to the subject of supporting a learner. So, I don't know that capitation program is handled in which manner. Is it a subject to the learner or money is just given... because when I read, sometimes I don't go to social media but at times I go there, because I am not a social animal.

**Mr. Deputy Speaker:** Hon. Hentry, maybe you can make this House aware. You know you shocked us. In fact I was puzzled. You can clarify a little on not being a social animal.

**Hon. Hentry Nyongesa:** No, I am also a social media animal.

**Mr. Deputy Speaker:** Okay.

**Hon. Hentry Nyongesa:** That is what I was referring to. That I am not a friend to the social media because some things that go around on social media are pathetic and they require the Gen-Zs and mostly that middle-aged level, like the chairman of the Committee on Education and Hon. Opwora. People like me and Hon. Zddy only go there when we are looking at business. But you see there are others who go there to look at all manner of things that are happening and. I am referring to this.

**Mr. Deputy Speaker:** Hon. Hentry, you should not cast aspersion on Hon. Mukhwana. We don't have Hon. Zddy around!

**Hon. Hentry Nyongesa:** No.

**Mr. Deputy Speaker:** We don't have any Hon. Zddy in this House.

**Hon. Hentry Nyongesa:** I can correct that one. Hon. Speaker, sometimes at our age, we also give ourselves nicknames. That is how I have nicknamed him. I call him Hon. Zddy but thank you for the correction; Hon. Mukhwana, whom we do business together and we normally go to social media just for business purposes. I wish to refer to something which has also been brought to our attention. You find that all the VTCs heads are called principals. They are given funds, the one the chairman is referring to, and again, they come into your inbox and say, Honourable, we have not been supported by the County Government. We have not been given anything and so, if you are giving bursary, kindly consider us.

So, the Chair should come up categorically and tell us what this money he is referring to as capitation is meant for so that we also make a follow-up. Because money is wired to the account of the VTCs, it is spent without my knowledge and afterwards I am again being told that we do not have anything to manage the VTCs yet it is our function. So the Chair should come out very clearly and tell us how we are going to make that follow up.

Otherwise, I support the report and say that a lot of measures must be put in place to make sure that expenditure in that department is held responsible and procurement processes and timelines must be followed strictly. I rest my case.

**Mr. Deputy Speaker:** Thank you so much Hon. Hentry Nyongesa, Member for Bumula. Allow me now call upon the Chair and the mover to give reply.

**Hon. Benjamin Otsiula:** Thank you Hon. Speaker. First of all, I wish to appreciate Honourable Members for their positive contributions to the motion before the House. Their contributions have been very informative as far as this report is concerned. Perhaps just to respond to the concerns raised by Honourable Members...

Hon. Chemion raised an issue concerning early vetting of beneficiaries. I agree with my colleague that to avoid encountering challenges in the disbursement of these bursary and scholarship funds to our beneficiaries, the process must start early enough. As a Committee on Education and Vocational Training, we have already engaged the Department. We had a joint session with them last month and we agreed that they roll out this exercise in the month of October to allow for early requisitions because it is a precondition that all the lists of beneficiaries must be submitted before the exchequer can release money meant for these purposes. So, I wish that the House is brought in the picture so that the process of vetting beneficiaries is supposed to kick on in the month of October.

I also agree with the sentiments of the Leader of Majority as far as the Committee on Implementation is concerned when he was referring to observation number two concerning the Kshs3.2 million.. I agree, that sometimes when we present reports and they are approved by the

House, it is also very important that that Committee makes a follow-up to assist because it will be very difficult as The Leader of Majority put it.

The Honourable Member for Luuya/ Bwake Hon. Opwora concerns on that observation, it will be difficult for this House to know whether the policies are there, how this money was spent because as a Mother Committee, we have done our homework and the policies were never submitted to the Committee and to this Honourable House. So, how I wish that the Chair, Implementation takes that seriously and the members of that Committee to assist us also ensure that our recommendations are taking effect.

On the issue of the VTCs and ECDE, a Member has raised a concern as far as funds allocated to those departments are concerned. This is our core mandate under Schedule four of the Constitution and it is also important if you to look at the report that the absorption rate was very low. One of the reasons cited by the Department was because of the delays in Exchequer releases. So, some of these functions did not take place because the funds were not released in time and therefore the Department was incapacitated and could not achieve its purpose, especially in the VTCs and ECDEs. However, we take a keen concern and urge the Department to prioritize the VTCs and ECDEs as raised by Honourable Members.

An issue raised by Hon. Cheseto also concerning the VTCs over the grants either coming from the national government and development partners. This issue has been very challenging. I want to agree that when grants come from the national government, sometimes the Department has been reluctant to disclose, not until the tail end of distributing these funds and in some instances, I remember the Leader of Majority was very particular on this before the close of the Financial Year that the Department through the Chief Officer somehow misappropriated funds meant for the VTCs. That was around Kshs6 million. I therefore agree with my brother Hon. Cheseto that these grants should be declared for the benefit of all the members so that at the time the VTCs are getting these monies, each member is aware how much money is going to the respective VTCs.

On the issue raised by Hon. Cheseto about the VTCs having an IFMIS system, I wish this House takes note that there is a circular again and a directive from the Senate that all VTCs close their respective accounts and an account be opened at the Sub county level so that all the funds from the county government and the grants will be processed through an account which will be held at the sub-county level; although it is yet to be implemented. The Department is in the process of trying to see how they will comply with the issue because the last time we engaged them, they said they will need the indulgence of the leadership of the House to see the practicability of that proposal from the Senate.

On the issue of development as raised by Hon. Hentry Nyongesa, I agree with him that the low absorption rate is also as a result of delay in procurement processes in the Department and this year, they said that by next week projects under the CEF will be advertised to avoid a situation where they get to the close of the financial year before completing the projects. Therefore, as a measure of curing this issue, the advert will be out next week as disclosed during the interrogation yesterday. Members of the Education Committee can attest to that.

On the issue of pending bills, I agree they are still inconsistencies and this has been across all departments, which I believe is a concern and I also direct it to the Chair, Implementation Committee to ensure that the bills coming up from the Treasury, correspond with the information we are getting from the relevant departments.

To clarify on the issue of the feeding program; Hon. Hentry Nyongesa said that they allocated money in the last financial year. It was a proposal that Kshs30 million be set aside for this particular program. However, these funds were removed I believe during the first supplementary budget and therefore the Department did not have funds to implement this particular program. Maybe to add on that, in future, if funds are set aside for VTCs and ECDEs, this House will give priority to those two because it is our core mandate instead of moving these funds elsewhere then later on members realize that there is no value for their money.

Finally, on the issue of imprest and accounts receivables as raised again by Hon. Nyongesa concerning our observation number five. I agree that when the Financial Statements were submitted, we realized that there was un-surrendered imprest of Kshs8, 338,920. When the Committee sought to interrogate the Chief Officer in this Department, he confirmed having released the sums of Kshs8, 338,920. That is the reason why we now recommended that in future, all imprests have to be surrendered within seven days as per the law. Therefore, this money, as per the Chief Officer, has already been surrendered and it is not within the accounts of the imprest holder.

Having spoken so much, I wish to call upon my colleagues Honourable Members in this House to support the report.

*(Applause)*

**Mr. Deputy Speaker:** Thank you Hon. Benjamin Otsiula. Honourable Members, the motion having been moved, duly seconded, debate having ensued, and a reply made; allow me now to put the question.

*(Question put and agreed to)*

The ayes have it,

*(Applause)*

The report is adopted accordingly. Next item!

## 2. REPORT BY THE COMMITTEE ON ROADS, TRANSPORT, INFRASTRUCTURE, AND PUBLIC WORKS

**Mr. Deputy Speaker:** Member or Chairperson, Roads, Public Works. Hon Franklin Simotwo Korir

**Hon. Franklin Simotwo (Chairperson, Committee on Roads):** Thank you, Mr. Speaker. Allow me to move a report by Roads, Transport, Infrastructure, and Public Works on the Half-Year Financial Year Statement for the period ended 31<sup>st</sup> December, 2023.

Mr. Speaker, Sir, it is my duty to present the report by the Committee on Roads, Transport, Infrastructure, and Public Works on the Half-Year First, Second Quarter Financial Statement for the Financial Year 2023/2024 for the period ended 31<sup>st</sup> December, 2023.

The document was tabled to the County Assembly of Bungoma on 21<sup>st</sup> February, 2024 and stood committed to all sectorial committee for their interrogation, input, and recommendation to report to this Honourable House. Allow me on the mandate of the committee to ride on the Standing Order No. 217 (5) as it is.

### **Committee Membership**

The Committee as currently constituted comprises of the following members;

|                           |                  |
|---------------------------|------------------|
| 1. Hon. Franklin Simotwo  | Chairperson      |
| 2. Hon. Polycarp Kimeta   | Vice Chairperson |
| 3. Hon. Everlyne Mutiembu | Member           |
| 4. Hon. Meshack Simiyu    | Member           |
| 5. Hon. Ali Machani       | Member           |
| 6. Hon. Everton Nganga    | Member           |
| 7. Hon. Violet Makhanu    | Member           |
| 8. Hon. Jerusa Aleu       | Member           |
| 9. Hon. Charles Nangulu   | Member           |
| 10. Hon. Godfrey Wanyama  | Member           |
| 11. Hon. Hentry Nyongesa  | Member           |
| 12. Hon. Idd Owongo       | Member           |
| 13. Hon. Stephen Kaiser   | Member           |
| 14. Hon. Job Mukoyandali  | Member           |
| 15. Hon. Johnstone Ipara  | Member           |

Mr. Speaker, on the guiding principles, I think it is legal. Allow me to skip that.

**Mr. Deputy Speaker:** You can proceed and skip!

**Hon. Franklin Simotwo:** Thank you, Mr. Speaker.

### **Acknowledgment**

I take this opportunity to thank all Honourable Members of the Committee for dedicating their time to interrogate the County Department of Roads, Transport, Infrastructure and Public Works on the Half Year Financial Statements for the Financial Year 2023/2024 for period ended 31<sup>st</sup>

December, 2023. The Committee would like to extent its appreciation to the Chief Officer and the relevant officers in the County department for honoring the invite and appearing before the committee for interrogation. The Committee's sincere gratitude goes to the Secretariat who worked with us with utmost commitment.

Lastly, the Committee is grateful to the Offices of the Speaker and the Clerk of the County Assembly of Bungoma for the support received as it discharged its mandate. It is therefore my privilege and duty, on behalf of the Committee on Roads, Transport, Infrastructure and Public Works, to table this report to the House for adoption. Signed by the Chair

## CHAPTER TWO

### **County Government of Bungoma Half Year Financial Statements for Financial Year 2023/2024**

Sections 163, 166 and 168 of the Public Finance Management Act, 2012 requires that, at the end of each Quarter, the County Treasury shall prepare financial statements of each County Government entity, receiver of receipts and consolidated financial statements for all County Government entities in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The CEC Member for Finance of the County Government is responsible for the preparation and presentation of the County Government's financial statements, which give a true and fair view of the state of affairs of the County Government for and as at the end of the period ended on December 31<sup>st</sup>, 2023. These responsibilities include:

- (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
- (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the County Government;
- (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud;
- (iv) safeguarding the assets of the County Government;
- (v) selecting and applying appropriate accounting policies; and
- (vi) making accounting estimates that are reasonable in the circumstances

#### **Overview of FY 2023/24 Budget**

The County's approved first supplementary budget for the FY 2023/24 was Kshs15,470,095,611 comprising Kshs5,643,037,428 (36 per cent) and Kshs9,827,0528,184 (64 per cent) allocation for development and recurrent programmes respectively.

The largest part of the budget is expected from exchequer releases at 73.6 per cent, local revenue 13 per cent and other receipts including grants 13.3 per cent.

To finance the budget, the County expects to receive Kshs11,387,333,905 as the equitable share of revenue raised nationally, Kshs1,152,071,383 as Facility Improvement Fund (revenue from health facilities), Kshs1,753,680,635 as conditional grants from both government and development partners, Kshs158, 808,217 fund balances, generate Kshs868,201,471 as ordinary own-source revenue and Kshs150M from retention account. Kshs275, 350,297 was brought forward as opening balance as at July 1<sup>st</sup>, 2023.

### **Revenue Performance**

Out of the projected revenue of Kshs15, 470,095,611, below is a breakdown of revenue received within the period from July to December, 2023. The County received a total of Kshs4, 090,592,450 (27 per cent). Kshs3,666,954,592 being exchequer release, against a budget of Kshs11,387,333,905, Kshs422,030,878 as local revenue against a budget of Kshs2,020,272,854 (20.9 per cent) and Kshs1,606,980 as other receipts against a target of Kshs2,062,488,852 (Agriculture Sector Development Support project Kshs.1M and return to CRF issues Kshs606,090

Of the amount received, Kshs539, 795, 090 was transferred to County Assembly and Kshs3, 550,797,360 to the County Executive. Kshs24, 746,860 transferred to Assembly was utilized on development programmes while Kshs515, 048,230 on recurrent

### **Payments**

Total expenditure for the period was Kshs4, 154,851,195. Total recurrent expenditure was Kshs3, 735,604,111 against a budget of Kshs9, 827, 058, 184 (38 per cent). Kshs419, 247, 084 was spent on development against a target of Kshs5, 643, 037, 427 (7.4 per cent).

Distribution of the Kshs3, 993, 493, 391 transferred from County Revenue Fund was as follows,

|      |  |                    |
|------|--|--------------------|
| i.   | County Executive Recurrent                           | Kshs.3,072,357,586 |
| ii.  | County Executive Development                         | Kshs341,901,152    |
| iii. | County Assembly Recurrent                            | Kshs515,048,230    |
| iv.  | County Assembly Development                          | Kshs24,746,860     |
| v.   | DANIDA-Universal health in devolved units' program   | Kshs28, 609,313    |
| vi.  | (IDA)World Bank credit financing locally led climate | Kshs10,830,250     |

### **County Expenditure Review**

Actual recurrent expenditure quarter two was Kshs3, 735, 604,111 representing 38 per cent of budget absorption while development was Kshs419, 247, 084 7.4 per cent of target

Of the Kshs4, 154,851,195 expenditures during the period, the major expenses were:

|    |                           |                   |
|----|---------------------------|-------------------|
| i. | Compensation to employees | Kshs2,382,997,328 |
|----|---------------------------|-------------------|

|      |  |                 |
|------|--|-----------------|
| ii.  | Use of goods and services              | Kshs788,019,330 |
| iii. | Transfer to other government entities- | Kshs539,795,090 |
| iv.  | Other grants and transfers             | Kshs78,857,140  |
| v.   | Social security benefits               | Kshs24, 734,020 |
| vi.  | Acquisition of assets                  | Kshs292,439,670 |
| vii. | Other payments                         | Kshs48,008,618  |

Of the Kshs2, 382,997,328 utilized on employee compensation, Kshs116, 395,960 was paid as pension and other social security contributions

Major expenses under use of goods and services were, Kshs124,933,574 utilized on domestic travel and subsistence allowance, Kshs77,764,633 on hospitality supplies and services, Kshs200,877,410 on specialized materials and services, Kshs243,486,413 on other operating expenses, Kshs39,477,449 on fuel and lubricants, Kshs26,793,119 on utilities, supplies and services, Kshs10,540,965 on communication.

Other grants and transfers of Kshs78, 857,140 include transfers of DANIDA funds to facilities, expenditure by climate change, polytechnics expenditures and NAGRIP & ASDSP expenditures. Scholarships and other educational benefits should be part of this disbursements but nothing was disbursed in the period.

Social security benefits are gratuity funds for chief officers and CEC Members paid to pension schemes

Other contingency reserves of Kshs48, 008, 618 are transfers to Emergency Fund

### **Expenditure by Economic Classification**

#### **Roads and Public Works**

The Department had an initial allocation of Kshs1, 396,626,350 in the approved Annual budget. However, this was reduced by Kshs154,884,436 to Kshs1,241,741,914 in the first supplementary budget, broken down as; Kshs113,463,594 for recurrent and Kshs1,128,278,320 for development expenditure.

During the period, Kshs128, 639,642 was received broken down as; Kshs48, 245,365 and Kshs80, 394,277 for recurrent and development respectively.

Expenses in the period include:

1. General Administration, Planning and Support Services with an allocation of Kshs113, 463,594 received Kshs48,245,365 which is 43 per cent of the recurrent budget.  
The money was used to pay for:
  - i. Staff salaries Kshs38, 878,703 against a Kshs85, 121,330 budget (46 per cent)

ii. Administration services Kshs9, 366,662

2. Transport infrastructure Development and Management which is development expenditure with an allocation of Kshs1, 124,003,320 received Kshs80, 394,277 which is 7 per cent.

Major expenses were:

- i. Construction of Roads, Bridges and drainage works Kshs76,509,173 against an allocation of Kshs978,503,320 which is 8 per cent
- ii. Maintenance of roads Kshs3,885,104 from an allocated budget of Kshs145,500,000 which is 3 per cent absorption

### Accounts receivables –Imprest

Generally, the County had Kshs244, 667,700 in outstanding imprest. Compared to the same period, the previous year had Kshs30, 994,011 but the accuracy of this figure could not be ascertained because many departments did not give their balances.

| <b>Breakdown of imprest per department</b> | <b>Period ended 31<sup>st</sup> December, 2023 (Kshs)</b> | <b>2022/2023 (Kshs)</b> |
|--|---|-------------------------|
| Finance and Economic Planning              | 133,645,405   | 21,299,150              |
| Governor & Deputy Governors                | 38,853,398  | 1,339,200               |
| Public Administration                      | 17,517,360  | 1,347,000               |
| County Secretary                           | 10,397,530  | 5,320,700               |
| Health and sanitation                      | 10,186,320  |                         |
| Gender ,Youth & Sports                     | 10,197,660  | 899,000                 |
| Trade and Industrialization                | 1,817,000   |                         |
| Lands Urban and planning                   | 7,825,828   | 300,000                 |
| Tourism                                    | 3,096,208   |                         |
| Education                                  | 8,338,920   |                         |
| Agriculture                                | 700,000   |                         |
| <b>Roads &amp; Public Works</b>            | <b>2,092,071</b>  | <b>488,961</b>          |
| <b>TOTAL IMPREST</b>                       | <b>244,667,700</b>  | <b>30,994,011</b>       |

Specifically, the County Department of Roads, Infrastructure Transport and Public Works had outstanding imprest of Kshs2, 092,071 with one imprest of Kshs488, 961 dating back to May, 2023 in total contravention of PFM Act. The imprest was as a result of facilitation for the Director in the Department to attend Lake Region Economic Block meeting which never took

place. The imprest was discussed during the interrogation of financial statements for the period ending 30<sup>th</sup> June, 2023 and was decided that the staff should return the money immediately.

From the list submitted during interrogation of this report did not have the said imprest yet it still remains un-surrendered to date.

### **Accounts payable**

#### **Deposits and Retentions**

As at 30<sup>th</sup> December, the cash maintained in the deposit account was Kshs22, 902,533 compared to Kshs268, 028,338 held the previous financial year. Kshs150, 000,000 has been borrowed by the County Government to finance the budget financial year 2023/24 to be returned in financial year 2024/25.

|  |                    |
|--|--------------------|
| Outstanding retentions bf 1 <sup>st</sup> July, 2023 | 268,028,338        |
| Additions during the period to December, 2023        | 31,510,154         |
| <b>Total balance</b>                                 | <b>299,538,492</b> |
| Less retention payments in the period                | 276,635,959        |
| <b>Balance as at December, 2023</b>                  | <b>22,902,533</b>  |

#### **Settlement of Pending Bills**

At the beginning of FY 2023/24, the County reported a stock of pending bills amounting to Kshs1, 244,506,681, comprising

- i. Construction of buildings Kshs57,803,562
- ii. Construction of civil works Kshs503, 100,300
- iii. Supply of goods Kshs143, 870,407
- iv. Supply of services Kshs539, 832,413

Kshs76, 527,084 was paid towards offsetting the bills leaving a balance of Kshs1, 167,979,597

The Department of Roads and Public Works had a total of Kshs426, 297,085 as pending bills and not Kshs279, 820,900 as stated in the report. During first supplementary budget, Kshs16m was allocated towards pending bills. Out of the allocation, Kshs15, 793,780 has been used to offset the bills for six contractors.

On flagship projects, Kshs40M was paid towards dual carriage against an allocation of Kshs150M and Kshs76.5M paid towards Misikhu-Brigadier road against an allocation of Kshs195M.

## **CHAPTER THREE**

## **Committee Observations and Recommendations**

### **Observations**

Mr. Speaker Sir, after perusing the financial statements together with the submission from the County Department during the interrogation, this Committee noted the following:

- i. Money received towards development was only 7 per cent of the budget which may have an effect on the absorption rate
- ii. The Department had a total of Kshs426, 297,085 in pending bills and not Kshs279, 820,900 as understated by the County Treasury.
- iii. Outstanding imprest of Kshs2, 092,071 was surrendered. However, the imprest of Kshs488, 961 meant to facilitate a meeting which never took place advanced as at June, 2023 remains un-surrendered.
- iv. Kshs76,509,173 was paid towards Misikhu-Brigadier road
- v. Kshs40 Million was paid towards Dual carriage way
- vi. List of works under maintenance of roads worth Kshs3,885,104 was provided
- vii. List of projects paid on retention account was not provided

### **Recommendations**

- i. The Department should fast track the implementation of projects earmarked for the financial year to improve on absorption as they wait for funds, since money may be received at the very end of the financial year.
- ii. The County Treasury should at all-times declare the correct amount of pending bills.
- iii. Further, this committee recommends that the County Treasury should regularly inform all the county departments of their financial positions in each quarter for uniformity in financial reporting.
- iv. This Committee recommends for full recover of Kshs488, 961 advanced as imprest to the Director for facilitation of Lake Region Economic Block meeting which never took place and provide a compliance report to this Committee with seven days from the date of adoption of this report in compliance to PFM Act on imprest surrender.
- v. List of projects paid on retention account should be provided and balances thereof to this County Assembly after 60 days from the date of adoption of this report.
- vi. Kshs195m and Kshs150m was allocated for dual carriage way and Misikhu- Brigadier roads respectively, the same should be utilized to fast track the completion of said roads to enable citizens enjoy the benefits of the investment.

That is the end of our report. Thank you Mr. Speaker

**Mr. Deputy Speaker:** Hon. Simotwo you need a seconder or else your motion will die.

**Hon. Franklin Simotwo (Chairperson, Committee on Roads):** Thank you Mr. Speaker. Allow me call upon Hon. Meshack Simiyu to second this report.

**Hon. Meshack Simiyu:** Thank you Mr. Speaker. I second.

*(Applause)*

*(Motion proposed)*

**Hon. Joseph Nyongesa:** Thank you Mr. Speaker. First allow me applaud my chairperson Hon. Simotwo for moving this motion. As you are aware, the chairperson of Roads Committee has brought many reports to this House and we need to appreciate him and the entire committee.

*(Applause)*

I followed the appointments in the broad based government when Hon. Mbadi was picked as CS Treasury and made some observations cautioning parliament that in future we should be keen on some terms as used during budget making process. When you look at page 12 of this report, I can see those terminologies. I urge the Committee that next time they should simplify them for better consumption. He clearly said that when you see these terms; this is where the Executive may begin to swindle funds. Like under roman II on construction of civil works- Kshs503 million. When you say construction of civil works; which are the items under this programme?

In roman II they are talking about construction of buildings; which buildings? The third one is on supply of goods amounting to Kshs143 million, supply of services Kshs539 million. Those are some terms that Hon. Mbadi advised that we should be keen on. Chairperson, during your reply, kindly simplify so that we can understand which are these civil works?

On observation number seven on the list of projects paid on retention, the account was not provided. You can see on page on 10 where retention is indicated as Kshs268 million, yet the list was not provided. We therefore urge the Committee now that we are aware that the Committee on Implementation is not keen. Follow up so that we can know the Kshs268 million that was paid was for which projects. Otherwise, I support Mr. Speaker.

**Hon. Ali Machani:** *(On a point of information)* Hon. Speaker I am always keen when the Leader of Majority is making his contributions. He has made concerns about the Implementation Committee. Members of the said Committee must take notice of his concerns otherwise the Selection Committee might take necessary action.

**Hon. Francis Chemion:** Thank you Hon. Speaker. I have a comment on the last bit where the Committee is saying Kshs195 million and Kshs150 million was allocated for dual carriageway and the Misikhu Brigadier Roads respectively. They go ahead to say that the same should be utilized to fast track the completion of said roads to enable the citizens enjoy the investments.

I know this report is up to 31<sup>st</sup> December but the chairperson can enlighten us on whether the said amounts were paid to the dual and Misikhu Brigadier.

**Hon. Franklin Simotwo (Mover to reply):** Thank you Mr. Speaker. First allow me appreciate Members who have contributed to this motion. On the issue raised by our leader Hon. Juma on the terms used; I know the terms can scare but when you look at the term civil works it refers to maintenance of roads; issues to do with bridges and other works that we undertake as department. I appreciate him for pointing on the need to elaborate on such terms like civil works, supplies and others. On issues of supply and services; it refers to daily supply of services in our offices same to supply of goods.

The issue raised by Hon. Chemion on the Dual carriage it is well indicated in this report that the allocation we made was not utilized because the report shows clearly that the allocation was not utilized. That is why the Committee has pointed out on that anomaly. Otherwise, I wish to end there and appreciate Members who contributed to this motion. I therefore, urge the House to adopt this report to enable us move forward.

**Mr. Deputy Speaker:** Thank you Hon. Simotwo for your reply to the motion.

*(Question put and agreed to)*

The ayes have it and the report is adopted.

*(Applause)*

## **ADJOURNMENT**

Honourable Members that was the last item on the Order Paper. We will adjourn to resume tomorrow, Thursday, 26<sup>th</sup> September, 2024 at 2:30 p.m.

**The House rose at 5:07 p.m.**