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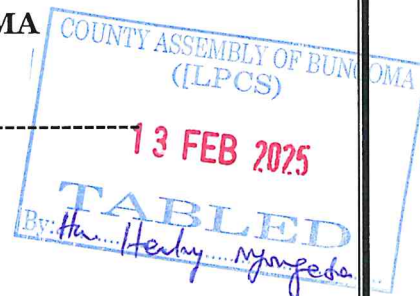
COUNTY GOVERNMENT OF BUNGOMA



COUNTY ASSEMBLY OF BUNGOMA

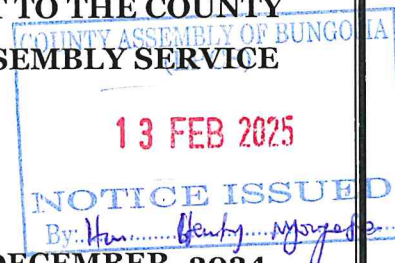
OFFICE OF THE CLERK

THIRD ASSEMBLY
THIRD SESSION



**COMMITTEE ON LABOUR RELATIONS MEMBER SERVICES AND
FACILITIES**

**REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE
PERIOD ENDED 30TH JUNE 2024 WITH RESPECT TO THE COUNTY
PUBLIC SERVICE BOARD AND THE COUNTY ASSEMBLY SERVICE
BOARD.**



Clerks Chambers
County Assembly Buildings
P.O BOX 1886 - 50200
BUNGOMA, KENYA

DECEMBER, 2024

Table of Contents

CHAPTER ONE	3
Preamble 3	
Committee Mandate.....	3
Committee Membership	4
Guiding principles in the Examination of the Bungoma County Government Quarterly Reports and Financial statements.	5
1. Constitutional Principles on Public Finance	5
2. Direct Personal Liability.....	5
3. Obligations of Accounting Officers	5
Acknowledgment	6
CHAPTER TWO	7
2.1.1 THE COUNTY PUBLIC SERVICE BOARD	7
2.1.2 THE COUNTY ASSEMBLY SERVICE BOARD.....	8
2.1 ACCOUNTS RECEIVABLES.....	14
2.2 DEPOSITS AND RETENTION.....	14
CHAPTER THREE.....	15
3.1 COMMITTEE OBSERVATIONS AND RECOMMENDATIONS.	15
3.1.1 Committee Observations	15
3.1.2 Committee Recommendations	15
ADOPTION SCHEDULE.....	16
Annexures.....	17

CHAPTER ONE

Preamble

Mr. Speaker,

It is my duty to present the report by the Committee on Labour Relations, Members Service and Facilities on the County Assembly Service Board and County Public Service Board 4th Quarter Financial Statements for the Financial Year 2023/2024 for the period ended 30th June, 2024. The 4th Quarter Financial Statements was tabled on 16th October, 2024 in this County Assembly of Bungoma and stood committed to all Sectoral Committees for their interrogation, input and recommendation through a report to this Honorable House.

Committee Mandate

Mr. Speaker,

The Sectoral Committee on Labour Relations, Members Service and Facilities is constituted pursuant to the provisions of Standing Order 217 of the County Assembly of Bungoma and has executed its mandate in accordance with number (5) of the aforementioned Standing Order that provides:

- (a) investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned departments;*
- (b) study the programme and policy objectives of departments and the effectiveness of the implementation;*
- (c) study and review all county legislation referred to it;*
- (d) study, assess and analyze the relative success of the departments as measured by the results obtained as compared with their stated objectives;*
- (e) investigate and inquire into all matters relating to the assigned departments as they may deem necessary, and as may be referred to them by the County Assembly;*
- (f) to vet and report on all appointments where the Constitution or any law requires the County Assembly to approve, except those under Standing Order 208 (Committee on Appointments); and*

(g) Make reports and recommendations to the County Assembly as often as possible, including recommendation of proposed legislation.

Committee Membership

Mr. Speaker,

The following are the Members of the Committee on Labour Relations, Members Service and Facilities Committee:

1. Hon. Hentry Nyongesa	Chairperson
2. Hon. Orize Kundu	Member
3. Hon. Anthony Lusenaka	Member
4. Hon. Joan Kirong	Member
5. Hon. Milliah Masungu	Member
6. Hon. Everton Nganga	Member
7. Hon. Charles Nangulu	Member
8. Hon. Busolo Sudi	Member
9. Hon. Idd Owongo	Member
10. Hon. Polycarp Kimeta	Member
11. Hon. Jermiah Kuloba	Member
12. Hon. Abraham Obama	Member
13. Hon. Martin Chemorion	Member
14. Hon. Brigid Katasi	Member
15. Hon. Caleb Wanjala	Member

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

Mr. Speaker,

In the execution of its mandate, the Committee on Labour Relations, Members Service and Facilities is given a legal backing under the Constitution of Kenya 2010, Public Finance Management Act, 2012, County Governments Act, 2012. These statutory provisions include:

1. Constitutional Principles on Public Finance

Article 201 of the Constitution of Kenya, 2010 enacts fundamental principles that ***“...shall guide all aspects of public finance in the Republic...”*** These principles include, *inter alia*, that: **201(a)** *There shall be openness and accountability, including public participation in financial matters;* **201(d)** *Public money shall be used in a prudent and responsible way;* and **201(e)** *Financial management shall be responsible, and fiscal reporting shall be clear.*

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

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

2. Direct Personal Liability

Article 226(5) of the Constitution of Kenya, 2010 is emphatic that *“If the holder of a public office, including a political office, directs or approves the use of public funds contrary to law or instructions, the person is liable for any loss arising from that use and shall make good the loss, whether the person remains the holder of the office or not”*.

3. Obligations of Accounting Officers

The Public Finance Management Act, 2012 section 166 states as follows;

- 1. An accounting officer for a county government entity shall prepare a report for each quarter of the financial year in respect of the entity.*
- 2. In preparing a quarterly report for a county government entity, the accounting officer shall ensure that the report—*

- (a) contains information on the financial and nonfinancial performance of the entity; and
- (b) is in a form determined by the Accounting Standards Board.
3. Not later, than fifteen days after the end of each quarter, the accounting officer shall submit the quarterly report to the County Treasury.
4. Not later than one month after the end of each quarter, the County Treasury shall—
- (a) consolidate the quarterly reports and submit them to the county assembly;
- (b) deliver copies to the Controller of Budget, National Treasury and the Commission on Revenue Allocation; and
- (c) publish and publicize them

Acknowledgment

Mr. Speaker,

I take this opportunity to thank all the members of the Committee for dedicating their time to examine the County Assembly Service Board and County Public Service Board 4th Quarter Financial Statements for the Finance Year 2023/2024, for the period ended 30th June 2024. The Committee would also like to appreciate the Secretariat commitment. Lastly, the Committee is grateful to your office and the office of the Clerk of the County Assembly of Bungoma for logistical support received as it discharged its mandate.

It is therefore my privilege, on behalf of the Committee on Labour Relations, Members Service and Facilities, to table the Report on the 4th Quarter Financial Statements of the County Assembly Service Board and County Public Service Board for Bungoma County for Financial Year 2022/2023.

Signed..........Date..........

Hon. Hentry Nyongesa

MCA. Bumula Ward.

Chairperson, Committee on Labour Relations, Members Service and Facilities.

CHAPTER TWO

2.1.1 THE COUNTY PUBLIC SERVICE BOARD

The board had a total approved allocation of Kshs. 62,852,554: Kshs. 48,352,554 on recurrent and Kshs. 14.5 million on development.

2.1.1.1 REVENUE

Mr. Speaker,

The Board does not collect any revenue and AIA. The Board received Kshs. 62,852,553 spent Kshs. 41,465,711 on recurrent and had no expenditure on development budget hence 66% of the total budget.

2.1.1.2 EXPENDITURE

Mr. Speaker,

General administration planning and support services

Administrative services had an allocation of Kshs. 24,447,254 with absorption of Kshs. 21,900,221 which culminates to 99% of expenditure.

Human resource management and development

Human resource management and development had an allocation of Kshs. 10,374,532 with a utilization of Kshs. 9,260,839.

Governance and ethics

Quality assurance had allocation of Kshs. 5,120 330 with a nil absorption.

Governance, Ethics and national had an allocation of kshs. 10,716,570 and recorded an expenditure of Kshs.10,304,651 which represents 96%.

Development

Construction of Administration Block had an allocation of kshs. 14,500,000 with nil expenditure.

2.1.1.3 ACCOUNTS PAYABLE

Mr Speak8er,

The total outstanding pending bill as at 30th June 2023 amounted to Kshs. 7,559,830. A total of Kshs. 3,190,108 was paid during the period under review leaving the Board with a total of Kshs. 4,369,722 as pending bills.

2.1.1.4 ACCOUNTS RECEIVABLE.

Mr Speaker,

The Board had no outstanding imprests to report on during the period under review.

2.1.2 THE COUNTY ASSEMBLY SERVICE BOARD.

2.1.2.1 REVENUE

The County Assembly of Bungoma had an approved budget of 1,283,975,880 with Kshs.151,737,650 and Kshs.1,132,238,230 as Development and Recurrent allocations respectively.

The absorption of the budget was Kshs. 1,225,278,230 representing 95% absorption rate. The releases are as below:

Transfers from the county treasury for Q1 in Kshs.	195,663,127
Transfers from the county treasury for Q2 in Kshs.	344,131,963
Transfers from the county treasury for Q3 in Kshs.	232,813,888
Transfers from the county treasury for Q4 in Kshs	452,639,304
Cumulative Amount in Kshs.	1,225,248,282

2.1.2.2 EXPENDITURE

General Administration, Planning & Supports Services

Salaries & Personnel Emoluments utilized Kshs. 604,989,317 against the allocated budget of Kshs. 601,093,756 representing 101% budget utilization. The changes between the original and final budget are as a result of reallocations within the budget. The Financial Statement indicates the deficit was funded by Gratuity, Other Operating Expenses and Membership fees, dues and subscriptions to professional and trade bodies.

Human Resource Capacity Development and Management utilized Kshs. 32,561,417 against the allocated Kshs.33,767,598 representing 96% absorption. The trainings done are as shared below:

NO	COURSE	INSTITUTION	FY 2023/24	FY 2022/23
1.	SLDP	KSG	5	1
2.	SMC	KSG	6	5
3.	Supervisory Mgt Skills	KSG	1	11
4.	Finance Technical team workshop	KSG	2	0
6.	Retirement	KSG	4	1
7.	PR/Customer Care	KSG	1	3
8.	Data Analysis in skills development	KSG	1	0
9.	Digital Transformation	KSG	2	0
10.	Risk Management	KSG	11	0

11.	IPPD training	KSG	4	0
12.	Government Protocol	KSG	2	0
13.	Training in Music	KSG	1	0
14.	Mgt accounting and Strategy	KSG	1	0
15.	IPPD/IFMIS	KESSRA	2	0
16.	Tax Administration	KESSRA	1	0
17.	Tax Audit	KESSRA	1	0
18.	Payment of Tax	KESSRA	2	0
19.	I-tax Training	KESSRA	4	0
20.	Report writing and Minute taking	CPST	0	11
21.	Legislative Practices and Procedures	CPST	8	0
22.	Research and Public Policy	CPST	0	2
23.	Trainer of Trainers	CPST	3	0
24.	E-record Management	CPST	5	0
25.	Devolution Law	CPST	2	0
26.	Table Office Management	CPST	4	0

27.	C.Assembly Legislative Tracker	CPST	2	0
28.	Safety and Security Mgt	CPST	7	0
29.	Budgeting	CPST	2	0
30.	Road Safety Training-Drivers	CASB	11	0
31.	Critical ICT and Network Security	CSK	2	4
32.	IT risk management	CSK	0	1
33.	Mediation	East Africa Institute of Mediation	1	0
34.	Guidance and Counseling	FAM Connect Therapy center	8	0
35.	Financial Reporting	ICPAK	2	0
36.	Record Management Policy	KARMA	3	0
37.	Digital Record keeping	KARMA	2	0
38.	Secretaries Workshop	KENASA	3	0
39.	Driver Refresher	KIHBIT	3	2
40.	Procedures and Practices	KIM	1	0

	manuals			
41.	Public Policy	KIPPRA	0	1
42.	Sign Language	KSL	1	0
43.	Gender Mainstreaming	National Gender Commission	6	0
44.	Sensitization of the NSSF Act	NSSF & LAPFUND	2	0
		TOTAL	128	47

General administration and support services utilized Kshs. 258,154,862 against the allocated Kshs.260,460,367 representing 99% absorption.

Research, Knowledge sharing and Development Services utilized Kshs. 4,001,327 against allocated Kshs. 8,150,000 representing 49% absorption rate.

Legislation

Legislation services utilized Kshs. 6,808,180 against the allocated Kshs. 11,014,400 representing 62% absorption.

Representation and Outreach services

Representation services utilized Kshs. 73,459,181 against an allocation of Kshs. 73,762,250 which represented 100% absorption.

Public participation and outreach services utilized Kshs. 1,980,000 against the allocated Kshs.2,000,000 representing 99% absorption

Oversight

Oversight Services utilized Kshs. 150,313,830 against the allocated Kshs. 141,989,859. The amount was for committee operations.

Infrastructure (Development)

Infrastructure utilized Kshs. 93,010,115 against the allocated Kshs. 151,737,650 representing 61% absorption. The breakdown of the expenditures is as detailed below:

- i. Supply, delivery and installation, training, property valuation and commissioning of an automated asset verification tagging & management system Kshs 8,342,395
- ii. Erection and completion of parking shades for Bungoma county assembly utilized Kshs. 4,459,499
- iii. Construction of administration block valuation Kshs. 24,746,860
- iv. Construction of debating chambers for Bungoma county assembly for interim payment certificate NO. 1 Kshs. 27,773,670.
- v. Construction of Gatehouse and waiting bay for Bungoma County Assembly.= Kshs. 2,033,900/=

2.1.2.3 ACCOUNTS PAYABLE

Mr Speaker,

The total accounts payables for goods and services as at 30th June 2024 was Kshs. 27,158,184 broken down into the following categories:

- i. Construction of civil works- Kshs. 973,550
- ii. Supply of goods- Kshs. 3,308,280
- iii. Supply of services- Kshs. 22,876,354

The pending staff payables as at 30th June 2024 amounted to Kshs. 3,106,500. This was in relation to salary arrears and pension arrears of Kshs. 2,652,015 and Kshs. 454,485 respectively for two officers.

Other pending payables indicates an outstanding balance of Kshs.96,810,039 with Kshs. 72,506,526 payable to Bungoma County Assembly Members Car loan and Mortgage Scheme Fund and Kshs. 24,303,513 payable to Bungoma County Assembly Employee Car Loan and Mortgage Fund.

2.1 ACCOUNTS RECEIVABLES.

Mr. Speaker,

During the period under review, the County Assembly had nil outstanding imprests, a clear indication of adherence to PFMA with regards to Imprest Management.

2.2 DEPOSITS AND RETENTION.

Mr. Speaker,

The Assembly had an opening balance of Kshs. 25,839,985 worth of deposits made in the retention account at the County Executive. A total of Kshs. 9,301,011 additional deposit was done during the year hence a closing balance of Kshs. 35,140,996.

CHAPTER THREE

3.1 COMMITTEE OBSERVATIONS AND RECOMMENDATIONS.

3.1.1 Committee Observations.

Mr. Speaker,

The Committee made the following observations.

1. The County Public Service Board construction of administration Block project is stalled.
2. The County Public Service Board had total of Kshs. 4,369,722 as pending bills during the period under review.
3. The two boards did not have any unsurrendered imprests to report on during the period under review. This indicates utmost compliance to the **PFM reg, 93(5)**
A holder of a temporary imprest shall account or surrender the imprest within seven (7) working days after returning to duty station.

3.1.2 Committee Recommendations

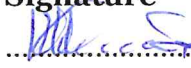
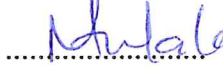

Mr. Speaker,

The following recommendations were made by the Committee:

1. **That**, the County Public Service Board should declare and prioritize the payment of pending bills when preparing proposed budget estimates to avoid unnecessary litigation and accumulation.
2. **That**, the County treasury should prioritize paying the contractor so as to resume works on construction of the administration block for CPSB.

ADOPTION SCHEDULE

We the undersigned members of the Labour Relations, Members Service and Facilities Committee append our signatures adopting this report with the contents therein.

No.	Name	Designation	Signature
1.	Hon. Hentry Nyongesa	Chairperson	
2.	Hon. Antony Lusenaka	Member
3.	Hon. Joan Kirong	Member	
4.	Hon. Milliah Masungu	Member	
5.	Hon. Busolo Sudi	Member
6.	Hon. Caleb Wanjala	Member	
7.	Hon. Everton Nganga	Member	
8.	Hon. Charles Nangulu	Member	
9.	Hon. Chemorion Martin	Member
10.	Hon. Abraham Obama	Member
11.	Hon. Polycarp Kimeta	Member	
12.	Hon. Idd Owongo	Member	
13.	Hon. Jeremiah Kuloba	Member	
14.	Hon. Orize Kundu	Member	
15.	Hon. Brigid Katasi	Member	