

COUNTY GOVERNMENT OF BUNGOMA

COUNTY ASSEMBLY OF BUNGOMA

COUNTY ASSEMBLY DEBATES

THE DAILY HANSARD

TUESDAY, 15TH APRIL, 2025

Afternoon Sitting

3rd County Assembly

4th Session

COUNTY ASSEMBLY OF BUNGOMA

THE DAILY HANSARD

TUESDAY, 15TH APRIL, 2025

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

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

PRAYER

PAPERS

1. REPORT BY THE HOUSE BUSINESS COMMITTEE ON THE AFFAIRS OF THE COUNTY ASSEMBLY FOR THE THIRD SESSION OF THE THIRD ASSEMBLY

Mr. Deputy Speaker: Our Majority Leader will help us by tabling those documents. Kindly proceed.

Hon. Joseph Nyongesa (Leader of Majority): Thank you Speaker, allow me to table the report of the House Business Committee on the affairs of the County Assembly for the Third Session of the Third Assembly.

Mr. Deputy Speaker: Thank you Hon. Leader of Majority. Hon. Members, this report having been tabled becomes property of this House.

2. REPORT BY THE LIAISON COMMITTEE ON THE ACTIVITIES OF THE COUNTY ASSEMBLY FOR THE FOUR COMMITTEES FOR THE SECOND AND THIRD QUARTERS FINANCIAL YEAR 2024/2025 OCTOBER 2024 TO MARCH 2025

Mr. Deputy Speaker: Our Leader of Majority.

Hon. Joseph Nyongesa (Leader of Majority): Thank you Speaker. Once, again allow me to table the report of the Liaison Committee on the activities of the County Assembly for the committees for the second and third quarters of financial year 2024/2025 October 2024 to March 2025.

Mr. Deputy Speaker: Thank you. Honourable Members, this report by the Liaison Committee having been tabled becomes property of the House.

3. REPORT BY THE SECTOR COMMITTEE ON PUBLIC ADMINISTRATION AND ICT ON THE IMPLEMENTATION STATUS OF DECENTRALIZED ADMINISTRATION UNITS ACT 2015

Mr. Deputy Speaker: The Hon. Cornelius Makhanu, Member for Khalaba. You can use the dispatch.

Hon. Cornelius Makhanu: Thank you, Speaker. I rise to present a report on the implementation status of the decentralized administration units Act 2015.

Mr. Deputy Speaker: You should be tabling.

Hon. Cornelius Makhanu: Sorry Hon. Speaker, I rise to table a report on the implementation status of the decentralized administration units act 2015.

Mr. Deputy Speaker: Thank you, Hon. Makhanu. Members this report by the Sectoral Committee on Public Administration ICT having been tabled becomes the property of the House.

NOTICES OF MOTION

1. THAT THIS HOUSE ADOPTS THE REPORTS BY THE HOUSE BUSINESS COMMITTEE ON THE AFFAIRS OF THE ASSEMBLY FOR THE THIRD SESSION OF THE THIRD ASSEMBLY.

Mr. Deputy Speaker: Hon. Leader of Majority.

Hon. Joseph Nyongesa (Leader of Majority): Thank you Mr. Speaker. I rise to give the notice that this house adopts the report by the House Business Committee on the affairs of the County Assembly for the Third Session of the Third Assembly.

(Report tabled by Hon. Joseph Nyongesa)

Mr. Deputy Speaker: Thank you so much Hon. Members. Notice of motion having been issued, the same is therefore directed to be circulated to Hon. Members so that they can have a perusal and understanding. It will form part of business that will be considered by the House after ratification by the House Business Committee.

2. THAT THIS HOUSE ADOPTS THE REPORT BY THE LIAISON COMMITTEE ON THE ACTIVITIES OF THE COUNTY ASSEMBLY COMMITTEES FOR THE SECOND AND THIRD QUARTERS OF FINANCIAL YEAR 2024/2025, OCTOBER 2024 TO MARCH 2025

Mr. Deputy Speaker: Leader of Majority

Hon. Joseph Nyongesa (Leader of Majority): Thank you Speaker. I again rise to give a notice that this House adopts the report by the Liaison Committee on the activities of the County Assembly Committees for the second and third quarters of financial year 2024/2025, October 2024 to March 2025.

(Report tabled by Hon. Joseph Nyongesa)

Mr. Deputy Speaker: Thank you Hon. Leader of the Majority, Members, a notice of motion having been issued, the same report is therefore directed to be circulated to honourable Members so that they can go through. It will appear on the Order Paper for debate after it is ratified by the House Business Committee.

3. THAT THIS HOUSE ADOPTS THE REPORT BY THE SECTORAL COMMITTEE ON PUBLIC ADMINISTRATION AND ICT ON THE IMPLEMENTATION STATUS OF THE DECENTRALIZED UNITS ACT OF 2015

Mr. Deputy Speaker: Hon. Makhanu.

Hon. Cornelius Makhanu: Thank you, Hon. Speaker. I rise to issue notice of motion that this House adopts the report by the Sectoral Committee on Public Administration and ICT on the implementation status of the Decentralized Administration Units Act of 2015.

(Report tabled by Hon. Cornelius Makhanu)

Mr. Deputy Speaker: Thank you, Hon. Cornelius Wanjala Makhanu, Members, again a notice of motion having been issued. I direct that the same report is circulated to honourable Members so that they can look at it in preparation for debate after ratification by the House Business Committee as part of the business of the House.

MOTION

REPORT BY THE BUDGET AND APPROPRIATIONS COMMITTEE ON MEDIUM TERM DEBT MANAGEMENT PAPER 2025/2026, 2027/2028

Mr. Deputy Speaker: Honourable Members, the Committee on Budget and Appropriation will resume this motion from where it was interrupted. This is what we call resumption of interrupted business. So I call upon the mover of the report Hon. Deputy Leader of Majority to come and move the observations and recommendations. Because those are the areas that had a contention. After that we'll have a seconder so that we move on. Yes Hon. Leader of Majority.

Hon. Joseph Nyongesa: Thank you, Speaker. Your word is final, but Mr. Speaker, I'm worried about saying that the business was interrupted. I think it was corrected so that we have the right document especially on exaggerated pending bills. So was it interruption or correction?

Mr. Deputy Speaker: You are in order Hon. Leader of Majority. The progress of the report was interrupted for purposes of correction. By stopping to proceed to a conclusive end, it was a disruption of the same. Therefore, we are resuming so that we can now complete to its conclusion after the same committee has looked at the areas of contention. So with that, let us allow the mover to proceed. Hon. Nganga you have something also?

Hon. Everton Nganga: Thank you, Hon. Speaker. I'm looking at the quorum of the membership of the Budget Committee. They are about four or five and we made a decision that they must be a half plus one.

Mr. Deputy Speaker: Yes Hon. Nganga, you can resume your seat. Hon. Jackson Wambulwa.

Hon. Jackson Wambulwa: Thank you Hon. Speaker. Hon. Chair, I want to bring to your attention that Members should understand that we have a Committee of Lands that retreated and the majority of the members are in Lands. That's why you can see we are five members against the eleven. So if we are going to continue with this business of questioning the quorum whereas committees are retreating Hon. Chair, I don't know whether we shall allow the activities of the House to run.

Mr. Deputy Speaker: Hon. Wambulwa, you have used a wrong term. Honestly, you are out of order when you say if we continue with this business, yet it was a decision of the House. It is wrong. You just put your case so that we understand.

Hon. Jackson Wambulwa: Hon. Speaker I understand you, I withdraw that term. In the meantime, I request that members understand that other committees are retreating and that's why we are affected by quorum.

Mr. Deputy Speaker: Hon. Meshack Museveni.

Hon. Meshack Museveni: Spika nakubaliana na maoni ya Mwenyekiti wangu wa Kamati ya Makadirio kwamba hatuko wote kwenye Bunge kwa sababu wenzetu wako nje na kamati ingine ya Bunge kwa shughuli rasmi. Kwa hivyo tukisisitiza kwamba lazima wengi wawe Bungeni huenda kesho kamati yako ikajipata kwenye tatizo kama la leo.

Mr. Deputy Speaker: Mheshimiwa Museveni nimekuelewa na haujanielewa. Nakuomba uketi. Waheshimiwa we have to stop from that point. It was a resolution of the House, so there is

nothing like Tukianza hivi vitu. Budget committee members, you are bringing more trouble. You should have left that to us so that we proceed. Your argument is going out of order. So I ask Hon. Chemayek to proceed and complete this. Hon. Chemayek, you are asked to take your seat. Order! Members order!

Mr. Deputy Speaker: Yes Hon. Allan, then Hon. Chikati.

Hon. Allan Nyongesa: Thank you, Speaker. Hon. Speaker, I am referring you to Standing Order 37(1) on the quorum of the whole House. It is also not sufficient. It is supposed to be a third of this House, we are hardly 20.

Secondly, I respect the Liaison Committee and I don't want to question the wisdom they used to say that going forward, the committees will be retreating even the days we are supposed to be in the Assembly. In the past, we have been retreating during the weekends up to Monday, then we are here from Tuesdays for working days. Since last week, we have seen committees retreating beyond, even up to the days we are supposed to be in the House. Last time we had an issue with Budget Committee where eight members of the committee were not there when we were transacting serious business of that committee. I rest my case.

Mr. Deputy Speaker: Thank you Hon. Allan Nyongesa. I guess we have heard you. Hon. Chikati, a moment.

Hon. Timothy Chikati: Thank you, Mr. Speaker. Well guided and let it also cut across the board because another report, another motion for the Public Administration is also coming and it doesn't have sufficient quorum. So let it cut across the board, the Budget and Public Administration.

Mr. Deputy Speaker: Honourable Members, your observations have been taken care of. We have heard you and we listen and we also watch how you observe the same Standing Orders and make suggestions. Hon. Kirong, you can proceed now. Thank you so much for observations. Those were good observations. We proceed.

Hon. Joan Kirong: Thank you, Mr. Speaker. Allow me to continue with the motion on report on Medium Term Debt Management Strategy Paper for FY 2025/26- FY 2027/28. Mr. Speaker because the motion was interrupted for corrections and so it has been corrected, allow me to move to committee's observations and recommendation

CHAPTER FOUR

4.0 COMMITTEE'S OBSERVATIONS AND RECOMMENDATIONS:

4.1 Committee Observations

Mr. Speaker Sir, the Committee after analyzing the Debt Management Strategy Paper made the following observations;

1. This Medium Term Debt management Strategy Paper (MTDMSP) is the 7th to be prepared by the County Government since devolution and the Assembly notes the absence of an established public debt management unit.
2. The Medium Term Debt Management Strategy Paper is a robust framework for prudent debt management that will provide a systematic approach to decision making on the appropriate composition of debt finance taking into account both cost and risk.
3. The Medium Term Debt Management Strategy Paper for FY 2025/26 – FY 2027/28 provides a framework and an additional strategy which the County Government can pursue to fund its budget deficits.
4. The County Government of Bungoma's decision to borrow is vested in the County Assembly of Bungoma as the 1st approver. If the County Assembly is of the opinion that the county government's borrowing carries substantial financial risk, may attract high cost of servicing and is a threat to the County's budgeting and service delivery, then the Assembly can deny approval for the borrowing.
5. The Committee notes that the County Accounts Payable are indicated as Kshs. 1,094,407,200 for recurrent expenditure, Kshs. 1,849,968,716 for development expenditure and Kshs. 720,766,313 for Ward Based Projects totaling to Kshs. 3,665,142,229.
6. The County government has a short-term borrowing arrangement with the Kenya Commercial Bank, for an overdraft facility equivalent to one month's gross staff salaries to be utilized in payment of salaries in the event of delayed in exchequer releases but the limit of borrowing has not been indicated in the report.

4.2 Committee's Recommendations

Mr. Speaker Sir, based on the above observations, the Committee recommends as follows;

1. **THAT**, the County Government should establish a Public Debt Management Unit (PDMU) to enhance the efficiency and effectiveness of debt management. The unit will help in monitoring and coordinating the County's debt portfolio, ensuring alignment with medium term debt strategy and offering expertise in the assessment of debt sustainability.
2. **THAT**, the County Government of Bungoma adopts Strategy 3; **external financing and some domestic bond financing, which will allow the** county to source for funding from both External and Internal sources of funding but with emphasis on domestic borrowing in order to minimize the risks associated with external borrowing.
3. **THAT**, the County Government should adhere to the fiscal responsibility principle to be able to secure long term loans to finance its budget deficit.

4. **THAT**, County Treasury should prioritize addressing the high outstanding accounts payable as they represent a significant financial burden and measures should be put in place to ensure that such arrears are minimized in the future.
5. **THAT**, a robust monitoring framework should be established to provide regular and timely reports on completed projects that have not been paid. This will ensure transparency and accountability, enabling the County to track outstanding payments and plan on how to settle them.
6. **THAT**, the County Treasury should comply with Section 142 (2) of Public Finance Management Act 2012 by not exceeding five percent of the most recent audited revenues of the entity on the short term borrowing arrangement with Kenya Commercial Bank.

4.3 CONCLUSION

Mr. Speaker, the approval of this Medium Term Debt Management Strategy Paper for FY 2025/26 -2027/28 by this House will provide the framework for the County Government of Bungoma to pursue for additional funds to finance its budget deficits especially on development expenditures.

5.0 ANNEXTURE

Annex I: Adoption schedule

Annex II: The draft Bungoma County Medium Term Debt Management Strategy Paper for FY 2025/26 –FY 2027/28

Hon. Joan Kirong: Mr. Speaker, I will end there. I think the adoption schedule is there and all Members signed. Thank you. Allow me to call Hon. Jack Wambulwa, Chairperson of Budget Committee to second this motion.

(Applause)

Mr. Speaker: Hon. Jackson Wambulwa.

Hon. Jackson Wambulwa: Thank you Hon. Speaker. First of all, let me appreciate the Deputy Majority Leader who moved the motion on debt management for work well done.

Hon. Speaker, looking at the recommendation by the debt management, I want to call upon the sector committees to actually intervene and make sure that we meet the target of revenue in AIA. Why am I saying so, Hon. Speaker? Today as a County, we are in a capacity to collect Kshs.2 billion, if we are meant to do business as a County Government. It is as if, like somebody said, we are sleeping on our job. We are not following up to make sure that we meet this target to go higher, because if I compare Hon. Speaker, during COVID-19 in the last Assembly, we were able to collect Kshs.750 million. And you remember that is the time it was difficult across the Country, worldwide, and we were able to collect that. What really happened now that we

resumed, all our markets are operational. I remember by then Hon. Speaker, the only market that operated was Myanga, in my Ward. That they were collecting revenue. Today, the major markets like Chwele, Kamukuywa, Bukembe, Misikhu, you call all these major markets across the County are collecting and we have a lot of investment that has come into this County.

So it is time we pull up our socks as sector committees and if possible, through the intervention of the leadership, I would wish that we directed the revenue officers who are in revenue department under finance, if they are told, seconded to work in Trade, let them move to Trade, so that they can be oversighted by the departmental heads in that department. But as long as the revenue officers are in finance and they are going to control these other departments, achieving this target will be a problem, Hon. Speaker. As you are aware, somebody cannot just come and supervise you, work for you in your house, walk away without informing you and then you expect to give the goodwill, Hon. Speaker.

All I want to add to the colleague members, like we put in the recommendation, that the County Government should establish a Public Debt Management Unit, that's PDMU, to enhance this efficiency and effectiveness of debt management. This audit will help in monitoring and coordinating the County's debt portfolios, ensuring the alignment with medium-term debt strategy and offering expertise in the assessment of the debt sustainability. That's the only way we can be able to monitor matters to do with debts, matters to do with pending bills.

And as I finalize Hon. Speaker, the area of pending bills also we need to verify. It's like we are over-exaggerating these pending bills. How I wish that we should sit down with the Executive one of these fine days and be able to finalize on which are these pending bills, how are they verified, who are involved in verification, because I'm very sure the elected members were not involved and they could be assuming even projects that were paid are still being treated as pending bills. That will also reduce so that it can enable us to have less debt, Hon. Speaker. I second the report. Thank you.

Mr. Deputy Speaker: Thank you, Hon. Jackson Wambulwa, Member for Kimaeti and Chairperson Budget and Appropriations. Honourable Members, allow me now to propose the motion for debate;

(Motion proposed)

Mr. Deputy Speaker: The Hon. Joseph Nyongesa Juma, Member for Tuuti-Marakaru and Majority Leader of the House.

Hon. Joseph Nyongesa: Thank you Mr. Speaker. First, allow me to appreciate the mover of the report for rectifying it because the greatest issue was on fluctuation of pending bills which I can see they have rectified.

Another issue to the Budget Committee is to ensure that they are also doing what we call budget tracking which is their mandate. This ensures that what we have budgeted for is implemented. And Mr. Speaker, by doing so we shall also be verifying the issue of pending bills. As we struggle with the issue of pending bills, how I wish that every Sectoral committee could help us as a House to ensure verification of pending bills is done.

Finally, as much as you favored the Budget Committee, in future they should also walk the talk. It's their obligation to inform their members that their report is coming up for debate and they ought to be in the House to support it. Otherwise, I support the motion. Thank you Mr. Speaker.

Mr. Deputy Speaker: Thank you Hon. Leader of the Majority for your contribution. Allow me now call the mover to reply. Hon. Kirong Chemayek, Joan proceed.

Hon. Joan Kirong (Mover to reply): Thank you Mr. Speaker. Let me appreciate the Leader of Majority for contributing to the motion. Mr. Speaker, our leader has said that as a committee we need to undertake budget tracking to ensure projects and programs are implemented there. I totally agree with him although we need more funds to enable us contact the budget tracking exercise.

(Applause)

Mr. Speaker, as alluded by the seconder of this motion, there is need to enhance own source revenue collection in this county to fund our projects and programs. Having said that, I appreciate the Members for supporting this report. Thank you Mr. Speaker.

(Applause)

Mr. Deputy Speaker: Thank you Hon. Chemayek Joan Kirong, Deputy Leader of Majority for your reply. Honorable Members, allow me now to put the question;

(Question put and agreed to)

The ayes have it.

The report and its observations and recommendations thereof is adopted. I direct the Clerks at the Table to communicate to the relevant offices for their action.

ADJOURNMENT

Honourable Members that was the last item on the Order Paper; we adjourn and resume tomorrow, Wednesday, 16th April, 2025 at 9.30 a.m.

House rose at 3:08 p.m.