CAB/HR/HSD/005

COUNTY GOVERNMENT OF BUNGOMA

COUNTY ASSEMBLY OF BUNGOMA

COUNTY ASSEMBLY DEBATES

THE DAILY HANSARD

WEDNESDAY, 29TH JULY, 2026

Afternoon Sitting

3rd County Assembly **5th Session**

Version 00 **Revision 00**

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COUNTY ASSEMBLY OF BUNGOMA

THE DAILY HANSARD

WEDNESDAY 29TH JULY, 2026

The house met at 2:30p.m.

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

PRAYERS

COMMUNICATION FROM THE CHAIR

Mr. Speaker: Honourable Members, this is Communication from the Speakers office to the House on the visiting delegation. I am pleased to welcome Grade Nine learners and teachers from Malaa Primary School in West Sang'alo Ward Kanduyi Constituency. The learners are on an education tour to apply the concepts learned in the classroom and enhance the understanding of the mandate of the County Assembly. The visiting delegation comprises of 25 learners.

(Students rise)

(Applause)

(Students resume their seats)

Honourable Members, the said learners are accompanied by six teachers;

1. Ms. Lilian Sikulu,
2. Mr. Lawrence Muliro,
3. Mr. Douglas Muliro,
4. Ms. Peris Nyongesa,
5. Mr. Micah Wafula, and
6. Ms. Violet Nafula.

(Teachers rise)

(Applause)

(Teachers resume their seats)

Honourable Members, during our statement hour as our practice, I will allow Honourable members to make some brief comments, encouragements and wish the candidates their best of luck in the end year exam as they are preparing to break for recess and resume back for the last term in this academic calendar. We proceed to the next item please.

PAPERS

REPORT ON CONSIDERATION OF THE DISBURSEMENT SCHEDULE TO COUNTY ASSEMBLY FUND FOR THE FINANCIAL YEAR 2026/2027

Mr. Speaker: Hon. Zeddy, the vice chair of the Committee on Finance and Economic planning. Proceed… Whichever place you are comfortable.

Hon. Godfrey Mukhwana: Thank you Honourable Speaker. I'm on my feet to table the report on consideration of the Disbursement Schedule to County Assembly Fund for the financial year 2026/2027.Thank you.

(Report tabled by Hon. Godfrey Mukhwana)

Mr. Speaker: Honourable Members, the report by the Committee on Finance and Economic Planning on the consideration of the disbursement schedule to the County Assembly Fund for the financial year 2026/2027 is hereby formally tabled and becomes the property House.

NOTICES OF MOTION

REPORT ON CONSIDERATION OF THE DISBURSEMENT SCHEDULE TO COUNTY ASSEMBLY FUND FOR THE FINANCIAL YEAR 2026/2027

Mr. Speaker: Hon. Zeddy, proceed.

Hon. Godfrey Mukhwana: Thank you, Honourable Speaker. I'm on my feet to issue a notice of motion that this House adopts the report of the Sectoral Committee on Finance and Economic Planning on consideration of the Disbursement Schedule to County Assembly Fund for the financial year 2026/2027. Thank you.

(Notice issued by Hon. Godfrey Mukhwana)

Mr. Speaker: Honourable Members, a notice of motion has been issued by the Sectoral Committee on Finance and Economic Planning on the consideration of the Disbursement Schedule to the County Assembly Fund for the financial year 2026/2027. I urge the clerks to have the said report shared by the Honourable Members' gadgets. The same will come up as a motion on our Order Paper tomorrow as a motion.

Let us proceed.

QUESTIONS AND STATEMENTS

Mr. Speaker: Honourable Members, I think at this stage I will allow some Honourable Members make brief comments as I said earlier on. Good wishes to the candidates in our public gallery. That is Malaha Primary School, West Sangalo, Grade Nine candidates. Proceed. The host, Honourable MCA, Hon. Zeddy, will be the first one to go.

Hon. Godfrey Mukhwana: Thank you, Honourable Speaker for giving me this opportunity. First, I want to welcome Malaha Primary School. Malaha Primary School is from West Sangalo. It's on the lower end of the road. This is a school that started just a few years ago but is doing very well in terms of exams. Today, the main objective of this visit is for the students to come, learn, and understand how Honourable Members transact their business in this assembly. I want to applaud the teachers. I applaud the head teacher; she personally came to request that the students visit this County Assembly, which was accepted. Now they are here; they have been taken around and introduced to several areas, and they now understand that this House is where Honourable Members transact business such as legislation, oversight, and representation.

Apart from that, this is also where we articulate issues and make sure that students at school benefit; for instance, this financial year that is starting, we as an assembly have managed to ensure that we get the ward bursary fund back, so that students who are in Grade 9 proceeding to Grade 10 will get bursaries at the ward level.

So I just want to urge the students to be very careful, very disciplined, to respect your teachers, and to work hard so that at the end of your education, you move to the next stage; either you go to university or you go to college; and after that, if the choice is yours, you find yourself in the Bungoma County Assembly. As I promised, when you go home, tell your parents that we are working hard to make sure that you remain in school and learn. Tell them that Hon. Godfrey

Mukhwana said that in 2027 he will be back to make sure that those students who are in Grade 9 are given bursaries and proceed with their education.

I don't want to delay too much. Once again, I welcome Malaha Primary School to the County Assembly of Bungoma.

Mr. Speaker: I will have Hon. Chikati and then Hon. Everlyne Anyango.

Hon. Timothy Chikati: Thank you, Mr. Speaker. Just a word of encouragement to our young brothers and sisters from Malaa Primary School. First of all, I want to congratulate them and the teachers for finding time to visit our assembly so that they can learn the rules, procedures, and how we operate our business here. I just want to give them two examples.

One, we are all farmers, and I'm sure you are great farmers of sugarcane. For you to harvest high yields, you have to cultivate and apply the necessary spray so that you can harvest well. That's exactly what the parents and teachers of these young children are doing.

The parents are providing them with school uniforms, books, and the necessary amenities that they need, and the teachers are imparting knowledge to them. So these students have to work hard because they have nothing to complain about.

Secondly, I just want to give them a word of encouragement from the Gospel of Luke, chapter 13:6-7. It's a parable that says a man had a fig tree growing in his vineyard, and he went to look for fruit on it but did not find any.

So he said to the man who took care of the vineyard, "For three years now I have been coming to look for fruit from this fig tree and haven't found any. Cut it down. Why should it use up the soil?" So to our own brothers and sisters, let that verse encourage you; ask yourself, why should you use the space at school? Why should you go to that school just to occupy space for all these years that you've been in that school? Make sure that at the end of your term, at the end of your season, you are productive.

There is no point in you being cut down, and being cut down means that you are being released into the world without education. You become a useless person, and once you don't have anything valuable to add to the community, it's as good as not even being around. With those few remarks, I submit.

Mr. Speaker: Thank you. Thank you. Next is Hon. Everlyne Anyango.

Honourable Members, when you see Hon. Chikati quoting the Bible, it means that salvation has finally arrived. It's not easy. Let's have Hon. Anyango.

(Laughter)
(Applause)

Hon. Everlyne Anyango: Thank you very much, Honourable Speaker, for catching my eye. I want to take this opportunity to welcome the students, the pupils of Grade Nine from Malaha Primary School in West Sangalo, to this House. I want, first of all, to also thank my area MCA for enabling them to reach the County Assembly. I only have a few pieces of advice.

First and foremost, to the pupils of Grade 9, you are candidates, and the season we are entering, the month of August in our land, is a very tempting and trying moment. I wish that you all behave nicely because immediately after this season of circumcision in our land, your examinations will be knocking at the door.

So be careful, be respectful, be obedient to your parents, and don't leave your homes late at night just to join in the singing and dancing, because examinations will not be set differently for us just because we are in another season. To the teachers, thank you very much for enabling our learners to come to this Honourable House for the learning process. As you go back, I wish you all the best in your examinations, and I hope you perform extremely well so as to give back to the community in the near future. God bless you. Thank you.

Mr. Speaker: Thank you, Hon. Everlyne Anyango.

Honourable Members, allow me, on behalf of the rest of the Honourable MCAs present here and the County Assembly of Bungoma Leadership and Management, to make the following remarks about our candidates as an assembly. We wish that you work very hard, be disciplined at school, have respect for your teachers and your parents at home, and, importantly, use this time during the vacation to revise and prepare for the examination.

As well said by the other speakers, although we are having the August circumcision season around, exams will come as earlier planned. They want people to say that you are very busy with circumcision songs. The exam is going to come. Importantly, this is meant for both boys and girls: avoid these disco *matanga* and circumcision venues like the plague, because if you make the mistake of going there at night, sneaking out from home, the outcome will be seen from November onwards. That means you'll be having an exam either in a hospital or somewhere else.

So we ought to be responsible children, have respect for parents, have respect for your teachers, and work well.

As we say so, we want some of you in this gallery to join national schools after you've done so well in your examinations. For our teachers, we can't pay you enough, but we appreciate the good work you are doing for our children, because research has shown that we, as parents, only have about 25% of the children's time at home; 75% is spent with you. So basically, we are the real parents of the children when we are away, carrying out our normal duties. We wish you a good August vacation. Let them prepare well for the exam.

MOTION

REPORT OF THE SECTORAL COMMITTEE ON TOURISM, ENVIRONMENT, WATER AND NATURAL RESOURCES ON THE CONSIDERATION OF 1ST AND 2ND QUARTER FINANCIAL STATEMENTS AND REPORTS FOR THE PERIOD ENDED 31ST DECEMBER, 2025

Mr. Speaker: Order members, please. Matrix, please.

Hon. Metrine Nangalama: Thank you, Mr. Speaker. I have been granted this chance to read the report on the 1st and the 2nd quarter financial statement and a report for the period ended 31st December 2025. If you can allow me, I skip the table of contents then direct to chapter 1 or if you can give guidance.

Mr. Speaker: Hon. Meshack, Stop provoking Hon. Tendet, when you have this provocation, I'm very sure Hon. Otsiula and Lusenaka if they were in they could have said that's what we call grievous provocation where we may not be able to control the situation that may unfold. Allow Hon. Metrine take us through the report. I said, whenever you see Hon. Chikati quiet about the quorum, he knows the quorum is achieved. He could be shouting quorum, but when you see him very quiet, it means he knows the quorum is attained and there's nothing to call about.

(Laughter)

Kindly Hon. Metrine, proceed, please.

Hon. Metrine Nangalama: Okay, thank you, Mr. Speaker. You’ll be giving guidance as I move.

PREFACE

The 1st and 2nd quarter financial statements for the period ended 31st December, 2025 were tabled on 17th February, 2026 and committed to all sector committees for interrogation and reporting back to this House.

The County Assembly wrote a letter Ref: CAB/FIN/3VOL.VII (9) dated 20th February, 2026 inviting the Chief Officers in the department to submit information to aid in the interrogation and appear before the committee for interrogations on 19th May, 2026. The Chief Officers Tourism and Environment, Water and Natural Resources, Directors and other technical officers in the department appeared before the committee for the interrogation of the 1st and 2nd quarter Financial Statements for the period ended 31st December, 2025.

The report analyses the department's expenditure in the period under review as well as the budget absorption. It also gives the legal background and objectives that informed the committee to analyze the financial statements. Lastly, it contains observations and recommendations on the 1st and 2nd quarter financial statements for the period ended 31st December, 2025 with respect to the department of Tourism, Environment, Water and Natural Resources.

MANDATE OF THE COMMITTEE

The Committee on Tourism, Environment, Water and Natural Resources is constituted under Standing Order 217 (1) of the County Assembly of Bungoma Standing Orders and whose mandate pursuant to Standing Order 217(5) shall be to -

a) Investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations, coordination, control and monitoring of budget;
b) Consider quarterly reports of the assigned departments and report to the House within twenty-one (21) sitting days upon being laid;
c) Study the programme and policy objectives of the effectiveness of the implementation;
d) Study and review all county legislation referred to it;
e) Study, access and analyze the relative success of the departments as measured by the results obtained as compared with their stated objectives;
f) 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;
g) To vet and report on all appointments where the constitution or any law requires the House to approve, except those under Standing Order 208 (Committee on Appointments); and
h) Make reports and recommendations to the House as often as possible, including

recommendation of the proposed legislation.

COMMITTEE MEMBERSHIP

The Committee on Tourism, Environment, Water and Natural Resources comprises the following Members:

1. Hon. Edwin Opwora -Chairperson
2. Hon. Joseph Juma -Member
3. Hon. Vitalis Wangila -Member
4. Hon. Meshack Simiyu -Member
5. Hon. Busolo Sudi -Member
6. Hon. Aggrey Mulongo -Member
7. Hon. Anthony Lusenaka - Member
8. Hon. Grace Sundukwa -Member
9. Hon. Jerusa Aleu -Member
10. Hon. Martin Chemorion -Member
11. Hon. Orize Kundu -Member
12. Hon. Benjamin Otsiula -Member
13. Hon. George Kwemoi -Member
14. Hon. Benard Kikechi -Member
15. Hon. Metrine Nangalama -Member

FISCAL AND LEGAL FRAMEWORK

The County Assembly discharges its oversight function on the executive through the Committee system. According to *Section 166 of the Public Finance Management Act****, 2012***, an accounting 0fficer for a County Government entity shall prepare a report for each quarter of the financial year in respect of the entity. Further, the section requires the accounting officer of the County Government entity to ensure that the quarterly report;

- Contains information on the financial and non-financial performance of the entity, and

- Is in a form that complies with the standards prescribed and published by the Public Sector Accounting Standards Board.

Obligations of Accounting Officers

Section 149(1) of the PFM Act 2012, states that;

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—

- *lawful and authorized; and*
- *effective, efficient, economical and transparent*

Accounting officers will be accountable to County Assembly for;

- *Ensuring the most effective means of achieving desired programme outcomes are used.*
- *Maintaining effective systems of internal control and the measures takento ensure that they are effective.*

Measures taken to prepare the financial reports that reflect a true and fair view of the financial position of the department

TERMS OF REFERENCE

In processing the Half Year financial statements for the period ended 31st December, 2025 the committee based on the following:

i. Report on grants released and expenditures in FY 2025/2026
ii. Budget Implementation report for the period as per activities/projects in the approved PBB stating any deviations.
iii. Status of the implementation of the procurement plan FY 2025/2026
iv. Report on the pending bills settled in the period under review
v. Project implementation status as at 31st December, 2025

ACKNOWLEDGEMENT

Allow me to express, on behalf of the Sectoral Committee on Tourism, Environment, Water and Natural Resources, my sincere appreciation to the Office of the Speaker and the Office of the Clerk of the County Assembly for the invaluable logistical and administrative support extended to the Committee throughout the execution of its mandate.

I also wish to commend the Honourable Members and secretariat of the Committee for their unwavering commitment, diligence and efforts in the consideration and examination of the 1st and 2nd Financial Statements, for the period ended 31st December, 2025.

It is therefore my honour and privilege on behalf of the Sectoral Committee on Tourism, Environment, Water and Natural Resources to table this Report before this Honourable House for consideration, deliberation and adoption.

DEPARTMENTAL EXPENDITURE

TOURISM AND ENVIRONMENT

The department of Tourism and Environment had approved annual budget of Kshs. 619,762,220 comprising of Kshs.375, 273,332 recurrent and Kshs. 244,488,888 developments.

The following were the planned programmes and the approved allocations in the department;

Tourism and Environment	**Recurrent**	**Development**
Planning and Financial Management	10,436,507	
Waste management and control	350,836,825	
Climate change resilience investment grant		153,488,888
Climate change fund		91,000,000
Climate change institutional support grant	14,000,000	

The absorption rate in the department during the period under review is as follows:

The department's recurrent absorption was 56.1%, with an approved allocation of Kshs. 375,273,332 and an expenditure of Kshs. 210,460,341, which is above the 50% required by law.

During Interrogations the department submitted that recurrent expenditure amounted to Kshs. 169,433,157 which is different from the figure reported by the County Treasury.

Breakdown of the department's recurrent expenditure;

i. Daily Subsistence Allowance –Kshs. 116,700
ii. Accommodation Allowance-Kshs.309,800
iii. Tuition Fees Allowance-Kshs.253,690
iv. National Celebrations-Kshs.300,000
v. Contracted guards and cleaning services- Kshs.168,452,967.05

(Detailed recurrent expenditure report is attached)

The department's development absorption was 40.2%, with an approved allocation of Kshs. 244,488,888 and an expenditure of Kshs. 98,179,475.

According to the department's submission, development expenditure amounted to Kshs. 50,730,349 which is different from the figure reported by the County Treasury.

During Interrogations the department submitted the following programmes supporting the expenditure of Kshs. 50,730,349;

i. 2640503: Other Capital Grants and Transfers-Kshs. 45,500,000
ii. 2640599: Other Capital Grants and Transfers-Kshs. 5,230,350

- Planning and support services with an approved allocation of Kshs. 10,436,507, has an expenditure of Kshs. 950,770, reflecting an 9% absorption rate.
- Waste Management and Control, with an approved allocation of Kshs. 350,836,825, recorded an expenditure of Kshs. 201,619,879, reflecting an absorption rate of 57%.

However, the department reported that it utilized Kshs. 168,452,967 out of the total budget of Kshs. 350,836,825, representing an absorption rate of 48.03%, which differs from the amount reported by the County Treasury. The department added that 64 markets were cleaned.

- Climate Change Resilience Investment Grant, with an approved allocation of Kshs.153, 488,888, recorded an expenditure of Kshs.98, 179,475, reflecting an absorption rate of 64%.

During interrogation, the department submitted that it utilized Kshs. 94,862,347.

(Detailed report is annexed).

Breakdown is as follows;

i. Administrative activities- Kshs. 10,232,865
ii. Facilitation for a review of submitted ward project proposals in accordance to FLLOCA requirements – Kshs.2,051,700
iii. Fuel costs -Kshs. 2,000,000
iv. Tuition fees- Kshs. 1,123,896.55
v. Maintenance costs – Kshs.331,040
vi. Projects and other related costs – Kshs.75,482,524
vii. Catering services -Kshs. 2,620,953.90
viii. Depreciation-1,019,368

- Climate Change Fund, with an approved allocation of Kshs. 91,000,000, recorded no expenditure, reflecting a 0% absorption rate.

  The department submitted that the funds were yet to be transferred to the special purpose account.
- Climate Change Institutional Support Grant, with an approved allocation of Kshs. 14,000,000, recorded an expenditure of Kshs. 7,889,692, reflecting an absorption rate of 56%.

  During Interrogations the department submitted that there was no expenditure since the funds were not yet transferred to the County Special Purpose Account.

Pending Accounts Payables (pending bills)

The department's total pending bills stood at Kshs. 882,523, mainly for recurrent expenditure.

During the interrogations the department submitted that the total pending Bill during the period under review was Kshs.967,080 broken down as follows;

i. Standard Group-Kshs. 177,480
ii. Standard Group-Kshs. 177,480
iii. Standard Group-Kshs.174,420
iv. Catering-Kshs.192,400
v. Catering-Kshs. 239,500
vi. National Media Advertising-Kshs.183,280

WATER AND NATURAL RESOURCES

The Department of Water and Natural Resources had an approved annual budget of Kshs. 803,734,474, comprising Kshs. 60,315,674 for recurrent expenditure and Kshs. 743,418,800 for development expenditure.

The following were the planned programs and the approved allocations in the department;

Water and Natural Resource	Recurrent	Development
Declustering process BWASCO	30,000,000	
Planning and support services	10,315,674	
Borehole development		33,392,019
KOICA counterpart funding	20,000,000	
KOICA Grant		500,000,000
Ward based projects		189,450,000
Pending bills water projects		20,576,781

The absorption rate in the department during the period under review is as follows:

The department's recurrent absorption was 28.5%, with an approved allocation of Kshs. 60,315,674 and an expenditure of Kshs. 17,202,426, which is below the 50% threshold required by law.

However, during Interrogations the department submitted, recurrent expenditure amounted to Kshs. 15,671,078, with an absorption rate of 25.98% which differs from the figure reported by the County Treasury.

The department's development absorption was 1.8%, with an approved allocation of Kshs. 743,418,800 and an expenditure of Kshs. 13,231,674 which is below the 50% required by law. Development absorption remains low indicating slow project execution.

During Interrogations the department submitted that the low absorption and delays in programme implementation was attributed by the introduction of the Electronic Government Procurement (EGP) System. The department in its submissions on development expenditure as at 31st December, 2025 indicated that the expenditure of Kshs. 13,231,674 was payment to a pending Bill from the financial year. 2024/2025 for purchase of workshop tools, spares and small equipment Kshs. 7,050,000 and other infrastructure and civil work Kshs. 6,181,673.22

Planning and Support Services, with an approved allocation of Kshs. 10,315,674, recorded an expenditure of Kshs. 2,202,426, reflecting an absorption rate of 21%.

The department submitted an expenditure of Kshs. 671,078 only on planning and support services as shown below;

PAYEE	DETAILS	AMOUNT
FREDRICK WANATTA	ICPAK TRAINING	93,400.00
GEORGE KWOBA	KISM TRAINIG	93,400.00
ICPAK	ICPAK FEES	59,000.00
NANCY KIVEU	OFFICE IMPREST	300,000.00
KEN SIMIYU	ACCOUNTING DOCUMENTS	125,278.00
		671,078.00

- BWASCO, with an approved allocation of Kshs. 30,000,000, recorded an expenditure of Kshs. 15,000,000, reflecting an absorption rate of 50%.

  During Interrogations the department submitted that the expenditure was for;

  i. Payment for Electricity bill Ksh. 9,000,000
  ii. Payment for chemicals Ksh. 6,000,000

- Borehole development with an approved allocation of Kshs. 33,392,019 has an expenditure of kshs.7, 050,000 reflecting 21.1 % absorption rate.

The department submitted a breakdown of the expenditure as follows;

Bargitoch limited	WATER	2024-2025	Purchase of Rig Materials			3,000,000.00
Intergrated Service delivery	WATER	2024-2025	Purchase of Rig Materials			4,050,000.00
						7,050,000.00

- KOICA counterpart funding with an approved allocation of Kshs. 20,000,000, has recorded no expenditure, reflecting a 0% absorption rate.
  The department submitted that funds had not been transferred in the period under review and that funds were transferred to the special purpose account in the 3rd quarter.
- KOICA Grant with an approved allocation of Kshs. 500,000,000, has recorded no expenditure, reflecting a 0% absorption rate.
  During the Interrogations, the department submitted that the KOICA Grant of Kshs. 500M had not been received.
- Ward based projects with an approved allocation of Kshs.189,450, 000 has recorded no expenditure, reflecting a 0% absorption rate. This will result to delayed or stalled service delivery, project implementation backlog, budget underperformance.

During the Interrogations, the department submitted that the delays in implementation of Ward Based projects was caused by the introduction of the EGP System and that procurement and implementation begun in the third quarter.

Pending Bills settled during the year 2025/2026(Detailed report is annexed)

- Pending bills water projects with an approved allocation of Kshs. 20,576,781 has an expenditure of kshs.6,181, 674 reflecting 30% absorption rate.
  However, during interrogation the department submitted that the total amount paid is 10,088,549.65 broken down as follows;

NO	PAYEE	DEPARTMENT	YEAR	DETAILS	AMOUNT
1	M/S MC KELLPATS CAPITAL (K) LIMITED	WATER	2023-2024	Upgrading of Malinda Market Borehole in Kabula Ward	1,773,600.00

2	SQUINA Investments and Suppliers Limited P.O BOX 1013-50200 Bungoma	WATER	2024-2025	Replacing of Hand pumps	1,477,096.21
3	M/S. MURMO Company Limited P.O BOX 8994- 30100 Eldoret	WATER	2024-2025	Construction and Protection of 5No. Water Springs(Mulati,Sirakaru Cattle Dip,Muyila, Kuta and Toji)	957,305.52
4	M/S A and M Digital solutions Limited P.O BOX 149-50200 Bungoma	WATER	2024-2025	Pipe laying and construction of communal water points	3,906,876.00
5	M/S. TWINVAL Enterprises Limited P.O BOX 114-50200 Bungoma	WATER	2024-2025	Solarisation of Chekulo BH, Pipelaying and instation of water points	1,973,671.92
					10,088,549.65

The Committee noted that the Department has pending bills dating back to the Financial Years 2020/2021, 2021/2022 and 2023/2024, which remain unsettled.

However, during the period under review, the Department prioritized the settlement of pending bills from the 2024/2025 Financial Year, as reflected in the table above, without providing a clear criteria for the payment and prioritization of pending bills.

Accounts Receivables (outstanding imprest)

While the department reported no outstanding imprests, the County Treasury indicated an amount of Kshs. 1,475,050 as outstanding.
During the Interrogations the department submitted that the Imprest is still unsurrendered.

Pending Accounts Payables (pending bills)
The department's total pending bills stood at Kshs. 101,860,547, mainly for development expenditure on ward-based projects.

COMMITTEE OBSERVATIONS AND RECOMMENDATIONS

COMMITTEE OBSERVATIONS

1. The Committee observed significant discrepancies between the financial reports submitted by the County Treasury and those presented by the department during the interrogation exercise. These discrepancies undermine the reliability and credibility of financial reporting.

Under the Department of Tourism and Environment

The Committee observed that:

i. There were discrepancies in the reporting of recurrent and development expenditures. The County Treasury reported recurrent expenditure of Kshs. 210,460,341 against the department's reported Kshs. 169,433,157, while development expenditure was reported at Kshs. 98,179,475 by the County Treasury compared to Kshs. 50,730,349 reported by the department.

ii. There were inconsistencies in the reporting of expenditures under Waste Management and Control, with the County Treasury reporting Kshs. 201,619,879 compared to the department's submission of Kshs. 168,452,967.

iii. There were discrepancies in the reporting of donor-funded programmes. The County Treasury reported expenditure of Kshs. 98,179,475 under the Climate Change Resilience Investment Grant, while the department reported an expenditure of Kshs. 94,862,347. Further, the County Treasury reported expenditure of Kshs. 7,889,692 under the Climate Change Institutional Support Grant, whereas the department reported nil expenditure, explaining that the funds had not yet been transferred to the Special Purpose Account.

iv. There were discrepancies in the reporting of pending bills. The County Treasury reported pending bills amounting to Kshs. 882,523, mainly under recurrent expenditure, while the department reported pending bills of Kshs. 967,080.

Under the Department of Water and Natural Resources

The Committee observed that:

i. There were discrepancies in the reporting of recurrent expenditure, with the County Treasury reporting Kshs. 17,202,426 while the department reported an expenditure of Kshs. 15,671,078.
ii. The Committee further noted discrepancies in the reporting of expenditure under Planning and Support Services, which had an approved allocation of Kshs. 10,315,674. The County Treasury reported expenditure amounting to Kshs. 2,202,426, while the department reported expenditure of Kshs. 671,078.
iii. There were discrepancies in the reporting of pending bills settled during the period under review. The County Treasury reported Kshs. 6,181,674, whereas the department reported that Kshs. 10,088,549.65 was settled in the period under review.

2. The Committee observed that expenditures on both recurrent and development programmes was significantly below the statutory absorption rate of 50% for the period under review, with the majority of programmes recording zero absorption. In particular, the Climate Change Fund, with an approved allocation of Kshs. 91,000,000, recorded 0% absorption, which the department attributed to the non-transfer of funds to the County Special Purpose Account. Similarly, the Climate Change Institutional Support Grant also recorded 0% absorption. The Committee further noted that the KOICA Counterpart Funding, with an allocation of Kshs. 20,000,000, recorded 0% absorption due to the non-transfer of funds to the Special Purpose Account, while the KOICA Grant amounting to Kshs. 500,000,000 also recorded 0% absorption as the funds had not been received by the County.
3. Ward Based Projects, with an approved allocation of Kshs. 184,450,000, recorded 0% absorption during the period under review. The Committee observed that the low absorption of funds is likely to delay the implementation of planned programs and projects, thereby adversely affecting the timely delivery of essential services to the residents of Bungoma.
4. The Committee observed that the Pending Bills for Water Projects, with an approved allocation of Kshs. 20,576,781, recorded an expenditure of Kshs. 6,181,674.
   During interrogation, the department submitted that it had settled a total of Kshs. 10,088,549.65 towards pending bills during the period under review. However, the Committee noted that in settling pending bills for water projects, the department prioritized

payments relating to the 2024/2025 Financial Year while leaving outstanding pending bills from the 2020/2021, 2021/2022 and 2023/2024 Financial Years unsettled. The Committee further observed that the department did not provide a clear criteria or justification for the prioritization and settlement of pending bills relating to the Financial Year 2024/2025 leaving out pending bills for the previous years.

5. The Committee observed that the Borehole Development Programme, with an approved allocation of Kshs. 33,392,019, recorded an expenditure of Kshs. 7,050,000, representing an absorption rate of 21.1%. The Committee further noted that the low absorption resulted from the failure to implement most of the planned borehole development activities, which the department attributed to the consolidation of budgetary provisions for fuel and rig tools under a single vote head. The Committee observed that this budgeting arrangement constrained the execution of planned borehole development activities.
6. The Committee observed that the department has an outstanding imprest of Kshs. 1,475,050 which contravenes with Regulation 93(5) and (6) of the Public Finance Management (PFM) Regulations, 2015, on surrendering imprests.

COMMITTEE RECOMMENDATIONS

The Committee made the following recommendations;

1. **THAT,** the County Executive Committee Member responsible for Tourism, Environment, Water and Natural Resources, in consultation with the County Executive Committee Member responsible for Finance and Economic Planning, undertake urgent measures to reconcile financial reporting between the County Treasury and the department in order to address the observed discrepancies. The Committee further recommends that the department and the County Treasury ensure that all financial reports are subjected to a structured verification and reconciliation process prior to submission to the County Assembly, so as to ensure that all financial statements and reports are accurate, consistent and reliable.

   Going forward, in instances where discrepancies arise between reports submitted by the department and the County Treasury, both entities shall be required to submit a jointly verified reconciliation report accompanying the Financial statements reports, addressing all identified variances, clearly explaining the causes of the discrepancies and outlining corrective measures undertaken to prevent recurrence of such inconsistencies.
2. **THAT,** the CECM Tourism, Environment, Water and Natural Resources in consultation with the CECM Finance and Economic Planning, take immediate action to address the low absorption of funds under both recurrent and development programmes and to ensure compliance with the statutory absorption requirements. The Committee further recommends

that the County Treasury fast-tracks the timely transfer of funds to the respective Special Purpose Accounts and facilitate their prompt utilization, particularly in respect of the Climate Change Fund, the Climate Change Institutional Support Grant and the KOICA Counterpart Funding. Further, the department should submit to the County Assembly, within sixty (60) days from the adoption of this report, a status report detailing the measures undertaken to improve budget absorption, the status of all pending fund transfers and a clear plan for the effective and time-bound utilization of the allocated resources.

3. **THAT,** the department should fast track the implementation of Ward Based Projects to ensure timely completion and service delivery to the residents. The Committee further recommends that the department strengthen project planning, procurement and budget execution processes to enhance absorption of development funds and prevent delays in project implementation. Further, the department should submit to the County Assembly, within sixty (60) days from the adoption of this report, a status report outlining the measures taken to accelerate the implementation of the Ward Based Projects, the current status of the projects and a revised implementation schedule with clear timelines for completion of the projects.
4. **THAT,** the County Executive Committee Member responsible for Tourism, Environment, Water and Natural Resources in consultation with the CECM Finance and Economic Planning, develop and implement a transparent and documented criteria for the prioritization and settlement of pending bills in accordance with the applicable public finance management laws and regulations. The Committee further recommends that priority be accorded to the settlement of verified pending bills starting from the oldest outstanding obligations unless exceptional circumstances exist and are fully documented and justified. In addition, the department should submit to the County Assembly, within sixty (60) days from the adoption of this report, a comprehensive status report detailing all outstanding pending bills, the criteria applied in settling the bills paid during the period under review and a plan for the clearance of the remaining verified pending bills from the 2020/2021, 2021/2022 and 2023/2024 Financial Years.
5. **THAT,** the department in consultation with the County Treasury should ensure that critical operational requirements such as fuel, rig tools and drilling activities are budgeted under appropriate and distinct vote heads to facilitate efficient implementation. Further, the department should strengthen planning and budget execution mechanisms to improve absorption of allocated funds and ensure timely implementation of borehole development projects. The Committee also recommends that the department submit to the County Assembly, within sixty days(30) from the adoption of this report a recovery plan of the fuel allocation, a report indicating the number of boreholes drilled and status, boreholes pending

completion and implementation timelines.

6. **THAT,** the Accounting Officer should ensure full compliance with Regulation 93(5) and (6) of the Public Finance Management (PFM) Regulations, 2015, by immediately facilitating the surrender or recovery of the outstanding imprest amounting to Kshs. 1,475,050. The Department should submit proof of surrender or recovery to the Committee within sixty (60) days from the adoption of this report.

We have the adoption schedule; I think all members have signed.

I think everything is attached as I had pronounced earlier.

I now call upon Hon. Martin Chemorion to come and second this report.

(Applause)

Mr. Speaker: Thank you, Hon. Metrine Nangalama. Let us have Hon. Martin Chemorion second the report.

Hon. Martin Chemorion: Thank you Hon. Speaker. Foremost, I want to applaud and comment the mover of the motion Hon. Nangalama for moving it eloquently and I just want to join her in making some contribution as I second.

Generally, there was low absorption across all the programs which actually delayed the implementation of activities and in the recommendation I think the committee has done well by encouraging the CECM in charge of the department to ensure that in future they fast track implementation of all these activities so as to enable absorption of the monies especially the monies that are from the donors that are conditional.

Also, there was also something on the monies which are supposed to be put on the special purpose account. I think the CECM in charge of treasury should be promptly transferring the monies meant for programs from the donors to the special purpose account to enable the department to utilize it and implement projects smoothly.

Also there was glaring discrepancies in financial reporting. It's across development and recurrent. The department was reporting low absorption, the treasury reported high absorption of the monies, so those discrepancies put the committee in a situation whereby they were trying to reconcile the two but unfortunately because we were only dealing with one CEC in charge of the department so we were unable to reconcile that is why the committee is recommending that they should be a structured way of reporting. If there are some discrepancies, the two CEC's can reconcile it at their level before transmitting the same report to the County Assembly for further processing.

Something to note is on the monies that the department was supposed to be given and yet treasury spent the money meant for the climate change institution of support grant to a tune of 7.89. The department wasn't aware and yet that money is meant for the department and that money should be deposited in the special purpose account for the department to utilize but the treasury utilized the money without the knowledge of the department. That puts the department in an awkward situation to explain this expenditure.

With those few remarks, I beg to second. Thank you.

Mr. Speaker: Thank you Hon. Martin, allow me be able to propose a motion for debate;

(Question proposed)

Honorable members, if there are no contributors, I will proceed and be able to put a question to the House for the House to make a decision over the same;

(Question put and agreed to)

The ayes have it Honorable members

(Applause)

Next item,

REPORT OF THE SECTORIAL COMMITTEE ON TRADE, ENERGY AND INDUSTRIALIZATION ON THE CONSIDERATION OF FINANCIAL STATEMENTS FOR THE DEPARTMENT OF TRADE, ENERGY AND INDUSTRIALIZATION FOR THE PERIOD ENDING 31ST DECEMBER 2025

Mr. Speaker: Yes Hon. Alice, you have the honor of moving the committee report. Kindly proceed!

Hon. Alice Kibaba (Member Trade): Thank you, Mr. Speaker Sir. Allow me to move a report on the Financial Statements for the department of Trade Energy and Industrialization for the period ending December 2025.Allow me to go to Chapter One

In line with the mandate provided under Standing Order 217…

Mr. Speaker: I hope Hon. Chikati...

(Loud Consultation)

(Applause)

Mr. Speaker: I always say whenever you see Hon. Chikati making noise, he could be conducting a parallel verification of the quorum so, when I see him keeping quiet, I know there is mischief that he is after. Proceed.

Hon. Alice Kibaba: And Mr. Speaker you should know that...

Mr. Speaker: Yes, Hon. Meshack, just hold on Hon Hon. Alice.

Hon. Meshack Simiyu: Mheshimiwa Spika, ulipitisha hiyo sheria lakini tunachotaka lazima wasome na watu wasimame, unajua haiwezi kua ati wote wako sawa…

Mr. Speaker: That is very simple. Hon. Alice proceed and confirm. Yes…

Hon. Johnston Ipara: Honorable Speaker, I don't know why Hon. Museveni is questioning that. You can still use the discretion of Standing Orders No.1 which you have the powers.

Mr. Speaker: Honourable Members, you know…

(Applause)

Mr. Speaker: Honourable Members, you all resume your seats. We all go to church and read the same gospel but understand differently. What I am saying is this; if I have been able to verify, Hon. Alice, let me read the names for people to confirm. Hon. Kikechi, Hon. John, Chemorion, Alfred, Nangulu, Polycarp ,Chemion, Kirui, Everlyn, Florence, Katasi, Rugut, Kibaba, now what else do you want

(Applause)

(Laughter)

Hon. Alice, proceed but I have always told you whenever you see Hon. Chikati insisting, he could have done a parallel checklist. Proceed.

Hon. Alice Kibaba: Allow me to move a report on the financial statements for department of Trade Energy and Industrialization for the period ending 31st December 2025.

Preface

In line with the mandate provided under Standing Order 217(5)(b), the Committee on Trade, Energy, and Industrialization is charged with the responsibility of examining quarterly reports and financial statements submitted by the departments under its purview. This responsibility is critical in ensuring transparency, accountability, and effective oversight in the management of public resources.

The document was tabled in this County Assembly of Bungoma on 17th February, 2026, and stood committed to the Committee for interrogation, input, and recommendation through a report to this Honorable House. Subsequently, the relevant department of Trade Energy and Industrialization was invited to appear before the committee within the precincts of the County Assembly of Bungoma via a letter referenced CAB/ADM/6VOL.VI (43). The committee carried out an interrogation on 18th May, 2026, at 11:00 am and thereafter compiled a comprehensive report for consideration by the House. This report, therefore, presents the findings, observations, and recommendations of the Committee following its interrogation of the Quarterly Report and Financial Statements for the period ending 31st December, 2025.

Committee Membership

The following is the committee membership as currently constituted;

1.	Hon. Benard	Kikechi	Chairperson
2.	Hon. John	Wanyama	Vice Chairperson
3.	Hon. Francis	Chemion	
4.	Hon. Martin	Chemorion	
5.	Hon. Kimeta	Polycarp	
6.	Hon. Alfred	Mukhanya	
7.	Hon. Charles	Nangulu	
8.	Hon. Eunice	Kirui	
9.	Hon. Florence	Juma	
10.	Hon. Mourine	Wafula	
11.	Hon. Brigid	Katasi	
12.	Hon. Angeline	Rugut	
13.	Hon. Alice	Kibaba	
14.	Hon. Everlyn	Anyango	

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

In the execution of its mandate, the Committee on Trade, Energy & Industrialization is given a legal backing under the Constitution of Kenya 2010, Public Finance Management Act, 2012, and 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 follows…*"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''.*

Acknowledgement
On behalf of the committee, I would like to extend my gratitude to the office of the Speaker and Clerk for providing conducive environment that allowed the Committee to undertake the assignment seamlessly. Your unwavering support and logistical assistance have been instrumental in ensuring the successful completion of this report. I express my sincere gratitude to the Honourable Members attached to this committee for their dedication and valuable contribution towards the compilation of this report. Equally, I acknowledge and commend the Secretariat for their tireless efforts in making this exercise a success. I further do confirm that the recommendations of the Committee in this report were unanimous.

It is therefore my pleasant privilege and honour to present to this House the report of the Committee on Trade, Energy and Industrialization on the financial statements for the period ending 31st December, 2025.

Report signed by Hon. Benard Kikechi Chairperson, Trade, Energy & Industrialization Committee.

FY2025/26 Expenditure Analysis

The Annual approved budget for Trade, Energy and Industrialization for the financial year 2025/26 was Kshs. 460,932,610 comprising of a total of Kshs. 78,293,442 recurrent budget and Kshs. 382,639,168 development budget.

Budget Absorption

The total expenditure budget for the period was Kshs 75,790,560 (Kshs. 13,205,234 recurrent and Kshs. 60,672,326 development) representing 19% total budget absorption.

Budget execution by classification

a) **Recurrent**

The Committee noted that under Recurrent Expenditure, an allocation of Kshs. 78,293,442 had incurred an expenditure of Kshs. 15,118,234.05, representing an absorption rate of 19%. The Committee observed that the absorption rate was significantly below the expected threshold of approximately 49.88%. The expenditure was incurred under the following budget votes:

- **Utilities Supplies**

The vote was provided with a cumulative budgetary provision of Kshs. 18,000,000, comprising Kshs. 20,000 under Trade, Kshs. 17,960,000 under Energy and Kshs. 20,000 under Industrialization. An expenditure of Kshs. 8,980,000 was incurred, representing a 50% absorption rate. The expenditure related to the settlement of electricity bills payable to the Kenya Power and Lighting Company (KPLC) as indicated in Annexure I**.**

- **Communication Supplies and Services**

The approved budget provision of Kshs. 285,019, comprising Kshs. 262,519 under Trade and Kshs. 22,500 under Industrialization, recorded an expenditure of Kshs. 125,998, translating to an absorption rate of 44%. The expenditure was incurred on communication services provided by Safaricom PLC.

- **Domestic Travel and Subsistence**

The vote was appropriated Kshs. 5,297,295, comprising Kshs. 2,597,505 under Trade, Kshs. 1,022,290 under Energy and Kshs. 1,677,500 under Industrialization. Expenditure amounted to Kshs. 262,700, representing an absorption rate of 5%. The funds facilitated air travel for the County Executive Committee Member (CECM), facilitation of the CECM and an officer to attend the Government of Kenya Quarterly Meeting in Machakos, and office standing imprest.

- **Printing, Advertising and Information Supplies and Services**

A budgetary provision of Kshs. 1,035,000, comprising Kshs. 685,000 under Trade and Kshs. 350,000 under Industrialization, recorded an expenditure of Kshs. 862.05, representing an absorption rate of 0.08%. The expenditure related to Value Added Tax (VAT) withholding paid to West Drop Solutions Enterprise Ltd.

- **Training Expenses**

The vote was allocated Kshs. 3,694,081, comprising Kshs. 2,063,794 under Trade, Kshs. 210,000 under Energy and Kshs. 1,420,287 under Industrialization. Expenditure amounted to Kshs. 1,252,988, translating to an absorption rate of 34%. The expenditure was incurred on staff training programmes facilitated by the Institute of Human Resource Management (IHRM), the Institute of Certified Public Accountants of Kenya (ICPAK), the Kenya Institute of Supplies Management (KISM), and the Kenya School of Government (KSG). The Committee verified the supporting documentation relating to the above expenditure and was satisfied that the expenditure was adequately supported.

- **Hospitality Supplies and Services**

The approved budget for the vote amounted to Kshs. 6,828,032, comprising Kshs. 3,000,000 under Trade, Kshs. 828,032 under Energy and Kshs. 3,000,000 under Industrialization. Expenditure of Kshs. 2,586,890 was recorded, representing an absorption rate of 37%. The expenditure facilitated sensitization forums for Market Management Committees and payment for catering services provided by Divine Homes Resort as indicated in **Annexure V.**

- **Fuel, Oil and Lubricants**

The budgetary provision of Kshs. 3,090,000, comprising Kshs. 1,352,000 under Trade, Kshs. 818,000 under Energy and Kshs. 920,000 under Industrialization, recorded an expenditure of Kshs. 1,499,996, representing an absorption rate of 49%. The amount was paid to Webmar Enterprises for the supply of fuel, oil and lubricants as shown in Annexure II.

- **Other Operating Expenses**

The vote had a budget provision of Kshs. 9,255,260, comprising Kshs. 4,581,060 under Trade, Kshs. 1,012,500 under Energy and Kshs. 3,661,700 under Industrialization. Expenditure amounted to Kshs. 458,800, representing a 5% absorption rate. Of this amount, Kshs. 44,800 was paid to the Institute of Certified Public Accountants of Kenya (ICPAK) as subscription fees, while Kshs. 414,000 was incurred on activities relating to Market Management Committees.

The following votes had nil expenditure as at 31st December, 2025:

a) Insurance expenses with an allocation of Kshs. 660,000

b) Office General Supplies with an allocation of Kshs. 1,420,500.

c) Routine maintenance of motor vehicle with an allocation of kshs. 1,759,830.

d) Routine maintenance of Others Assets with an allocation of Kshs. 207,899.

e) Other Capital grants (Trade Loan) with an allocation of kshs. 20,000,000.

f) Purchase of office furniture with an allocation of KShs. 800,000

During interrogation, the Department attributed the Nil expenditure to delays encountered during the transition from the Integrated Financial Management Information System (IFMIS) to the Electronic Government Procurement (e-GP) system, which affected the initiation, processing, approval, and execution of procurement transactions during the reporting period.

b) Development

Under Development expenditure with an allocation of Kshs. 382,639,168 the document presents absorption to the tune of Kshs. 60,672,326 (16%) of the vote. There were only two votes with expenditure, namely;

- **County Aggregation and Industrial Park Construction**

The project is co-funded by the National Government and the County Government, with the funds being held and administered through a Special Purpose Account. During the period under review, the Special Purpose Account held a total of Kshs. 173,368,420, against which an expenditure of Kshs. 54,018,156 was incurred, representing an absorption rate of 31%.

Similarly, the County's budget had provided Kshs. 40,000,000 for the County Aggregation Industrial Park (CAIP) project. However, the allocation was subsequently removed through the First Supplementary Budget for the Financial Year 2025/2026.

- **Supplier Credit**

The vote had a budgetary provision of Kshs. 13,308,340, against which an expenditure of Kshs. 6,652,170 was incurred, representing an absorption rate of 49.98%. The expenditure was applied towards the settlement of pending bills, comprising Kshs. 5,487,000 paid to Pisonaz International **(Annexure IV)** for the installation and commissioning of eight (8) high-powered integrated streetlights, and Kshs. 1,165,170 paid to JONO Logistics as part payment for the installation of three (3) solar floodlights at Maroon, Kabwoyo and Chesito. **(Annexure III)**

During the period under review, the following votes under development had nil expenditure,

- **Ward-Based Projects**

Ward-based projects had an allocation of Kshs. 81,590,000.

During the interrogation, the Department attributed the nil expenditure on Ward-Based Projects to delays experienced during the transition from the Integrated Financial Management

Information System (IFMIS) to the Electronic Government Procurement (e-GP) system. The Department further indicated that, by the time of the interrogation, the e-GP system had become operational.

- **REREC**

REREC County co-funding grant had an allocation of Kshs. 45,000,000

The Department explained that the Rural Electrification and Renewable Energy Corporation (REREC) funds had initially been provided for in the Annual Budget Estimates but were subsequently removed through the First Supplementary Budget for the Financial Year 2025/2026.

  - **Purchase of lighting equipment**

The vote had an allocation of Kshs. 21,372,408 `

During the interrogation, the Department explained that the funds had initially been provided for in the Annual Budget Estimates but were subsequently reduced to Kshs. 6,372,408 through the First Supplementary Budget for the Financial Year 2025/2026. Consequently, no expenditure was incurred under the vote during the period under review.

- **Solar backup**

Installation of Solar back-up in the Office of the County Governor's complex had been allocated Kshs. 3,000,000.

During the interrogation, the Department explained that the implementation of the solar backup system for the Office of the Governor was delayed due to challenges arising from the transition from the Integrated Financial Management Information System (IFMIS) to the Electronic Government Procurement (e-GP) system. The delays affected the procurement process, resulting in no expenditure being incurred under the vote during the period under review.

Pending Staff receivables

As at 31st December, 2025, the Department had twenty-five (25) outstanding impressts amounting to Kshs. 11,738,550 as shown in the table below;

Outstanding Imprests As At 31st December, 2025

NO	NAME	DETAILS	DATE ISSUED	AMOUNT

1.	Arch. Douglas Sasita	Attending the quarterly meeting of CECM in Machakos	3/11/2025	84,000
2.	Pius Kazimoto	Driver to CECM	3/11/2025	31,500
3.	Edmond Juma	Sensitization of the market management and development committee	16/12/2025	414,000
4.	Ann Muhati	Sensitization of the market management and development committee	16/12/2025	13,230
5.	Rose Pepela	Sensitization of the market management and development committee	16/12/2025	23,520
6.	Maurice Wawire	Sensitization of market management and development committee	16/12/2025	23,520
7.	Scolastica Wataka	Sensitization of market management and development committee	16/12/2025	29,400
8.	Arch. Douglas Sasita	Sensitization of market management and development committee	16/12/2025	35,280
9.	Reuben Wabwa	Sensitization of market management and development committee	16/12/2025	35,280
10.	Isaac Manyu	Sensitization of market management and development committee	16/12/2025	13,230
11.	Lilian Kakai	Sensitization of market management and development committee	16/12/2025	13,230
12.	Pius Kazimoto	Sensitization of market management and development committee	16/12/2025	13,230
13.	Catherine Barasa	Sensitization of market management and development committee	16/12/2025	13,230
14.	Jane Namuki	Attending KHRM conference in Naivasha	16/12/2025	84,400
15.	Reuben Wambwa	Attending the 42nd annual seminar edition in Mombasa	16/12/2025	127,600
16.	Metrine Nyongesa	Attending a training at Lake Naivasha Resort	16/12/2025	72,000
17.	Juliet Nyongesa	Attending a training at Lake Naivasha Resort	16/12/2025	72,000
18.	Lilian Kakai	Attending a training at Lake Naivasha Resort	16/12/2025	42,800
19.	Gibson Mulongo	Attending the 32nd international convention in Mombasa	16/12/2025	65,000

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20.	Reuben Wambwa	Attending senior management course in Mombasa	16/12/2025	127,600
21.	Joan Wanjala	Attending the 42nd annual seminar edition in Mombasa	16/12/2025	88,400
22.	Sheila Nalianya	Attending the 42nd annual seminar edition in Mombasa	16/12/2025	93,400
23.	Edmond Juma	Attending the 42nd annual seminar edition in Mombasa	16/12/2025	93,400
24.	Stephen Sitati	Attending the 42nd annual seminar edition in Mombasa	16/12/2025	93,400
25.	John Mukhwana	Attending a workshop in Kisumu	16/12/2025	35,500
		Total		**1,738,550**

At the time of the interrogation, of the 25 outstanding imprests, only five had been surrendered as elaborated below.

NO	NAME	DETAILS	DATE ISSUED	AMOUNT
1.	Reuben Wambwa	Attending a senior management course in Mombasa	16/12/2025	127,600
2.	Sheila Nalianya	Attending the 42nd annual seminar edition in Mombasa	16/12/2025	93,400
3.	Edmond Juma	Attending the 42nd annual seminar edition in Mombasa	16/12/2025	93,400
4.	Stephen Sitati	Attending the 42nd annual seminar edition in Mombasa	16/12/2025	93,400
5.	John Mukhwana	Attending a workshop in Kisumu	16/12/2025	35,500

The Department further submitted supporting documentation demonstrating that the aforementioned imprest funds had been surrendered, as applicable. The required documentation included surrender vouchers, receipts, and any other relevant financial records to verify the proper utilization and accountability of the imprest funds in accordance with the applicable public financial management laws, regulations, and procedures.

Trade Payables

Trade payables at the beginning of the financial year stood at Kshs. 165,538,005 (Kshs. 42,692,057 recurrent and Kshs. 122,845,947 development). During the period under review, Kshs. 15,681,370 was paid leaving a closing balance of Kshs. 149,856,635 (Kshs. 33,664,857 recurrent and Kshs. 116,191,777 development). The approved budget had an allocation of Kshs. 5,960,526 for recurrent and Kshs. 13,308,340 for Development pending Bills.

OBSERVATIONS AND RECOMMENDATIONS

This chapter presents the Committee's key observations and recommendations arising from the interrogation of the quarterly reports and financial statements for the period ending 31st December, 2025.

Committee Observations

1. The Department recorded an overall budget absorption rate of 19% as at 31st December, 2025, comprising 19% under Recurrent Expenditure and 16% under Development Expenditure. The absorption rate was significantly below the expected half-year absorption threshold of approximately 50%.
2. Several recurrent and development budget votes recorded nil expenditure during the period under review, thereby delaying the implementation of planned programmes and projects.
3. The Department attributed the low budget absorption and nil expenditure under several votes to challenges experienced during the transition from the Integrated Financial Management Information System (IFMIS) to the Electronic Government Procurement (e-GP) system. However, the Committee observed that the e-GP system had become operational by the time of the interrogation, necessitating expedited implementation of the affected programmes and projects.
4. As at 31st December, 2025, twenty-five (25) impressts amounting to Kshs. 1,738,550 remained outstanding. During the interrogation, the Committee noted that only five (5) of the outstanding impressts had been surrendered, leaving the balance yet to be accounted for.
5. The Department reduced outstanding trade payables from Kshs. 165,538,005 at the beginning of the financial year to Kshs. 149,856,635 during the period under review. However, the outstanding pending bills remained considerably high, posing a risk to service delivery and supplier confidence.

Committee Recommendations

1. **THAT,** the County Executive Committee Member (CECM) in charge of Trade, Energy and Industrialization, in consultation with the Chief Officer and the County Treasury, expedites the implementation of approved programmes and projects to improve budget absorption and ensure that future expenditure aligns with the approved work plans and the prescribed budget implementation timelines.
2. **THAT,** the Accounting Officer continuously strengthens expenditure planning, procurement processes, and project implementation to ensure the timely utilization of approved recurrent and development budget allocations, prevent budget votes from recording nil expenditure, and facilitate the timely implementation of planned programmes and projects throughout the financial year.
3. **THAT,** the County Treasury, in collaboration with the Department, puts in place adequate measures to ensure that any challenges arising from the implementation of the Electronic Government Procurement (e-GP) system do not disrupt procurement processes and budget execution, and provides the necessary technical support to facilitate timely implementation of projects.
4. **THAT,** the Accounting Officer ensures that all outstanding imprests are surrendered in accordance with the Public Finance Management Act, 2012 and the Public Finance Management (County Governments) Regulations, and submits evidence of compliance to the Committee within Fourteen (14) days of the adoption of this Report.
5. **THAT,** the department should prioritize the settlement of pending bills in compliance with Regulation 55(2)(b) of the Public Finance Management (County Governments) Regulations, 2015, which states that *"all pending bills shall be budgeted as a first charge,".* Similarly, the department should report the status of all account payables to the County Assembly within 60 days from the date of adoption of this report.

The adoption schedule was signed by the members. Allow me at this juncture to call upon Hon. Angeline Rugut to second the motion.

(*Applause)*

Mr. Speaker: Thank you, Hon. Alice Kibaba. Hon. Angeline Rugut, you have the honour of seconding the motion but I saw Hon. Aggrey Waliaula clapping because today he has learned your middle name.

(Laughter)

Proceed,

Hon, Angeline Rugut: Thank you, Hon. Speaker for the opportunity to second the report and to compliment the mover of the motion for having read the report clearly.

I will just comment on the report generally that during the interrogation, the committee noted that the department attained an overall budget absorption rate of only 19%, this absorption is significantly below the accepted threshold and therefore we note that several recurrent and development budget goals recorded a nil expenditure.

The committee further observed that the department attributed the low absorption to challenges experienced during transition from IFMIS to EGP but as we went through the report we realised that the EGP was already in process.

Additionally, the committee noted the existence of outstanding imprest and pending bills while acknowledging that there was progress made in reducing trade payables during the reporting period.

Consequently, the committee has made appropriate recommendation aimed at improving budget execution, strengthening financial accountability, expediting project implementation and ensure timely surrendering of imprest and prioritizing statement of pending bills. I second.

(Applause)

The energy that I have seen from Hon. Chikati is abnormal in this sitting. Honourable Members allow me to proceed and propose a motion for debate;

(Question proposed)

I am coming to a conclusion that you people colluded

(Laughter)

That since the accountable person like Kawa and the team have gone away for the circumcision, the team like Chikati want to join them quickly so they opt not to contribute saying it's the mood of the House. I will proceed and follow the mood of the House.

Honourable Members, allow me to proceed and put a question to the motion as moved and seconded;

(Question put and agreed to)

(Applause)

Even the energy of yes is abnormal today.

ADJOURNMENT

Honourable Members that was the last item on our Order Paper, we will adjourn today and resume tomorrow 30th of July, 2026 at 2:30 p.m session.

House rose at 4:35p.m

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