

KERICHO COUNTY ASSEMBLY

THE HANSARD

Second Assembly

Fifth Session

Wednesday 7th April, 2021

(The House met at 2.30 p .m.)

[Deputy Speaker (Hon. Josphat Rutto) in the Chair]

PRAYERS

Deputy Speaker (Hon. Josphat Rutto): Honorable members welcome to this afternoon session. Please read the order paper!

NOTICES OF MOTION

Deputy Speaker (Hon. Josphat Rutto): Chairman Finance and Economic Planning.

Hon. Alex Bett (Chairman Finance and Economic Planning): Thank you Mr. Speaker Sir I would like this House to approve the report on Finance and Economic Planning Committee on pending bills, thank you.

Deputy Speaker (Hon. Josphat Rutto): Chair Budget and Appropriation Committee.

Hon. Albert Kipkoech (Chairman Budget and Appropriation): Thank you Mr. Speaker I wish to give notice of the following motion; That this House approves the report on Budget and

Appropriation Committee on the Kericho County Budget Review and Outlook Paper (CBROP) 2020. Thank you.

**MOTION BY CHAIRMAN FINANCE AND ECONOMIC
PLANNING.**

Deputy Speaker (Hon. Josphat Rutto): Chairman Finance and Economic Planning.

Hon. Alex Bett (Chairman Finance and Economic Planning): Thank you Hon. Speaker for giving me this opportunity so that I present to this House a motion with your guidance allow me to start from page 4.

Deputy Speaker (Hon. Josphat Rutto): It is in order Chair.

Hon. Alex Bett (Chairman Finance and Economic Planning): Thank you Mr. Speaker.

2.0 On 9th March, 2021, the Clerk to the County Assembly received Pending Bills Summary Report as at 31st December, 2020 from the County Executive Committee Member in charge of Finance and Economic Planning. (*See annex 1*)

The report enumerated the eligible, ineligible and undeclared pending bills as scrutinized by the Pending Bills Committee.

The Committee then considered and deliberated on the report.

3.0 Committee Observations

The Committee observed;

- That each departments in the County Government has a pending bill
- That the Department has a pending bill of Ksh490,184,743 as Audited Eligible Pending Bills as at 30th June,2018 ,Ksh.605,908,970 as Audited Ineligible Bills as at 30th June,2018,Ksh.774,872,686 as Eligible Paid as at 31st December ,2020 and Ksh.80,335,481 as Outstanding Eligible Bills as at 31st December,2020.

- That Undeclared Pending Bills stood at Ksh.131,529,277 referenced as **KEC/CS/TR/Vol.1 and KEC/ICT/FIN/8(60) (See annex 1 b)**

4.0 Committee Recommendations

The Committee having considered the department's pending bills recommends that;

- Two Thirds of Ksh.**90,414,539.84** be paid in the financial year 2020/2021 budget and be subjected to verification by the department on eligibility (*See annex 2*);
- The remaining amount on pending bills is factored in in the budget estimates for financial year 2021/2022.
- The time frame between the awards of the contract to completion should be strictly adhered to and;
- The department comes up with mechanism of debt management so that all the payments can be done within a particular financial year with regards to the allocations to each ward in the County.

5.0 Acknowledgement

The Committee wishes to thank the offices of the Speaker and the Clerk to the County Assembly for the necessary support extended to it in the execution of its mandate.

Mr. Speaker Sir,

It is my pleasant duty, pursuant to Standing Order 205, to present the Report of the Finance and Economic Planning Committee on the departmental pending bills.

Thank you Hon. Speaker maybe as I sit I just want to urge this House to approve this motion. You remember most of these pending bills emanate and originate from the financial year 2017 and downwards and as you are aware these contractors have waited for a long time. In fact as we speak today most of them are sick because of stress that they underwent while waiting for their payments. It is really sad because as we speak today some have lost their lives while waiting for

this payment. As a committee I want to urge this House that since we have appropriated 60 million for pending bills I urge that we pass this motion without further ado because ...

Recently I was talking to one of the contractors and sadly he is losing one of his kidneys and the major cause of kidney failure is stress. As a committee we have done our part though the total amount of pending bills which we saw is amounting to Ksh. 90 million and we did not want to lock anybody out. So as a committee we saw that to fit the Ksh. 60 million which we appropriated, we passed that we pay each contractor two third of the bills that they are owing the county.

Otherwise my request is we pass this motion and I want to urge my vice chair to second this motion. Thank you.

(Hon. Emily Kerich bows in secondment)

Deputy Speaker (Hon. Josphat Rutto): Thank you honorable Chair and honorable members.

(Question proposed)

Deputy Speaker (Hon. Josphat Rutto): Members this is very important and you need to go through, so let's debate on it. Thank you. Any member, Honorable Albert.

Hon. Collins Biegon: Point of order Mr. Speaker.

Deputy Speaker (Hon. Josphat Rutto): Hon. Collins.

Hon. Collins Biegon: Mr. Speaker thanks for giving me this opportunity I rise on the point of order that because this document is very important. On the issue of quorum, I don't see if we have quorum.

Deputy Speaker (Hon. Josphat Rutto): Thank you Hon. Collins for that oversight I think we don't have the quorum you are right and we need 15 members kindly ring the bell for others to come in, let us give them five minutes.

(Bell rings to call the House to quorum)

Deputy Speaker (Hon. Josphat Rutto): Thank you honorable members maybe you can confirm now. I think we have the number now, let's continue now with the debate by Chair Finance and Economic Planning any member who has as contribution on that on the pending bills. Any member before I put the question, Hon. Member representing people of Kapkatet.

Hon. Hillary Bett: Thank you Hon. Speaker for giving me this opportunity. The pending amount of the contractors from 2017 to date has no equality across the board. If you see the number of contractors who need to be paid, most of them will go to a certain sub county for instance when you see Soin/Sigowet there are about 30 contractors to be paid in one sub county which will not bring the right picture here because we want to see that each and every sub county gets a share. If you pay 30 contractors...

Deputy Speaker (Hon. Josphat Rutto): Hon. Bett maybe you can show us!

Hon. Hillary Bett: From No. 1 to 59 going to one Sub County what about the rest? So if you remove 30 from 59 you remain with only 29 which will sub divided to other sub counties. If you look at it Soliat, Soin, Kaplelartet, Kaplelartet, Sigowet, Sigowet, Sigowet, Sigowet, Kaplelartet, Soin, Sigowet, Sigowet, Kaplelartet, Sigowet, Sigowet, Sigowet, Kaplelartet, Soin, Soliat, Soin, repeatedly they are about 31.

Deputy Speaker (Hon. Josphat Rutto): May be Chair has to explain that.

Hon. Hillary Bett: It is not clear which criteria these people used. I remember the chair for these pending bills which happened from the other side happened to be from Soin/ Sigowet that is why a number of contractors came from that side which is totally skewed ...

Deputy Speaker (Hon. Josphat Rutto): Thank you Hon. Collins, Chair note it so that you can answer it later.

Hon. Collins Biegon: Thank you Mr. Speaker I also rise to oppose this motion in totality.

Secondly, there was an initial list that was sent by previous County Executive Committee Member, Hon. Birech you will find that in this final list that the committee has come up with I don't want to argue about what the committee has done but you will find for example No. 40 in this other list the second list in which we are supposed to approve is nowhere in the first list. Somebody is sneaking something which was for 2017 where we all had budget and other members went and opened roads and they had budget. In my own understanding, by the time they sneaked in here a bill of 4.8 million, how will the people of Kapkugerwet finance works that were done in other wards? All the money which comes to Kericho is for all of us! It is not just for Soin/Sigowet and not a particular ward. If you look at the other list the initial 128 million has been scaled to 90 if you look at the list of 128 million from number one to 56 and if I am not wrong you will not get that particular pending bill so where did the Committee get this? There are some issues that I don't agree with therefore I don't support this report thank you.

Deputy Speaker (Hon. Josphat Rutto): Thank you. Any other member, Hon. Nancy?

Hon. Nancy Kimeto: Thank you Hon. Speaker for giving me this opportunity before I reject the motion which is here with us. When you check on number 23, the works were for Kiptenden Tea buying centre. We don't have the ward there because we are not given the ward and secondly we are told that two thirds of the payments will be made. Are we paying two thirds of this or another one which will be given later? Or all the total pending bills be noted and then we now pay the two thirds? I reject this before this House and we need a comprehensive report.

Hon. Sammy Rono: Thank you Mr. Speaker for giving me this chance for me to contribute to this pending bill. It seems this pending bill was not scrutinized well because if you go to number 41 there are Emron Contractors and Suppliers Ltd, Simboyon-Kadenge forest road that is in my ward yet it is written under Sigowet. There is also 41 and 42 which is in my ward if you turn to the other page there is number 25 and 24 its still Emron suppliers, Simboyon –Kadenge forest road under Sigowet. It should be corrected to Tendeno and also KBB contractors Kadenge forest road, it's in Tendeno. There is a contractor by the name Kamau who comes from Nakuru under the name Great Master he was doing Iloti-WambareTegat road and he had a pending bill of

almost 10 million. It happened that he got sick last year and I even used my budget so that it can be returned in the pending bill of 7 million because he wanted to settle the hospital pending bill but I cannot see it here. I know that you have even heard of him that he was paralyzed because of not being paid by the county. So I think we need to go back and scrutinize so that we see on how to settle and how to refund that 7million which I paid through my budget because this pending bill has been paid through the pool account, so I should also be paid back through the pool account. I hope the chairman roads is getting this actually as members of the roads we have not sat and scrutinized, thank you Mr. speaker sir.

Deputy Speaker (Hon. Josphat Rutto): Honorable member, Are you supporting or rejecting the report?

Hon. Sammy Rono: I am rejecting so that we go and correct and bring it back.

Hon. Hezron Ngetich (Leader of Majority): Point of information!

Deputy Speaker (Hon. Josphat Rutto): What is the point of information?

Hon. Sammy Rono: I don't want to be informed Mr. Speaker.

Hon. Hezron Ngetich (Leader of Majority): I am informing the House!

Deputy Speaker (Hon. Josphat Rutto): Maybe I give a chance to you so that you can inform us!

Hon. Hezron Ngetich (Leader of Majority): Thank you Hon. Speaker for giving me this opportunity so that I can inform the house and put some clarification. Indeed we were sent a pending bill report from the department and we scrutinized and the honorable thing we did as the committee of finance, we published the list of all pending bills on the platform of the elected members, we told them to come if there is any issue in their wards and after that us as the committee sat down and deliberated on it. What we did was to eliminate all the pending bills which had accrued from 2018 onwards. The pending bills which we approved are from 2017

backwards but there is only one mistake which the clerk made by not attaching the whole list. There is a list which is approved by the committee and the approved list by the county is a list of almost 40 suppliers, the rest we had checked and scrutinized well. So I think the house is...

Deputy Speaker (Hon. Josphat Rutto): Majority Leader, do you have that list of the suppliers?

Hon. Hezron Ngetich (Leader of Majority): Yes its attached the problem is they are amalgamated.

Deputy Speaker (Hon. Josphat Rutto): Why don't you show the members?

Hon. Hezron Ngetich (Leader of Majority): The approved list is from page...

Hon. Paul Chirchir: Mr. Speaker, point of order!

Deputy Speaker (Hon. Josphat Rutto): What is your point of order? Honorable Chirchir?

Hon. Paul Chirchir: Mr. Speaker Sir, we are a House of rules and procedures. We have been given a report, a report that has been tabled on the floor of the House for discussion and either approval or disapproval Mr. Speaker, my point of order is this, how can an honorable member who is a member of finance rise on a purported point of information, is he informing this House or misinforming? He is misinforming the house. When we are given a report a member cannot rise, come to the floor of the House and say that the report they have been given is not the correct report. That is very wrong.

Hon. Benard Mutai: Point of order! Allow me to support that information!

Deputy Speaker (Hon. Josphat Rutto): Yes!

Hon. Benard Mutai: Thank you very much Mr. Speaker for giving me this opportunity so that I can object this report since this report seems to be benefiting some people. Allow me to say this

Deputy Speaker (Hon. Josphat Rutto): Honorable member are you rejecting the report or you supporting the point of order?

Hon. Benard Mutai: Supporting the point of correction. Why am I saying this? If you can go to number 32 that is Young Berry Enterprises Ltd Construction of Kokwet Box culvert 3.4 million. Number 40 Bestfield Enterprise Company Limited 459 Hours –KHMA 378M Chilchila ward 4.8 million. If at all I say that the Majority Leader has got an interest in this report, I hope I will not be wrong. Thank you Mr. Speaker.

Deputy Speaker (Hon. Josphat Rutto): Wait Majority Leader; just wait because I need clarification. Honorable member for Kipchimchim, you know you are pointing a finger to Majority Leader and yet you don't have the evidence maybe you can table the evidence.

Hon. Benard Mutai: What other evidence do you want me to table Mr. Speaker, yet we have evidence here 4.8 million and 3.2 million. Is that not an interest to this report? Thank you.

Deputy Speaker (Hon. Josphat Rutto): Thank you, we are going back to the motion now, so we are discussing whether you support or you reject the motion.

Hon. Hezron Ngetich (Leader of Majority): Mr. Speaker thank you and I think the member is out of order because I think he has some other issues because you cannot see...

Deputy Speaker (Hon. Josphat Rutto): No, Majority Leader just continue!

Hon. Hezron Ngetich (Leader of majority): Okay I was informing the house. I was not coming to support because honorable members were mixed up.

(Loud consultations)

Hon. Hezron Ngetich (Leader of majority): Protect me Mr. Speaker!

Deputy Speaker (Hon. Josphat Rutto): Honorable members when you stand on a point of order, you quote the Standing Orders. So give me the standing orders that you are rising on. Honorable Chirchir!

Hon. Paul Chirchir: Mr. Speaker I may not easily remember the exact Standing Order number but Mr. Speaker when an honorable member...

Deputy Speaker (Hon. Josphat Rutto): Honorable Chirchir you know this is a House of rules just state the Standing Orders that you have used so that you can rise for that point of order!

Hon. Paul Chirchir: It is inside the Standing Orders Mr. Speaker sir inside. Mr. Speaker Sir, I may not easily recognize where in the standing order but it is there ...

Deputy Speaker (Hon. Josphat Rutto): Honorable Chirchir, we are the House of order, just state the Standing Order so that we get the...

Hon. Paul Chirchir: It is inside the Standing Orders only that I may not easily recognize exactly where it is.

Deputy Speaker (Hon. Josphat Rutto): You are out of order Honorable Chirchir; Honorable Majority Leader!

Hon. Hezron Ngetich (Leader of Majority): Thank you Honorable Speaker for protecting me. I wasn't defending but I was giving clarification. Allow me to clarify then you react on it. Please. I was saying that when we received the report from the department of finance we did publish the report of pending bills on our platforms and we circulated the copies and we allowed the members to react if there was any issue and then after that we sat as the committee of finance and checked the list which the contractors had submitted viz a viz the list which we were given from the department of finance and we did find that there was one which was clashing. When we came up with a final report out of 59 we did until we got 40 and the list of the 40 which the committee are seeking the honorable House to approve is for number one to number forty so that was the clarification I wanted to make. The problem is that some people think that this pending bill is benefiting some individuals. It is not a must for award to have pending bills because this pending bills were accrued from 2014-2017, there are some wards which do not

have pending bills but if it was not submitted, it was not the fault of the committee we just did as per what we were given. Thank you that was the point.

Hon. Edith Kaptich: Point of order!

Deputy Speaker (Hon. Josphat Rutto): Okay what is your point of order? Now that the Majority Leader has left the floor, what is your point of order?

Hon. Edith Kaptich: Thank you Mr. Speaker for giving me this opportunity so that I can put this House in order. Is it in order for the honorable member representing the people of Cheboin to be in this house without a tie and a blazer yet he is a member of the finance committee and he is the most shouting? Thank you Mr. Speaker, he should be out!

Deputy Speaker (Hon. Josphat Rutto): Thank you Hon. Edith. Honorable member representing people of Cheboin. Can you stand up so that we can see whether you are in the correct attire? You are not properly dressed can you go outside.

Hon. Grace Betty Koech: Point of order!

Deputy Speaker (Hon. Josphat Rutto): What is the point of order?

Hon. Grace Betty Koech: Thank you very much Mr. Speaker. Is it in order for us as the people who are not in the said forum to sit here yet somebody purported that information was circulated in a forum. Some of us are not in that forum is it in order for us to sit here?

Deputy Speaker (Hon. Josphat Rutto): Honorable member we have the document inside the house now you debate it...

Hon. Grace Betty Koech: No but you know it seems some of us are being sidelined because if that is the justification and then we need that information what was the point of this information going to another forum?

Deputy Speaker (Hon. Josphat Rutto): Thank you, your point is taken honorable member everybody has the document here? This is the document that we have in the house now we don't even use the speculation from other people maybe in groups of social media. So this is the document that we are discussing. Let us discuss this document now whether we approve or we disapprove it. Honorable Deputy Majority Leader. Then we confirm that you debate on the issue whether you accept or reject the motion so that we can be on the same page.

Hon. Hezborn Tonui: Thank you Mr. Speaker for giving me this chance to arise and oppose the motion. Since I entered this Assembly I have got three culverts which was done by contractors but am not seeing my ward here. They have not paid and the moment I went to the department, I was told that it is paid but I am not seeing here. I reject this report Mr. Speaker.

Deputy Speaker (Hon. Josphat Rutto): Thank you. Honorable Rono!

Hon. Philip Rono: Thank you very much Mr. Speaker for the opportunity, sorry Mr. Speaker, I mean the committee on finance has not done, only I believe there is no difference. If I take the honorable member to number 20 of this report, Eldan Company Ltd. Hire of excavator KHMA 7222C for the month of November and December 2016. When you see there it has not indicated the ward in which particular ward it is just saying machinery in various we don't know in various what! When you see the figure there, it is 2.9 million. When you move also to number 50 and 51, you will find a company called Purspring Investments Limited you can see their Hire of excavator KHMA 129G for the month of May 2017. You will also see machinery in various I don't know various what it is not complete in my report when you see the figure what I want to bring to the attention of this house is actually the amount when you see the figure there is exactly 2.958 million. When you come to number 51 Tegunot Enterprise limited machine hours this one is in Chemosot and Litein but it is not specifying which road. So we do not know whether actually it was through individual. I think these people are consulting in high tones and it is actually attached to the report.

Deputy Speaker (Hon. Josphat Rutto): Order Majority Leader, consult in low tones!

Hon. Philip Rono: How sure are we that actually the number 51 that is Tegunot Enterprises Ltd machine hour's Chemosot and Litein whether it was doing personal things or it was doing a public work or a public road because it is not specifying the exact road or actually what this machine was hired for? When you move also to number 31 System Compliance Consultant Ltd, Hire of grader KHMA 986G and tipper KHMA I don't know the registration of a tipper if you are well conversant with the registration of tipper, tipper is a vehicle and when you see the registration of the number plate, a tipper cannot have a KHMA number plate which is 7647 to mean that one is not even a tipper. Then machinery in various wards it is not specifying which ward when you come also to number 35 Hire of excavator KHMA 722C for the months of November and December in 2016 it is not also specifying the same ward and it has been allocated 2.9 million the same case to number 30, Purspring Investment Limited Hire of excavator KHMA 129G for the month of May 2017, machinery in various wards it is not specifying the same wards but when you see the figure it is still 2,958,189.31 you can see the coincidence .it is as if this people were doing actually a guess work in this thing. I don't think you can hire a machine and you are not specifying the ward and you want this house to approve the same thing with the same people.

Deputy Speaker (Hon. Josphat Rutto): Order Honorable Rono, there is a point of information! , honorable Hezron Ngetich (Majority Leader) wants to inform and would you want to be informed.

Hon. Philip Rono: I think this one is self-explanatory and unless the Majority Leader is a member of the same committee, I do not accept any information. Who actually prepared the same information and brought to the House not unless you can say maybe you have been given a different report from the one given to this House otherwise I stand to disapprove this report Mr. Speaker thank you.

Deputy Speaker (Hon. Josphat Rutto): Honorable member representing people of Chepseon!

Hon. Alfred Cheruiyot: Thank you very much Mr. Speaker Sir for this opportunity to reject this report. I cannot stand here just to say we thank the committee, we are not here to thank the committee because number one; this list is very shallow; they cannot come here and say they speculated the message or the information Mr. Speaker Sir. It is very long and we are not going to sit here, this is money; for example in my ward, there is some work which was done way back in 2017 financial year 2018 it is not in this pending bill, so I want to request the committee to bring everything to light, let us discuss everything in this House is honorable and we have a right to see and understand everything. I want to say this document should not be there, it should be rejected! Thank you.

Deputy Speaker (Hon. Josphat Rutto): Thank you, Honorable member representing people of Kapsoit!

Hon. Paul Chirchir: Thank you very much Mr. Speaker for giving me an opportunity to oppose this report. The reason why am opposing this report is because it is half dead report...

Hon. Alex Bett: Point of Order!

Deputy Speaker (Hon. Josphat Rutto): What is the point of order! Under what Standing Order! Honorable Chirchir there is a point of order! Maybe you state the Standing Order you've used to raise the point of order!

Hon. Alex Bett: Mr. Speaker I cannot quote the Standing Order but...,

Deputy Speaker (Hon. Josphat Rutto): Then you are out of order!

(Laughter)

Deputy Speaker (Hon. Josphat Rutto): Honorable Alex this is a House of order Alex you need to state the Standing Order that you have raised on. Honorable Chirchir continue!

Hon. Paul Chirchir: Mr. Speaker number one, the reason why I am opposing this report is that the finance committee should have given us the exact totals in terms money. But we are seeing

here that they have given us a total of Kshs.128, 860,679.00 and against a budget of Kshs.65million which was approved by this honorable house. So where are we getting the difference to pay the difference? Number two the reason why am opposing is that there was a report that was forwarded by the department of finance from the executive side, where is the report? They should have attached the report as part of this report so that as they have also included more companies which was not in the initial report, the list of companies that was forwarded by the executive, shall we have that report? The committee of finance should actually have to tell us why they wrote the list of companies which was not there in that report. Actually I ask the honorable House to adjourn this report for deliberation, discussion and later on approved or disapprove. Otherwise, as it is I personally oppose this report. Thank you.

Deputy Speaker (Hon. Josphat Rutto): Thank you, Honorable member representing people of Kedowa/ Kimugul!

Hon. Dennis Kirui: Thank you Mr. Speaker for the chance you have given me to contribute on this report. We are talking or rather opposing this report because of some simple reasons that the report is very shallow, for example from annexure 2 you can see from number one to seven there is no contract number. Because if need be for retrieval or reference for example number one to seven which it has no contract number it won't be found. Number two, in some one way or another we tend to be out of order because we cannot quote the Standing Orders but under the Standing Order 101 where the Majority Leader says that he shared a report in our group he must produce evidence of sharing the report because on 31st of march he shared only two pages in the elected members group only two and he can prove lying to the whole house in that he was out of order Mr. Speaker, thank you.

Deputy Speaker (Hon. Josphat Rutto): Thank you. Honorable member representing people of Cheboin!

Hon. Evans Kibet: Thank you Mr. Speaker for giving me this opportunity and I would like to say also that I reject this report. I am a member of finance committee but during the discussion I

was on other engagements, but it doesn't mean that when I am a member I should not come to the floor and succeed. I just want to move a motion of deferment so as to revisit because it is very important to pay our contractors' bills and we have to defer. I would like *Mheshimiwa Collins Biegon* to come and second.

Deputy Speaker (Hon. Josphat Rutto): You can move the motion Honorable member and then have somebody to second.

Hon. Evans Kibet: I have already moved the motion, I am moving the motion for deferment and I want to welcome Honorable Collins Biegon to come and second the motion of deferment for this report. I believe I am smartly dressed now.

Deputy Speaker (Hon. Josphat Rutto): Yes Hon. Collins Biegon!

Hon. Collins Biegon: Thank you Mr. Speaker Sir for giving me this chance to rise so as to second the deferment motion but it is also important to know that we are deferring to which date so that the chairman finance can organize stipulated time for the committee meeting for all elected members. So we are in agreement to move the motion until when members are satisfied with this committee and it can be brought to the house. Thank you.

Deputy Speaker (Hon. Josphat Rutto): Thank you. The mover of the motion maybe you want the motion to be deferred and you know that we are going for recess until 4th of May 2021

(Loud consultations)

Deputy Speaker (Hon. Josphat Rutto): Thank you, we understand that this motion of deferment is a very sensitive motion but we agree to defer to a later date.

(Question put and agreed to)

Hon. Philip Rono: Thank you Very much Mr. Speaker; I have also just risen to second the deferment of this motion;

Deputy Speaker (Hon. Josphat Rutto): It has been seconded, you can just support.

Hon. Philip Rono: I support Mr. Speaker and maybe I informed the Chairman Finance and Economic Planning to make such clear and it is not self-explanatory report that is nice. Somebody who will be receiving the said information as it has been said by the honorable member from Chichila, the report should be very clear. We should not be reading the report that is so impunitive in the house. It is very long in nature and it did not give any explanation Mr. Speaker. Thank you very much.

Deputy Speaker (Hon. Josphat Rutto): Thank you, Hon. Hezborn Tonui (Deputy Majority Leader)

Hon. Hezborn Tonui: Thank you Mr. Speaker for allowing me this chance to rise and support the motion. I am urging the Chairman Finance and Economic Planning Committee that since I came to this Assembly there are box culverts at Kap Jonah and Kinyose where the contractors have not been paid since. So I want this report to have the said pending payment be included. Thank you.

Deputy Speaker (Hon. Josphat Rutto): Thank you, any other member? Honorable Paul Chirchir!

Hon. Paul Chirchir: Thank you Honorable Speaker Sir for giving me another chance again. I also want to be on record that this House has not rejected the report; we sympathize with contractors who did value their money to do roads and other projects in our county. They deserve to be paid .So we take this report to the committee of Finance. When the Chairman Finance and Economic Planning committee invites us we will come very fast to deliberate. The Chairman is a learned member and is equally a pastor. So we trust him that next time he brings back the report, we will approve the genuine one so that they are paid. So I support the motion of deferment of these pending bills.

Deputy Speaker (Hon. Josphat Rutto): Thank you, Honorable Nancy Kimetto Langat!

Hon. Nancy Langat: Mr. Speaker I support the motion of deferment. The fact that the committee on finance, so that the information should be clear, well understanding and straight to the point. Now we have requested committee on Finance to gives us the year of contract and the contact person you will find some pages do not have the contract person, some pages do not have the wards. Some numbers are missing, some are doubled. So this information is not comprehensible. So we are urging the committee on Finance to gives us a report that is clear and I support the motion of deferment until we get comprehensive information on pending bills. Thank you.

Deputy Speaker (Hon. Josphat Rutto): Thank you, Honorable Alex Bett (Chairman Finance and Economic Planning)!

Hon. Alex Bett (Chairman Finance and Economic Planning): Thank you Honorable Speaker for giving me this opportunity so that I may also support the deferment of this very important motion. By the way the report was prepared, we were trying to work under the time given and we did not want to deny our people their report. You will find that every other time we request members to give information, you find them delaying and I remember sharing this information on an informal set up (Kamukunji) and I requested member to really look at it keenly some of these things but unfortunately we didn't. Anyway Mr. Speaker let me inform the honorable members that it is not a must that we have wards which have pending bills. Some of the wards have mixed works and these bills emanating from those contractors who had their work done especially from 2017 backwards and they requested that they be paid. So if in your wards there was nothing, then it is not an issue. Any way I want to thank the honorable members for considering that this motion is very important. Remember that we are holding monies that have been on hold since 2018 and some of the contractors who appeared have outlined that some of them are sick, some have issues with banks. So Mr. Speaker Sir this motion is very important, in fact Mr. Speaker, I will request through the office of the Speaker that we have a meeting in Kisumu for all of us and i want to have all the members there and we will all come up with one report which we should not come and again debate on it. So I will request that since you have

this report, in the meantime kindly look at your ward, kindly consult the people who did the your work in your ward and if there is any issue we are going to discuss them in Kisumu, so let's all be there so that we come up with a comprehensive report that will aid these people who have been waiting for their payment to be paid once and for all. Otherwise I support the deferment of this report and if possible and after we will meet may be in Kisumu that we will request also to pass this report .Thank you.

Deputy Speaker (Hon. Josphat Rutto): Thank you, I think we are in order; maybe I will put the question so that we may move to the other business of the day.

(Question put and agreed to)

Deputy Speaker (Hon. Josphat Rutto): Next order!

Chairman Budget and Appropriation Committee;

Hon. Albert Kipkoech (Chairman Budget and Appropriation committee): Thank you Mr. Speaker Sir for giving me this opportunity so that I may table the motion on Budget and Appropriation. Allow me to start in page five (5)

Deputy Speaker (Hon. Josphat Rutto): Ok.

Hon. Albert Kipkoech (Chairman Budget and Appropriation): Thank you Mr. Speaker for this opportunity you have given me so that I move the following motion; That this House approves the report of Budget and Appropriation committee on Kericho County Budget Review and Outlook Paper 2020. Mr. Speaker allow me to read from page five.

Legal basis for the preparation of the County Budget Review and Outlook Paper(C-BROP)

Section 118 of the Public Finance Management Act 2012,states that ;

1) A County Treasury shall

a) Prepare a county budget review and outlook paper in respect of the county for each

financial year, and

b) Submit the paper to the County Executive Committee by the 30th September of that year.

2) In preparing its County Budget Review and Outlook Paper, the county treasury shall specify,

a) The details of the actual fiscal performance in the previous year compared to the budget appropriation for that year.

b) The updated economic and financial forecasts with the sufficient information to show changes from the forecast in most recent County Fiscal Strategy Paper.

c) Information on-

- Any changes in the forecasts compared with County Fiscal Strategy Paper, or
- How actual performance for the previous financial year may have affected compliance with the fiscal responsibility principles, or the financial objectives in the County Fiscal Strategy Paper for the financial year, and
- Reasons for any deviation from the financial objectives in the County Fiscal Strategy paper together

3. The County Executive Committee shall consider the County Budget Review and Outlook Paper with a view to approving it, with or without amendments, within fourteen days after its submission.

4. Not later than seven days after the County Budget Review and Outlook paper is approved by the County Executive Committee, the County Treasury shall-

a) arrange for the paper to be laid before the County Assembly; and

b) as soon as practicable after having done so, publish and publicize the paper.

REVIEW OF FISCAL PERFORMANCE IN FINANCIAL YEAR 2019/2020

COMPARATIVES

a) Revenue

Source of Income	Target Amount(Kshs)	Actual Collections(Kshs)	Deviation Kshs.	% Deviation
National Equitable share	5,380,500,000	4,917,777,000	462,723,000	-9%
Own Source	711,641,000	394,053,832	317,587,168	-45%
Facility Improvement Fund (FIF)	361,641,000	134,085,985	227,555,015	-63%
User Fee Reimbursement	18,048,789	18,048,789	0	0%
Routine Maintenance Fuel levy	152,729,063	160,860,669	-8,131,606	5%
Development of Youth Polytechnics Fund	29,433,298	29,433,298	0	0%
Covid Health Allowances		36,180,000	-36,180,000	0%
Covid-19 Presidential Support	0	116,228,000	-116,228,000	0%
DANIDA Fund	23,432,500	23,432,500	0	0%

Agricultural Sector Support Fund(ASDSP)	36,100,026	10,957,746	25,142,280	-70%
Kenya Devolution Support Program	30,000,000	30,000,000	0	0
Transformative Health System(World Bank)	71,544,247	52,008,534	19,535,713	-27%
Climate Smart Agriculture Project	204,459,400	136,534,620	67,924,780	-33%
Kenya Urban Support Program(UDG)	256,299,000	183,314,988	72,984,012	-28%
Kenya Urban Support Program(UIG)	8,800,000	8,800,000	0	0%
Total Collection	7,284,628,323	6,251,715,961	1,032,912,362	-14%

Under Global Expenditure Mr. Speaker, As at 30th June 2020, the total expenditure was Kshs. 7,496,188,032 against total budget of Kshs. 8,746,125,949 representing approximately 85.7% absorption. The Office of the Governor recorded the highest absorption rate of 99.6% while the department of Education, Youth, Children, and Culture & Social Services had the lowest absorption at 54.0% as shown in the table below.

County Entities	Budget(Kshs)	Actual Expenditure(Kshs.)	Variance(Kshs)	% Absorption
County Assembly	722,825,544	702,151,381	20,674,163	97.1%
Agriculture, Livestock development and fisheries	487,439,458	355,563,078	131,876,380	72.9%
Education, Youth, Children, Culture and Social services	574,896,480	310,290,852	264,605,628	54%
Finance and Economic Planning	634,415,474	605,205,850,	29,209,624	95.4%
Health Services	2,686,904,820	2,585,312,243	101,592,577	96.2%
ICT	252,039,744	210,827,842	41,211,902	83.6%
Lands, Housing and Physical Planning	715,102,919	606,081,569	109,021,350	84.8%
Office of the Governor	165,729,658	165,079,415	650,243	99.6%
PSM	299,249,710	267,110,340	32,139,370	89.3%
Public Works, Roads &Transport	1,335,781,922	1,143,590,459	192,191,463	85.6%
Trade, Industrialization, Tourism ,Wildlife and Cooperatives	88,594,877	76,658,532	11,936,345	86.5%
Water, Energy, Natural Resources and Environment	710,792,122	418,851,537	291,940,585	58.9%
Grand Total	8,746,125,949	7,496,188,032	1,249,937,917	85.7%

Mr. Speaker under Recurrent Expenditure Vs. Actual Expenditure

Department	Budget(Kshs)	Actual(Kshs.)	Variance(Kshs)	% Absorption
County Assembly	690,825,544	690,825,544	0	100%
Agriculture, Livestock development and fisheries	191,880,032	162,224,546	29,655,486	84.5%
Education, Youth, Children, Culture and Social services	405,622,618	258,117,498	147,505,120	63.6%
Finance and Economic Planning	514,691,173	508,484,806	6,206,367	98.8%
Health Services	2,192,184,104	2,163,739,938	28,444,166	98.7%
ICT	116,655,094	95,740,733	20,914,361	82.1%
Lands, Housing and Physical Planning	87,051,981	82,317,386	4,734,595	94.6%
Office of the Governor	165,729,658	165,079,415	650,243	99.6%
PSM	283,029,708	263,860,921	19,168,787	93.2%
Public Works, Roads &Transport	85,843,521	84,104,004	1,739,517	98.0%
Trade, Industrialization, Tourism ,Wildlife and Cooperatives	67,628,131	56,190,843	11,437,288	83.1%
Water, Energy, Natural	171,453,193	148,348,441	23,104,752	86.5%

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Resources and Environment				
Grand Total	5,044,947,979	4,728,499,009	316,448,970	93.7%

Mr. Speaker the Development Expenditure Vs. Actual Expenditure

Department	Budget(Kshs)	Actual(Kshs.)	Variance(Kshs)	% Absorption
County Assembly	32,000,000	11,325,837	20,674,163	35.4%
Agriculture, Livestock development and fisheries	310,559,426	193,338,532	117,220,894	62.3%
Education, Youth, Children, Culture and Social services	283,441,156	52,173,354	231,267,802	18.4%
Finance and Economic Planning	109,903,240	96,721,044	13,182,196	88.0%
Health Services	601,123,356	421,572,305	179,551,051	70.1%
ICT	94,044,622	115,087,109	-21,042,487	122.4%
Lands, Housing and Physical Planning	626,050,938	523,764,183	102,286,755	83.7%
PSM	19,220,002	3,249,419	15,970,583	16.9%
Public Works, Roads &Transport	1,140,300,783	1,059,486,455	80,814,328	92.9%
Trade, Industrialization, Tourism ,Wildlife and Cooperatives	34,966,746	20,467,689	14,499,057	58.5%

Water, Energy, Natural Resources and Environment	464,149,280	270,503,096	193,646,184	58.3%
Grand Total	3,715,759,549	2,767,689,023	948,070,526	74.5%

Mr. Speaker allow me to go to Committee observation

1. C-BROP is a key document linking Policy, Planning and Budgeting.
2. Covid-19 pandemic was a great hindrance to revenue collection
3. There was poor performance in collection of own source revenue
4. There was substantial undisbursed equitable share of amounting to Ksh. 462 million
5. It was evident that there was low absorption rate in both recurrent and development expenditures.
6. It was noted that the department of education and Public service management had the lowest absorption rate at 18.4% and 16.9% respectively.
7. There was slowed economic performance in most sectors in the first quarter of the financial year 2019/2020.
8. There was untimely disbursement of funds by the National government to the county government thus low absorption rate.
9. The sectorial committees were not directly involved in implementation and rollout of programs in their respective departments.

COMMITTEE RECOMMENDATIONS

The committee recommends that the recommendations in the original budget estimates report should be implemented as outlined below:

1. The County Government should supplement the National Sharable Revenue by maximizing Own Source Revenue collection through Revenue Automation.
2. The receivers of revenue should minimize leakages and stabilize revenue streams.
3. The County executive should reduce non-priority expenditures and improve value for money spent.
4. The departments should fast track procurement procedures to boost absorption of funds.
5. The Sectorial committees should be involved in implementation and roll-out of programs through effective oversight.
6. A special committee be formed by the County Assembly to investigate collection and leakages of own source revenue in the County.
7. All the departments should endeavour to make full disclosures on own revenue streams, Facility Improvement Fund (FIF) and actual revenue collected.

ACKNOWLEDGEMENT

The Committee wishes to thank the Offices of the Speaker and the Clerk of the Assembly for the necessary support extended to it in the execution of its mandate.

Mr. Speaker Sir,

It is my pleasant duty, pursuant to Standing Order 201 to present the Report of the County Budget Review and Outlook Paper(C-BROP) 2020 for consideration and subsequent adoption by this honorable House.

I request Hon. Philip Rono to second.

Deputy Speaker (Hon. Josphat Rutto): Thank you Hon. Philip Rono

(Hon. Philip Rono bows in secondment)

(Question proposed)

Deputy Speaker (Hon. Josphat Rutto): Honorable member representing people of Cheboin ward!

Hon. Evans Kibet: Thank you Mr. Speaker for giving me this opportunity so that I give my comments on the County Budget Review Outlook Paper. I have seen and gone through the report and I would like to thank the committee for going through it, for sitting down and bringing out something comprehensive of this nature. I can see the absorption rate, the absorption rate of some departments in the County Executive is a bit low, as you can see, for instance there is this department of education the absorption rate is poor because when you look at it, it is 54% look at the recurrent expenditure how they performed they performed at 63.6%, you look also at the development where we require the development to be happening across the county. You see the absorption rate is 18.4% it is too low, because when you look at a department that is spending their money at 18.4%, and you know this is the whole financial year, it means these people don't begin their procurement process on time. Such that when we are closing the year, they now begin the procurement process. I want to ask the budget committee that when we are sitting down looking at this budget we should appropriate, you see it means they did not use Ksh. 231,267,802 which has been moved to another department I can see that the ICT department has spent money till it is negative, but we must found out why. How can you spend what you don't have, because even if you are spending this money, you would also want to understand you are at negative. Ksh 21 million and you budgeted for Ksh. 94 million? You want to tell me there is some works you never expected then may be all of a sudden you are just here and you doing it, which is why they were able to spend 115 million. Look at the department of trade when it comes to development expenditure you know what we budget for should actually be what is happening on the ground where work should be seen happening. Department of trade was only able to absorb only 58.5%

of their development money. I think we need to push this one to the sectorial committees. They should perform so that you know eventually when we have a surplus eventually it will affect the revenue allocation at the national government. You don't return the money to the treasury and expect to grow, you know what they do, they look at the absorption rate of the revenue that you are given, that is the national government then they would develop a formula on how they are going to give you the money. So we should always exhaust the revenue allocation from the national government before we even talk of the 35% BBI is talking about. In the constitution, we are allowed 15% and it was supposed to grow progressively so when you talk about 15% other counties are getting higher than us. They are at 10 billion while we are stuck at 7 point something billion. I see the department of water and I believed my able chair, water department, should pull up his shocks because I can see the department is only able to absorb 58.3% out of the budget. So the committee should look in to the projects that are slotted to be done in every financial year so that at least we can get a good outlook on how we spend our monies. Thank you Hon. Speaker

Deputy Speaker (Hon. Josphat Rutto): Thank you any other member, the member representing people of Chemosot!

Hon. William Soi: Thank you Hon. Speaker for giving me this chance, we went through this budget document and we realized that in the ground we collect a lot of revenue and as we have seen we are collecting a lot of revenue in various places but it will end up in individual pockets which we would be keen in collecting this revenue and watch keenly so that it will...

(Interruption)

Deputy Speaker (Hon. Josphat Rutto): Honorable members we are on record, so you are talking about entering people's pockets, do you have the evidence?

Hon. William Soi: We can judge even if you can see in quarries.

Deputy Speaker (Hon. Josphat Rutto): No, do you have the evidence?

Hon. William Soi: There will be evidence.

Deputy Speaker (Hon. Josphat Rutto): If you don't have it you then withdraw.

Hon. William Soi: I withdraw because of this.

Deputy Speaker (Hon. Josphat Rutto): Thank you continue!

Hon. William Soi: But according to how we see the collection of revenue, it is low. We would like to watch and follow it until they put it in the right place, because as you can see quarries collect a lot of revenue but in the records it is too low. You can imagine collecting 2 million in quarries and even a second will not pass without taking murrans and after taking murrans, at least money will drop and people will collect all those funds. In bus parks where we collect daily revenue, and if can you see in records it is too low, so we would like to be keen in revenue collection. Thank you

Deputy Speaker (Hon. Josphat Rutto): Thank you, Hon Nancy Kimetto!

Hon. Nancy Kimetto: Thank you Mr. Speaker for giving me this chance once more to appreciate committee on budget for the work they have done. I only have a few reservations. When we went through, we found that there are some potential areas where we can get more revenue like Kabianga Tea Farm, quarries, even the wine and spirits and we were requesting that we form committees to look into those areas so that we can get more revenue and preferably each committee to go to a specific area. Secondly, when you see the absorption rate, let me thank the committee of roads for doing the work they have 92%. For the education we don't have ECDEs in our area and you find that the absorption rate is very small. And my question is where do they take the money if we budgeted for this amount? Where does the variance go? We need such people to work for us so that we can be happy. Otherwise thank you very much the committee on budget for the work you have done.

Deputy Speaker (Hon. Josphat Rutto): Thank you member representing people of Tebesonik. May be we can give honorable to reply, or you want to give him some time? Hon. Member for Cheboin you have been given two minutes.

Hon. Evance Kibet: Thank you Hon. Speaker once again. I am also looking at what the Hon. Nancy has said. I am also looking at revenue streams. Look at where we are getting revenue, you look at it and you wonder what is really happening with executive in terms of revenue collection? You look at something like development of youth polytechnics funds we have students there and what we are collecting, I don't really get it, we don't collect enough revenue the deviation is Ksh. 462 million by the time you make projection that you are going to collect Ksh.500 million for example where will you get the 9% deviation you can see the facility FIF they a deviation of 63% you can't make unrealistic targets, you make realistic targets that when you miss you miss by 1%, zero point something percent, or even two percent. It can't be 63% then I would want to call on committee to talk about this thing and I want you to give direction so that we can go back to the sectorial committees and look at this issue keenly. We have a lot of leakages that is why we can't meet our target in terms of revenue collection. You look at the department of health where they are taking around 35% of the revenue, 35% of the allocation from national government they are telling us they are deviating by 63% this is not realistic and it is creating bad precedence, because even the next government that is going to come in place they will follow the trend. So I think the Speaker and the leadership of the County Assembly should make sure that this thing does not happen again especially when we are going in to the next financial year we must have revenue. Because I was looking at registration of bars for example, they are giving zero revenue. Do you want to tell me there is no bar that has been open in this county the whole financial year? It is not realistic Mr. Speaker.

Deputy Speaker (Hon. Josphat Rutto): Thank you. Chair!

Hon. Albert Kipkoech (Chairman Budget): Thank you Mr. Speaker I want to thank honorable members for supporting this document and I want to request Mr. Speaker that you use your discretion to make sure that this special committee be formed, so that we do something in this

recess. When we shall come back in May, we have all the documents that will touch on this issue on revenue, otherwise thank you.

Deputy Speaker (Hon. Josphat Rutto): Thank you chair for the recommendation and the good report from the committee on budget and appropriation. I know that you have made the recommendations, especially from the committee even about the formation of members who will be actually looking into those issues so I think the office of the Speaker and Clerk will look into that.

(Question put and agreed to)

(Adjournment)

Deputy Speaker (Hon. Josphat Rutto): Honorable members since we don't any other business this House stands adjourned for recess till Tuesday 4th May 2021. Thank you.

(The House rose at 4.25 pm)

