

BARINGO COUNTY ASSEMBLY

THE HANSARD

The House met on Tuesday 18th May 2021 at 2:40 p.m.

The Temporary Speaker (Hon. Tarus) in Chair

PRAYERS

The Temporary Speaker (Hon. Tarus): Clerk!

MOTION

PAIC REPORT ON FINDINGS OF THE AUDITOR GENERAL'S FINANCIAL STATEMENTS OF BARINGO COUNTY EXECUTIVE FOR THE PERIOD ENDED 30TH JUNE, 2016

The Temporary Speaker (Hon. Tarus): Hon. Chair Lotela to move the motion.

Hon. Lotela: Thank you Mr. Speaker. With your permission, it could have been good to our health to have something to hold our documents while standing, holding and reading a voluminous document for three hours. I don't know why we are losing a very simple health and consideration procedures. Kuna ile kitu tukisoma tunaweke hapa...

The Temporary Speaker (Hon. Tarus): Okay. Hon. Lotela, your request is heard but we don't have that...

Hon. Lotela: But it was there Mr. Speaker

The Temporary Speaker (Hon. Tarus): Maybe in the next session we will be able to ask for that particular item to be brought. However, we have to proceed as at now. Proceed Hon. Lotela

Hon. Lotela: But Mr. Speaker you also have to see that we must use our energy. So when you hold it for long, you may lose it. In that you will...

The Temporary Speaker (Hon. Tarus): You are strong enough

Hon. Lotela: Mr. Speaker, you will allow me to leave the issue of this report on introduction, composition, mandate and acknowledgement because it has the same content as the other report that we read in this House. We go straight to audit issues and with your permission I will not go through the Audit issue. I will only read the under-collection of own revenue management response.

1.1.1 Management Response;

The management explained that the actual revenues collected at the closure of financial year was Kshs. 279,374,895 translating to 93% of the annual estimate and thus implying a shortfall of 7%. Despite the 7% short fall in estimated target, this was still a good performance despite the challenges that the County experienced during the financial year.

They further explained that the following factors which were not within the control of the County Government led to the shortfall in revenue collection:

- During most part of the financial year, the County experienced a lot of negative publicity due to insecurity in Baringo South, Baringo North and Tiaty. This resulted into closure of

several livestock Centre's, namely Mukutani, Kiserian, Salabani, Chemorongion, Arabal, Sinoni, chemoi among others, thus revenue was lost on Single business permit and plot rent.

- Decrease in Lake Bogoria National Reserve revenue
- Outbreak of livestock diseases during the financial year forcing the County to issue quarantine in the whole County leading to loss of livestock revenue.

1.1.2 Committee Observations;

Mr. Speaker Sir, the Committee observed that:

- i. The answered query was different from the Auditor General's query hence the Department of Treasury created their own query.
- ii. The Auditor General's query was not answered.
- iii. The County Treasury seems content with unrealistic revenue collection targets

1.1.3 Committee Recommendations;

i) Mr. Speaker Sir, the County Treasury should keenly study the queries as raised by the OAG and respond appropriately.

ii) The Committee recommends that the County Treasury should set realistic revenue targets during budgeting.

iii) The County Government to prioritize funding in the 2021/2022FY for livestock disease free zones including operationalization of existing and newly constructed Cattle Dips in all areas of the County, particularly provision of acaricides regularly.

Audit issue 1.2 under-estimation of land rates and plot rent revenue targets - Kshs. 18,192,524.00

1.2.1 Management response;

The management confirmed that Kabarnet and Eldama Ravine towns still use the valuation roll for Defunct Municipal Councils. The County Finance Act approved 5% of the site value as being a realistic charge for Land rent and rates and this was adopted and is still in use. The mode used for target estimation during budgeting was by the use of the sum total of annual plot rate/rent due and actual revenue collected in the previous years, then grown by a percentage for example, FY 2013/2014, 2014/2015 and 2015/2016 they collected Kshs. 15,127,880, 16,744,873 and 17,317,051 respectively. The budget projection for 2015/2016 of Kshs. 29,476,586, was arrived at by projecting to collect 50% of the annual plot rates/rent of Kshs. 20,000,000 due for 2015/2016 then adding the previous year's (2014/2015FY) collection and the sum grown by 7%.

It's also explained that the valuation roll with a total value of Kshs. 816,203,000 included the value of Government land including the County Offices, Government Institutions e.g. KSG. It was explained that taking 5% of the total value based on the Valuation Roll for projection of budget revenue will misinform the budgeting process.

1.2.2 Committee Observations;

Mr. Speaker Sir, the Committee observed that:

- i. The County Government is still using the Defunct Local Authorities valuation rolls. However, the Department of Lands, Housing And Urban Development reiterated that the new valuation rolls had been prepared and sent to all Sub-County headquarters for public participation but the budget...

(Interruption)

Hon. Lotela: Excuse. Mr. Speaker, budget line meant for public participation of the draft was removed.

- ii. Lack of proper valuation roll has greatly contributed to a shortfall of targeted revenue collection for Plot rents and rates in the County.
- iii. The methodology of projecting Land rates and rates in the County was to say the least, weak and is prone to manipulation as it is reliant on previous Year's collections which may be unrealistic.
- iv. The information presented separately by the County Treasury CECM and the Chief Officer Lands, Housing and Urban Development is conflicting, bringing to doubt the working relationship between the two County Departments.

1.2.3 Committee Recommendations;

Mr. Speaker Sir, the Committee recommends that:

- i. The budget line (Land clinics) for public participation of the new valuation roll draft be factored in the 2nd Supplementary budget in 2020/21 Financial Year or alternatively be included in the making of the 2021/2022FY. Further the County Treasury should prioritize budgeting for the payment of Kshs.. 11 Million towards clearing of the debt owed to the National Government's Ministry of Lands and Physical Planning to enable the release of the Complete Valuation Roll preferably in the 2nd Supplementary Budget of the 2020/2021FY.
- ii. The Department of Treasury should focus on mainstreaming of alternative revenue streams.
- iii. The Accounting Officers in charge of County Treasury (Revenue Collection) and the County Department of Lands, Housing and Urban Development should within two months of the adoption of this report present to the Assembly through the PAIC, a comprehensive statement on the status of the adoption and use of the New Valuation Roll for all the Sub County Headquarters failure to which the Operations and Maintenance (O&M) Budgets of their respective Departments be slashed by twenty five percent (25%) in the 2021/2022FY as per the provisions of Section 54 of the Public Audit Act. (PAA).
- iv. The County Department of Lands Housing and Urban Development should within three months of the adoption of this report, initiate valuation of all Government Land in the Sub County Headquarters and the value obtained from such valuation be deducted from the overall value of Land in such Sub County and the resultant figure be used to compute (at the 5% Value provided in the County Finance Act) the plot rents and rates projection. To give effect to this the Accounting Officer to liaise with the County Treasury to ensure an

adequate budgetary provision for this is made in the making of the 2021/2022FY Budget. The Budget and Appropriations Committee to make follow up.

Audit issue 1.3 uncollected revenue from public health

1.3.1 Management Response;

1. The management alluded to the fact that realization of revenue target was not achieved due to ignorance of the entails of the Finance Act by owners of business premises thus Revenue officers could not collect the revenue on fire safety inspection and fire safety certificate.

The targets set for revenue collection were based on the projected number of outlets offering chargeable services...

The Temporary Speaker (Hon. Tarus): Sergeant at arm make sure you remove that phone from the Chambers.

Hon. Lotela: I will put it in flight mode Mr. Speaker.

(Long Silence)

Mr. Speaker, the targets set for revenue collection were based on the projected number of outlets offering chargeable services. The revenue realized would fall short if some businesses closed down, some could have been unwilling to pay, or others opted not to pay rates to the Public Health Department, which they perceived not to be the relevant revenue collector.

On issuance of Certificates of vaccination for Yellow Fever and Typhoid, the County Health Department/Section in charge of Vaccines (EPI) did not supply the vaccines that would be used for vaccination and eventual issuance of certificates as proof of vaccination by the Public Health Department.

Despite the Public Health Officers having carried out the inspection of most premises and institutions in the County, the same were not issued with Fire safety Certificates due to lack of proper communication to the Department from the County Treasury on charges for the inspection and certification.

The Public Health Department proposed thus:

1. Through the EPI Department , the County to avail typhoid vaccines for food handlers and yellow fever vaccines for travellers respectively
2. The County Treasury to avail Certificates of vaccination against typhoid and Yellow Fever to the Public Health Department for issuance upon vaccination.
3. The County Government through the relevant Departments to undertake Sensitization and education of the populace especially food handlers and persons who travel regularly on the need to be vaccinated against Typhoid and Yellow Fever respectively.
4. The County Treasury to procure and avail fire safety certificates to the Public Health Department for issuance to compliant business premises.

1.3.2 Committee observations;

Mr. Speaker Sir, the Committee observed that;

- i. The response given by the Department of Public Health was not satisfactory as it did not address the under-collection.
- ii. The Department is under staffed with only one certified fireman in the County who can inspect premises and issue fire safety certificates.
- iii. There is a shortage of building inspectors in the County
- iv. Record keeping for building plan approvals, vaccination certificates and other records was poor with non- filed and handwritten registers presented.
- v. There is Poor control of revenue collections by both the collecting agencies and the supervisory body (County Treasury).
- vi. There is laxity in publicity of the contents of the Finance Act to the general public evidenced by the Department's acknowledging that, businessmen are not aware of the Finance Act requirements.
- vii. Budgeting is not harmonized such that all potential revenue streams are captured.

1.3.3 Committee Recommendations;

Mr. Speaker Sir, the Committee recommends that:

- i. To improve on compliance to fire safety regulations and attendant charges thereto, the Committee recommends that Public Health Officers and Firemen be absorbed for training as fire inspectors to offer this critical service. The CPSB to prioritize funding for this in the making of the 2021/2022FY budget.
- ii. The CPSB should prioritize recruitment of building inspectors and fire inspectors (at least one building/fire inspector per sub County) and make budgetary provisions for the recruitment in the making of the 2021/2022FY Budget.
- iii. The County Treasury and revenue collecting entities of the County to put in place updated record collecting, collating and storage systems (preferably automated record keeping) to ensure ease of access to reliable records for reference if and when needed.
- iv. The County Treasury Revenue section should ensure proper use of Revenue Collection Codes as spelt out in the Baringo County Finance Act
- v. The County Treasury should harmonize revenue streams towards ensuring all potential revenue sources are included as Revenue in the County Budget.

Audit Issue 1.4 Under-Collection of Revenue for Koibatek Atc and Marigat AMS

1.4.1 Management Response;

The ATC Koibatek and AMS Marigat domiciled in the County Department of Agriculture, Livestock and Fisheries Development confirmed that they were only able to collect Kshs.. 3,315,295 for the period against a set target of Kshs.. 13,636,320.00. The targets' setting was based on the sources of revenue in each entity.

Koibatek ATC is a Government farm mandated to offer trainings and generate revenue through farm commercial activities that were in two categories namely;

1. Farm including Dairy [sale of milk and livestock (culls& steers)] and Sale of farm produce [hay, maize, beans & vegetables].
2. Training & Accommodation which entails Hiring out of training facilities i.e. for Accommodation, Catering services and Training hall.

The institution experienced under collection in the financial year 2015/16 arising from the following challenges experienced:

1. The Institution's infrastructure having been handed over to the County Government in 2014 was in poor state with the hostels and training rooms needing major repairs and refurbishing. The improvements were procured and implemented but were not completed on time due to unforeseen circumstances and thus the facility could not be fully utilized during the 2015/2016FY.
2. To further improve the status of the facility a new kitchen and dining hall were constructed, but could not be utilized during the queried Financial Year as they were not ready then, but are currently at finishing stage.
3. The institution expected to get revenue from the sale of twenty (20) heads of livestock, both culls and steers when their conditions were at their best, but the disposal process was not completed within the stipulated period resulting in the animals being disposed off in 2016/17 financial year leading to a missed revenue target for the period.

Marigat Agricultural Mechanization Station (AMS) main activity is hiring out of plant machinery including dozers and tractors. During the period it was anticipated that all machinery would be in good working condition but during the financial year, three dozers broke down and could not be repaired. This resulted in collection of revenue from only one source (farm tractors) resulting to missed revenue targets.

1.4.2 Committee Observations;

Mr. Speaker Sir, the Committee observed that:

- i. There is a major loophole in revenue collection which is still done manually by the two entities.
- ii. There are no policies and regulations guiding the running of the two entities.
- iii. The County Budgeting process especially as regards revenue target setting is not participatory.
- iv. The CECM Agriculture waived charges for leveling of Koriema Primary School and Emining Boys High schools' fields.
- v. There is poor usage of tracking tools such as work tickets with activities and entries not properly captured especially trips made and fuel drawn for each activity.
- vi. The AMS machines have a capacity to generate more revenue but due to mismanagement, minimal revenue is collected.

- vii. There are no work plans for the AMS machines.
- viii. Revenue is spent at source by the two entities.
- ix. There is poor supervision of AMS machines.
- x. There is poor coordination between the ATC, AMS and the relevant mother Department.

1.4.3 Committee Recommendations;

Mr. Speaker Sir, the Committee recommends that:

- i. The CECM Agriculture, Livestock and Fisheries to fast track the preparation and approval of policies and regulations governing the AMS and the ATC within thirty (30) days of the adoption of this report and submit them to the Assembly for approval.
- ii. The County Treasury should ensure involvement of Officers from the AMS and the ATC during Revenue target setting and the budget making process for their entities to ensure realistic projections of Budget Revenue and expenditure for the two entities.
- iii. The County Treasury to enforce the provisions of the PFM Act and PFM Act Regulations that criminalize spending Revenue collected at source. Any Officer found culpable to face the full wrath of the Law as provided in the Baringo County Administration of Revenue Act and or penalties stipulated in other relevant Laws.
- iv. The CECM Finance should liaise with the CECM Agriculture to ensure proper coordination and clear flow of information between the two entities, the Mother Department and the County Treasury.
- v. The AMS and the ATC shall henceforth prepare annual work plans for approval by the CECM Department of Agriculture, Livestock and Fisheries, which shall in turn prepare a management plan for the two entities and submit the same to the relevant Sectoral Committee i.e. Agriculture, Livestock and Fisheries. This should be done within 3 months of the adoption of this report failure to which the AMS/ATC Manager be sanctioned through a six (6) month suspension as provided for in Section 53 of the PAA.
- vi. That henceforth the ATC and AMS be treated as County Corporations as provided for in the Baringo County Development and Corporations Act.
- vii. That all County vehicle and machinery should work through official work ticket updated whenever in use. Failure to which the authorizing officer and the driver of the vehicle or machine be sanctioned through a six (6) month suspension as provided for in Section 53 of the PAA.
- viii. Provisions of the Baringo County Revenue Administration Act should be strictly adhered to with any waivers on fees/charges/levies done in writing by the CECM Finance.
- ix. All payments for goods and services rendered by ATC and AMS should be done electronically by use of USSD code (paybill). Upon the adoption of this report, the Accounting Officers should publicize the cessation of cash payments for the two institutions.

Audit issue 2.1 weak internal controls on revenue system department of physical planning

2.1.1 Management response;

The management confirmed that Plan approval application forms were not serialized and they would endeavor to ensure they shall serialize all the forms and also apply the correct rates as indicated in the Finance Act.

As a means of controlling the large number of building plan applications received in Physical Planning Section, the Department came up with form PPA 1 (for development applications) and sent to the Sub-County Administration and Town Administration offices where clients are issued.

The Physical Planning Department receives these application forms from Sub-County administration and Town administration offices for processing. The Physical Planning Department keeps all the records of approved building plan applications and thus able to confirm the application fees collected and approvals made.

Mutation forms are produced and sold to licensed private surveyors by the Director of Survey who is under the National Government. The function of the County Surveyors is quality control on the use of mutation forms. Sample mutation forms were presented as annexure.

Annex 2.1

2.1.2 Committee Observations;

Mr. Speaker Sir, the Committee observed that:

- i. Application forms are not serialized making it impossible to confirm the application fee collected and approvals made.
- ii. There were no records confirming the number of applicants and approvals made.
- iii. There were revenue collection loopholes noted, that were not addressed by the Department.
- iv. There is lack of coordination between the Department's Head office and the Sub-County offices such that all applications are not captured.
- v. There are no building Inspectors retained by the County Government on permanent and pensionable terms. The County Government is currently utilizing the services of interns.

2.1.3 Committee Recommendations;

Mr. Speaker Sir, the Committee recommends that:

- i. The Department of Lands, Housing and Urban development should serialize all Building plan application forms and ensure that application fees are collected before the approvals are made. This should be done within two months of the adoption of the report.
- ii. The Department of Lands, Housing and Urban development should put into use the recently completed GIS Laboratory to automate their records including the development

of an electronic register for building plan approvals to ensure efficient and effective service delivery.

Audit issue 3.0 inaccuracies in the financial statements

3.0.1 Management response;

The management in their response confirmed that indeed there existed a variance between cashbook balance and IFMIS balances.

These variances it was explained existed because expenditure totals in IFMIS included commitments made in the system but which were never paid fully or reversed.

During the financial year, IFMIS had challenges when E-Procurement was introduced and several commitments could not be processed fully nor reversed.

Also the variance in recurrent expenditure included imprest not surrendered in the system though it was surrendered fully.

3.0.2 Committee Observations;

Mr. Speaker Sir, the Committee observed that:

- i. There was no documentation to support the variance. The management did not reconcile the two sets of records and therefore, the financial statements do not reflect the true state of affair as at 30th June, 2016.
- ii. The variances questioned by the Auditor of Kshs.. 97,235,470 and 370,782,230 differed with the amounts presented by the Treasury of Kshs.. 42,311,181.80 and 140,005,166.65 for Development Expenditure (D.E) and Recurrent Expenditure (R.E) respectively
- iii. The County Treasury interchanged the figures for IFMIS Balances and Cash Book Balances in their response
- iv. There is lack of professionalism (including keenness and accuracy), accountability and transparency in the Department
- v. International Public Sector Accounting Standards (IPSAS) requirements were not observed by the Accounting Officers.

3.0.3 Committee Recommendations;

Mr. Speaker Sir, the Committee recommends that the County Treasury should amend the financial statements to reflect the true state of affairs as at 30th June, 2016 within 30 days of the adoption of this report, failure to which all concerned Officers be sanctioned by denial of Daily Subsistence Allowances (DSA) for a period of three months.

Audit issue 3.2 unreconciled and unexplained errors in the financial statements

3.1.1 Management response;

The combined final budget in the statement of appropriation statement shows a balance of Kshs.. 95,154,159. This balance in the appropriation is the budget for the medical equipment

budgeted as medical equipment lease which the money was not received but deducted directly by the National Treasury from our equitable share.

3.1.2 Committee Observations;

Mr. Speaker Sir, the Committee observed that;

1. Accounting Officers were too casual in executing of basic accounting procedures.
2. There was no reconciliation or explanation to support Treasury's position.
3. The statement of appropriation only captures exchanger release leaving out other appropriated funds that are deducted at source e.g. MES

3.1.3 Committee Recommendations;

Mr. Speaker Sir, the Committee recommends that the Department of Treasury should ensure that International Public Sector Accounting Standards (IPSAS) requirements are adhered to.

The County Treasury should in its amended financial statements of appropriations capture the amounts of Kshs. 95,154,159 for MES as both an income and expenditure item.

Audit issue 4.1 compensation of employees

4.1.1 Management response;

Mr. Speaker Sir, The management confirmed that there existed a difference between payroll summary and payment details. This is because the Kshs.. 52,115,051.52 relates to unpaid statutory deduction for the year 2014/2015 that remained as unpaid as at 30th June 2015.

4.1.2 Committee Observations;

Mr. Speaker Sir, the Committee observed that:

- i. PFM Act was violated since the wage bill is above the recommended 35% personnel ratio
- ii. There were no measures proposed to contain the current wage bill.
- iii. It was noted that there were 41 employees who have sued County Government for not issuing them with IPPD numbers after being confirmed in the year 2017, this will further increase the wage bill.
- iv. Despite the head count and payroll cleansing programs conducted the excise had no notable outcome to redress wage bill problem.

4.1.3 Committee Recommendations;

Mr. Speaker Sir, the Committee recommends that:

- i. The Accounting Officer for the Department of Public Service And Devolution together with the Department's CECM should submit to the Assembly through the PAIC, a report

on the actions taken after the head count and payroll cleansing exercise within thirty days of the adoption of this report.

- ii. Baringo County Government through Baringo County Public Service Board (CPSB) should undertake re-designation and job alignment across job cadres and departments to fill the existing gaps, resulting from those exiting service for various reasons and for effective service delivery.
- iii. The CPSB should within 3 months of the adoption of this report submit a report on policy measures being undertaken to down size the wage bill in conformity with the requirements of section 107 of PFM Act 2012 (35%).
- iv. That the salaries and wages of staff inherited from the defunct local authorities be harmonized to conform to the public service scheme of service.

Audit issue 4.2 unaccounted for fuel for AMS and ATC

4.2.1 Management response;

Mr. Speaker Sir, the management confirmed that issuance of fuel is done centrally and disbursed to various users in various sub-counties and other entities for consumption and accountability. By the time of audit all records had been surrendered to head office by the users and there were no records in the sub counties. Attached are fuel returns from all the users including fuel registers and work tickets.

4.2.2 Committee Observations;

Mr. Speaker Sir, the Committee observed that:

- i. The response was not satisfactory because the records did not tally.
- ii. There was no policy or regulations guiding the operations of AMS and ATC.
- iii. The documentary evidence was delayed.
- iv. ATC's records submitted were satisfactory while AMS's records were irregular, as Work tickets were not in tandem with the machine operations; therefore, fuel consumption was not fully accounted for.
- v. There was no value for money.

4.2.3 Committee Recommendations;

Mr. Speaker Sir, the Committee recommends that:

- i. The Department of Agriculture should put in place a proper record keeping system for fuel procurement and consumption and evidence of the same be presented to the Committee within 3 months of the adoption of this report.
- ii. The Accounting Officer should ensure strict supervision of the work done by the AMS machinery vis-a-vis the fuel consumption with a tool developed by the department of Agriculture to monitor and evaluate performance.

- iii. The Department should adopt the usage of fuel card system.

Audit issue 4.3 doubtful expenditure, ministry of health

4.3.1 Management response;

The management confirmed that a payment of Kshs. 1,497,280 was made to M/S Kewell Investment for supply of electrical materials for Equator and Olkokwe Health Centres. These two facilities were constructed under the Economic Stimulus Programme (ESP) but electrical works were not completed yet the facilities were substantially complete. The electrical materials were procured for purposes of completing the works in readiness for operationalization.

The electrical items listed in Appendix 4.3 were received, inspected and issued from Stores to an officer (Mr. Zachariah Kimwetich) for use by the electrician who was responsible for carrying out the installation works in the two facilities. Due to an oversight which was occasioned by the speed in the procurement of the items the date of procurement requisition is later than the date of the LPO and delivery note.

4.3.2 Committee Observations;

Mr. Speaker Sir, the Committee observed that;

- i. The LPO was raised after the delivery of the items, this was explained as having occurred due to the misplacement of the earlier requisition which was required during payment and a new requisition had to be raised to support the payment.
- ii. The provisions of the Public Procurement and Asset Disposal Act, 2015 were violated.

4.3.3 Committee Recommendations;

Mr. Speaker sir, the committee recommends that;

- i. The Accounting Officer should ensure that there is adherence to the requirements of the Public Procurement and Asset Disposal Act.
- ii. That the Accounting Officer should ensure copies of all procurement documents are made and properly filed.

Audit issue 4.4 Lake Bogoria community grants

4.4.1 Management response;

Lake Bogoria National Reserve was gazetted as protected in 1973. Its rich culture and attraction has seen the Lake given an honor and listed as Ramsar site No.1097 in 2000. It is also recognized as I.B.A No.45 and was listed as a world heritage site in 2011.

The Lake has been under Wildlife Management Department until 1982 when Kenya wildlife Service took over its management. Baringo County Council later took over management in 1995. When Baringo District was divided into two districts the Lake became a shared asset managed by Lake Bogoria Joint Management Committee. This Joint Management Committee

comprised Councilors and Chiefs from the community. Under the new constitutional dispensation and devolution, the Lake is currently managed by the Baringo County Government (BCG) under the Department of Tourism.

The defunct Local Authority approved and passed through the Committee of Finance that 4% of the total annual revenue collected from the Reserve be used in the Community Conservation projects with a view of improving livelihoods of the Community and 6% be utilized on improvement of the Reserve.

This has been the practice since then and most community funded projects include; cattle dips, primary and secondary schools, water provision, bee keeping, provision of solar panels, construction of dispensaries, facilitation and formation of Community Sanctuaries, bursaries and Wildlife Conservation.

In light of the foregoing, the Department intends to achieve, but not, limited to the following;

- i) Giving back to the community: The Department of Tourism acknowledges that there can be no better way of registering appreciation to the community, for having played a role in conserving the Lake than letting them a share of the revenue collected.
- ii) Historical practice: The Community has a legitimate expectation of the BCG to continue disbursing grants as was done by the defunct Local Authority. It was legally sound, prudent, ethical, just, and equitable to uphold the same practice in realization of Article 174 of the Constitution.
- iii) Ownership; By virtue of disbursing the grants to the Community, the Department of Tourism intends to accord them a sense of ownership of the Lake as well as affirm their inclusion in the same.
- iv) Betterment of livelihoods; the commitment of Baringo County to better the livelihoods of its people speaks for itself and was the basis of the guidelines. The grants were in the best interest of the lake Bogoria Community and would support Community projects and initiatives.

The Department was allocated Kshs. 5,800,000 for Lake Bogoria Community Grant against Kshs. 52,876,683 leading to overpayment of Kshs. 512,331.70 in the 2014/2015FY. Looking at the 2013/2014FY the Department was paid Kshs. 6,000,000 for Lake Bogoria Community Grant against total revenue collection of Kshs. 67,068,504, leading to underpayment of Kshs. 706,850.40 carried over as pending bills for the next Financial Year.

4.4.2 Committee observations;

Mr. Speaker sir, the committee observed that;

- i. The response was not satisfactory as there was a pending amount to the lake bogoria community of Kshs. 194,518.70 that was not explained
- ii. Supporting documents for grant utilization were provided to the committee belatedly.
- iii. There were no regulations governing Lake Bogoria community grant during the period in question, but the regulations have since been developed and approved by the county Assembly.

- iv. There was a fund account for Lake Bogoria community grant at transnational bank at kabarnet branch.

4.4.3 Committee recommendations;

Mr. Speaker sir, the committee recommends that;

- i. The Accounting Officer should ensure timely response to audit issues including necessary documents to support payments.
- ii. The Accounting Officer should ensure that there is adherence to the regulations governing the operations of the grant.

Audit issue 5.0 outstanding imprest;

5.0.1 Management response;

The management confirmed that there were instances where officers were issued with multiple imprests. that had since been rectified.

5.0.2 Committee observations;

Mr. Speaker sir, it was observed that;

- i. the rules guiding the issuance of imprest were violated i.e. multiple imprest were issued to the same person and imprest issued for periods exceeding 7 days
- ii. there was no evidence of imprest surrender amounting to kshs. 5,666,720 committee recommendations

Mr. Speaker sir, the committee recommends that all accounting officers should adhere to the rules guiding the issuance of imprest as stated in regulation 94 (4) of the pfma (county government) regulations 2015 and ensure that all pending imprests which are overdue should be recovered with proof of recovery provided to paic within 30 days of the adoption of this report.

Audit Issue 6.0 Pending Accounts Payable;

6.0.1 Management Response;

The management confirmed that Annex 1&2 to the financial Statements revealed that County Government of Baringo accumulated pending bills amounted to Kshs.184, 747,629.80 which comprises Kshs.. 140,502,951 recurrent and Kshs.. 44,019,590 Development pending bills.

Development pending bills remained unpaid because of time constraint during the close of the financial year. On 30th June 2016, there were so many payments to be processed hence not all of them could be paid even though there was adequate cash to pay them. The balance of cash at the end of the financial year was re-appropriated in the 2016/17 FY for purposes of clearing the outstanding bills.

The County Government did not receive Free Maternity Fees of Kshs.. 14,496,900.00 and the revenue budget shortfall of Kshs.. 68,130,301 contributed to pending bills in the recurrent bills.

The details of pending bills showing invoice date, particulars and amount were properly shown.

Annex 6.0

6.0.2 Committee observations

Mr. Speaker sir, the Committee observed that:

- i. The management answered their own query
- ii. Response was not satisfactory as there was no documentary evidence
- iii. The suppliers were not paid despite the availability of funds.
- iv. The schedule (Annex 1) of pending bills attached to the financial statements adds up to Kshs. 69,350,598.82 for RE, Kshs. 44,019,590.05 for DE and a cumulative sum of Kshs. 113,370,188.87 which presents a shortfall of Kshs. 71,152,353.13 from the amount of Kshs. 184,747,630.68 queried by the Auditor.

Annex 2 of the Financial statements on pending bills was not availed.

- v. Pending bills report for the County Government of Baringo dated August 2020 was presented to the Committee showing legible and illegible pending bills.

6.0.3 Committee Recommendations

Mr. Speaker Sir, the Committee recommends that:

- i. The Accounting Officers should strictly adhere to contract agreements and conditions.
- ii. The Accounting Officer of the County Treasury should liaise with the departmental Accounting Officers to ensure proper planning is made and requisition of funds should be made in time (before the last month of the Financial Year), to meet contractual agreements and avoid pending bills.
- iii. An updated report on the payment status of Pending Bills for the County Government be availed to the Assembly through this Committee within 2 months of the adoption of this report.

Audit issue 7.0 failure to disclose accounts receivable

7.0.1 Management response

Mr. Speaker Sir, the management confirmed that receivables amounting to Kshs. 64,575,672 had not been disclosed but has been included in the amended copy of the cashbook.

Annex 7.0

7.0.2 Committee Observations

Mr. Speaker Sir, the Committee observed that;

- i. The response was not satisfactory since it lacked documentary evidence. The financial statements were not amended thus there was breach of financial reporting. The Auditor didn't receive the amended financial statement at any point.

- ii. Schedules for plot rent/rates arrears due as at 30th June 2016 amounting to Kshs. 64,595,672 were availed though they were not captured in the financial statements.
- iii. There was no general report for rents due as at 30th June 2016 for Chemolingot Town and Tiaty Sub-County.

7.0.3 Committee Recommendations

Mr. Speaker sir, the Committee recommends that;

- i. Management should ensure compliance with relevant laws and the provisions set out by the Public Sector Accounting Standards Board.
- ii. The Accounting Officer County Treasury and Planning should amend the financial statements for the period in question to include the accounts receivables within 2 months of the adoption of this report and present evidence of the amendments to this Committee.

Audit issue 8.0 acquisition of assets

Management response;

Mr. Speaker Sir, the management confirmed that the statement of receipts and payments reflects an amount of Kshs.1, 311, 379,869.20 under the acquisition of assets for the year ended 30 June 2016. It also reflects pending accounts payables totaling to Kshs.184, 747,629.80 as discloser. The disclosers did not include liabilities from Defunct Local Authorities because these had been forwarded to Transition Authority (T.A), but had since been included.

Note that the Inter Government Relations Technical Committee (IGRTC) which took over from T.A is yet to formally hand over the assets and Liabilities.

Attached is a schedule of fixed assets register of assets from Defunct Local Authorities and correspondence from Council of Governors.

Committee Observations;

Mr. Speaker Sir, the Committee observed that;

- i. The issue was a recurring query.
- ii. Annex 8.0 was not submitted though documents to support the possession of assets from the Defunct Local Authorities were presented elsewhere
- iii. The query was modified by the County Treasury
- iv. There was no evidence of communication to and from IGRTC and CoG
- v. There was no evidence adduced to show that there was any attempt made to disclose or value the assets inherited from the defunct local authorities.

Committee Recommendations;

Mr. Speaker Sir, the Committee recommends that,

- i. The County Treasury should update records to include assets inherited from the defunct local Authorities in order to give a true position of assets and liabilities as at 30th June 2016 and submit evidence of the same to this Committee within 2 months of the adoption of this report.
- ii. The Office of the County Secretary should follow up with IGRTC on the validation and transfer of ownership of fixed assets from the defunct Local Authorities to the County Government within 3 months of the adoption of this report.
- iii. The County Government through the Department of Administration, Public Service and Devolution, should upon receipt of ownership of the fixed assets inherited from the defunct Local Authorities to organize for their valuation and boarding of obsolete stores, with a view of publicly disposing them as provided for in the Public Procurement and Asset Disposal Act 2015.

Audit issue 9.0: other matters

1.0 budget performance analysis

Committee Observations;

1. In other matter 1.0 and 1.1 the County Executive failed to give a reason for poor absorption of budgets especially Development budget that had an absorption of 41 per cent with only 316 out of 1049 projects complete
2. The Management failed to explain the variance of Kshs. 95, 154, 160 as queried by the Auditor. The accuracy and validity of the figure could not be confirmed
3. There was over commitment in two Departments (Health and Transport) that was not explained
4. The development allocation was at 26.7% which is far below the PFM Act requirement of a minimum of 30%

Committee Recommendations;

Mr. Speaker Sir, the Committee recommends that,

- i. There should be strict adherence to the provisions of Section 107 of the PFM Act on fiscal responsibility principles
- ii. The management should, adjust any casting errors in Financial Statements noted by the Auditor General within a month of receipt of the same.

Office of the Governor:

4.0 Governor's Budget Performance Analysis

4.1 Underutilization of Development Funds

Management Response;

The budgetary provision for Kshs. 60,002,835.95 was approved during 2015/16 financial year under Office of the Governor for construction of County Headquarters. The designs and Bill of Quantities developed for the project resulted in a cost estimate of over Kshs. 360 million. Although the project was procured and subsequently awarded to the lowest evaluated bidder, the successful bidder declined to take up the contract owing to low budgetary allocation compared to project cost.

Additional budgetary allocation is required to implement the project. It is expected that this will be made in 2017/18 financial year.

Committee Observations;

1. The County Executive in their responses included queries that were raised in the management letter but had since been removed in the Audit certificate
2. The office of the Governor was overfunded
3. The low absorption of 11 per cent was not properly explained
4. There was no proper use of budgeted funds

Committee Recommendations;

- 1 The County executive should respond to the queries raised in the Audit certificate not what was in the management letters
- 2 The County headquarter building based on the huge budget outlay should be phased over several years.
- 3 Budget allocations across departments should be as realistic as possible to avoid huge rollovers.

3.0 Unbudgeted expenditure - construction of eco toilet at Marigat town, Ministry of Tourism, Industrialization and Trade

Management response;

The Department had no budget for construction of Marigat Eco toilet. The attached Documents including payment Voucher indicate clearly that the project project was implemented by Department of Environment, Natural resources, energy and mining.

- 1) This evidenced by Contract agreement which was signed by the Chief Officer Environment, Natural resources, Energy and mining on 16/06/15.
- 2) The inspection and acceptance certificate was prepared by the staff of the Department of Environment, Natural resources, Energy and mining

The payment voucher dated 6th June 2016 was prepared and approved for payment by the Chief officer Department of Environment, Natural resources, Energy and mining.

Committee Observation;

- i. The County Treasury modified the query hence answered their own query

- ii. The response submitted to the Auditor General is irrelevant
- iii. The Eco-Tourism toilet is constructed on a road reserve
- iv. The project was actually implemented by a different Department from the queried Department
- v. The Department of Environment belatedly submitted the response on the query and supporting documents
- vi. The project was budgeted in the FY 2014/2015 alongside Mogotio and Kampi Ya Samaki
- vii. The County Government did not obtain value for money

Committee Recommendations;

- i. The Treasury Department should correctly guide the Auditor General on undertakings by the County Government departments during audit of projects and produce the relevant supporting documents. That was a different query for a different department.
- ii. The County Government must always sort out the issue of land ownership before funding any proposed project to obtain value for money.
- iii. The Accounting Officers should always ensure that projects that are handed over to communities are in tip top conditions in terms of quality of materials and workmanship and be in conformity with the BQs failure to which public works officers involved in the supervision of projects be sanctioned by surcharged an amount equal to the value of the poor work done.
- iv. Public participation as provided in Article 10 of the COK and the Baringo County Project Implementation Act 2019 should be enhanced in project implementations, monitoring and evaluation across departments

Audit issue 3.1 unauthorized payments to district livestock marketing council

Management response;

The County paid Kshs. 2,455,474.00 to County Livestock Marketing Council (CLMC) as commission for sale of livestock in Barwesa Livestock Market, Nginyang Livestock Market, Marigat Livestock Market, Kolowa Livestock Market, Amaya Livestock Market and Tangulbei Livestock.

A partnership agreement between Baringo County Government and Baringo County Livestock Marketing Council was signed in 2013 and renewed in 2015. The partnership was necessitated by the challenges experienced in livestock in Arid and Semi-Arid areas of the County which include insecurity, unreliable supply of livestock & traders as well lack of ownership of livestock markets. The partnership creates a “Co-Management Model” which has guaranteed sustainability and efficiency through community ownership and re-investment of funds into improving market infrastructure and support to market processes.

Management of revenue;

In the Agreement the CLMC through the Local Marketing Association (LMA) is mandated by the County Government to assist the revenue staff in livestock cess collection. The Agreement

provides for the sharing of revenue collected between County Government and CLMC in the ratio 75:25 respectively.

Utilization of 25% share of revenue by CLMC

The CLMC shall be guided in expenditure as follows:

- i. Maintenance and repairs of the market infrastructure
- ii. Disease control
- iii. Social corporate responsibility
- iv. LMA administrative costs
- v. CLMC administrative expenses.

We wish to confirm that the CLMC and LMA have been very instrumental in improvement of livestock markets in areas where Agreement covers. Two notable cases is the construction to completion of infrastructure in livestock markets – Nginyang, Koloa, Amaya, Tangulbei, Marigat and Loruk by SNV in partnership with CLMC and County Government,

Payment of Commission

Although the Agreement provides for the revenue sharing, the amount for CLMC is budgeted and paid out as expenditure through the normal County processes

Annex 3.1

Committee Observations;

- i. The DLMC agreement (MOU) was not approved by the County Assembly
- ii. There was no provision for the expenditure in the approved budget
- iii. There are no returns made on how the money paid to the DLMC were utilized, funds not accounted for
- iv. The agreement submitted is a renewal, original agreement was not produced for audit
- v. Despite the agreement stating that maintenance and repair of market sale yards shall be done by the DLMC and takes up 20% of the money remitted to DLMC, within their areas of operation the County Government still allocates funds for the repair of the same sale yards.
- vi. The agreement tasks the CECM Agriculture to coordinate revenue collection and give monthly reports.
- vii. The operation of the agreement between the County Government and the CLMC is not clear especially on the role of the LMA's.
- viii. The MOU only covers 8 Livestock Markets namely; Barwessa, Marigat, Nginyang, Kolowa, Tangulbei, Amaya, Loruk and Majimoto.

Committee Recommendations;

- i. The DLMC agreement entered into by the County Government should be approved by the County Assembly.
- ii. To give effect to the DLMC agreement the CECM Treasury should create a fund for the DLMC
- iii. The County Treasury should develop guidelines/regulations to guide the operations of the DLMC fund.
- iv. If there exists no DLMC fund and regulations currently, the County Treasury should forthwith cease any payments to the DLMC pending the tabling and approval of the same in the County Assembly.
- v. The DLMC fund should be appropriated as a stand-alone budget (create vote) if approved by the County Assembly.
- vi. Within a month of the adoption of this report, the Accounting Officer Treasury, shall be surcharged if he does submit documents in support of payments made vide the following PV numbers 4648, 4431, 12026, 12027, 12029, 12030, 12031, 12028, 4432, 13040, 360, 362, and 1072 totaling Kshs. 2,455,474.
- vii. The CECM Agriculture, Livestock and Fisheries to convene a joint meeting of the Department with the County Treasury, Finance and Economic Planning Committee, Livestock and Fisheries Committee as well as the PAIC to evaluate the performance of the CLMC agreement. All remittances to CLMC be stopped forthwith until the above meeting is convened.
- viii. A report on the collections from each Livestock Sale Yard/ market from 2016 to date (the report to include to remittances to CLMC for the period) be presented to the Committee within one month of the adoption of this report.

Audit issue 4.0 KRA deductions from per diems:

Management response;

The management confirmed that they deducted Kshs.. 5,793,014 as KRA withholding tax. Though they knew the deduction was not justified, KRA demanded that they deduct the tax as per Income Tax Act Section 5 (2) (a) (ii) and (iii). A letter from KRA requiring the Treasury to deduct from staff per diem was part of the presented documents.

Committee Observations;

- i. The County Government formerly paid cash directly to staff members but currently, imprest system is being used.
- ii. The County Government violated the provisions of Sec 5 (2) of the Income Tax Act

Committee Recommendations;

- i. The County Government should adhere to all the relevant Tax Laws when making deductions on allowances paid to her employees and if indeed, employees were denied their rightfully earned allowances, they should be refunded the deductions made.
- ii. Having established that KRA contravened the provisions of Sec 5 (2) of the Income Tax Act, the KRA to make refunds to the affected tax payers.

Audit issue 5.0 variation of Bills of Quantities and actual work done

Management response;

The management confirmed that the Department as per the Bill of Quantities had planned to construct 32 goods display shelves, in the market but later constructed 30 goods display shelves in the market. The displays shelves were reduced by two to pave a way for ease of movement, within the market although the measurement remained as per the Bill of Quantities.

These instructions were issued to the contractors during handing over site by the Project manager/Engineer.

On the Bartabwa market water tank - The water tank was being constructed as the project implementation was not yet over. There is a photo attached and you can count.

Committee Observations;

- i. The number of stalls in each of the six markets was reduced from 32 to 30 to create room for a pavement. However, the contract sum was not varied accordingly
- ii. Variation order was not availed to support the reduction
- iii. For the Bartabwa market the Committee established that the water tank was not constructed nor paid for.
- iv. Feasibility study on the establishment of the projects was not done.
- v. There is no value for money as MOST of the markets are not in use.
- vi. Some contractors had handed over the projects leaving pending bills in the Community e.g the contractor for Bartabwa Market.

Refer to Annex for the status at fact finding

Committee Recommendations;

- i. The County Secretary to ensure that the Accounting Officer in charge of the Department of Industrialization, Trade and cooperatives who authorized payment should be surcharged the Kshs. 109, 943.60 overpaid in respect of the projects and evidence of this action be presented to the Committee, within 3 months of the adoption of this report.
- ii. There is need to use County public health and enforcement officers to compel usage of completed markets to derive value for money.
- iii. Any contractor who has not paid for services rendered by the Community leaving behind pending bills be traced and advised to clear the pending bill and provide evidence to the concerned Chief Officers. Failure to comply by any such contractor they be sanctioned by

being blacklisted from undertaking any works or supplying the County Government henceforth. As an example the Chief Officer in the Department of Trade, Industrialization and Cooperatives to trace the Bartabwa Market contractor and compel him/her to clear the pending bills and present a report on action taken within three months of the adoption of this report.

Audit issue 6.0 abandoned project at Ewalel Chapchap Ward office

Management response;

The construction of Ward Office in Ewalel Chap Chap Ward at Kituro Centre stalled for a while after the slab was laid due to a land dispute.

This dispute had since been settled and construction works commenced again. Photographs showing the progress of work were provided as evidence.

Committee Observations;

The Committee upon visiting the project site noted the following;

- i. The project stalled for some time owing to land dispute which was later resolved amicably.
- ii. The initial contract was terminated and re-awarded to another contractor
- iii. There were savings in the final overall project cost after the re-award
- iv. The Ewalel chapchap Ward office is partially complete.

Refer to Annex 1 on the status at fact finding

Committee Recommendations;

1. The Accounting Officer Devolution, Public Service and ICT should ensure the project is completed within one month of adoption of this report by the County Assembly.
2. Justice, Legal Affairs, Devolution, Governance and Cohesion Committee to make a follow up and report to the House within three months of the adoption of this report.

Audit Issue 7.0 Delayed Implementation Of Projects, Ministry Of Health

Mr. Speaker, there are a lot of issues con the query about Orus dispensary, Katikit dispensary, Loropil staff House and toilet, Kasitet dispensary maternity, Longewan dispensary, Ngeiwan dispensary, Maji Mazuri dispensary, Nasorot dispensary, Chemolingot hospital casualty block , Chemolingot ward block, Chemolingot hospital administration block ,Cheptaran dispensary ,Nasur dispensary ,Timboiywo ward block, Kapkwei staff House, Lelgut one bedroom staff House and pit latrine, Mugurin ward Block, Chewara dispensary, Tuwo dispensary, Ayatya dispensary staff Houses and latrine, Ngelecha/Embobus, Kapkuikui dispensary maternity block , Koitebes maternity block, Maregut dispensary, Keriwok dispensary, Kipkaren dispensary, Barsemoi maternity block , Kiserian maternity block, Kimugul dispensary ,Radat maternity and Kaptum dispensary maternity.

Status at Fact Finding;

1. Orus Dispensary

The project is complete and already handed over with evidence presented to the satisfaction of the Auditor and the Committee. The facility is in use.

2. Katikit Dispensary

The project is complete and already handed over with evidence presented to the satisfaction of the Auditor and the Committee. The facility is not in use and the area MCA Hon. Tuwit can confirm that by then the facility was not in use.

3. Radat maternity block construction

The project is complete and already handed over with evidence presented to the satisfaction of the Auditor and the Committee. The facility is in use.

4. Kimugul dispensary construction

The project is complete and already handed over with evidence presented to the satisfaction of the Auditor and the Committee. The facility is in use.

5. Kiserian maternity block construction

The project is complete and already handed over with evidence presented to the satisfaction of the Auditor and the Committee. The facility is in use.

6. Barsemoi maternity block construction

The project is complete and already handed over with evidence presented to the satisfaction of the Auditor and the Committee. The facility is in use.

7. Kipkaren dispensary construction

The project stalled due to contractor related challenge. However, the contractor went back to the site. The facility is not yet in use.

8. Keriwok dispensary construction

The project is complete and already handed over with evidence presented to the satisfaction of the Auditor and the Committee. The facility is not in use.

9. Maregut dispensary construction

The project is complete and already handed over with evidence presented to the satisfaction of the Auditor and the Committee. The facility is in use.

10. Koitebes maternity block construction

The project is complete and already handed over with evidence presented to the satisfaction of the Auditor and the Committee. The facility is in use.

11. Kapkuikui dispensary maternity block construction

The project is complete and already handed over with evidence presented to the satisfaction of the Auditor and the Committee. The facility is in use.

12. Ngelecha/Embobus dispensary construction

The project site was changed from Ngelecha to Embobus owing to insecurity. The Project is complete and already handed over with evidence presented to the satisfaction of the Auditor and the Committee. The facility is in use.

13. Ayatya dispensary construction of staff Houses and latrine

The project is complete and already handed over with evidence presented to the satisfaction of the Auditor and the Committee. The facility is in use.

14. Tuwo dispensary construction

Works substantially complete, the last certificate not paid due to incomplete incinerator. The facility is in use.

15. Chewara dispensary construction

The project is complete and already handed over with evidence presented to the satisfaction of the Auditor and the Committee. The facility is in use.

16. Mugurin ward Block construction

The project is complete and already handed over with evidence presented to the satisfaction of the Auditor and the Committee. The facility is in use.

17. Lelgut one bedroom staff House and pit latrine construction

The project is complete but not yet handed over. The facility is in use.

18. Kapkwei staff House construction

The project is complete and already handed over with evidence presented to the satisfaction of the Auditor and the Committee. The facility is in use.

19. Timboiywo ward block construction

The project is complete awaiting fixing of water tank.

The facility is in use.

20. Nasur dispensary construction

The project had serious challenge with access road and insecurity. The road and bridge to the site were sorted out in March 2020.

The contractor resumed work with a promise to complete work by August 2020. The facility is in use.

21. Cheptaran dispensary construction

The project is complete and already handed over with evidence presented to the satisfaction of the Auditor and the Committee.

The facility is in use.

22. Chemolingot hospital administration block

The project is substantially complete awaiting final inspection and handing over.

The facility is in use.

23. Nasorot dispensary

The project stalled after roofing due to insecurity. The contractor had requested for extension to finish the work by October 2020. The facility is not in use but as I read this now, it is complete and in use.

24. Chemolingot hospital casualty block

The Project is incomplete.

The contractor is currently on site doing finishes.

25. Maji Mazuri dispensary construction

The project is complete and already handed over with evidence presented to the satisfaction of the Auditor and the Committee.

The facility is in use.

26. Ngeiwan dispensary block

The project stalled at ring beam due of road access. The road was repaired in August 2020 and the contractor has resumed mobilizing materials for roofing.

27. Longewan dispensary construction

The project is complete and already handed over with evidence presented to the satisfaction of the Auditor and the Committee. The facility is in use.

28. Loropil staff House and toilet

The project is at completion. The contractor was advised to give final internal paint before handing over. The facility is not in use

29. Kasitet dispensary maternity

The project is complete and already handed over with evidence presented to the satisfaction of the Auditor and the Committee.

The facility is in use.

30. Chemolingot ward block construction

The project is complete and already handed over with evidence presented to the satisfaction of the Auditor and the Committee.

The Ward block is complete and in use (though it is not used for the intended purpose as it is serving as a Medical Store)

The ward could not be operationalized due to low manpower levels in the Hospital

The Ward is equipped with Electric beds and mattresses though the beds cannot be operationalized due to the disparities in the settings of the Electrical systems as it was a donation from a Country with different standard electricity voltage/Current settings from the Kenyan standards.

31. Kaptum dispensary maternity block construction

The project is complete and already handed over with evidence presented to the satisfaction of the Auditor and the Committee.

The facility is in use.

Committee Observations on Health Projects;

- i. Baringo has excess Health Facilities as per WHO guidelines with current surplus of 122 Health Facilities way above the standard Health Facility to Population Ratio. According to Data from the Ministry of Health Headquarters sourced from WHO, there are 450 excess Health Facilities in Kenya of which Baringo County produces 122 which translates to 25% of the National Excess Health Facilities figure.
- ii. Most maternity Wards constructed in the County cannot be justified vis a Vis the population it should serve.
- iii. According to WHO guidelines, ideally a Dispensary should serve a population of 5,000 people, a Maternity should serve a population of 20,000 people, while a Health Centre should serve four (4) Dispensaries which translates to Health Centres being Referral Facilities for the Dispensaries and serves a population of 20,000. Ideally then a Maternity Ward should be located in a Health Centre or larger facility for it to operate optimally.
- iv. It would be more prudent to equip Health Centres and make Dispensaries Outreach Centres with a set number of visits per week thus use of mobile clinics would suffice.

Committee Recommendations on Health Projects;

1. The Sectoral Committee on Health Services should carry out fact finding on the current status of infrastructure, staff and equipment of the above Health facilities and report back to the Assembly within 3 months of the adoption of this report.
2. The Department of Health in conjunction with CPSB should prioritize the staffing of the Health facilities mentioned either by use of interns or through redeployment and rationalization of existing staff. The Department to give a report to the Assembly through the Health Committee on action taken in this regard within sixty (60) days of the adoption of this report.
3. The design of maternity block constructed by the County Government be changed/amended to accommodate an alternative exit door in the delivery room to allow movement of placentas to the placenta pit without passing through the Labour Ward. If you visit Radat and others, they only have one door which is not good.
4. Appreciating the role played by community health volunteers (CHV), the County Government to budget for a monthly stipend and a basic medical kit for CHV's in the making of 2021/2022 FY Budget.
5. The prioritization and operationalization of the Hospital Wards should be linked with WHO standards in that it should be based on need and population projections.
6. That, development of Health Services infrastructure in the County Ward Health Facilities (HF's), Sub County and the County Referral Hospital should be pegged on an approved Strategic plan to curb wastage of limited development resources.

Audit issue 8.0 funding for non devolved projects, construction of laboratories

Management response;

The Management confirmed that the Department of Education and ICT, Funded construction of Kuikui Secondary School Laboratory at a contract sum of Kshs. 2,220,182. This was due to passionate appeal by the community to be assisted in the construction of the same. Before this consideration was made the Department had to visit the ground and ascertain that the community was in dire need of assistance. Despite the fact that it is not devolved function, the County Government felt obliged to assist in the construction since the school is situated in a Semi-arid area which is poverty stricken.

The County Government paid Kshs. 1,050,049.50 vide voucher no.16016 dated 23 June 2016. This was commensurate to the amount of work done by then according to engineer's estimates. At the time of visiting the site, the project was at lintel stage. This had been occasioned by lack of Water due to severe drought. Immediately the rains resumed, work started and was expected to be complete by May 2016.

The Department of Education and ICT supported Emining Boys High School with Kshs. 1,793,080 for construction of Science Laboratory. This was occasioned by the request that was made by the school to Baringo County Government on 08/01/2015 for a funding of Construction of Two Laboratories. The same was discussed at a Cabinet level on 5/12/2015 and the Department of Education and ICT was allowed to put a budget provision of Kshs. 2,000,000 to cater for the same. A Cabinet Memorandum was drafted and signed on 23/12/2015 sanctioning the same. The attached documents support the grant given to Emining Boys High School.

On the delay in utilization of funds, it was noted that the Bills of quantities was higher than the amount disbursed. The school banked the money as they sourced for more funds from other stakeholders. The work is currently in progress and is set for completion by June 2017.

Committee Observation;

- i. The Kuikui Secondary Laboratory is complete and in use.
- ii. The County Government funded non-devolved projects, i.e. Kuikui and Emining Secondary schools' laboratories. However, the Emining Secondary school project has stalled.
- iii. Kuikui Laboratory was budgeted for in the FY 2015/16 to the tune of Kshs.. 2,000,000.
- iv. The construction of Emining Laboratory was budgeted for under Education and ICT Department at a sum of 1,793,080 in the FY 2105/16 as a flagship project.
- v. The contract for the construction of Kuikui Laboratory was entered into on 12th May; 2016 and was to last for 12 weeks. The first payment of Kshs. 1,049,049 was made on 22nd June 2016 vide PV NO. 1606, 2nd payment was made on 4th June 2020 vide PV NO. of Kshs. 818,202 (certified copies of photographs and payment vouchers attached showing completion of the project). Inspection and acceptance Committee certificate attached to the payment.

- vi. The CEC Treasury disbursed the total amount allocated to Emining secondary school in a lump sum and no proof of returns were made by the School to account for the money disbursed.

Committee Recommendation;

- i. The County Government Department of Education should forthwith desist from funding non devolved projects, including bursaries to High school and universities which are functions of the National Government as per the Fourth Schedule.

Audit issue 9.0 bursaries disbursed without supporting application

Management response;

Mr. Speaker, during the financial year, the County Government disbursed a total of Kshs. 54,657,212 as bursaries to needy students in various learning institutions. The process of application, approval and disbursement of bursaries is as follows:

Baringo County Education Bursary Regulations, 2014

The County Government developed regulations to create an Education Bursary Fund under Public Finance Management Act, 2012. The Regulations which were approved by the County Assembly and gazetted in May 2014 set out the criteria... announcement of bursary applications, processing of applications is clear and Disbursement of Kshs. 5,888,000 according to Annex 9.0

Committee Observations;

- i. Bursary allocation lists from the various Wards were presented by the Department
- ii. Official Receipts for payment were also presented
- iii. Beneficiary list per ward were presented for the all those Wards:
- iv. There were guidelines to be used in disbursing scholarships developed by the County Executive.
- v. The scholarships for tertiary institutions were budgeted for by the County Government to the tune of 24,000,000 in the FY 2015/16
- vi. The County Treasury edited the queries submitted to the Departments

Committee Recommendations;

The query was answered to the satisfaction of the Committee and the Auditor General.

Audit Issue 10.0 Idle Project, Kabarnet Dumpsite;

Mr. Speaker, I request to be assisted by my friend here as I rest for some minutes.

The Temporary Speaker (Hon. Tarus): It is in order for you to be assisted because it has been long presenting that document. So...

Hon. Lotela: Mhe. Cheserem you are obliged to offer that hand.

The Temporary Speaker (Hon. Tarus): Okay proceed from where the Hon. Chair has reached.

Hon. Cheserem: Thank you Mr. Speaker for allowing me to assist my Chair to finish what is remaining.

Committee Recommendations;

The query was answered to the satisfaction of the Committee and the Auditor General.

Audit issue 10.0 idle project, Kabarnet dumpsite

(Loud consultations)

Management response;

The Department recognizes that every citizen is entitled to a clean and healthy environment, and therefore, an EIA was conducted (NEMA/PR/BRG/5/2/170) so as to ensure that the people benefiting from the seasonal Chepsangai river which is adjacent to the dumpsite shall have access to clean water for their daily utilities without interference. The report recommended the following mitigation measures of which the Department is committed to implement to the latter;

- a) A good design should be able to minimize the effects of the leachate to the stream, and the proposed design is to construct a stone wall along the stream with good foundation to control the flow of leachate into the stream.
- b) Sorting of the refuse between organic and inorganic materials to ensures that the organic materials can be converted into suitable compounds that can be used as soil amendments.
- c) The Department will ensure that the dumpsite is well maintained, trees shall also be planted along the perimeter fence to act as wind breaks and for controlling the plastic bags blown into the stream.
- d) The refuse will be transported using an appropriate vehicle known as skip container that does not litter along the stream as well as along the access road.

According to the survey map for the area, there is a clear plan showing the access road to the dumpsite, but due to insufficient funds during the financial year, the Department was not able to open and develop the road, and therefore the project was phased, so the opening and development of the road shall be done in phase two (2016/17 FY Budget).

According to the survey plan the road leading to site is provided for though new road but we are committed as County to open it. The current road being used is also good though narrow but shall open the two roads for efficient functionality of the facility.

An Environmental and social Impact Assessment (ESIA) Report for Kabarnet solid waste dumpsite was done according to the provisions of EMCA (1999) and the Environmental Impact Assessment and Audit regulations (2003), Ref No: NEMA/PR/BRG/5/2/170, which was prepared by a team led by Dr. Job Rotich Kosgei of P.O Box 9277-30100, Eldoret, with great input from the Chief Kiboino Location and assistant Chief of Sironoi sub location where the project is situated.

Refer to Annex 10.0 On the status at fact finding

Committee Observations;

- i. The was budgetary allocation for phase 2 in 2018/19FY including excavation, perimeter stone fencing and combustion chamber
- ii. Proof of public participation provided
- iii. Communication from NEMA seeking for an extensive Environmental Impact assessment was provided.
- iv. Memoranda from the community on the sitting of the project
- v. Environmental Impact assessment study.
- vi. The project was underfunded thus needs more allocation

Committee Recommendations;

The Committee recommends the following:

- i. That the County Treasury to allocate the Department of Environment, Tourism and Natural Resources an amount of Kshs.10 million in the making of 2021/2022 FY Budget for the de-commissioning of the existing dumpsite
- ii. The Department of Environment, Tourism and Natural Resources to mobilize resources for the opening up of the road leading to the new dumpsite (preferably use of County Machines encouraged to cut down on costs)
- iii. That the Department of Environment, Tourism and Natural Resources should source for funds to polish up the Terms of Reference (TOR) for the ESIA that is currently underway.
- iv. That the Department of Environment, Tourism and Natural Resources should fund raise for the Construction of a perimeter wall 30 meters away from the stream to prevent water pollution
- v. That the Department of Environment, Tourism and Natural Resources should ensure that Proper designs are made for the dumpsite that includes leachate management likely to pollute surface and ground water
- vi. That the Department should initiate Tree planting along the dumpsite fence to act as a wind-breaker
- vii. The County Department of Water and the Kabarnet Municipality Board should plan and budget for the extension of the water pipeline from Kaptimbor to enable the residents of the dumpsite neighborhood access clean piped water.
- viii. That the Department of Environment, Tourism and Natural Resources should plan and budget for the purchase of an additional five (5) acres of land for proper management of waste in the dumpsite.
- ix. That the Department of Environment, Tourism and Natural Resources should initiate landscaping, stabilization and planting of grass to reduce soil erosion

Audit issue 11.0 incomplete project, kabarnet stadium

Management response;

The excavation works at Kabarnet Stadium was awarded to M/S Birmark Limited at a contract sum of Kshs. 14 million. The commencement date was indicated as 4th October 2015 and was expected to be completed on 4th December 2015.

At the time of audit verification, the completion status was at 85 %, the timeliness could not be achieved due to the following unforeseen factors:

- i. The works did not begin immediately as expected and indicated in the contract; the contractor took longer than anticipated to mobilize and commence work.
- ii. The stadium field whose orientation was to change from East-West to South-North is located on a difficult rocky terrain – the time to complete the project naturally took longer than expected.
- iii. The long rains in 2016 caused temporary stoppage of works because of unfavorable weather conditions. During this period, the contractor had to demobilize and deploy machines to other works in order not to lose on machine hours.

The excavation works resumed and works were expected to be completed by 31st January 2017.

Payment of Kshs. 12,620,861.21 has been made for work done and certified in line with terms and conditions of contract.

Committee Observations;

- i. The commencement and completion dates as presented by the Auditor are erroneous. Commencement was to be on 27th July 2015 and completion 27th November, 2015 as per the signed contract.
- ii. The project was budgeted for
- iii. In order to make the stadium functional, the Department allocated 5 million in FY 2018/19 budget though it was removed in the 1st Supplementary budget
- iv. Further, in FY 2019/20 budget, Kabarnet stadium was allocated 20 million
- v. The County had challenges in securing development partners due to lack of ownership documents for all the County stadia especially Kabarnet and Eldama Ravine
- vi. The Department requested 2 million out of the 20 million to be re-appropriated for County Stadia adjudication in the 1st Supplementary budget which was effected
- vii. County through the Department did a concept note to the Principal Secretary, Ministry of Sports, Culture and Heritage- State Department of Sports development requesting support of a tune of 500 million to develop a state of the art stadium at Kabarnet of which we are still waiting for their response.
- viii. The failure to release the information required including project files and other information pertaining to the stadium project by the Department leads to the conclusion that there is an attempt to subvert justice. The Committee has further established that some construction work in the stadium specifically electrical and plumbing works on the

changing rooms and toilets was done without contracts entered into which is a clear breach of the Public Procurement and Asset Disposal Act, 2015.

- ix. Concept note dated January 2019 on upgrading of Kabarnet stadium was presented to the Committee.

Refer to Annex on status at fact finding

Committee Recommendations;

- i. The Committee could not make a proper judgment because it was not provided with certificates to support payment, BQ of the Work, design, handing over reports and other supporting documents including project files for other works in the stadium. Nonetheless, the Committee seeks that the CECM and CO to show cause as to why action should not be taken against them for subverting the Committee work.
- ii. This has been a recurrent issue and owing to the poor flow of documentation relating to the stadium from the Department, the Committee seeks that the matter be handled by the Office of the Auditor General through a special audit.
- iii. The Department of Lands to fastrack the processing of ownership documents of all County Stadia using the Kshs. 2 million allocated for the purpose and present a report on the same to the Assembly through the Committee of Lands, Housing and Urban Development within 2 months of the adoption of this report.
- iv. As the playing field is leveled and the youth of Kabarnet don't have an alternative place to play, the County Treasury to allocate the Department of Gender, Youth, Sports and Culture a sum of Kshs. 300,000 for marking of the field, erecting of steel goal posts for football and netball as well as side posts for volleyball, purchase of nets and other relevant equipment as a stop gap measure.

Youth empowerment centre at Eldama Ravine

Committee observations;

Project complete with handing over certification and certificate of practical completion presented to the satisfaction of Committee.

Committee Recommendations;

Despite the response from the Department being satisfactory, the Department should ensure that they present requisite documents as and when requested by the Auditor and the Committee.

Audit issue 12.0 delayed implementation of lighting project

Management response;

The Department of Lands, Housing and urban development signed a contract for Street lighting Project with Kenya Power and Co. Ltd on 12th May, 2016. Implementation was done in phases; The first phase comprised of the following; Governor's residence Kshs.2,383,434.60, Marigat town Kshs.7,607,280.00, Eldama Ravine town Kshs.6, 417,113.40

Payment amounting to 16,407,828 was done on 30th June 2016 for the three towns. All the routes have since been lit and all lights are optimally operational.

Committee Observations;

Completion certificates were not produced to confirm the claim by the Department of Lands, Housing and urban development that the project is actually complete.

Committee Recommendations;

1. To realize value for money from the project, the Department of Lands, Housing and Urban Development to ensure that all street lights in all the said towns are operational.
2. The dysfunctional solar street light poles in several towns in the County be removed within one month of the adoption of this report as they are an eyesore and paint a bad image of our towns.
3. The floodlights erected within Kabarnet town be repaired and lit to serve the intended purpose. In addition, the Department of Lands, Housing in consultation with the County Treasury should in the forthcoming Budget allocate funds for the erection and operationalization of one (1) floodlight in Bondeni village, Kabarnet. The Committee of Lands, Housing and Urban Development to follow up on compliance.

Audit Issue 13.0 Incomplete Rehabilitation of Nyayo Monument

Management Response;

The Management explained that, the contract agreement stipulated commencement date of 12th June,2015 and Completion date of 25th, November,2015. However, the project took longer time to commence as per the contract owing to some challenges experienced by the contractor including land ownership dispute which took Four months to be resolved. This prompted the contractor to seek for more additional time to complete work. The contractor had since resumed work and was at its final stages of completion .It was expected to be handed over soon for use by the community.

Committee Observations;

- i. Land ownership dispute delayed the project. The dispute was later on resolved.
- ii. Mount Kenya University had satisfactorily fabricated the Nyayo Monument before the County Government undertook the project.
- iii. The County Government removed the fence only and opened it to the public
- iv. The County Government did not get value for money by spending Kshs.2,462,771 on the project
- v. The quality of materials used and workmanship was very poor.
- vi. The monument was opened for public use upon the death of the Second President of the Republic of Kenya His Excellency Daniel T. Moi.

Refer to Annex on status at fact finding

Committee Recommendation;

1. The County Government should avoid duplicity in funding of projects. Any Accounting Officer found to have allocated funds to a project funded by another entity outside of the County Government be surcharged the value of the allocation.
2. The Committee recommends that the relevant investigative bodies carry out forensic audit of the Nyayo Monument project with a view to establishing the propriety of the amount of Kshs. 2,462,771 spent in the project.

Audit issue 14.0: misallocation of funds:

Management response;

The management confirmed that structured cabling for Local area network at Department of Transport & Infrastructure was procured at a cost of Kshs. 700,144 by Department of Education and ICT. The contract was undertaken by Savvy Tec Technology Limited. There was a budgetary allocation for Local Area Network (LAN) and unified communication amounting to Kshs. 4,482,700 under development vote of Department of Education and ICT. These are the funds that were used to procure the works of Cabling.

The Department also confirmed that there was procurement of a Smart phone for Bulk SMS belonging to ICT Directorate. The cost of the Phone was Kshs. 76,000. The Phone was procured under the budget of ICT Equipment as indicated in the Approved Budget.

The Department also managed to procure Sanitary towels numbering 37,500 at a cost of Kshs. 2,962,500. The towels had been budgeted for and Approved as indicated in the Annexes of the budget.

Refer to Annex 14 on status at fact finding

Committee Observations;

The cost of the Phone is Kshs. 76,000. The Phone was procured under the budget of ICT Equipment as indicated in the Approved Budget.

- i. The query as answered by the Department was edited.
- ii. There was a budget for sanitary supplies and services (schools sanitary pads) of Kshs. 3,000,000 under code 2211103
- iii. Local Area Network (LAN) and the Smartphone belonging to an ICT Officer both fall under ICT equipment. There was a budget for purchase of computers, printers and other IT equipment under code 3111002 with an allocation of Kshs. 882,510.
- iv. There was no re-allocation of funds as the expenditures were rightly charged to their respective expenditure codes.

Committee Recommendations;

The County Treasury should cooperate with the Auditor General and ensure that the Auditor General's officers are properly guided and provided with the requisite information in time. This query would have been addressed at the exit meeting.

The response and documents presented were to the satisfaction of the Committee and the Auditor, thus the matter is put to rest.

Audit Issue 15: Irregular Reallocation Of Funds By The Ministry Of Agriculture, Livestock And Fisheries

Management Response;

There was no re- allocation of expenditure as indicated in the audit report because expenditures were charged within the sub head programmes as per the budget lines as illustrated you can check.

Committee Observations;

- i. The Department gave a response to a query that was irrelevant, not part of the report of the Auditor General 2015/2016
- ii. There was a budget line for Livestock upgrading (up scaling of artificial insemination services and bull schemes) of Kshs. 3,339,500 - 3111302
- iii. There was a budget line for the construction of milk processing plant of Kshs. 16,958,000 -3110599
- iv. There was a cumulative budget of Kshs. 7,665,348 for capture fisheries development, dam fisheries development and aquaculture development –code 3111302, 3111103, 3110599,
- v. There was a cumulative budget of Kshs. 3,317,650 for pasture production and conservation. – 3111399
- vi. The Auditor General’s query was edited by the County Treasury before being forwarded to the Agriculture, Livestock and Fisheries Department.
- vii. The Department of Agriculture, Livestock and Fisheries Department answered the edited query and at the hearings, the Department requested for more time to address the correct query.
- viii. Milk processing plant is complete awaiting equipping
- ix. There was construction of fish ponds for institutions and farmers, each fish pond was issued with fingerlings and supplementary feeds.

Committee Recommendations;

The County Treasury should ensure that they provide the right information to the Office of the Auditor General and ensure that the Auditor General’s officers are satisfactorily engaged at the exit meeting to avoid unnecessary queries.

General Observations;

- i. Most of the audit queries were edited by the Treasury and sent to the relevant Departments.
- ii. It was noted that most of the management responses received by the Treasury from the Departments were edited as witnessed during hearings where the Departments (Agriculture, Health) disowned responses presented by the County Treasury.
- iii. The Management response for Financial Year 2015/2016 statements was prepared on 2nd September, 2020.

- iv. The lands, Housing and Urban Development Department and possibly all other Departments should be allocated a vote that would directly capture the revenue collected by the Departments.
- v. The Committee experienced problems in reaching most of the projects owing to poor signage to projects and lack of access roads to most funded projects.

General Recommendations;

- i. The Accounting Officers should adhere strictly to IPSAS and PFM Act requirements
- ii. All partnership agreements including Public Private Partnerships (PPP) entered into by the County Government should be approved by the County Assembly through the relevant Sectoral Committee
- iii. The County Treasury should allocate funds for the completion and operationalization of ESP markets initiated by the National Government within the County.
- iv. The County Treasury to ensure that future investments by the County Government are tied to enhancing revenue collections
- v. The County Treasury in conjunction with the Department of Transport, Infrastructure and Public Works should streamline the process of termination of contracts and ensure adherence to contract timelines as stipulated in signed contract agreements. The various Departments should closely supervise all the projects funded to ensure that they are completed within the contract period.
- vi. The County Assembly to procure four (4) GPS Locator Gadgets and a state of the art Still digital Camera for use exclusive use by Assembly Committees and to help develop a digital Map of County Projects.
- vii. The beneficiary PMCs should be involved in the implementation of the project and should be furnished with relevant documents including BQs.
- viii. The CECM Finance and Economic Planning should ensure revenue collection in the County is automated.
- ix. Any Accounting Officer who makes payments for goods or services whose requisition date is later than the invoice/ delivery date be surcharged the amount of the invoice as such payment is irregular thus recoverable.
- x. The Accounting Officer should ensure that public funds are prudently used as stated in the article 201(d) of the Constitution and Section 162 (2) (b) of the PFM Act.
- xi. Accounting Officers to report errant Officers to relevant Professional Bodies e.g. ICPAK, ICPSK
- xii. All Sectoral Committees that have been assigned responsibilities, should carry out the assignments as recommended and report back to the Assembly within the stipulated time.
- xiii. The CEC to reprimand errant Chief Officers and recommend relevant administrative action as soon as possible
- xiv. Any variation on work should be authorized and properly supported with a variation order. Further, any payments made outside the contract sum without a variation order be surcharged on the Accounting Officer.

- xv. The County Treasury needs to guide Departments to submit returns as spelt out in the templates produced for audit purposes. Further the County Treasury should submit audit queries to respective Departments as forwarded by the Auditor General without any alterations i.e. verbatim
- xvi. The County Government led by the Planning Section in the County Treasury should offer technical assistance to members of the public during public participation on CIDP,ADP and Budget Estimates, to improve on prioritization of projects and cut on wastage
- xvii. The County Government through the County Treasury, should ensure linkage of policy with decision making and budgeting in the County to cut down on funding of projects that have idle capacity.
- xviii. That henceforth Prioritization of Health Services projects be pegged on the WHO guidelines, which provide that ideally; a Dispensary should serve a population of 5,000 people, a Maternity should serve a population of 20,000 people, while a Health Centre should serve four (4) Dispensaries which translates to Health Centres being Referral Facilities for the Dispensaries and serves a population of 20,000. Ideally then a Maternity Ward should be located in a Health Centre or larger facility for it to operate optimally.

Mr. Speaker, I beg the Chair to come and wind up because I am done with the reading.

The Temporary Speaker (Hon. Tarus): Thank you Hon. Cheserem. Hon. Chair proceed

Hon. Lotela: Mr. Speaker, having gone through all this, it is explanatory on the audit queries and only what I need to put across is that the Department of Treasury, and we are waiting for audit report of 2017/18FY if again it will happen that the Treasury will modify the queries and send to the departments. From our interview and hearings, we saw that the departments were innocent. They receive queries from the Department and answers accordingly unknowingly it is edited.

If that will happen, you will see a different kind of report because we saw it as deliberate. We gave them benefit of doubt and this report will go Senate. I don't know how they will appear because they will be asked the same. If this is what the Governor will use to respond to the Senate, it will be one of the worst hearings in their lifetime. I beseech the Members to approve this report so that we may fastrack on other issues.

This report has delayed and as a Committee we will try to improve. We wanted to deal with 2018/19 and 2019/20 reports. Otherwise I beg to move. Obviously the present Member who had a priviledge to read the report can second the motion.

(Motion Seconded)

The Temporary Speaker (Hon. Tarus): Okay

(Question proposed)

Debate is open. Okay Hon. Richard Rono MCA Barwessa Ward.

Hon. Rono: Thank you Hon. Speaker, before I comment I take this opportunity to congratulate the committee through the Chair, they have taken us through this voluminous readings, I once again want to say it is a bit complex when dealing with such volumes because you can't really sum up from the first page to the last however Mr. Speaker it is a work well done and I think some of this queries could not have been audit queries in the first place because there are some

things some of the departments could have handled it a bit better than the way they are handled Mr. Speaker.

Mr. Speaker my worry will be how shallow some of these answers are being provided and it will be up to some embarrassment if these are some of the answers the executive will give to the auditor general as answers, however the general recommendation recommended by the committee Mr. Speaker if actually is taken keenly by the executive I think we will not go back to some of these queries Mr. Speaker.

Mr. Speaker there is something which coming up again and this is the exit meetings, it is very important so that we don't just go back again to the same audit queries because this is 2015/16 Mr. Speaker and it is unfortunate it may even appear also in 2016/17 and 2017/18 so I would like the implementation committee to pester some of these departments to be very keen and address these issues Mr. Speaker.

However, Mr. Speaker I just want to add that these time lines given by this committee if they can be observed then things will move very fast and they will end the audit queries as soon as possible so that we move on Mr. Speaker. Mr. Speaker I should not be the business of the executive to be answering the audit queries Mr. Speaker, they need to improve so that we have everything to do to deliver services to the people of Baringo.

Mr. Speaker I will not say much because as I have told you this is a voluminous report with very good recommendations Mr. Speaker I will just challenge that this recommendation should be taken up and given the timeline we will move a head Mr. Speaker, thank you Mr. Speaker I support the adoption of this report thank you.

The Temporary Speaker (Hon. Tarus): Thank you Hon. Rono... Hon. Kibarar MCA Emining Ward.

Hon. Kibarar: Thank you Mr. Speaker sir for according me this chance, I want to start by saying that I thank the committee for coming up with such report on the adoption of auditor's report on the financial general statement of the Baringo County executive for the period ended 30th June 2016.

Mr. Speaker in the first place this report is coming in 2021 and I think as the Chairman will be giving his closing remarks I want to request that he tells us what will it benefit us if we see any error or whatever that happened that financial year of 2015/16 and already we have some other years that have come up and if there were things to be corrected within that time what can we do now as an Assembly so that we can assist the County to move forward.

Mr. Speaker all the same I found some information that I wanted to say one is the report on AMS where they talk about machines not giving us the County a good revenue and this thing is still a problem up to this year, it is something that they saw at that time and five or six years down the line you can still see the problem being with us so action should be taken.

There is a place in the report where the Chairman read that the field of Emining boys had charges waived and I am a resident of that place and I don't know at what time was that field leveled so I don't believe whether some other things whether they were true especially on that. On the report being submitted Mr. Speaker there is something I saw that it should be done in advance and on time as I had earlier indicated, we could have been receiving such reports latest 2019 a period of about two or three years so that we can have the importance of it...

The Temporary Speaker (Hon. Tarus): Order Hon. Member! I think the Chair should be making those notes on the Emining High School field because if it was not done then some more fact findings should be done because Ksh.1.5 million is not small money, proceed Hon. Member.

Hon. Kibarar: Thank you Mr. Speaker it is something that we need to check and see where was it done because recently we were talking about fencing and doing a lot of things and the filed has been like that for a long time, maybe there is another field which is used by Emining Boys High school, may be the one I am referring to is not the one that was done.

Mr. Speaker there is an issue of a Health Center which talked about an alternative exit of a placenta pit... in Radat it is there and it is most of the dispensaries which were build, the recommendation was nice and it should be happening in all dispensaries in our County and I saw it is common in all dispensaries so if that thing was seen in 2015/16 why is now that we are building dispensaries and omitting that thing that was already noted sometime back. You can see the report is coming way late that the County is continuing constructing more dispensaries without taking note of this important information.

There was something about lands which was true, this thing is very important, most of the land rates, plot rents and the like, I don't know we are not getting their revenue we don't know how much up to then we find most of the revenue we get is from Lake Bogoria, Lake Baringo but for the department of land it is not clear so the report is true and it should be known that the revenue from the Lands is how many, Tourism is giving how much so that we can know which department is doing us good and which one needs to be assisted in terms of supporting so that to make good returns.

The automation of revenue collection... I think that one I have seen it has moved, it has been corrected and every source of revenue should be automated no cash, this issue of funding using cash should not be encouraged. We also have the issue of the Baringo County Government livestock marketing having a management Model I think we passed a Bill recently to correct that anomaly so I think most of the report may be overtaken by events.

Lastly, I want to say that the committee noted in the auditor general report, the queries and this should be given to departments, the Chairman has alluded that the departments are not aware so the treasury or those people who receive such reports should give to them so that they can review and have the answers ready, like now we are told this will be taken to the Senate so when satisfactory answers are not found maybe the department could have given us more information but they don't have that report or information so they need to have such reports. On a light note Chair you usually say your members are only two so sometimes when a committee has less members don't hit us the way you have been hitting us, today we are with you and we are supporting your report, thank you Mr. Speaker.

The Temporary Speaker (Hon. Tarus): That is not on a light note but it is a very important comment which Hon. Members should adhere to, when your report is presented in the House you make sure that you are available and have the quorum. Any other member... Hon. Musa Cheruiyot MCA Koibatek then I will move to my right.

Hon. Cheruiyot: Thank you Mr. Speaker sir for giving me this chance to contribute to this report, first I want to congratulate the Chair of this committee and the entire members of the committee for a well done job. Mr. Speaker sir I also what to say that I have read the report and

I have seen just the way other Hon. Members have said that it took a long time and I don't know how accurate the report is now since it took a long time of about five years, if it was a report for 2015/16.

Mr. Speaker sir I am wondering... anyway I am seeing it is a good report, the recommendations and the observations are wonderful but my query is how accurate is it considering the long time it has taken maybe even the absorption rate because I can see it was wonderful, no department absorbed less than 80% it is more that 80% and above, may be it is because it took a long time and the rollover for that year enabled things.

Mr. Speaker I thought and my only advice to the committee is to fast track the reporting and that will be the time we can really give a good verdict...

The Temporary Speaker (Hon. Tarus): Do you need information Hon. Member

Hon. Cheruiyot: Mr. Speaker sir I don't need any information because I have just started my comments on this report...

The Temporary Speaker (Hon. Tarus): Ok, since the Hon. Member has refused the information then... what is your point of concern?

Hon. Cheserem: Mr. Speaker sir my point of concern is that, I want the Speaker and the House to be aware that this information is out of fact findings not a report for those days but we went for a fact finding and the concern here is that we should be aware that this information is out of what we did in a fact finding Mr. Speaker sir.

The Temporary Speaker (Hon. Tarus): Ok Thank you but you talked of a point of concern but you still went on with a point of information which is still ok, Hon. Musa Cheruiyot proceed.

Hon. Cheruiyot: Thank you Mr. Speaker sir I was concluding and I didn't really get the concern of the Hon. Member just the way you have alluded nonetheless I was just giving my observation because if you can look at this report on page 48 you can see absorption rate given that all of them are over 80% and I know that and I am alive to the fact that even during that time there were still some rollovers so I am wondering is it because it took a long time for this report to come up and maybe there were rollovers from that time 2017/18 until this year when it is now complete the we are now having completion at 80% and above.

Mr. Speaker I was saying this report is good the recommendations are wonderful if can check like... we have taken some of the recommendations by the committee like in my Ward we are no longer building any dispensary or Health Centers we have more than enough and even those once nearly every village have got an Health Center where some do not have enough equipment, staff and so we really don't need them and that is even the recommendation of the committee so I am giving them a thump up for they have done a wonderful job.

Mr. Speaker sir I winding up by saying that I am asking the committee and the Chair that they are supposed to give us reports more frequently because if they are now giving us reports for 2015/16 very few members were there during that time and we don't know what happened during that time and seeing the facilities... but those members may know if those projects were completed on time, thank you Mr. Speaker sir I support the report.

The Temporary Speaker (Hon. Tarus): Thank you, Hon. Kibai.

Hon. Kibai: Thank you Mr. Speaker, first I want to that the committee which I am a member and thank the Chair, if you see the kind of report that sat down and wrote... that the members now appreciate, I will also want to appreciate members who have contributed, Mr. Speaker, the Hon. Member for Koibatek has raise good issues that needs to be done, Mr. Speaker I only want to inform the member on the delay of this reports that it is not about the committee it is about the institution because if as a committee we receive the report we do it promptly so we act only up on us receiving the report.

Mr. Speaker the only think that I am asking the office of the clerk is to be fast tracking the tracking of the reports from the executive and the County Assembly so that we be on the same page with other institutions but I believe that through this information our people will receive good oversight through this House.

Mr. Speaker my concern and the concern of the committee is that, you have seen how the projects have been delayed, you have seen how the starting and the delaying of the projects have been done, meaning the value of money might not have been realized if at all these information is not well followed.

Mr. Speaker I support this report and then other report for 2017/18 should only be availed very quickly and the subsequent one so that we can do the current ones and you can see the performance of the current institutions and the value of money and the projects that our people are receiving from their leaders. Mr. Speaker to that end I don't want to belabor this points I support the report, my committee and I comment the Chair for this wonderful report, thank you Mr. Speaker.

The Temporary Speaker (Hon. Tarus): Thank you Hon. Kibai... Hon. Kebut MCA Ewalel ChapChap who also happens to be the Chair Finance and Economic Planning Committee, proceed

Hon. Kebut: Thank you Mr. Speaker I also rise to support this report by the Committee on Public Accounts and Investment and I want to that the committee led by the able Chair by coming up with this comprehensive report which is very detailed and has captured everything which was pointed out by the Auditor General and this is job well done Mr. Speaker.

Mr. Speaker it is unfortunate this information is coming after around five years a thing that most members have alluded to earlier but this is the way to go, at least we will reprimand some of the officers who were sabotaging and letting down the County and we were losing out a lot of money Mr. Speaker.

I might not belabor much Mr. Speaker because most of the report is self-explanatory and the committee observations and recommendations were very well stated so let me just highlight a few from the recommendations of the committee Mr. Speaker like for example recommendation number four which states that the County Treasury should ensure that future investments by the County Government are tied to enhance revenue collections.

Mr. Speaker our County have invested a lot of millions and they are going to waste, like for example Mr. Speaker we have big slaughter House in Barwessa since the last regime up to now it has not been put in to use and many others, just to mentions others like sale yards, we have sale yards in several areas and the issue of ESP that is Economic Stimulus Projects by the National Government, if you can look on the markets that were built by the National Governments like I have seen one in Tenges it is idle it is not in use so I think the County

Government should allocate some fund and finalize those projects to completion and by the end of the day we can collect revenue from those projects.

Mr. Speaker let me repeat again, I wish this important report should have been coming in the current Government so that at least... because there is an area Mr. Speaker like in recommendation number 13 where it says the CEC to reprimand errant Chief Officers and recommend relevant administrative action as soon as possible... this report is for the previous regime and currently we don't have any Chief Officer... we had one the other day who was seconded to the County Government but later on he went back to the National Government so this recommendation may not be applicable.

Mr. Speaker I want to request our able Chair to fast track these reports especially for the current Government so that we can get time and we can get hold of those who are still in this Government so that action can be taken immediately Mr. Speaker, otherwise I like the recommendations it has captured everything even the CIDP, ADP and they have also given a good advice to the sectoral committees which on several occasion we have been saying the sectoral committees should be serious in their work.

The only area after coming up with this good report Mr. Speaker is that it should not gather dust in our shelves they should be taken by the implementation committee and taken in to action Mr. Speaker sir, otherwise it will be a song where we are coming with good reports later on we lose at the end Mr. Speaker thank you I support.

The Temporary Speaker (Hon. Tarus): Thank you, I wish to ask the mover of the motion to reply.

Hon. Lotela: Thank you so much Mr. Speaker with such kind of complementary messages from the members I only wanted to make a promise that on 2017/18 report we have been allowed by the law to do a joint hearing of the two financial years the way the Senate is now doing. Mr. Speaker these are the audit queries that are supposed to be done by the last Assembly Mr. Speaker but it was forwarded over to this Assembly and if you can remember Mr. Speaker this report was received in the office of the clerk and for strange reasons it was not possible for it to reach the floor of the House and it stayed up to 2018.

Mr. Speaker from 2018 for those who were in liaison committee there was also a deliberate move that we were not in a position to address the document, work on it or even to schedule our issues Mr. Speaker until there came a formation of a Ad-Hoc committee and those formations were the way they were and that happened but we promise that 2017/2018 auditor report is now with us and we will combine it with water companies which are EWARASCO and KIRANDICH which are now in our possession Mr. Speaker.

Mr. Speaker the problem is that it reaches a time when it becomes very difficult to do a hearing of a project in Tirioko or in Mochongoi or in KIsanana without us seeing and when you conduct a hearing someone can mislead you and the auditor who raised the query is there with you and he visited the place so that sometimes causes us to take almost two months to be able to conduct field visits and after the visits we conduct the hearings for another one month and the other issue is about vehicles and that is why we are saying the County Assembly of Baringo always should consider core functions of the Assembly when they are allocating vehicles as done by the transport department.

Mr. Speaker you find at times as we want to go to Churo or Emining you will find the vehicle is assigned to go for a funeral or a wedding Mr. Speaker or the vehicle is assigned to take a Hon. Member to his home because it is on Thursday so Mr. Speaker that is the situation and the main challenge we have but we have decided that we are going to stop that process and during this recess we have planned but the issue here again is COVID 19, this report could have been done but immediately COVID 19 came and we had to alter our program and we promise that we are going to fast track but the next report Mr. Speaker will be the issues to do with the current tenure and you will see our report that it will change and the members will love it and we will tell them that let us support this program, help us finish the hearing and the fact finding.

Mr. Speaker we are requesting also for a camera because our issues deal with evidences, the camera that we requested is now doing other things, we saw it being used to take photos of scenic issues or objects or materials within Kabarnet and it has been assigned to... it is becoming like a cloth that it cannot be removed from someone, you see him hanging on the neck to an extent that the security of that equipment is now wanting Mr. Speaker, and we also see some administrative politics that is attached to it that we don't know and we don't want to engage ourselves to.

Mr. Speaker, in this supplementary budget if they are not going to purchase for us the camera then I don't know what we will do but we may take action on the existing one because we see it not doing any work for the Assembly Mr. Speaker, it is being used by one person and sometimes you can see him taking it along the streets without any work, otherwise we have communicated to the Management that is the Service Board.

Mr. Speaker, if you see our report we have not included County Assembly Service Board because the Act that established the board that is managing at the moment did not have the law by then and that is why you see our report has not gone to that direction but the report that is coming you will see issues that will be touching the board because the law and the Act is there, regulation of the Service Board is in place and you will see things moving in the right direction Mr. Speaker and the culture of the office of the clerk and the Assembly sitting on the audit report that has come is going to stop and you will see them going to be running to bring them to the Assembly especially when we will table the next report.

With all those remarks Mr. Speaker I want to say thank you to Hon. Members, if this report could be the current one it could be very interesting but with all those I want to say thank you very much I want to request you that we pass this report so that we may deal with the budget which is a head of us.

Mr. Speaker we need also to be sanctioning members especially as our Chair to be coming to the plenary because that is our work, Mr. Speaker if someone can come to Kabarnet having travelled all the way from home to Kabarnet just for chatting and leave the Assembly is very unfortunate, I ask Hon. Members to pass the report, I beg to move and say thank you very much.

The Temporary Speaker (Hon. Tarus): Thank you for the reply that you have made, I want to say that you have done a good job as a committee and as you have rightly put it we need to make sure that we ensure that it is implemented fully...

Hon. Lotela: There is something I forgot about Emining field that was Leveled by AMS machines, Mr. Speaker we didn't confirm but from the presentations on the tickets they indicated that they used it in Kimalel and the machine was also in Emining and that is why we saw... the fuel that was used in Emining and the time was not talling and that is why it became a query and they were not in a position to explain or to give a satisfactory answer but we saw the management to be the one with problems but not the AMS or ATC because the decision is being done at the central level but the engagement of the discussion we had seems that they are going to change the model of operation, thank you so much.

The Temporary Speaker (Hon. Tarus): Thank you now I want to put the question

(Question put and agreed to)

(Applause)

COMMUNICATION FROM THE CHAIR

Now I want to direct on the issues that were raised by the members that the issue of the quorum we should make sure that we inform the members and that one I will ask the clerk to liaise with the Speaker that we may have a Kamkunji on the same and secondly the clerk should also ensure that the vehicles are assigned to the core functions of the Assembly

(Applause)

Not as per the tradition that has been where a member or a committee would want to supervise a project but the vehicles are out on non-Assembly functions leave alone non-core functions of the Assembly, that one should be stopped. About the camera that should be used for the function that was bought for and therefore I direct that the department under which that camera falls should be informed of the same.

I have some communication from the Chair budget and Appropriation Committee that the copies for the 2nd Supplementary are almost ready and therefore members should collect and go through so that tomorrow as we will be debating we would be knowledgeable and with the information at hand, you collect from the clerk Budget and Appropriation Committee.

ADJOURNMENT

Having no other business to be transacted we will stop there.

Order Members! This House stands adjourned until the 19th May 2021 at 9:30Am

The House rose at 5:23 PM.