



OFFICIAL HANSARD REPORT

COUNTY ASSEMBLY OF BOMET

THIRD COUNTY ASSEMBLY

ASSEMBLY DEBATES

DAILY HANSARD

The Assembly met at the Main Assembly Chamber,

Dr. Joyce Laboso Centre at 9:30 a. m

Third County Assembly- Second Session

Wednesday Morning 26th April, 2023

(The Assembly met at 9:30 a. m in the

County Assembly Mini Chamber at County Assembly Buildings)

[Hon. Speaker (Hon. C. Korir) in the Chair]

PRAYER

MOTION

REPORT OF THE COUNTY PUBLIC INVESTMENTS AND ACCOUNTS COMMITTEE ON THE REPORT OF
THE AUDITOR GENERAL ON THE BOMET COUNTY BURSARY FUND FOR THE FINANCIAL YEAR
ENDED 30TH JUNE, 2020

Hon. D. Ngeno (Kongasis Ward, CCM): Hon. Speaker, I beg to move the following Motion;

That pursuant to the Standing order 198 (2), this county assembly adopts the report of the county public investments and accounts committee on the report of the Auditor General on the Bomet County Bursary Fund for the financial year ended 30th June, 2020.

Mr. Speaker pursuant to the mandate of the county public investments and accounts committee; on behalf of the members of the committee, I beg to present the report of the committee on the issues raised in the report of the Auditor General on the Bomet Bursary Fund for the period ended 30th June, 2020.

Mr. Speaker, I don't wish to go through the entire report because I already shared the report with the members. I will generally touch on the real issues in the report.

On the unsupported expenditure, the list of beneficiaries did not indicate the admission or registration numbers of the beneficiaries. The validity of Kshs. 19, 401, 338 on bursary support could not be confirmed. The accounting officers submitted that the admission and registration numbers were presented for the full bursary continuing students in the schedules availed during the audit. For the case of form ones, the bursaries were awarded before admission and so they did not have the admission numbers at the time.

The committee noted that the response was satisfactory and the matter was marked resolved. However, the committee took issue with the failure by the accounting officer to provide the required documentation at the time of audit. Secondly, proper record management should be in

place to ensure documents are availed whenever they are required for audit. Continuous training of the staff be facilitated by the executive to enhance their capacity in service delivery.

The underfunding affected the planned activities and may have impacted negatively on the service delivery of the public. The management responded that it is true did not receive all the budgeted funds. The fund administrator prepared all the documents for requisition of the money but no monies were credited to the account. Due to Covid -19 pandemic, there was no payments in that point in time.

The committee noted that the response was satisfactory and the matter was marked resolved.

The third issue was on the effectiveness of internal control risk management and governance. During the year under review the fund did not have a risk management in place. The fund does not have a formal process to mitigate risks. The accounting officer stated that there is no risk management policy in lace. However, the department has considered in the ADP to develop one. The committee noted that the response was no satisfactory as there was no proper justification. The copy supplied was in a draft form. The committee recommends that within two weeks upon the adoption of the report support to the assembly a proper risk management policy.

In conclusion, I urge the members to adopt the report so that we can have the measures recommended put in place. Thank you.

I request Hon. Richard Cheruiyot to Second.

Hon. R. Ruttoh (Chemaner Ward, UDA): Hon. Speaker, I can confirm that the is a true copy of what we discussed. I also laud the committee for the good work. We went through the report and found many anomalies. The committee that vet the beneficiaries were established that they do not consider many qualifications. Some of the beneficiaries get more than others.

I request the Members to adopt the report.

(Question of the Motion proposed)

(Question put and agreed to)

REQUEST FOR APPROVAL OF AN OVERDRAFT FACILITY FOR SALARIES AND PAYROLL
MANAGEMENT

Hon. N. Kibet (Kapletundo Ward, UDA): Hon. Speaker, I beg to move the following Motion; THAT, Pursuant to Standing Order 201(5)(g) of the County Assembly Standing Orders, this County Assembly adopts the Report of the Committee on Finance and Economic Planning on the request for approval of an overdraft facility for Salary and Payroll Management Services by the County Executive Committee Member for Finance and Economic Planning and pursuant to Article 212 of the Constitution of Kenya, 2010 and Section 142 of the Public Finance Management Act,

2012, approves the request for an overdraft facility by the County Executive Committee Member for Finance and Economic Planning for Salary and Payroll Management Services

Mr. Speaker, I do now wish to go through the entire report because I already shared the report with the members.

The committee among other functions investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned departments, make reports and recommendations to the Assembly as often as possible, including recommendations of proposed legislation, scrutinize the resolutions of the county assembly including adopted committee reports, petitions and undertakings given by the CECM and examine whether or not such decisions and undertakings have been implemented and where implemented to extent to which they have been implemented and whether such implementation has taken place within the minimum time necessary and whether or not legislation passed by the county assembly has been operationalized and where operationalized and where operationalized, the extent to which such operationalization have taken place.

The committee has proposed to the assembly sanctions that are against any member of the County Executive Committee Member who failed to report within justifiable reasons on membership and ownership of the report, we, Honorable members of the Finance and Economic Planning Committee do hereby affix our signatures to this report to affirm our approval, confirm its accuracy, validity and authenticity:

1. Hon. Nathan Kibet - Chairperson
2. Hon. Evaline Chelangat - V. Chairperson
3. Hon. Japhet Cheruiyot - Member
4. Hon. Olivia Koskei - Member
5. Hon. Joseah Samoei - Member
6. Hon. Naomi Chemutai - Member
7. Hon. Peter Rono - Member

Hon. Speaker, Sir, the County Assembly via letter dated March 2, 2023 received a request from the CECM in charge of Finance ICT and Economic Planning seeking approval of an overdraft facility and salary payroll and management services for Bomet County Executive. The request was tabled on 12th April 2023 and subsequently committed to Finance and Economic Planning Committee.

Mr. Speaker Sir, the said request was necessitated by the delays in disbursement of funds from the National Treasury and this has been affecting service delivery due to delay in payment of salaries.

During this financial year, the county government has experienced delays in paying personnel emoluments which was occasioned by delay in disbursement of funds from national treasury and non-adherence to fiscal responsibility by the County Government. The employees have suffered a great ordeal while anticipating receiving their dues which resulted in poor service delivery and constant threat of industrial action.

The proposal to have salary payroll management services for Bomet County staff procured from a reputable financial institution was approved in the County Executive Committee so as to address the ever-elusive delays in salary disbursement.

It is noteworthy that borrowing by County Governments is provided for under Article 212 of the Constitution, and specifically Section 58, 140, 141 and 142 of the Public Finance Management Act, 2012. These provisions outline conditions on the authority for borrowing by County governments. A request for an overdraft approval under the said provisions can be allowed only if the loan and the terms and conditions for the loan are set out in writing and are in accordance with the following specific sections of the law.

Article 212 of the Constitution states that “A County Government may borrow only: -

- (a) If the national government guarantees the loan; and
- (b) With the approval of the County government’s assembly”

The conditions precedent for the national government guarantee is set out under section 142 of the Public Finance Management Act, 2012; The section reads as follows

“The County government may authorize short term 2 borrowing by the County government entities for cash management purposes only” This is the section that deals with short term access of loans which basically include the overdraft facilities.

The request must also satisfy the fiscal responsibility principles and the financial objectives of the County government set out in its most recent County Fiscal Strategy Paper as well as the debt management strategy of the County government over the medium term. The conditions are meant to ensure that the County maintains its debt limit and does not engage in unnecessary borrowing which will be a burden to the residents.

A thorough reading and critical analysis of the entire legal framework that governs borrowing by the County government reveals that is patently clear and beyond any per adventure that the assembly’s approval is a mandatory requirement as regard any borrowing, overdraft included. It is quite imperative to note therefore that any request and/or memorandum seeking the approval of

the assembly must as a matter of fact contain terms and conditions for such borrowing to enable the assembly to make an informed decision.

The following objectives guided the Committee in determining whether to approve or decide otherwise pertaining to the request by the County Executive to have salary payroll management services for Bomet County Staff be managed by one of the Banking institutions.

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| Objective 1 | To determine whether the request to advance overdraft services is within the required legal framework |
| Objective 2 | To determine the rationale and justification in seeking such overdraft services |
| Objective 3 | To determine the number of personnel to benefit from the overdraft as requested |
| Objective 4 | To confirm the amount of money needed in total per month so as to meet the financial obligations as enumerated in the payroll system. |
| Objective 5 | To determine the expected timeframe the mentioned arrangement intends to serve and cover. |
| Objective 6 | To verify if the arrangement to be approved and expected timeframe to implement it is sustainable in terms of cost (interest charged) and the subsequent budgetary effect on the personnel emoluments |

Hon. Speaker, Sir, this is the response from the CECM in charge of Finance. After engaging the CECM for Finance and Economic Planning, we were provided with the following information;

1. That the total amount of money needed in the above facility is approximately KES.220 Million per month, being the total cost of salaries for all the staff within the County.
2. The duration of the overdraft facility is anticipated to take two (2) years renewable each year subject to satisfactory performance and revision of terms and conditions of the MoU (Memorandum of Understanding).
3. That he cannot ascertain the total number of personnel as of now because there is a transition of all the personnel to the integrated personnel and payroll database (IPPD). The CEC further informed the Committee that monthly payments may vary from one month to the other subject to promotions, annual increments, and recent recruitments.

4. That the County Executive shall ask the various banking institutions within Bomet to bid for competitive sourcing and they would settle on the institution that provides the best terms and conditions.
5. That the arrangement, if approved, shall be sustainable in terms of interest charged.
6. That the previous arrangement with equity ended smoothly in May 2022.

Committee Observation

(a) Observation No.1

After the submissions from the CECM, the committee observed as follows;

Objective 1	To determine whether the request to advance overdraft services is within the required legal framework.	The committee observed that the request was for a short-term period and was within the required legal framework as provided for by the Constitution and the Public Finance Management Act, 2012.
Objective 2	To determine the rationale and justification for seeking such overdraft services.	The rationale and justification for seeking the overdraft is for settling personnel emoluments due to delays experienced in the disbursement of funds from the exchequer.
Objective 3	To determine the number of personnel to benefit from the overdraft as requested.	The total number of personnel to benefit from the overdraft was not provided. The CECM stated that they are currently transiting all personnel to IPPD and therefore he can't ascertain the number.
Objective 4	To confirm the amount of money needed in total per month so as to meet the financial obligations as enumerated in the IPPD payroll system.	The CECM stated that total amount needed as per the request is approximately KES 220 Million per month for 2 years.
Objective 5	To determine the expected timeframe, the mentioned	The committee observed that the duration of the overdraft facility is anticipated to take two (2) years

	arrangement intends to serve and cover.	renewable each year and subject to satisfactory performance and revision of terms and conditions of the MOU.
Objective 6	To verify if the arrangement if approved and implemented is sustainable in terms of cost (interest charged) and the subsequent budgetary effect on the personnel emoluments	From the submissions of the CECM, the committee observed that the arrangement will be sustainable in terms of cost (i.e. interest charged) if the same is approved.

b. Observation No.2

Hon. Speaker, Sir, from the submissions of the CECM Finance, we observed that the County executive is yet to settle on a financial institution to provide the facility although from their survey Co-operative Bank had the most favorable terms and conditions as compared to the County’s terms of reference. The CECM however stated that they will still do competitive sourcing so as to get the best institution that would provide the facility.

c. Observation No.3 - Resolutions by the County Executive Committee

It was noted that the request was within the law as provided for in Section 142 of the Public Finance Management Act, 2012. The proposal was approved by the County Executive Committee before forwarding it to the County Assembly for approval.

The analysis of compliance of Section 142 of the Public Finance Management Act is as follows;

No	Subsection	Observations by the Committee
1.	The County Assembly may authorize short-term borrowing by county government entities for cash management purposes only	The committee observed that the overdraft is for a short-term period and only for personnel emoluments.
2.	Any borrowing under subsection (1) may not exceed five percent of the most recent audited revenues of the entity.	The committee observed that the overdraft facility requested meets this requirement.
3.	A county government entity that has any such borrowing shall ensure that	The committee observed that the overdraft facility requested will be

	<p>the money borrowed is repaid within a year from the date on which it was borrowed.</p>	<p>settled every month and therefore this requirement shall be fulfilled.</p>
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Mr. Speaker Sir, having examined the request and the clarifications and explanations of the CECM Finance and with considerations of the legal requirements, the Committee makes the following recommendations;

1. That the requested overdraft should only be used for purposes of settling personnel emoluments.
2. That the CECM should furnish the Assembly with regular reports on quarterly basis on the performance of the facility including the accrued interest if any.
3. That the period to be covered by the overdraft facility be restricted to two (2) years as requested by the CECM Finance.
4. That the County Executive should do competitive sourcing of a service provider which will provide the best terms and conditions for the overdraft facility.
5. That the County Assembly approves the request for overdraft by the County Executive Committee Member for Finance, ICT & Economic Planning with strict adherence to the legal provisions regarding the overdraft facility and the recommendations above.

Hon. Speaker, Sir, I therefore urge the Assembly to adopt the Committee report so as to pave way for the implementation of the request. I request you, Hon. Members, to adopt this report.

There was a time I was interacting with one of the employees of the county from my ward. He told me the challenges they normally face especially when they go to hospital. At times, they cannot even access NHIF services because of the delayed payments. With this overdraft facility, these employees will be able to access NHIF. At times, they also incur penalties in their loans. Most of our county employees have loans and whenever there are delays in payment, they incur penalties. I therefore request the Assembly to approve this request by the CECM in charge of Finance to caution the challenges that we normally have in finances. I request Hon. Evaline Chelangat to Second. Thank you.

Hon. E. Chelangat (Nominated, UDA): Hon. Speaker, Sir, thank you. I rise to request the Assembly to adopt this request of an overdraft facility by the Department of Finance and Economic Planning. I thank the Chairperson of the Committee on Finance and Economic Planning, where I seat as a Vice-Chair, for producing this report.

You people are aware that our county employees, at times go home without a salary yet they have children in school ...

Hon. Speaker (Hon. C. Korir): Hon. Member, refer to the Hon. Members as ‘Hon. Members’ not ‘you people’.

(Hon. W. Kiprotich rose on a point of order)

Hon. W. Kiprotich (Chepchas Ward, UDA): Hon. Speaker, I was also wondering why she is informing us. The only person to be informed in this Assembly is the Hon. Speaker.

Hon. E. Chelangat (Nominated, UDA): Protect me Mr. Speaker. They are going to mix me up. I support this report on three bases;

1. These employees have been going without salary yet they have children in school;
2. The emoluments also include NHIF facility which means that when they go to hospital, they are not able to pay for health services; and
3. When they go out for shopping, money circulates within the community.

Without this overdraft facility, these employees will not be able to purchase basic commodities such as food. This affects the community as well because money fails to circulate.

I therefore, urge this Honourable Assembly to adopt the report and hopefully, this facility will be used for the intended purpose. I wish to Second the Motion. Thank you.

Hon. Speaker (Hon. C. Korir): Thank you, Hon. Chairperson and Hon. Vice Chairperson.

(Question proposed)

The floor is open for debate. Hon. Leader of Majority.

Hon. P. Kirui (Ndanai/Abosi Ward, UDA): Hon. Speaker, thank you. I rise to comment on the report by the Chairperson, Committee on Finance and Economic Planning on the overdraft facility. I thank the Committee for the good research that they have carried out and the communication they have made with the Executive. This is an important facility because with this financial crisis that we face, it is important that we approve this facility for the Executive. Most of the time, there are delays but they eventually come. When they delay for too long, there tends to be a go-slow in the workplace and other areas that need to be supported by the resources that are required. This has come at the right time because recently we had employees of the county government intending to go on strike. If such a facility existed before, the situation could have been saved.

I know the economic situation that not only this county is facing even other counties that just approved have been saving situations that could have actually caused some other issues in the government to come to a standstill I therefore thank the committee for this report I think they have been lancing so well with the executive and they have gotten a good information. This is a report

that is very clear and there is a lot of condition that the committee gave like even this Assembly being informed when such a facility needs to be acquired so that we can also move it for approval in this Assembly, so I want to thank honorable Nathan and the team though honorable speaker, Nathan was somehow finding it hard to pronounce some terms, you know Nathan is an accountant by profession and accountant only look at books and money so pronouncing a time becomes difficult but there is no problem but at least you tried otherwise I stand to support to the approval of this facility thank you very much Mr. Speaker.

Hon. E. Rotich (Mogogosiek Ward, UDA): Thank you very much Mr. Speaker, I rise to also support this motion on acquiring the facility. However, I wanted to note out issues that have been of concern to the committee, first I appreciate the work done by the committee on finance like what the chair stated this facility is going to assist our people especially the staff of the county government to have salaries on time, we have also had several instances where the county staffs have gone without salaries for months and this facility will really assist to be getting their salaries on time to also assist them because they also have obligations, family obligations, business obligation and so many other obligations, that this overdraft will help them out however, we want to sound a word of caution to the CECM in charge of finance they should not misuse facility because we will go down the books of history as the county assembly who allowed this facility to be misused. I want to really insist to the committee on finance to really follow it up especially since I noted in their report that they are going to do a quarterly report on the interest accrued on this facility of concern also Mr. Speaker is that the CCM has proposed that is going to do a competitive acquisition of the bends to provide this facility though he has apprehended I don't know he is yet to but he already have an idea of the bank to give the facility I think that was an oversight mistake you cannot propose, the CCM is telling us that he is going to put this into a competitive process but he already has a partner in the name of the cooperative bank Mr. Speaker.

Hon. W. Kiprotich (Chepchas Ward, UDA): I think honorable Kipkemoi should pronounce just as the majority leader has said well, I know when you say the CCM will speed you are talking about a party let's pronounce it well so that it cannot be construed.

Hon E. Rotich (Mogogosiek Ward, UDA): I think the honorable member should understand that I am a linguist and intonation and I know the Hansard team could capture it so well going by my intonation. Mr. Speaker, I wanted to put this that being an oversight body it is imperative for us to really put out issues that will put this Assembly in a very awkward situation for having allowed a facility that will affect the running of county resources in the future because I was looking at the

amount, the reason I do really insist on the area that I have raised is that I realized that, this 220million per month is a lot of money that I would even propose maybe in future since it is going to only last for 2 years, I don't know whether they should allow the only service provider to assess this facility because this is a lot of money, 220million is a lot of money but then before the honorable member disturbed me there was a point I was trying to make on this competitive process that the member of the executive has proposed.

In this report, he already notes that he has a bank and he tells this Assembly that he is going to put this in a competitive process, I think in other words he is trying to lock out other banks and we also want them to be very careful because if this facility is misused, it has a spiral effect going to the future. I understand there was one by the equity bank and I have seen in the report it is noted that it landed the staff in trouble where salaries were being deposited in the bank only for accrued interest to take away salaries, may it never occur again because it landed the county staffs in trouble and it really put the county government in a very awkward situation so I hope the committee did due diligence and going forward as an oversight we should follow up on the quarterly report to find out if it's not working we jig out fast before something bad happen to the accounts of the county government otherwise, I do support thank you very much.

Hon. P. Ronoh (Kipsonoi Ward, UDA): Thank you very much, Mr. Speaker, for giving me the opportunity to support the motion by the honorable chair for finance that this honorable Assembly considers approving a request by the county executive member's economy planning, that we consider approving a request to engage a bank for an overdraft facility. Mr. Speaker, this facility and his request are simple. Only want to highlight the reason why it has to happen. This Assembly has the sole and primary responsibility to approve requests as a matter of checking the executive on their needs. We are aware because we live in Kenya of the delays in the disbursement of funds by the National Treasury for whatever functions it is meant to in our developments, salaries, and salary payments including honourable speaker. The media reported last week that the National Treasury upon request and frequent meditations by counties did release the money to the county governments' object. And what they did is that they released an equivalent of a one-month salary that is meant to remunerate and Compensate workers for the month of January alone. Mr. Speaker, whom I represent, I've attended numerous fundraisers to raise money to pay hospital bills. Some of them are supposed to support staff who are working for the county government. Upon inquiry, Mr. Speaker, the hospitals serving them were unable to get money of any type because the NHF submissions have not been paid. Questions have come, arose from the villages, why does staff not

have their NHIF paid? Mr. Speaker, the reason and the sole reason is that the National Treasury does not disburse funds on time. So when they see Mr. Andrew Sigey made to believe that he's not honorable because he has never held an elective title in the past, so he qualifies to be called Mr. one, Mr. Andrew, Sigey, when he wrote a letter to this Assembly, asking us to approve a facility and overdraft facility that will be solely used to service salaries alone. We did interview him right here, Mr. Speaker, and he said, this is how the facility will work and for the benefit of this Assembly I want to make the highlight that upon the closing of the payroll at the end of every month, the department will forward the payroll pie product to the bank that will be given the responsibility of the business to transact on behalf of the county government. What the bank will do is they will advance money to the workers only unlimited to the payroll and will they will be required according to requests. They will give a grace period upon when the money is received. They will be paid back, Mr. Speaker, not to cast aspersions and to remove the doubt because we did interview well, with his Chief Officer. He told us there will be no provision for withdrawing the money for other purposes because they will only be dealing with salaries alone. So if this facility is approved, which I begged the honourable Assembly to do, Mr. Speaker, the Abilene anguish that the workers of the county government including the county assembly, staff will not be going through because they will get their salary on time. And the Department of the executive department whose mandate the law gives them to pay salaries. Will deal with the rest. I hereby urge this honorable Assembly to approve the facility. And trust that the chair of finance and its committee did a thorough thing by interrogating the CEC. Mr. Speaker, I support this Motion.

Hon. W. Kiprotich (Chepchas Ward, UDA): Thank you very much hon. Speaker. I also rise to put an input on what the chair of finance and economic planning ICT has moved in this Assembly. Indeed, it is prudent that this motion and request by the CEC in charge of finance, Mr. Speaker, allow me to say CEC because I'm not a linguist, if I add M maybe the speed and the intonation will mean something else. I want to believe this is something that is long overdue. And if there is something that is prudent, and that is going to be liked most by the workers of the county government of Bomet, is the debate that is on the floor today. You will bear with me, Mr. Speaker that the workers of the county and not only permit, but the rest of the counties have been going through tough times as the chair of finance didn't mention and has been alluded to by the rest of the contributors to this motion, Mr. Speaker, owing to the fact that salaries are delaying not because the county's holding money, but because the exchequer is also having a problem in dispersing this money. At the end of the day, Mr. Speaker, it has always been said that all resources on Earth are insoluble. In other words, it means it is never enough. Even the money from the exchequer is never

enough. No one knows maybe the reason why the exchequer is not releasing fastened at the right time or in time is because there was not collected, the taxes, and the and everything else that they are supposed to have in their own revenue just before they release them to the counties.

Mr. Speaker, our workers, including all of us who are seated in this Assembly today have been going through delayed salaries every now and then. what the CEC has done is what was supposed to be done as early as the beginning of the financial year, so that the workers are not going to go without salaries for that length of time. Now that we have banks that are capable of managing the payrolls and paying all the staff as they wait for the exchequer to pay, then that is good news. I want to imagine a mother, for example, who is a worker in this county, having some children who are going to school, and this mother has decided that, let me go to a bank to get some loan. Mr. Speaker, you know, most of our people don't even know that there are hidden charges in these loans that we take in banks. And once the bank is aware that you are supposed to be earning your salary on the Fifth of every month, then it makes what is called a standing order. So that as your money is good that your account on every fifth it deducts their own loan. Now it reaches 5th and there is nothing in the account. So the bank deducts the negative. And then what does it does and several people do not know. And I want to believe the banks also do not want people to understand this is that it puts some interest on the amount of money that you are supposed to pay in that installment. If you are supposed to pay an installment of 20,000 It puts maybe 14% interest of that 20,000. Now, people wonder, why is it that we always pay our loans, and it never ends? It is because you are not paying the principal amounts, you are paying the interest? Where did this interest come from? It came from the delay in payment. Now that we have this document here with us, we want to thank our health workers who did not down their tools, just like their counterparts in the country. And they say let us wait, I even heard some Mr. Speaker, saying we are informed that the document is with the assembly, I was really planning that if this had come earlier, then we will have been able to process it for them so that at least they can have it. I want to end by saying that yesterday or two days ago, the Council of Governors gave a 14-day ultimatum that the exchequer releases funds for the counties. If not, they closed the counties. I'm reminded of a certain gentleman somewhere in this part of the country, who said let us sell this country and everyone to go home. Now, I wonder where he is home. Because he said now that we are not getting money let us sell the country and everyone to go home, where is home. Mr. Speaker, it also reminds me of the times 18th century what is referred to as Hellenistic astronomy. Somebody wanted to really prove that the Earth is round. And he says give me a very long rod, I will be able to roll it away

and he never stated where it will start. So where we stand as he rolls it way. So, Mr. Speaker, I want to support them and let us approve it for them. Our caution only should be to let it be used prudently. Thank you. I support.

Hon. R. Ruttoh (Chemamer Ward, UDA): Hon. Speaker, I rise the motion. This is the right time because our staff are considered. Our staff are suffering and depressed because of finance. Most people have been going for loans because the salaries are insufficient. The facility requested by CEC finance is important to everyone. We hope it will not be misused. We were worried that doctors were planning not to go to work. That is what we rely on our health depends majorly on them and therefore if doctors leave their jobs very many people will suffer and if this overdraft is approved I believe that their consistent payment to our staff and everything will be in order. I therefore support this motion and request all the members to adopt this report because this is a very important facility, which if even extended to us also it will be prudent. I have been hearing hon victor requesting to abstain from attending here when there is a delay and I believe if extended to us it will be of great importance.

Hon. Speaker (Hon. C. Korir): Hon. Richard, for your information the Assembly also has the same facility and it runs for two months thank you. Hon. Busienei.

Hon. D. Busienei (Chemagel Ward, UDA): I rise to contribute to this issue of overdraft. When we say overdraft this is a commercial loan facility and we should ask some kind of questions. We have some questions which can be addressed by the committee. Previously we would like to know whether this county has ever had such a facility before, what was the interest, and what is the duration of this facility. We would like to know because it cannot be forever. We want to know whether it is annually, six months, or five years. We want to know whether when we approve this facility it can go up to six months. In finances where you see an institution fails to meet financial obligations, especially on salaries it might be found that an institution only pays salaries and fails to remit to other statutory bodies like NHIF and NSSF. It indicates that there is a financial challenge. We have not been told about the collection of the local revenue. Bomet County is the only county that is collecting cash. Most counties have gone cashless, especially in fees and charges but here we are collecting liquid cash. Therefore, there might be a temptation for revenue collectors so the committee would urge them to find a way that can give solutions, especially in the collection of revenue. I would like to urge the Assembly that we approve and monitor for up to twelve months and make a review of the same and again liaise with this committee of PAC/PIC for revenue expenditure and know where there is a challenge and check whether the revenue has been utilized properly.

Hon. Speaker (Hon. C. Korir): Thank you very much, I want to extend because some members honorable Ernest and honorable Busienei have raised some concerns, I don't know what's is written in the report but I will grant the Chair to actually, if you have anything to inform the members before we proceed to the next section.

Hon. N. Kibet (Kapletundo Ward, UDA): Thank you Mr. Speaker, I want to thank honorable members for supporting the adoption of our report and also I want to thank them for being conscious, you now as an Assembly our role is to do oversight so I am happy because when they were making contribution they were also conscious on some of the issues. Honorable Busienei mention something on the period I think in our report we mention that we want to approve for only two years. I think if you check the report is in our subgroup it is there in the recommendation that we do it for two years and I want to assure the Assembly also that as a committee we will also do a follow-up on the quarterly reports to ensure that this facility is not refused and I want to request as Busienei put it that the two committees can work together even the budget committee, we can be meeting once in a while to check the report.

I want to promise as a committee that when we are given such a report we will be informing the members so that at least you know how far the facility has assisted the county, I know there was someone who talked about it.

I think it was hon. Kipkemoi the CEC informed us that immediately they pass in the cabinet there are some banks that have shown interest even Equity they have shown interest Equity, Cooperative banks but when we had a date with him here he mentioned that among those who have shown interest Cooperative was offering the lowest interest. He was not saying that they have settled on it, they were only saying that the cooperative bank was showing at least in terms of service they were providing low interest compared to the rest but it doesn't mean that they have already settled on the cooperative so I want to urge honorable members that we pass this motion and we also do a role as Members of County Assembly. Our main role is oversight so if we do oversight this facility will also go a long way in solving the problem that employees have, so I want to urge all of you that we pass this motion, thank you hon. Speaker.

(Question put and agreed to)

Hon. Speaker (Hon. C. Korir): I think as per the Order Paper we are done and this Assembly stands adjourned to 2.30 P.M today.

The Assembly rose at 10:45 a.m