

BOMET COUNTY



THE COUNTY ASSEMBLY

THE FIRST ASSEMBLY – THIRD SESSION

THE COUNTY ASSEMBLY PUBLIC ACCOUNT/INVESTMENTS COMMITTEE

END YEAR PROGRESS REPORT 1ST JULY 2014 TO 30TH JUNE, 2015

SEPTEMBER, 2015

*Laid on the Table
on 6/10/2015
C. Ngũgĩ*



*Per C. Ngũgĩ
6/10/2015*

Preface

Mr Speaker Sir,

I wish to thank the members of Public Accounts and Investment Committee for their effort in coming up with this comprehensive end year progress report covering the period July 2014 to June 2015.

Mr. Speaker Sir,

It is therefore my duty and privilege on behalf of the Committee to table this report and recommend it to the House for adoption.

Signed.......... Date 29/09/2015.....

HON. SAMSON TOWETT

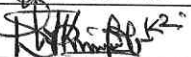
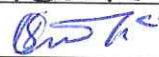
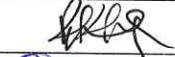
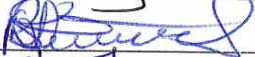
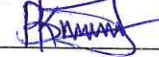
CHAIR – PUBLIC ACCOUNTS & INVESTMENTS COMMITTEE.

Membership and Ownership of the Report.

We the members of the County Assembly Public

Accounts/Investments Committee do append our signatures

Confirming that we as a committee sat and undertook the agenda therein.

NO.	NAME	DESIGNATION	SIGN
1	Hon. Samson Towett	Chair	
2.	Hon. John Chepkwony	V/Chair	
3.	Hon. Changmorik Koech	Member	
4.	Hon. Leah Kirui	Member	
5.	Hon. Reuben Langat	Member	
6.	Hon. Robert Serbai	Member	
7.	Hon. Benard Ngeno	Member	

Acronyms and Abbreviations

PAC - Public Accounts Committee

PIC - Public Investments Committee

Executive Summary

Mr. Speaker Sir, the Public Accounts and Investment Committee plays a crucial role in examining reports and accounts of public investments, examining the reports of the Auditor General on Public Investments and examining, in the context of the autonomy and efficiency of the public investments, whether the affairs of the public investments are being managed in accordance with sound financial or business principles and prudent commercial practices.

It ensures that there is value for money in all undertakings of the County Government and the County Assembly. The report covers the period from 1st July, 2014 to 30th June, 2015. The highlight of the achievements of the committee in the Financial

The major challenges encountered during the financial year under review were delays in concluding the audit reports for four (4) defunct local authorities namely Bomet County Council, Bomet Municipal Council, Sotik Town Council and Bureti County Council.

The reason given for the delay in conclusion of the audit reports was lack of capacity by the Auditor General's office which must send an officer to attend PAC/PIC proceedings. The other challenge has been the non-cooperation of the former Chief Officers of the defunct local authorities. The County Revenue Report is also pending as it is not yet ready.

Another challenge that should be addressed urgently is capacity building of the entire PAC/PIC team to equip them with skills that will

help them interrogate all audit reports expected from the Auditor General.

Table of Contents

Preface.....	i
Membership and Ownership of the Report.....	ii
Acronyms and Abbreviations	iii
Executive Summary	iv
MANDATE OF THE PAC/PIC COMMITTEE	2
Draft Budget and Work Plan for FY 2015/2016	2
Deliberation on Committee Budget for FY 2015/16	2
Kapsangaru Dispensary Report.....	3
Labotiet Dispensary	3
Final Deliberation on Kapsangaru Dispensary Project	3
Adoption of Kapsangaru/Mugango Dispensary Report	3
Pending Reports	4
To consider documents on Cheptalal Sub-District Hospital – Konoin Sub-County.....	5
Way- forward on pending Audit Reports	6
Deliberations on need to Induct Members on the Mandate of the PAC/PIC Committee	7
To Consider Hon. Speaker's Directive given on Thursday 11 th June, 2015 at 2.30 pm	8
To consider the Response from the County Attorney.....	9
Challenges	9
Recommendations	10
Conclusions.....	11

MANDATE OF THE PAC/PIC COMMITTEE

The members requested the officers in attendance to avail a copy of the mandate of the Committee. It was noted that all operations of the committee must fall under the outlined mandate given as follows:

- Examine reports and accounts of public investments.
- Examine the reports of the Auditor General on Public Investments.
- Examine, in the context of the autonomy and efficiency of the public investments, whether the affairs of the public investments are being managed in accordance with sound financial or business principles and prudent commercial practices.

Draft Budget and Work Plan for FY 2015/2016

The County Public Investment & Accounts Committee Budget 2015/2016 was tabled by Mr. Maritim. After some deliberations, it was resolved;

That SRC recommendations should be incorporated into the budget and the updated PAC/PIC 2015/2016 Budget be tabled again for ratification.

Deliberation on Committee Budget for FY 2015/16

The Committee budget was tabled by the committee clerk. The members discussed the budget and unanimously agreed that the budget was comprehensive and should be approved.

Kapsangaru Dispensary Report

It was agreed that the Kapsangaru Dispensary report should be tabled before the committee on 12th March, 2015. This would enable the Chairman to table a report on the project on Thursday 17th March, 2015 in the house.

Labotiet Dispensary

The Committee should organize a fact-finding visit to Labotiet Dispensary (in Chebunyo ward) to establish why the project stalled.

Final Deliberation on Kapsangaru Dispensary Project

The Secretary tabled the Kapsangaru Dispensary Report prepared by the Committee after the site visit and another report prepared by the Director Public Works. After long deliberations, it was unanimously agreed:-

- i) That the two reports be adopted.
- ii) That the recommendations of the Director Public Works be adopted and approved as the committee's recommendations.
- iii) That Tarime Construction Company be blacklisted as an incompetent company as it lacks capacity as shown by the reports.

Adoption of Kapsangaru/Mugango Dispensary Report

It was agreed that the following additional recommendations be adopted:-

- a) That the Director Public Works and the Mutarakwa Ward Administrator be given a cautionary warning for neglecting or failing to ensure quality of work in ongoing Kapsangaru Dispensary project. The said cautionary warning be issued by the County Secretary.
- b) That if there is any monetary loss incurred due to any necessary demolitions, the County Government and Tarime Construction Company should share equally.

Pending Reports

The Chairman introduced the issue of pending reports and members discussed the issue and resolved:-

- i. That members should support the Kapsangaru Dispensary Report when it is brought to the floor of the House.
- ii. That members should make urgent arrangements to visit Cheptalal Dispensary on Monday 30th March, 2015.

It was reported by the Chair that the Transition Authority (TA) should be notified to hand over or transfer all assets that belonged to the defunct Local Authorities.

The members then discussed the merits of such a move and finally resolved:-

- i) That the Clerk of the Committee be requested to avail in the next meeting the Disposal Act and any Regulation guiding disposal of Assets.
- ii) That the Chairman be requested also to seek and avail the TA's Report that was tabled in the House.
- iii) That there was an urgent need to dispose old vehicles that were becoming too expensive to maintain.

To consider documents on Cheptalal Sub-District Hospital – Konoin Sub-County

The Chairman tabled the following letters and documents on the above stated issue:

- a) Letter from The Director, Supply Chain Management Mr. Geoffrey K. Chepkwony was tabled. The letter highlighted the following issues

Tender Number : BCG/KN/001/2013-2014.

Contractor : Mast.BUILDER ENGINEERING LTD.

P. O. Box 195 – 20400 **BOMET**.

Scope of work : Renovation and Fencing of Cheptalal sub-District Hospital.

Contract Sum : 4,250,000/=

- b) A Confirmation letter from Chief Officer- Roads, Public Works and Transport was read out. The letter confirmed that BQ's and tender documents were handed over to the Department of Health and Sanitation for analysis and safe keeping.
- c) A Draft Report of the Committee on Health Services on the status of the County Health Facilities – including Cheptalal was tabled.

After long deliberations, the members unanimously resolved that;

- i) That the Committee visits Cheptalal Sub-District Hospital on Tuesday, 8th May, 2015 .
- ii) That the Hospital Administrator be notified to invite the Hospital Management Committee to attend the said meeting to clarify issues touching on the renovation and fencing of Cheptalal Sub-District Hospital.
- iii) That the Hospital Administrator be informed to invite the Contractor one Mast BUILDER ENGINEERING LTD of Box 195, Bomet. All the unsuccessful bidders/applicants be invited to appear on that day.

Way- forward on pending Audit Reports

The pending Audit Reports were outlined as follows:

- i) Audit Reports of four (4) defunct local authorities namely Bomet County Council, Bomet Municipal Council, Sotik Town Council and Bureti County Council.

The reason given for the delay in conclusion of the audit reports was lack of capacity by the Auditor General's office which must send an officer to attend PAC/PIC proceedings. The other challenge has been the non-cooperation of the former Chief Officers of the defunct local authorities.

- ii) The County Revenue Report is also pending as it is not yet ready. Most of the other reports like Chemosit and Tililbeifalls under the jurisdiction of Kericho County.

Deliberations on need to Induct Members on the Mandate of the PAC/PIC Committee

The members requested the officers in attendance to avail a copy of the mandate of the Committee. It was noted that all operations of the committee must fall under the outlined mandate given as follows:

- Examine reports and accounts of public investments.
- Examine the reports of the Auditor General on Public Investments.
- Examine, in the context of the autonomy and efficiency of the public investments, whether the affairs of the public investments are being managed in accordance with sound financial or business principles and prudent commercial practices.

After some deliberations therefore, it was resolved;

- i) That there was an urgent need to organize an indebt scrutiny of the mandate of the PAC/PIC Committee. A training

workshop should be organized for all PAC/PIC members to further enlighten them on the crucial role they play in the powerful Watchdog committee. The Chair should organize the same.

- ii) That the site visit to Cheptalal Sub-District Hospital be rescheduled for Tuesday 19th May, 2015.

To Consider Hon. Speaker's Directive given on Thursday 11th June, 2015 at 2.30 pm

The communication from the Hon. Speaker on the floor of the house was tabled. In the directive, the PAC/PIC Committee was mandated to find out whether the County Government lost money as a result of the alleged irregular hiring of the current County Attorney. After some perusal on the issue, it was resolved;

- a) That the Committee undertakes the said investigation to establish whether there was any loss of money due to the alleged irregular hiring of the County Attorney. It was therefore agreed that the following officers be invited to shed more light on the same;

The County Secretary -To come on 23rd June, 2015 and clarify on issues touching on hiring of the said County Attorney. He should clarify the scheme of service used state whether the county has lost money due to the said irregularity.

- b) Mr. Sammy Keter – The Current County Attorney. He should defend himself on the allegations and must avail the original

appointment letter, confirmation letter and secondment letter (if any). He should also state whether the job was advertised etc.

To consider the Response from the County Attorney

An unsigned letter dated 22nd June, 2015 from the County Attorney was tabled and read out to the Committee. After some deliberations on the contents of the letter, it was unanimously resolved;

- a) That the County Attorney has shown himself rude and disrespectful to the County Assembly and more so the PAC/PIC Committee by insinuating that the Committee is witch-hunting him yet he is a public officer who should not refuse invitations to appear as required by law.
- b) That the County Attorney (Mr. Sammy Keter) should now be **summoned** to appear before the committee because he has refused to honour a polite invitation. He should appear on 9th July, 2015. The Legal Office should draft the said summons to the County Attorney in the prescribed manner.

Challenges

- i) Non implementation of recommendations and resolutions passed in committee reports tabled and ratified in the House.
- ii) There is delay in completion and submission of Audit Reports from the office of the Auditor General.

- iii) Difficulty in accessing relevant documents and information from the Executive and especially from the Treasury and office of the County Secretary.
- iv) Inconsistent information given by the Executive on projects financed by the County Government.
- v) Serious failure by some senior County Staff to cooperate when investigations are being conducted. This includes refusal to appear and deliberate delays to forward requested information and documents.
- vi) Delays caused by continuous Court Orders sought by the officers of the County Government that interferes with investigations.

Recommendations

- i) The implementation committee should do a follow-up of all resolutions working closely with the Committee.
- ii) There is an urgent need to organize a capacity building seminar/training of members to equip them to interrogate relevant audit reports.
- iii) The Committee Work-plan and Budget for FY 2015/2016 should be strictly adhered to.

Conclusions

It is the feeling of the committee members that the office of the Clerk should urgently organize and facilitate a capacity building training. The training on relevant skills should be conducted by officers from the office of the Auditor General.

The capacity building will equip members to invite and examine witness on the expected Auditor General's report for FY 2013/2014 which includes Accounts for Bomet County Executive for FY 2013/14, Accounts for Bomet County Assembly for FY 2013/14, Accounts for Bomet Water Company for FY 2013/14 and Accounts for Tililbei Water Company for FY 2012/13.