

SAMBURU COUNTY ASSEMBLY



THE HANSARD

Thursday, November 7th, 2019

The County Assembly met at the County Assembly chambers at 2.30 p.m.

(Temporary Speaker, Samburu County Assembly (Hon. Paul Leshimpiro) in the chair)

PRAYERS

COMMUNICATION FROM THE CHAIR

Temporary Speaker, (Hon. Paul Leshimpiro): Hon. Members, I received a call from the Deputy Speaker and he wanted to communicate to the Hon. Members that the planned trip to Mombasa which was being organized by the Executive is not yet confirmed and he says that the House needs not be adjourned today. We need to come back next week until the Executive gives us the communication when they will be ready.

MOTION

MCA Lodokejek Ward, (Hon. Jerias Leshoomo): Thank you Hon. Speaker. I beg to move a Motion THAT, Pursuant to Standing Order No. 50/1, this House debates and approves the report of Finance, Economic Development and Marketing on the consideration of the Samburu Finance Bill, 2019. I call upon Hon. Lentukunye to second.

(Hon. Lentukunye bows in seconding)

Temporary Speaker, (Hon. Paul Leshimpiro): Hon. Members, I now propose the Question THAT, Pursuant to Standing Order No. 50/1, this House debates and approves the report of Finance, Economic Development and Marketing on the consideration of the Samburu Finance Bill, 2019.

MCA Lodokejek Ward, (Hon. Jerias Leshoomo): Thank you Hon. Speaker. I beg to move the following Motion THAT, the County Finance Bill 2019, Samburu County Bill No. 6 be now read the Second time.

Following the submission of the Samburu Finance Bill by the Executive and subsequently presentation to the County Assembly and being committed to the Finance, Economic Planning and Marketing Committee; in accordance to the provisions of the law, the Committee held

various meetings with representatives of various stake holders as well as public during the public participation exercise.

During the exercise, the Committee took the members of the public through the Bill while elaborating all the charges, license fees and penalties as contained in the Bill for them to understand the Bill fully. Afterwards, the members of the public were put in question-answer session during which, various proposed amendment to the Bill were plotted and several amendments were proposed to be made to the various sections.

The Committee scrutinized the proposed amendment and made the final proposal to the amendment to be made to the various sections schedules and parts of the Bill. All the proposed amendments are contained here in the Committee report.

The Samburu County Finance Bill was read the first time on 15th October, 2019 and committed to the Committee in accordance to the provisions of the law. The Committee held numerous sittings to review the Bill. During which the stake holders proposed numerous amendments to the Bill.

The Bill went through public participation on 17th to 24th October, 2019. The following are the proposed amendments to the Bill:

Schedule 1: Samburu National Reserve vehicle charges

Amended as follows: aircraft landing across the County should be charged as follows: 1 sitter to 3 sitters should be charged 3000. 2 to 7 sitter 20, 000

Schedule 2: Single business permits outside Maralal municipality - No amendment.

Informal sector.

- 1) Hawker with motor vehicle, one person with motor vehicle to be charged kshs. 5,000.

- 2) Small informal Sector Trader/ Service provider shoeshine, Shoe repair, Street vender (newspapers, sweets, soda, cigarettes) to be charged Kshs.800.
- 3) Semi-Permanent Informal sector, trader up to two persons operating in verandah or temporary building to be increased to Kshs. 1,000 from Kshs. 800.

Transport, storage and communication.

- 1) Large Transportation Company over 30 vehicles to be charged Kshs. 35,000.
- 2) Medium Transportation Company from 6 to 30 vehicles to be charged Kshs. 20,000.
- 3) Large petrol dispenser to be charged license fee of Kshs. 20,000.

Industrial plants, factories, workshops and contractors - Small industrial plant up to 15 employees/ premises up to 100 m² license be reduced from Kshs. 15,000 to Kshs. 10,000.

Schedule 4: Lands rates.

- 1) Timber cess per vehicle to be increased to Kshs. 3,000.
- 2) Pole cess per vehicle to be increased to Kshs. 3,000.

Export cess - No amendment

Kiosks - Large size kiosks be charged Kshs. 150.

Sign boards (sales promotion) - Large companies fee be raised from Kshs. 3,000 to Kshs. 4,000.

Public Health-food and hygiene license - Health occupation certificate to be charged Kshs. 1,000.

Schedule 6: Public works charges

Booths and stands - Kenya Power and Lightening Company (KPLC) boxes on (turrets) on road reserves be raised to Kshs. 3,000

Public Works Charges - No amendments.

Quantity Survey Services - No amendments.

Vehicle parking fee - No amendment.

Schedule 7: Social Services.

Community Development Services.

Self-help groups - No amendments.

Non-governmental organizations - No amendment.

Liquor License Fees - Wines and spirits be amended from Kshs. 30,000 to Kshs. 20,000 for retail and Kshs. 50,000 to Kshs. 40,000 for wholesale.

Schedule 8: Education - No amendment.

Schedule 9: Agriculture, Livestock and Fisheries - No amendment.

Findings and outputs.

The Key challenges encountered included:

- 1) That there was sufficient evidence that there was reasonable collectable revenue which had not been captured in the system in the last financial year 2019.
- 2) That the County Government to urgently establish an inspectorate and enforcement department that would oversee the collection and safe custody of collected tax revenue.

Upon exhaustive consideration of all evidence received, the Committee makes the recommendation herein bellow;

Recommendations.

The Committee recommends the following;

- 1) That the Executive moves with speed to expand the tax brackets by streamlining the digitalization process and revenue automation to ensure eligible payers are accommodated.
- 2) That sufficient civic education on the responsibilities of the citizens in paying taxes and educating them on equal services rendered to harmonize the conflicts on market centers in regard to cess collection that will enhance revenue collection target.
- 3) That the County Government should establish an inspectorate and enforcement department to enhance revenue collection.
- 4) That the relevant department should come with revenue policies and Acts as soon as possible for smooth revenue collection.

Conclusion.

In the ultimate, on behalf of my colleagues with whom we spent long and time consuming moments to execute the task that this August Assembly charged us to execute, I would like to assure you and the House that the recommendations we present in this in this report will go a long way in ensuring that our County collects sufficient revenue to meet our requirement.

I hasten to urge that this would only be realized upon full and effective implementation of our recommendation. Further, effective and efficient implementation of our recommendation requires that the Assembly and the Executive work hand in hand.

Hence I urge my colleagues in this House to be vigilant in ensuring that their role of oversight and accountability are executed at utmost.

It is now my pleasant duty to present this report and its recommendation to the House; fully recommending and urging the House to adopt it. In the same breath, I urge the Executive to expeditiously implement it with amendments. Thank you Hon. Speaker.

Temporary Speaker, (Hon. Paul Leshimpiro): Hon. Members, it is your time to debate on this, if Members have issues for or against the report, Hon. Zamzam.

Specially Elected MCA, (Hon. Zamzam Ismail): Thank you Mr. Speaker sir. I rise to support the report but there is one concern I want to raise here as the Hon. Chairperson for the Committee on Finance, Economic Planning and Marketing and the Member for Lodokejek Ward said. I noticed that the licenses fee will reduce from Kshs. 15,000 to Kshs. 10,000. Mr. Speaker, Kshs 5,000 is a lot of money when talking of business premises; the business people make money every day.

Imagine you live in a house and you pay Kshs. 15,000 every month but the license is only once a year. As a County Government, we need revenue and part of the collection is from the licenses from land rates. By reducing we are losing some resources that we really need but I fully support the rest because it is a well done job. I want to congratulate the Chairperson and all the Committee Members, thank you Mr. Speaker.

MCA Waso Ward, (Hon. Eng. Paul Wonyang’): Thank you Mr. Speaker. I rise to oppose this report, first of all looking at the informal sector at Schedule Two on single business permit fees. We are aware that the economy is not doing well and I empathize that this report recommends that hawkers and small informal traders/service providers like the shoe shining, shore repair, street vendors who sell newspapers, sweets, sodas and cigarettes are to be charged Kshs.800. Mr. Speaker, I am aware that these people do not make any substantive profits.

Number three, semi-permanent informal traders of up to two persons, people who operate from verandahs and temporary buildings have an increase of tax from Kshs.800 to 1,000. I do not know what informed the sector to increase this fee because at this time, the economy is doing badly, I wish that these taxes are reduced not increased or if they are to make it favourable, then we maintain how it was previously.

Mr. Speaker, I am from Archers's Post and I do not know what informed the Department to reduce the charges for the tourists' vehicles that enter the Samburu National Reserve. I see a reduction of Kshs.100 from Kshs.500. I wish the charges could have been increased or remain as it was because by reducing we will reduce a lot of revenue from the Samburu National Reserve. Those are the issues I want to raise in this report and I will be very happy if the Committee reconsiders that. Thank you.

Temporary Speaker, (Hon. Paul Leshimpiro): It is my honour now to give an opportunity to the mover of the report and also to respond to the specifics raised by the Hon Members.

Chairperson, Committee Finance, Economic Planning and Marketing, (Hon. Jerias Leshoomo): Thank you Hon. Speaker, I want to answer Hon. Wonyang' that when he talks of the single business permit, I think he did not understand that the amendment, the Committee found it prudent to reduce the charges for the small informal sector in the previous Bill, which was Kshs. 1,000.

The amendments on charges of semi-permanent informal sector up to two persons operating in a verandah or a temporary building was I think an error because it is supposed to be reduced from Kshs. 1,000 to Kshs.800, sorry for the error that might have been caused by typing.

It is not that these charges are levied to the informal sector on a daily basis but rather annually, so I think Kshs.800 for a license is really something minimal. Hon. Zamzam when you talk of the reduction from 15, 000 to 10, 000 yes we really want to have revenue to our County but we thought we reduced so that those who want to invest in our County especially the industrial investors, that is why we reduced it as a Committee.

MCA Waso Ward, (hon. Paul Wonyan'g): Mr. Speaker I am satisfied with the typo errors. I need a clarification on the amount charged to a hawker who sells things in a vehicle who is charged at Ksh.5, 000; I am worried with this since they come and sell things at cheap prices which affects those locals who sell things in the markets. I mean if someone comes from outside

and sells stuff and is charged five thousand then you find market sellers especially in Archer's complaining that it affects the sales of their products. I would like the Chair to clarify if these charges can go up so that it can discourage those who come from other places to sell and affect local sales? Thank you.

MCA Lodokejek Ward, (hon. Jerias Leshoomo): Thank you hon. Speaker. I concur with what hon. Wonyan'g is saying that in the initial Bill the Motor vehicle with one person and a hawker with a vehicle one person was initially Ksh.4, 000 and the committee so it wise to increase to Ksh.5, 000 to deter those who come to sell from other places. We increased so that these people can be paying rent and also licenses fees. We increased and not decreased.

Thank you hon. Members. I now put the question that Pursuant to Standing Order number 50 part one, the County Assembly approves the report of the report of the Committee on Finance, Economic Planning and Marketing on the consideration of the Samburu County Finance Bill 2019.

(Question put and motion passed)

The Samburu County Finance Bill 2019, Second Reading.

MCA Lodokejek Ward, (hon. Jerias Leshoomo): Thank you Mr. Speaker. I beg to move the following Motion that the Samburu County Finance Bill 2019, Samburu Bill number 6 be now read a second time, thank you hon. Speaker.

(Hon. Paul Wonyan'g bows to second the motion)

Temporary Speaker, (Hon. Paul Leshimpiro): Hon. Members I propose that the Samburu County Finance Bill 2019, Samburu County Bills number 6 be now read a second time. Hon. Members I put that the Samburu County Finance Bill 2019, Samburu County Bills number 6 be now read a second time.

(Question proposed put and motion passed)

The Samburu County Finance Bill 2019 A Bill of an Act of the County Assembly of Samburu to provide for the imposition or variation of various permit fees, cess, license fees and charges and for connected purposes.

Hon. Members the time being half an hour to four o'clock and there being no other business this Assembly now adjourns until Tuesday 12th November 2019 at 2:30 p.m.