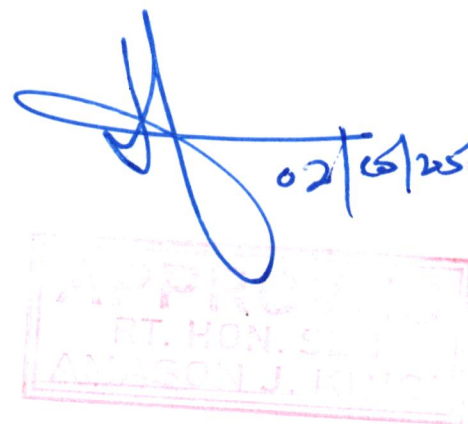




REPUBLIC OF KENYA

13TH PARLIAMENT | 4TH SENATE | 4TH SESSION

STANDING COMMITTEE ON DEVOLUTION AND
INTERGOVERNMENTAL RELATIONS

REPORT ON THE COMMITTEE INQUIRY ON COMMERCIAL BANK
ACCOUNTS OPENED AND OPERATED BY COUNTY GOVERNMENTS



② Hon. Speaker
You may approve for
tabling

PAPERS LAM	
DATE	7/10/2025
TABLED BY	Vice chair
COMMITTEE	
CLERK AT THE TABLE	Clerk

Clerk's Chambers,
The Senate,
Parliament Buildings,
NAIROBI.

Clerk
This is forwarded and recommended
for approval for tabling
01/10/2025

SEPTEMBER, 2025

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LIST OF ABBREVIATIONS/ACCRONYMS

COB	-	Controller of Budget
CBIRR	-	County Budget Implementation Review Report
CBK	-	Central Bank of Kenya
ECDE	-	Early Childhood Development and Education
OAG	-	Office of the Auditor General
PFM	-	Public Finance Management
TSA	-	Treasury Single Account

PRELIMINARIES

Mandate of the Committee

The Senate Standing Committee on Devolution and Intergovernmental Relations is established under the Standing Order 228 (3) and the Fourth Schedule of the Senate Standing Orders. The Committee is mandated to “*consider all matters relating to devolution, intergovernmental and inter-county relations, governance and management of county governments, cities, towns and urban areas.*”

Membership of the Committee

1. Sen. Sheikh Mohamed Abbas, CBS, MP	-	Chairperson
2. Sen. Catherine Muyeka Mumma, MP	-	Vice Chairperson
3. Sen. (Prof.) Margaret Kamar, EGH, MP	-	Member
4. Sen. (Dr) Oburu Oginga, MGH, MP	-	Member
5. Sen. Peris Pesi Tobiko, CBS, MP	-	Member
6. Sen. Paul Karungo Thang’wa, CBS, MP	-	Member
7. Sen. Richard Momoima Onyonka, EBS, MP	-	Member
8. Sen. Mohamed Said Chute, MP	-	Member
9. Sen. Hezena M. Lemaletian, MP	-	Member

The Minutes of the Committee in considering the matter are attached herein as **Annex 1**.

CHAIRPERSON'S FOREWORD

Mr. Speaker,

In compliance with Article 228(6) of the Constitution, the Controller of Budget (CoB) submitted to the Senate the County Budget Implementation Review Report (CBIRR) for the first half of the Financial Year 2023/2024. The report which was tabled in the Senate on 24th April, 2024 is based on quarterly financial returns submitted to the CoB by all county governments through respective county treasuries, for purposes of expenditure control and expenditure performance reporting.

In July, 2024, the Committee considered the County Budget Implementation Review Report (CBIRR) for the first half of the **FY 2023/24** and noted that county governments are operating several commercial bank accounts which is contrary to Regulation 82 (1) (b) of the Public Finance Management (County Governments) Regulations, 2015. The Regulation provides that all county government bank accounts shall be opened at the Central Bank of Kenya except for imprest bank accounts for petty cash.

The committee noted that the Counties were operating a total of **1,854** commercial bank accounts, during the period under review, and the numbers increased in the subsequent review periods. This made it difficult for the Controller of Budget to track county government spending.

Mr. Speaker,

Upon consideration of the report, the Committee resolved to request Governors operating the highest number of commercial bank accounts to appear before the committee to seek clarification and justification on the matter. These were Bungoma, Baringo, Migori, Kwale and Nyandarua counties.

The Committee further resolved to request Governors of Garissa and Kitui counties, operating the lowest number of commercial bank accounts, to appear before the Committee and provide information on how the counties were operating with a few bank accounts. In

addition, Isiolo, Nakuru and Mombasa County Governors were randomly selected and requested to appear before the Committee to deliberate on the same matter.

Mr. Speaker,

Following its resolution to invite county governors operating the highest and lowest number of commercial bank accounts, the Committee wrote to ten counties, namely Bungoma, Baringo, Migori, Kwale, Nyandarua, Garissa, Kitui, Isiolo, Nakuru, and Mombasa. In the letters, the Committee requested the Counties to provide to the Committee, the details of the commercial bank accounts, including the total number of accounts opened and operated by the County Executive, the dates the accounts were opened, the signatories to the accounts and their designations, the purpose of each account, and the list of beneficiaries of the payments made from each of the accounts. The governors were also invited to appear before the Committee for further deliberations on the matter.

Upon invitation, nine (9) counties appeared before the Committee, on different dates between July and November 2024. Only the Governor of Isiolo County failed to appear despite the Committee sending out two invitations to him.

From the Committee discussions with the Governors, a number of key issues emerged, among them:

- i) Most of the Commercial Bank accounts were opened for operations of County-Established public funds, Health facilities, Technical and Vocational Education and Training Centers (TVETs) and Municipalities;
- ii) Counties opened commercial bank accounts to manage funds received as conditional grants from development partners as this was part of the conditions/ requirements from these development partners. The funds were for projects such as DANIDA, FLOCA, KUSP among others;
- iii) The number of bank accounts reported by the Controller of Budget differed from the number of accounts reported by county governments. This was an indication that the Controller of Budget did not have access to the commercial bank accounts by the

counties. This also contravened Regulation 82 (5) of the Public Finance Management (County Government) Regulations, 2015, which provides that the authority given by the County Treasury regarding bank accounts be conveyed in writing to the responsible Accounting Officer with a copy to the Controller of Budget and the Auditor-General.

Following extensive discussions, the Committee invited the Controller of Budget, the Office of the Auditor-General, and the Council of Governors, to deliberate on the issues emerging from the inquiry, and subsequently held the engagement with the stakeholders on 2nd May, 2025.

Additionally, the Committee invited the Cabinet Secretary for National Treasury and Economic Planning, and the Governor of the Central Bank of Kenya, who appeared before the Committee on Thursday, 17th July, 2025 and Thursday, 24th July, 2025 respectively, to deliberate on the same.

Mr. Speaker,

Following stakeholder engagements and an analysis of the submissions received, the Committee made various observations including;

- (1) A significant number of commercial bank accounts are established to facilitate the operations of county-established public funds, health facilities, Technical and Vocational Education and Training (TVET) centers, donor-funded projects, and municipalities.
- (2) Section 119 (1) and 119 (2) of the Public Finance Management (PFM) Act, 2012, provides that the County Treasuries have the mandate to authorize the opening, operation, and closure of county government bank accounts, and are required to establish a County Treasury Single Account at the Central Bank of Kenya or a bank approved by the county treasury, through which all county government payments are to be made. In this regard, the law created an avenue for County Governments to open accounts in commercial banks.

- (3) There is inconsistency between Regulation 82(1)(a) of the Public Finance Management (National Government) Regulations, 2015 (Legal Notice No. 34 of 2015), and Regulation 82(1)(b) of the Public Finance Management (County Governments) Regulations, 2015 (Legal Notice No. 35 of 2015), regarding the opening and operation of commercial bank accounts. The national regulations provide explicit exemptions, including for donor-funded projects requiring special accounts, situations where the Central Bank of Kenya lacks branches or facilities, and revenue collection in approved commercial banks, along with allowances for special circumstances. In contrast, the county regulations offer limited flexibility, permitting only imprest accounts for petty cash at commercial banks, thereby disadvantaging counties in managing donor funds and operational needs.
- (4) The number of commercial bank accounts reported by the Controller of Budget differed from those reported by county governments and the Auditor General. This discrepancy indicates instances of non-disclosure of bank accounts to the Auditor General and the Controller of Budget, thereby posing a risk to the existence of a reliable and verified inventory of all commercial bank accounts held by county governments.
- (5) That the Cabinet approved the National Treasury Memorandum on the implementation of the Treasury Single Account as required by law. The implementation of the Treasury Single Account by both the National and County governments is a key reform for the public finance management system. The Treasury Single Account will be used to consolidate and manage all public funds in a single account or a set of linked accounts at the Central Bank of Kenya. This will ensure accountability and transparency of the use of public resources, efficient cash management and enhanced fiscal discipline.

Based on its findings and observations the Committee made various recommendations including:

- (1) Within two months of the adoption of this report, the National Treasury shall review and harmonise the Public Finance Management (National Government) Regulations, 2015 (Legal Notice No. 34 of 2015), and the Public Finance Management (County Governments) Regulations, 2015 (Legal Notice No. 35 of 2015), to eliminate inconsistencies between Section 119(2), Regulation 82(1)(a) of the national regulations and Regulation 82(1)(b) of the county regulations regarding the opening and operation of commercial bank accounts. This harmonisation should include the introduction of clear exemptions in the county regulations, aligned with those in the national regulations, such as provisions for donor-funded projects requiring special purpose accounts, situations where the Central Bank of Kenya lacks branches or facilities, revenue collection in approved commercial banks, and allowances for special circumstances, thereby ensuring parity and flexibility for county governments in managing donor funds, conditional grants, and operational needs.
- (2) Additionally, within ninety days following the adoption of this report, the National Treasury shall further review the Public Finance Management (National Government) Regulations, 2015 (Legal Notice No. 34 of 2015) to grant the Central Bank, Controller of Budget and the Office of the Auditor General real-time system access to for all accounts maintained in commercial bank accounts operated by the county governments with clear sanctions for non-compliance. This is aimed at strengthening oversight, enhance transparency and safeguard public resources.
- (3) In line with Regulation 82(4) of the Public Finance Management (county government) Regulation, 2015, County Governments should only open commercial bank accounts with the explicit approval by the County Treasury. Such approvals must be exercised cautiously, with all accounts fully disclosed to the Controller of Budget, the Auditor-General, and other oversight institutions, and consolidated into the county's financial reporting framework to enhance transparency and accountability.

- (4) Within three months of the adoption of this report, each County Treasury shall, pursuant to Regulation 82(5) of the Public Finance Management (County Governments) Regulations, 2015 (Legal Notice No. 35 of 2015), prescribe clear banking rules and maximum balance limits for all commercial bank accounts authorized under the regulations. Where such balances appear likely to be exceeded, the responsible officer shall promptly consult the County Treasury on the appropriate action to be taken, thereby enhancing cash management, minimizing idle balances, reducing wasteful expenditure, and promoting accountability and transparency in the management of public funds.
- (5) Within six months of the adoption of this report, the Office of the Auditor-General, shall conduct a comprehensive audit of all commercial bank accounts operated by county governments and submit a report to the Senate and the County Governments, including recommendations for the closure of inactive and dormant bank accounts and the transfer of any idle balances to the County Revenue Fund.
- (6) The National Treasury should fast-track the roll-out of the Treasury Single Account in counties, with clear timelines and guidelines. Capacity building should be undertaken to strengthen internal accounting systems and effective coordination should be established among the National Treasury, County Treasuries, Auditor-General, Controller of Budget and the Central Bank of Kenya to guarantee successful implementation.

Mr. Speaker,

I wish to acknowledge and appreciate the devotion and commitment of the Committee Members, which ensured the successful consideration of this inquiry.

I also wish to thank the Offices of the Speaker and the Clerk of the Senate for the support extended to the Committee in undertaking this important assignment. Lastly, I wish to

thank the stakeholders who appeared before the Committee and presented their submissions on the matter.

Mr. Speaker,

It is now my pleasant duty and privilege, pursuant to standing order 228 (4) (h) and on behalf of the Standing Committee on Devolution and Intergovernmental Relations, to present the report on the Committee Inquiry on Commercial Bank Accounts opened and operated by County Governments.

Signed

Date.....

25/09/2025

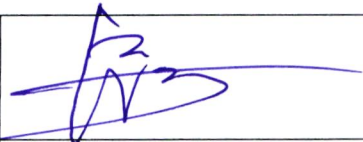
SEN. SHEIKH MOHAMED ABASS, CBS, MP

CHAIRPERSON,

**STANDING COMMITTEE ON DEVOLUTION AND INTERGOVERNMENTAL
RELATIONS**

**ADOPTION OF THE REPORT OF THE STANDING COMMITTEE ON
DEVOLUTION AND INTERGOVERNMENTAL RELATIONS ON THE
COMMITTEE INQUIRY ON COMMERCIAL BANK ACCOUNTS OPENED
AND OPERATED BY COUNTY GOVERNMENTS**

We, the undersigned Members of the Standing Committee on Devolution and Intergovernmental Relations, do hereby append our signatures to adopt this Report-

Sen. Sheikh Mohamed Abass, CBS, MP	- Chairperson	
Sen. Catherine Muyeka Mumma, MP	-Vice-Chairperson	
Sen. (Prof.) Margaret Kamar, EGH, MP	-Member	
Sen. (Dr) Oburu Oginga, MGH, MP	-Member	
Sen. Peris Pesi Tobiko, CBS, MP	-Member	
Sen. Paul Karungo Thang'wa, CBS, MP	-Member	
Sen. Richard Momoima Onyonka, EBS, MP	-Member	
Sen. Mohamed Said Chute, MP	-Member	
Sen. Hezena M. Lemaletian, MP	-Member	

CHAPTER ONE: INTRODUCTION

1.1 Background

1. In compliance with Article 228(6) of the Constitution, the Controller of Budget (CoB) submitted to the Senate, the County Budget Implementation Review Report for the first half of the Financial Year 2023/2024. The report which was tabled in the Senate on 24th April, 2024 is based on quarterly financial returns submitted to the CoB by all county governments through respective county treasuries, for purposes of expenditure control and expenditure performance reporting.
2. In July, 2024, the Committee considered the Report and noted that county governments are operating several commercial bank accounts which is contrary to Regulation 82 (1) (b) of the Public Finance Management (County Governments) Regulations, 2015. The Regulation provides that all county government bank accounts shall be opened at the Central Bank of Kenya except for imprest bank accounts for petty cash.
3. The committee noted that the Counties were operating a total of **1,854** commercial bank accounts, during the period under review, and the numbers increased in the subsequent review periods. This made it difficult for the Controller of Budget to track government spending.
4. Upon consideration of the report, the Committee resolved to request Governors operating the highest number of commercial bank accounts to appear before the committee to seek clarification and justification on the matter. These were Bungoma, Baringo, Migori, Kwale and Nyandarua counties.
5. The Committee further resolved to request Governors of Garissa and Kitui counties, operating the lowest number of commercial bank accounts, to appear before the Committee and provide information on how the counties were operating with a few bank accounts.
6. In addition, Isiolo, Nakuru and Mombasa County Governors were randomly selected and requested to appear before the Committee to deliberate on the same matter.

1.2 Legal Framework Underpinning Opening and Operation of Commercial Bank Accounts

7. Section 119(1) of the Public Finance Management Act, 2012 Cap 413A, provides that the County Treasury shall be responsible for authorising the opening, operating and closing of bank accounts for the County Government and its entities, except as otherwise provided by other legislation and in accordance with regulations made under the Act.
8. Section 119(2) of the Act further provides that, as soon as practicable, each County Treasury shall establish a Treasury Single Account at the Central Bank of Kenya or at a bank approved by the County Treasury, through which payments of money to and by the various county government entities are to be made.
9. Regulation 82(1)(b) of the Public Finance Management (County Governments) Regulations, 2015 (Legal Notice No. 35 of 2015), stipulates that all county government bank accounts shall be opened at the Central Bank of Kenya, except for imprest bank accounts for petty cash.
10. It is noteworthy that, while Regulation 82(1)(b) restricts the opening of county government bank accounts to the Central Bank of Kenya (save for imprest accounts), Section 119(2) of the Act contemplates the possibility of such accounts being established at other banks approved by the County Treasury, thereby highlighting a potential misalignment between the primary legislation and the subsidiary regulations in respect of commercial bank accounts.
11. Regulation 82(3) provides that, except with the prior authority of the County Treasury, no accounting officer may open a bank account for the deposit, custody or withdrawal of public money or other money for which he or she is responsible in his or her official capacity, or for the transaction of official banking business.
12. Regulation 82(4) further provides that the authority of the County Treasury shall be conveyed in writing to the responsible accounting officer, with a copy to the Controller of Budget and the Auditor-General.

13. Regulation 82(5) provides that the County Treasury may prescribe banking rules and the maximum balance which may be held in any official county treasury single account, sub-account or other bank account, and if at any time this balance seems likely to be exceeded, the officer operating the account shall consult the County Treasury on the action to be taken.

CHAPTER TWO: ENGAGEMENT WITH STAKEHOLDERS

14. Following its resolution to invite county governors operating the highest and lowest number of commercial bank accounts, the Committee wrote to ten counties, namely; Bungoma, Baringo, Migori, Kwale, Nyandarua, Garissa, Kitui, Isiolo, Nakuru, and Mombasa.
15. In the letters, the Committee requested the county governors to submit to the Committee details of the commercial bank accounts, including the opening dates, account signatories and their designations, the purpose of each account, and the list of beneficiaries of payments made from each of the accounts. The governors were also invited to appear before the Committee for further deliberations on the matter.

2.1 Submissions from the invited County Governors

16. Upon invitation, nine (9) counties appeared before the Committee, on different dates as follows; Kwale and Migori Counties on 22nd July, 2024, Baringo on 29th July, 2024; Bungoma on 5th August 2024; Kitui on 9th September, 2024; Nyandarua on 12th September, 2024; Garissa on 16th September, 2024; Mombasa on 26th September, 2024; and Nakuru on 8th October, 2024.
17. The Governor for Isiolo County failed to appear despite the Committee sending out two invitations for him to appear before the Committee.
18. Table 1 below highlights a summary of the submissions received by the Committee, showing a comparison between the number of commercial bank accounts reported by the Controller of Budget in the County Budget Implementation Review Report (CBIRR) and the number of accounts reported by the county governors. The table further indicates the purpose of opening the Commercial bank accounts as submitted by the counties.

Table 1: Number of commercial bank accounts submitted by Counties

S/NO	COUNTY	Accounts Reported by COB	Accounts Reported by County	Purpose for opening the Commercial Bank Accounts.
1.	Bungoma	352	352	• Ten (10) Established Public Funds, • Nine (9) Special Purpose Accounts, • One (1) Project Management Account, • Nine (9) Sub-County Imprest Accounts, • Two (2) Mabanga Operations Accounts, • Nineteen (19) Level 4 & 5 Hospital Accounts, • Four (4) OSR Collection Accounts, • 152 Vocational Training Centre Accounts, • 146 Health Facility & Dispensary Accounts.
2.	Baringo	304	304	• Twenty-one (21) operated at CBK, • Two hundred and forty-three (243) commercial banks accounts for health centers and dispensaries, • Twelve (12) operated by level 6 and 4 hospitals, • Eleven (11) for county funds, Five (5) accounts for conditional grants, • Six (6) for sub county expenditure, • Two (2) municipal expenditures, and • Four (4) revenue accounts.
3.	Migori	208	208	• Twenty (20) Sub County hospitals bank Accounts, used for facility improvement operations; • One hundred and thirty-seven (137) Dispensaries Banks Accounts, used for facility improvement operations, • Fifteen (15) Donor Fund Bank Accounts, used for Donor Fund activities and operations; and • Thirty-six (36) Departments Bank Accounts used for Departmental operations and Imprest management.

4.	Kwale	165	213	• Twenty-four (24) Central Bank of Kenya; • Fifteen (15) Imprest Accounts; • Two (2) Revenue Accounts • Five (5) Grants Accounts, Municipalities • Five (5) Level IV hospitals; • One hundred and fifty three (153) Health Centre and dispensaries.
5.	Nyandarua	86	More than 160	• Established public funds, • Vocational training colleges, • Dispensaries and health facilities, • Municipalities and Agricultural centres.
6.	Mombasa	-	112	• Eighteen (18) at CBK, • Ninety-four (94) Commercial bank accounts; which are:- Fourteen (14) operated by County treasury, Two (2) for KISIP II Project, Nine (9) operated by Coast General Hospital (CGTRH), Four (4) operated by Department of Education, Fifty three (53) operated by Department of Health, Twelve (12) operated by Department of Water.
7.	Nakuru	12	More than 220	• Established public funds, • health facilities, • municipalities and TVETs.
8.	Garissa	4	More than 90	• Emergency Fund, • Salary account, • a Scholarship account, • Revenue collection account, • the Revolving fund account, • Health facilities from level 1-5, • Municipalities and TVETs
9.	Kitui	5	More than 313	• Established public funds, • Conditional grants, • Municipalities and TVETs, • 308 dispensaries and health facilities.
10.	Isiolo	13	-	Failed to appear before the Committee

19. From the Committee discussions with the Governors, a number of key issues emerged.

These included -

- (i) Most of the Commercial Bank accounts were opened for operations of County-Established public funds, Health facilities, Technical and Vocational Education and Training Centers (TVETs) and Municipalities;
- (ii) Counties opened commercial bank accounts to manage funds received as conditional grants from development partners, this was part of the conditions/requirements from these development partners. The funds were for projects such as DANIDA, FLOCA, KUSP among others;
- (iii) Counties explained the need for separate accounts to manage the financial operations of individual hospitals and health facilities, management and operations by the ECDE centers. There was need to look at ways in which these functions could be more efficiently managed through special purpose accounts at the Central Bank;
- (iv) The number of bank accounts reported by the Controller of Budget differed from the number of accounts reported by county governments. This was an indication that the controller of budget did not have access to the commercial bank accounts by the counties. This also contravened Regulation 82 (5) which provides that the authority given by the County Treasury regarding bank accounts be conveyed in writing to the responsible Accounting Officer with a copy to the Controller of Budget and the Auditor-General;
- (v) Regulation 82 (6) provides that the County Treasury may prescribe the banking rules and the maximum balance which may be held in any official County Treasury Single Account, sub-account or other bank accounts, and if at any time this balance seems likely to be exceeded, the officer operating the accounts shall consult County Treasury on the action to be taken. There was however no evidence that the County Treasuries have prescribed the banking rules and the limit for each account;
- (vi) Some of the commercial bank accounts reported were opened by previous administrations, and the current county governments have not taken measures to

close these accounts. It was also noted in some counties that there were signatories appearing for many bank accounts;

(vii) The multiple commercial bank accounts hindered the ability to conduct thorough audits and ensure that public funds are being used appropriately and for their intended purposes. The Auditor General reports indicated that funds held in commercial bank accounts are excluded from financial statements leading to unexplained variances in bank balances; and

(viii) Garissa county government revealed that the level II and III health facilities have never been audited by the office of the Auditor General despite the county providing the information. For that reason, they were not accounted for in the Controller of Budget's report.

20. Following extensive discussions on the matter, the Committee resolved to invite the Cabinet Secretary for National Treasury and Economic Planning, the Controller of Budget, the Office of the Auditor General, the Council of Governors and the Governor of the Central Bank of Kenya, to deliberate on the issues emerging from the inquiry.

2.2 Submissions from the Council of Governors (COG)

21. The Committee met with the Council of Governors (COG) on 2nd May, 2025.

22. The Council of Governors submitted that all accounts opened and operated by the County governments are lawful based on the following:

- (i) Section 5 of the Public Finance Management Act provides for the declaration of a County government entity. Pursuant to this, County governments have established various semi-autonomous entities, similar to those of the National Government. These include Health Facilities, Technical and Vocational Education Centres, Water Service Providers, County Funds, Urban Authorities (cities, municipalities and towns), Investment Authorities and Revenue Authorities.
- (ii) In accordance with Section 5(2) of the Facility Improvement Financing Act, 2023, all County Health facilities have been declared entities of County Governments and

are required to open and operate bank accounts in commercial banks for purposes of revenue collection, retention and expenditure. To date, County governments have at least 7,011 Health facilities which have all opened accounts in commercial banks in compliance with the FIF Law.

- (iii) Pursuant to Regulation 82(1)(b) of the PFM (County Governments) Regulations, 2015, County governments are required to open accounts in commercial banks for imprest/petty cash management purposes.
- (iv) Regulation 63 (4) further provides for designated revenue collection accounts which are opened in commercial banks. The revenue collected is afterwards swept to the County Revenue Fund Account as required by law.
- (v) Further, county governments are implementing various projects funded from conditional grants by development partners. Some of the conditions include the requirement to open Special Purpose Accounts (SPA) for these projects in a commercial bank for operational convenience purposes. Therefore, in line with Regulation 76 (1), all donor operated projects have SPA accounts across all the counties.
- (vi) Some bank accounts were inherited from the defunct Local Authorities, where some remain operational due to multi-year projects and programmes taken over by County Governments during the transition, while others have become dormant.

23. The Council of Governors stated that all Commercial Banks are regulated by the Central Bank of Kenya (CBK). Further, that all county governments submit reports (self-reports) on the operations of these accounts to the Controller of Budget (COB) as required by law and as an accountability measure.

24. Similarly, the Auditor-General audits these accounts in line with the Constitution, the Public Finance Management (PFM) Act, the Public Audit Act, and the relevant regulations.

25. Therefore, the accounts reported should correspond with and reflect a true record of what exists in the Counties. According to the Council, these measures underscore the commitment of County Governments to enhancing transparency and accountability.

26. The Council of Governors further made the following recommendations-

- (i) That the Controller of budget should categorize the bank accounts appropriately in subsequent budget implementation review reports.
- (ii) The Controller of Budget and Auditor General to contextualize their reports and findings on these accounts to avoid sensationalism in public reports.
- (iii) The Senate to cause amendments to the Public Finance Management (County Governments) Regulations, 2015 to align with new laws such as the FIF Act, 2023 and other emerging requirements such as the need for efficient implementation of development projects funded by conditional grants.

2.3 Submissions from the Office of the Auditor General (OAG)

27. The Committee held an engagement with the Office of the Auditor general on 2nd May, 2025.

28. The Auditor General, Ms. Nancy Gathungu, highlighted the legal frameworks underpinning the opening, operating and closing of bank accounts for the county government and its entities, noting that the Public Finance Management Act, 2012 and the County Governments Regulations, 2015, assign the County Treasury the mandate over the opening, operation, and closure of county government bank accounts and require such accounts to be maintained at the Central Bank of Kenya.

29. Despite these provisions, the Auditor-General's annual audits indicated that some County Governments continue to open bank accounts in commercial banks without the requisite approval of the County Treasury.

30. In the financial and compliance audits for the financial years 2022/2023 and 2023/2024 the Auditor General raised instances where counties continued to operate these bank accounts without the requisite approvals. These included Kiambu County Executive having 276 bank accounts in commercial banks while Baringo had 233 bank accounts. Other counties mentioned were Garissa which had three (3) payroll accounts and Mombasa which opened three (3) unauthorized accounts.

31. The Auditor General stated that most accounts are opened in respect of the following;

- (i) **Revenue Collection** – Counties open accounts in commercial banks despite Regulation 63(4) of the Public Finance Management (County Governments) Regulations, 2015 requiring that all public moneys collected by a receiver of revenue or collector of revenue or collected and retained by a county government entity be paid into the designated bank accounts of the county government, that is the County Exchequer Account as defined by Section 109(4) of the Public Finance Management Act, 2012.
- (ii) **Health Facilities** – County executives opened bank accounts in respect of health facilities in commercial banks. Examples were Kiambu and Elgeyo Marakwet Counties having more commercial banks relating to health facilities.
- (iii) **Wards for County Assemblies** – Counties that had established wards also opened accounts in commercial banks. For instance, in the FY 2023/2024, Migori County had 59 accounts – 40 relating to the wards while 19 were opened in the names of the Members of the County Assembly of Migori.
- (iv) **Donor Funded Projects/ Special Purpose Accounts** – Counties receive grants in respect to the Fuel Levy, conditional grants and other donor funding some which required the county governments to open bank accounts in commercial banks. The Auditor General noted instances where the Court directed that the counties establish joint accounts with contractors in cases of contractual disputes, like the case of Vihiga County Assembly in FY 2020/2021, which was directed to establish such a joint account to cater for legal expenses.

2.3.1 Challenges of Opening Bank Accounts in Commercial Banks

32. The Auditor General noted that county governments holding numerous bank accounts in commercial banks presented challenges related to accountability, transparency, and efficiency. It made it difficult to track public expenditure, potentially leading to the misuse of funds and increasing the risk of corruption. The county governments lack

visibility on funds scattered across the accounts which sometimes are unmonitored, making it impossible to prioritize and control expenditure disbursements.

(i) Potential risk of fraud

33. Banks accounts may be opened to mask the trail of the flow of money. The Auditor General gave examples of commercial bank accounts opened and used irregularly, including Murang'a County Executive transferring Kshs. 20 million without supporting documents and the Vihiga County Assembly operating a joint account in the names of individuals.

(ii) Difficulty in Tracking Funds

34. With numerous accounts, it's more challenging for oversight bodies like the Controller of Budget and the County Assemblies to monitor how county government funds are being used. The Auditor General observed that this challenge was compounded further by the following three root causes:

- a) **Non-Disclosure of Bank Accounts** – County governments do not disclose bank accounts in commercial banks contrary to Regulation 87 (1) and (2) of the PFM 2015 Regulations that requires the County Head of Accountancy Services to maintain a register of all County Treasury Single Account, sub accounts and other bank accounts opened by County government entities. This register is periodically reconciled with the records maintained by the Central Bank of Kenya.
- b) **Unsupported Balances** – The balances in the accounts were not supported by certificates of balances, Board of Survey reports, bank reconciliation statements and cashbooks.
- c) **Unreconciled Balances** – County governments also failed to reconcile the balances as at the end of the year with the underlying records such as cashbooks. Lack of regular bank reconciliations means that these balances will not reconcile at the end of the financial year.

(iii) Payments made outside IFMIS

35. Ms. Nancy Gathungu highlighted that with numerous accounts, there is a possibility that payments will not be processed in IFMIS, as was the case in FY 2023/2024 when the Wajir County Executive used a commercial bank account to pay salaries and daily subsistence allowances.

(iv) Wasteful Expenditure

36. The OAG noted that managing numerous accounts can be more costly as a result of bank charges and idle bank accounts. Indeed, Regulation 83(1)(c) recognizes non-accumulation of idle balances as a good practice in sound cash management.

(v) Unregulated Borrowing

37. The Public Finance Management Act, 2012 provides limits for borrowing by County Governments. Section 107(3) of the Act restricts short-term borrowing to not more than five percent of the most recent audited county government revenue. Such a borrowing also requires a national government guarantee pursuant to section 58 of the PFMA, 2012 and must be approved by the County Assembly.
38. However, the OAG noted that county governments prefer securing short-term borrowing from commercial banks despite the availability of the Central Bank overdraft facility provided for in Regulation 83(3) and 177(2)(b) of the PFM 2015 Regulations. The most common form of borrowing was through overdraft facilities in commercial banks. The OAG also noted that there were no limits set by the County Treasury contrary to the requirements of Section 119(4) of the PFMA 2012.

2.3.2 The Treasury Single Account (TSA)

39. The Auditor General stated that the solution to the matter would be the adoption of the Treasury Single Account. She highlighted that the challenge presented by the county governments maintaining bank accounts in commercial banks can be minimized by County Treasury keeping complete and current records of all bank accounts for which

it is responsible as required by Section 119(5) of the PFMA 2012 and Regulation 87(1) of the 2015 PFM Regulations.

40. Ms. Nancy Gathungu emphasized that county governments must minimise fragmentation of government accounts in commercial banks by adopting the Treasury Single Account. Section 119(2) of the PFMA, 2012 and Regulation 95(1) of the PFM 2015 Regulations required each County Treasury to establish a Treasury Single Account, within six (6) months after the commencement of the PFM Regulations, at the Central Bank of Kenya or a bank approved by the County Treasury through which payments of money to and by the various county government entities are to be made.
41. The TSA model proposed in the Regulations and by the National Treasury is one where county entities will maintain separate accounts linked to a central account, with all funds required to be transferred to the primary TSA account at the end of each day. This means that even if they operate commercial bank accounts, they will be required to swipe all the money back to the CBK main account each day.
42. In her submissions, the Auditor General mentioned that on 15th January, 2024, the Cabinet approved the implementation of TSA in both National and County Governments, setting the stage for the consolidation of government finances in Kenya. The TSA aims to provide the county government with a consolidated view of its total available cash balances at any given time.
43. The TSA is expected to simplify government banking, enhance the visibility of cash resources, and increase transparency in government cash management. Additionally, the new system will help control expenditure, reduce administrative costs by eliminating fees and charges associated with maintaining multiple bank accounts and minimize the volume of idle balances in the banking system.
44. The Auditor General added that the TSA would:
- i) Provide real-time complete information about government funds.
 - ii) Help the County Treasuries to plan and implement the budget in an efficient and transparent manner, and
 - iii) Improve bank reconciliations and quality of fiscal data.

45. However, the OAG submitted that the success of the TSA would require;

- i) Internal accounting arrangements and incentives to minimize levels of idle balances and reduce payment/receipting timing uncertainties; and
- ii) Bank account structures to net transactions and aggregate the balances into TSA

46. The Auditor General concluded by emphasizing that County governments face the challenge of scarce resources and as they mobilize resources and look for alternative sources, they must also monitor how they are spending these resources by having a view of their cash management.

47. The Auditor-General expressed commitment to continue addressing the use of public resources and mentioned that she had directed auditors in county governments to collect information on all bank accounts maintained in both the Central Bank of Kenya and commercial banks to facilitate ease of analysis.

2.4 Submissions from the Controller of Budget (CoB)

48. In her submissions, the Controller of budget noted that Regulation 82(4) of the Public Finance Management (PFM) Act mandates that accounting officers obtain written authorization from the County Treasury before opening a commercial bank account. Additionally, Regulation 82(5) of the Public Finance Management (County Governments) Regulations, 2015, requires the County Treasury to submit a copy of the letter authorizing an accounting officer to open a commercial bank account to the Controller of Budget.

49. The Controller of Budget informed the Committee that the office visited 12 County governments from 16th February to 8th March 2025 to monitor and evaluate the progress of budget implementation. The scope of the visit covered among others, compliance with the law on banking arrangements.

50. The CoB further provided a summary of the findings relating to the banking arrangements in the 12 Counties that were visited, outlining for each county, the number of bank accounts, the specific bank names, the date of opening, the account names and

the account numbers. These details are highlighted in the Controller of Budget's submissions annexed herein. (**Annex 5**)

2.5 Submissions from the Cabinet Secretary for National Treasury and Economic Planning

51. The Cabinet Secretary for National Treasury and Economic Planning, Hon. FCPA John Mbadi, EGH, appeared before the Committee on 17th July, 2025, to discuss the matters relating to the operation of commercial bank accounts at the county governments. The Cabinet Secretary began his submissions by highlighting the establishment of the National Treasury in the Constitution and its mandate in designing and prescribing an efficient financial management system for national and county governments, as provided for under Section 12 (1) (e) of the Public Finance Management (PFM) Act, 2012.
52. The Cabinet Secretary noted the provisions of Section 119 (1) and 119 (2) of the Public Finance Management (PFM) Act, 2012, which provide that the County Treasury has the mandate to authorize the opening, operation, and closure of county government bank accounts, and is required to establish a Treasury Single Account at the Central Bank of Kenya **or a bank approved by the county treasury**, through which all county government payments are to be made. In this regard, the law created an avenue for County Governments to open accounts in commercial banks.
53. Hon. John Mbadi, EGH, further highlighted provisions of Regulations 82 (1) and 82 (2) of the Public Finance Management (County Government) Regulations 2015 that guide the opening and operation of county government bank accounts.
54. With regards to the role of the National Treasury in enforcing the laws, the Cabinet Secretary submitted as follows-
 - (1) That the opening, operating, and closing of bank accounts for the County governments are the responsibilities of the County Treasuries. Therefore, the

National Treasury had issued circulars bringing the requirements of the law to the attention of County Governments.

- (2) That the Cabinet approved the National Treasury Memorandum on the implementation of the Treasury Single Account as required by law. The **implementation of the Treasury Single Account** by both the National and County governments is a key reform for the public finance management system. The Treasury Single Account is a key reform in the PFM Act, 2012, used to consolidate and manage all public funds in a single account or a set of linked accounts at the Central Bank of Kenya. The primary goal is to ensure:

- (i) accountability and transparency of the use of public resources
- (ii) reduction in bank fees and charges
- (iii) reduced borrowing costs and, at times, reduced tendency to borrow your own money
- (iv) efficient cash management
- (v) enhanced fiscal discipline
- (vi) simplified bank reconciliation
- (vii) improved monetary policy implementation
- (viii) support for e-government and digital payments

55. Further, it was brought to the attention of the Committee that the Treasury Single Account will be implemented in three phases as follows;

- (1) FY 2025/2026, Ministries, Departments, and Agencies
- (2) FY 2026/2027, County Government and County Government entities
- (3) FY 2027/2028, State Corporations

56. Noting that The National Treasury began guiding the transition towards the Treasury Single Account, the Cabinet Secretary highlighted the following progress made;

- (i) Constitution of a TSA Technical Committee comprising representatives from the Treasury, Central Bank of Kenya (CBK), and Controller of Budget (COB). This committee is tasked with;
 - (a) Designing the Hybrid TSA model architecture

- (b) Specifying technical requirements for account consolidation
- (c) Proposing the implementation of the rollout roadmap
- (ii) Carrying out an inventory of GOK bank accounts held at the CBK and commercial banks.
- (iii) Benchmarking with other jurisdictions that have implemented the TSA system
- (iv) Commencement of the automation of County Exchequer release processes as a key enabler of the TSA system at the County level.

57. The Cabinet Secretary concluded by stating that the National Treasury expected to leverage the success in implementing the TSA at the National government level to support County Governments adopt TSA as of the financial year 2026/2027.

2.6 Submissions from the Governor of the Central Bank of Kenya (CBK)

58. The Committee invited the Governor of the Central Bank of Kenya to make submissions on its role in the compliance of the county governments with the PFM Regulations on operation of county government bank accounts. The Governor appeared before the Committee on Thursday, 24th, July, 2025 to deliberate on the matter.

59. In his submissions, the Governor of CBK highlighted the key provisions of Regulation 82 of the Public Finance Management (County Government) Regulations 2015 as follows;

- (i) Regulation 82(1)(a) & 82(1)(b) – All County Exchequer Accounts shall be opened at CBK; and all County Government bank accounts must be at CBK, except imprest accounts.
- (ii) Regulation 82(2) & 82(3) – Non-compliant entities must comply within six months of commencement; and account opening requires prior written County Treasury authority.

- (iii) Regulation 82(4) & 82(5) – The Authority must be copied to the Controller of Budget and Auditor-General; and the County Treasury may prescribe banking rules and balances.
- (iv) Regulation 82(6) & 82(7) – No overdrafts or unauthorized advances from County accounts; and all authorizations must be written and copied to Auditor-General.

60. The Governor submitted that as a banker and advisor to the Government, the Central Bank of Kenya played the following roles;

- (i) Facilitating account opening and closing upon request by the CEC Finance and County Assembly Clerk.
- (ii) Maintaining County Government bank accounts at CBK, excluding commercial bank accounts.
- (iii) Providing system access and transaction visibility for County Government Accounts maintained at CBK to oversight bodies such as the Controller of Budget.
- (iv) Collaborating with the National Treasury, Controller of Budget, and Auditor General to support compliance.

61. The challenges faced by the CBK in implementing Regulation 82 (1) (b) were highlighted as follows;

- (i) Enforcement Limitations; Lack of direct mandate by CBK to compel County Governments to close unauthorized accounts.
- (ii) Governance/Operational Issues; the responsibility and accountability of decisions regarding the County Treasury Banking arrangements in commercial banks rests with the CEC Finance.
- (iii) Visibility Constraints; Limited visibility by CBK Banking teams over accounts opened at Commercial Banks unless flagged by oversight agencies.
- (iv) Coordination Gaps; Inadequate coordination among oversight agencies (CoB and OAG) in enforcing compliance in line with Reg 82 (4).

- (v) Legacy Arrangements; Legacy commercial bank arrangements retained for convenience. (E.g. PFM Act Sec. 142) that authorizes short-term borrowing by county governments for cash management; and
- (vi) Operational Constraints; Limited physical reach of CBK Branches/Centers to some counties, hence revenue collection are banked at the nearest commercial bank for convenience.

62. Some of the recommendations made by the Governor of CBK included -

- (i) Joint Oversight; Coordinated approach by Oversight agencies (CoB and OAG in line with Reg 82 (4)) in enforcing compliance.
- (ii) Sensitization; Sensitize commercial Banks on the demands of the PFM Act and Regulations and their roles.
- (iii) Strengthening the Legal Framework to address inconsistencies in the PFM Act and Regulations. For instance, Section 119(2) of the Act allows the County Treasurer to open the County accounts at either CBK or Commercial Banks. Additionally, amending Section 82(1)(b) to add the accounts used to borrow as permitted in PFM Act Sec 142 as an exception.
- (iv) Alternative Banking Channels; Counties to be encouraged to adopt alternative banking arrangements (digital channels) where CBK's physical presence is limited.
- (v) Enhance monitoring by oversight agencies through mandatory reporting of accounts operated by Counties in Commercial Banks.
- (vi) Implementation of the TSA as a key reform in the PFM ACT 2012 will help consolidate and manage all public funds in a single account at the CBK.

63. The Governor of the Central Bank of Kenya concluded his submissions by reiterating the Bank's commitment to supporting sound financial governance and its readiness to collaborate with the Senate and relevant institutions to strengthen public financial management and ensure compliance with regulations.

CHAPTER THREE: ANALYSIS OF STAKEHOLDER SUBMISSIONS

3.1 Purpose of Opening the Accounts

64. The purpose of opening commercial bank accounts varied widely across the counties. Most of the accounts were opened to facilitate the operations of county-established public funds, health facilities, vocational training centres, ECDE centres, and municipalities. In addition, submissions pointed out that some accounts were inherited from previous administrations or defunct local authorities and had remained operational despite changes in governance.
65. Some of the commercial bank accounts were Special Purpose Accounts for projects funded from conditional grants by donors and development partners. There were instances where the Court directed counties to establish joint accounts with contractors in situations involving contractual disputes, like the case of Vihiga County Assembly in FY 2020/2021, which was directed to establish such a joint account to cater for legal expenses.
66. It was noted that the commercial bank accounts for Health Facilities were opened in compliance to Section 5(2) of the Facilities Improvement Financing Act, 2023, which states that “there shall be opened a facility improvement financing account for each public health facility into which shall be paid all monies received by or on behalf of the respective public health facility’.
67. Counties explained the need for separate accounts to manage the financial operations of individual hospitals and dispensaries, as well as for the management of conditional grants from development partners and donor-funded projects such as DANIDA, FLOCA and KUSP. In some cases, counties justified the opening of accounts as a response to operational requirements and administrative convenience in service delivery.

3.2 Challenges and Risks of having many Accounts

68. The increase of commercial bank accounts posed significant challenges in accountability, transparency, and efficiency. These included -

- (i) Limited oversight of county government funds – The Auditor-General noted that maintaining numerous accounts made it difficult for oversight institutions to track public expenditure, raising the risk of misuse of funds and corruption. This challenge was compounded by cases of non-disclosure of accounts, unsupported balances without certificates, reconciliation statements or cashbooks, and unreconciled balances that did not match underlying records.
- (ii) Potential risk of fraud – The use of multiple accounts also increased the possibility of funds being moved without a clear trail, thereby masking the flow of money. These multiple accounts created systemic risks associated with uncoordinated banking arrangements.
- (iii) Wasteful Expenditure – In some instances, funds were left idle, while bank charges accumulated, leading to wasteful expenditure.
- (iv) Payments made outside IFMIS – The Auditor General noted that counties were making payments outside the Integrated Financial Management Information System (IFMIS), as seen in Wajir County where salaries and daily subsistence allowances were processed through a commercial bank account, in FY 2023/2024
- (v) Unregulated borrowing – The OAG noted that county governments preferred securing short-term borrowing from commercial banks despite the availability of the Central Bank overdraft facility provided for in Regulation 83(3) and 177(2)(b) of the PFM 2015 Regulations. The most common form of borrowing was through overdraft facilities in commercial banks.

3.3 Ambiguities in the Legal Framework governing County bank accounts

69. The Committee received submissions from various stakeholders highlighting ambiguities in the legal framework governing the opening and operation of commercial

bank accounts by county governments. This framework is set out in Section 119 of the Public Finance Management Act, 2012 Cap 411A, and Regulation 82 of the Public Finance Management (County Governments) Regulations, 2015 (Legal Notice No. 35 of 2015), which regulate cash management and banking arrangements for county governments and their entities.

70. A key source of ambiguity arises from Regulation 82(1)(b), which requires that all county government bank accounts be opened and maintained at the Central Bank of Kenya, except for imprest bank accounts for petty cash. However, this provision conflicts with Section 119(2) of the Act, which allows for the establishment of a Treasury Single Account at the Central Bank of Kenya or at any other bank approved by the County Treasury. This conflict creates uncertainty in interpretation, as the Act provides flexibility for approved banks, while the Regulations impose a stricter limit to the Central Bank of Kenya, potentially restricting counties' ability to meet practical needs.

71. A further inconsistency is evident when comparing Regulation 82 of the Public Finance Management (County Governments) Regulations, 2015, with the equivalent provision in the Public Finance Management (National Government) Regulations, 2015 (Legal Notice No. 34 of 2015). While Regulation 82(1)(a) for the national government mandates that all bank accounts be opened at the Central Bank of Kenya, it provides several explicit exemptions, including:

- (i) where the Central Bank of Kenya has no branch;
- (ii) where it is expressly required under a financing agreement with the approval of the Cabinet Secretary;
- (iii) where the Central Bank of Kenya confirms in writing its inability to provide banking facilities; and
- (iv) for revenue collection purposes in a commercial bank with a wide branch network and government linkages.

72. Additionally, Regulation 82(2) allows applications for approval to operate accounts in commercial banks under special circumstances. In contrast, Regulation 82 for county governments offers far less flexibility, requiring all county exchequer accounts and other bank accounts to be opened at the Central Bank of Kenya, with the sole exception for imprest bank accounts for petty cash. This disparity, particularly the absence of exemptions for donor-funded projects and special purpose accounts in the county regulations, places county governments at a disadvantage in managing donor funds, conditional grants, and operational needs, as highlighted in submissions from the Council of Governors.

73. These ambiguities are compounded by subsequent laws, such as the Facility Improvement Financing Act, 2023, Cap 277, which requires county health facilities to open and operate bank accounts for revenue collection, retention, and expenditure. Submissions from the Council of Governors and the Auditor-General indicate that counties have opened such accounts in commercial banks to comply with this Act and to support efficient operations in health facilities. The submission from the Council of Governors were that these actions are lawful under the broader framework, including Section 5 of the Public Finance Management Act, 2012, which allows for the declaration of semi-autonomous entities. However, oversight bodies, such as the Auditor-General and Controller of Budget, view many of these accounts as non-compliant with Regulation 82 of the Public Finance Management (County Government) Regulations, 2015, leading to audit findings of unauthorized openings and operational issues.

74. The Governor of the Central Bank of Kenya and the Cabinet Secretary for National Treasury and Economic Planning emphasized enforcement limitations, including the Central Bank's lack of direct authority to close unauthorized accounts and coordination gaps among oversight bodies. They noted legacy arrangements and operational constraints, such as limited Central Bank branches, which lead counties to use commercial banks for convenience.

75. In response to these issues, stakeholders recommended harmonization of the legal provisions. The Council of Governors urged amendments to the Regulations to align with laws like the Facility Improvement Financing Act, 2023, and to address donor requirements. The Auditor-General and Cabinet Secretary advocated for the implementation of the Treasury Single Account under Section 119(2) of the Public Finance Management Act (Cap 412A) and Regulation 95(1), to consolidate funds, enhance transparency, and reduce risks. The Governor of the Central Bank proposed strengthening the framework by resolving inconsistencies (e.g., between Section 119(2) and Regulation 82(1)(b)), adding exceptions for borrowing under Section 142, and improving monitoring through mandatory reporting.

3.4 The Treasury Single Account (TSA)

76. The Treasury Single Account (TSA) appeared to be the central reform proposal to address the challenges of fragmented county banking arrangements. Section 119(2) of the PFM Act, Cap 412A and Regulation 95(1) of the PFM 2015 Regulations required each County Treasury to establish a Treasury Single Account, within six (6) months after the commencement of the PFM Regulations, at the Central Bank of Kenya or a bank approved by the County Treasury through which payments of money to and by the various county government entities are to be made.
77. The Treasury Single Account is a key reform in the PFM Act, Cap 412A, used to consolidate and manage all public funds in a single account or a set of linked accounts at the Central Bank of Kenya.
78. The Auditor-General, the National Treasury, and the Central Bank emphasized that TSA would consolidate county finances, provide a real-time view of available cash balances, and simplify government banking. The system would also reduce administrative costs by eliminating unnecessary bank charges, minimize idle balances, and enhance fiscal discipline. By sweeping all funds back into a central account at the end of each day,

counties would still retain operational flexibility while ensuring oversight and visibility over all funds.

79. It was also noted that the implementation of the TSA was approved by the Cabinet in January 2024 and will be rolled out progressively across government levels, with county governments scheduled for adoption in FY 2026/2027. The stakeholders noted that the success of the TSA would require strong internal accounting arrangements, reliable digital systems, and effective coordination between the County Treasuries, National Treasury, Auditor-General, and Controller of Budget.

80. The TSA is therefore not just a financial management reform but also a tool to strengthen transparency, accountability, and efficiency in devolved governance.

CHAPTER FOUR: COMMITTEE OBSERVATIONS AND RECOMMENDATIONS

4.1 Committee Observations

81. Following stakeholder engagements and an analysis of the submission from the various stakeholders, the Committee observed that;

- (1) A significant number of commercial bank accounts are established to facilitate the operations of county-established public funds, health facilities, Technical and Vocational Education and Training (TVET) centers, donor-funded projects, and municipalities.
- (2) Section 119 (1) and 119 (2) of the Public Finance Management (PFM) Act, 2012, provides that the County Treasuries have the mandate to authorize the opening, operation, and closure of county government bank accounts, and are required to establish a County Treasury Single Account at the Central Bank of Kenya or a bank approved by the county treasury, through which all county government payments are to be made. In this regard, the law created an avenue for County Governments to open accounts in commercial banks.
- (3) There is inconsistency between Regulation 82(1)(a) of the Public Finance Management (National Government) Regulations, 2015 (Legal Notice No. 34 of 2015), and Regulation 82(1)(b) of the Public Finance Management (County Governments) Regulations, 2015 (Legal Notice No. 35 of 2015), regarding the opening and operation of commercial bank accounts. The national regulations provide explicit exemptions, including for donor-funded projects requiring special accounts, situations where the Central Bank of Kenya lacks branches or facilities, and revenue collection in approved commercial banks, along with allowances for special circumstances. In contrast, the county regulations offer limited flexibility, permitting only imprest accounts for petty cash at commercial banks, thereby disadvantaging counties in managing donor funds and operational needs.

- (4) The number of commercial bank accounts reported by the Controller of Budget differed from those reported by county governments and the Auditor General. This discrepancy indicates instances of non-disclosure of bank accounts to the Auditor General and the Controller of Budget, thereby posing a risk to the existence of a reliable and verified inventory of all commercial bank accounts held by county governments.
- (5) Regulation 82 (5) of the Public Finance Management (county government) Regulation, 2015 provides that the County Treasury may prescribe the banking rules and the maximum balance which may be held in any official County Treasury Single Account, sub-account or other bank accounts, and if at any time this balance seems likely to be exceeded, the officer operating the accounts shall consult County Treasury on the action to be taken. There was, however, no evidence that the County Treasuries have prescribed the banking rules and the limit for each account.
- (6) Some of the commercial bank accounts reported were established by previous county administrations and were no longer in use. However, the current county governments had not undertaken the necessary measures to close these accounts. Additionally, it was observed in certain counties that the same individuals were listed as signatories on multiple bank accounts, raising concerns regarding accountability and internal controls.
- (7) Section 5(2) of the Facility Improvement Financing Act, 2023, provides that all County Health facilities are entities of County Governments and are required to open and operate bank accounts in commercial banks for purposes of revenue collection, retention and expenditure. While the Public Finance Management Act, 2012 and the PFM (County Governments) Regulations, 2015 require accounts to be maintained at the Central Bank of Kenya, the Facility Improvement Financing Act, 2023 authorizes health facilities to open and operate accounts, paving way for operation of commercial bank accounts.
- (8) That the Cabinet approved the National Treasury Memorandum on the implementation of the Treasury Single Account as required by law. The

implementation of the Treasury Single Account by both the National and County governments is a key reform for the public finance management system. The Treasury Single Account will be used to consolidate and manage all public funds in a single account or a set of linked accounts at the Central Bank of Kenya. This will ensure accountability and transparency of the use of public resources, efficient cash management and enhanced fiscal discipline.

4.2 Committee Recommendations

82. Based on the findings and observations made, the Standing Committee on Devolution and Intergovernmental Relations recommends that -

- (1) Within two months of the adoption of this report, the National Treasury shall review and harmonise the Public Finance Management (National Government) Regulations, 2015 (Legal Notice No. 34 of 2015), and the Public Finance Management (County Governments) Regulations, 2015 (Legal Notice No. 35 of 2015), to eliminate inconsistencies between Section 119(2), Regulation 82(1)(a) of the national regulations and Regulation 82(1)(b) of the county regulations regarding the opening and operation of commercial bank accounts. This harmonisation should include the introduction of clear exemptions in the county regulations, aligned with those in the national regulations, such as provisions for donor-funded projects requiring special purpose accounts, situations where the Central Bank of Kenya lacks branches or facilities, revenue collection in approved commercial banks, and allowances for special circumstances, thereby ensuring parity and flexibility for county governments in managing donor funds, conditional grants, and operational needs.
- (2) Additionally, within ninety days following the adoption of this report, the National Treasury shall further review the Public Finance Management (National Government) Regulations, 2015 (Legal Notice No. 34 of 2015) to grant the Central Bank, Controller of Budget and the Office of the Auditor General real-time system access to for all accounts maintained in commercial bank accounts operated by the

county governments with clear sanctions for non-compliance. This is aimed at strengthening oversight, enhance transparency and safeguard public resources.

- (3) In line with Regulation 82(4) of the Public Finance Management (county government) Regulation, 2015, County Governments should only open commercial bank accounts with the explicit approval by the County Treasury. Such approvals must be exercised cautiously, with all accounts fully disclosed to the Controller of Budget, the Auditor-General, and other oversight institutions, and consolidated into the county's financial reporting framework to enhance transparency and accountability.
- (4) The Central Bank of Kenya should maintain an inventory of all the commercial bank accounts operated by the County Governments and their balances and report on quarterly basis for oversight by the Senate, County Assemblies and audit by the Auditor General.
- (5) Within three months of the adoption of this report, each County Treasury shall, pursuant to Regulation 82(5) of the Public Finance Management (County Governments) Regulations, 2015 (Legal Notice No. 35 of 2015), prescribe clear banking rules and maximum balance limits for all commercial bank accounts authorized under the regulations. Where such balances appear likely to be exceeded, the responsible officer shall promptly consult the County Treasury on the appropriate action to be taken, thereby enhancing cash management, minimizing idle balances, reducing wasteful expenditure, and promoting accountability and transparency in the management of public funds.
- (6) Within six months of the adoption of this report, the Office of the Auditor-General shall conduct a comprehensive audit of all commercial bank accounts operated by county governments and submit a report to the Senate and the County Governments, including recommendations for the closure of inactive and dormant bank accounts and the transfer of any idle balances to the County Revenue Fund.

- (7) The National Treasury should fast-track the roll-out of the Treasury Single Account in counties, with clear timelines and guidelines. Capacity building should be undertaken to strengthen internal accounting systems and effective coordination should be established among the National Treasury, County Treasuries, Auditor-General, Controller of Budget and the Central Bank of Kenya to guarantee successful implementation.

ANNEXURES

- 1) Minutes
- 2) Submissions from the Council of Governors (COG)
- 3) Submissions from the Office of the Auditor General (OAG)
- 4) Submissions from the Controller of Budget (CoB)
- 5) Submissions from the Cabinet Secretary for National Treasury and Economic Planning
- 6) Submissions from the Governor of Central Bank of Kenya (CBK)

LIST OF ANNEXURES

<i>Annex 1</i>	Minutes of the Standing Committee on Devolution and Intergovernmental Relations
<i>Annex 2</i>	Submissions from the Council of Governors
<i>Annex 3</i>	Submissions from the Office of the Auditor General
<i>Annex 4</i>	Submissions from the Controller of Budget
<i>Annex 5</i>	Submissions from the Cabinet Secretary for National Treasury and Economic Planning
<i>Annex 6</i>	Submissions from the Governor of Central Bank of Kenya

Annex 1:

***Minutes of the Standing
Committee on Devolution and
Intergovernmental Relations***



**MINUTES OF THE HUNDRED AND EIGHTY-EIGHT SITTING (188TH)
SITTING OF THE SENATE STANDING COMMITTEE ON DEVOLUTION
AND INTERGOVERNMENTAL RELATIONS HELD ON THURSDAY, 25TH
SEPTEMBER, 2025 AT 10:00 A.M. AT COMMITTEE ROOM 6, BUNGE
TOWER, AND ON THE ZOOM ONLINE PLATFORM**

PRESENT

- | | |
|---------------------------------------|--------------------|
| 1. Sen. Sheikh Mohamed Abass, CBS, MP | - Chairperson |
| 2. Sen. Catherine Mumma, MP | - Vice-Chairperson |
| 3. Sen (Dr.) Oburu Oginga, MGH, MP | - Member |
| 4. Sen. Richard Onyonka, EBS, MP | - Member |
| 5. Sen. Mohamed Said Chute, MP | - Member |

ABSENT WITHOUT APOLOGY

- | | |
|---|----------|
| 1. Sen. (Prof.) Margaret Kamar, EGH, MP | - Member |
| 2. Sen. Paul Karungo Thangwa, CBS, MP | - Member |
| 3. Sen. Peris Tobiko, CBS, MP | - Member |
| 4. Sen. Hezena Lemaletian, MP | - Member |

SECRETARIAT

- | | |
|----------------------------|---|
| 1. Ms. Sylvia Nasambu | - Clerk Assistant I |
| 2. Mr. Desmond Rasugu | - Clerk Assistant III (taking minutes) |
| 3. Ms. Angela Kagunyi | - Legal Counsel II |
| 4. Ms. Mwanamisi Mwachasi | - Research Officer III |
| 5. Mr. Stanley Gikore | - Media Relations Officer III |
| 6. Ms. Celestine Jepkosgei | - Public Communications III |
| 7. Ms. Julia Gachoki | - Serjeant-At-Arms III |
| 8. Mr. Charles Oyosi | - Audio Officer III |

MIN/SEN/DEVIR/984/2025 **PRAYER**

The meeting was called to order at 10:20 a.m by the Chairperson, followed by a word of prayer by Ms. Sylvia Nasambu.

MIN/SEN/DEVIR/985/2025: **ADOPTION OF THE AGENDA**

The agenda of the meeting was adopted as presented after being proposed by Sen. Catherine Mumma, MP and seconded by Sen. Mohamed Chute, MP as follows –

1. Prayer;
2. Adoption of the agenda;
3. Confirmation of the Minutes of the Previous Meeting;
4. Consideration of Matters Arising from those Minutes;
5. Consideration of the Report of the Committee on the inquiry on commercial bank accounts operated by County Governments contrary to the law;
6. Consideration of the Report of the Intergovernmental Relations Technical Committee (IGRTC) on the legislative gap analysis on the laws that are an impediment to the implementation of Devolution;
7. Any other Business; and
8. Date of the Next Meeting and Adjournment.

MIN/SEN/DEVIR/986/2025: **CONFIRMATION OF THE MINUTES OF THE PREVIOUS MEETING**

The minutes of the one hundred and eighty-seventh sitting held on Monday, 22nd September, 2025 were confirmed as a true record of the proceedings after being proposed by Sen. Catherine Mumma, MP and seconded by Sen. Mohamed Chute MP.

MIN/SEN/DEVIR/987/2025:
CONSIDERATION OF THE REPORT OF THE COMMITTEE ON THE INQUIRY ON COMMERCIAL BANK ACCOUNTS OPERATED BY COUNTY GOVERNMENTS CONTRARY TO THE LAW.

The Committee considered the report of the inquiry on commercial bank accounts operated by county governments contrary to the law and resolved to adopt it with a minor amendment.

MIN/SEN/DEVIR/988/2025: **CONSIDERATION OF MATTERS ARISING**

There were no matters arising from the minutes.

MIN/SEN/DEVIR/989/2025:

CONSIDERATION OF THE REPORT OF THE INTERGOVERNMENTAL RELATIONS TECHNICAL COMMITTEE (IGRTC) ON THE LEGISLATIVE GAP ANALYSIS OF THE LAWS THAT ARE AN IMPEDIMENT TO THE IMPLEMENTATION OF DEVOLUTION.

The Committee considered a brief of the report submitted to the Committee by the Intergovernmental Relations Technical Committee on the legislative gap analysis of the laws that are an impediment to Devolution. The analysis included matrices detailing laws across devolved sectors requiring amendments to align with devolved functions.

Upon deliberation, the Committee noted that the list submitted by IGRTC did not exhaust all the laws that need to be aligned with the Constitution. The Committee further noted that it's the function of Parliament to identify and legislate on these laws, and therefore resolved that the Senate Directorate of Legal Services be requested to lead in this process by carrying out a sector-by-sector analysis of the laws. The Committee further proposed that to ensure the exercise is effective, the Senate shall involve other key stakeholders, including the Kenya Law Reform Commission and the Office of the Attorney General. The Committee further proposed that the Senate may consider hiring the services of a consultant to help in carrying out the exercise.

The Committee resolved to conclusively deliberate on the way forward on the matter at a meeting with the Directorate of Legal Services to be held on Thursday, 2nd October, 2025.

ANY OTHER BUSINESS

There was no any other Business.

MIN/SEN/DEVIR/983/2025

ADJOURNMENT AND DATE OF NEXT MEETING

The Chairperson adjourned the meeting at 11:13 a.m. The next meeting to be held on Thursday, 2nd October, 2025.

SIGNED.....

DATE..... 29/09/2025

**SEN. SHEIKH MOHAMED ABASS, CBS, MP,
CHAIRPERSON, STANDING COMMITTEE ON DEVOLUTION AND
INTERGOVERNMENTAL RELATIONS.**



**MINUTES OF THE HUNDRED AND EIGHTY SECOND (182ND) SITTING OF
THE SENATE STANDING COMMITTEE ON DEVOLUTION AND
INTERGOVERNMENTAL RELATIONS HELD ON THURSDAY, 24TH JULY,
2025 AT 9:30 A.M. AT COMMITTEE ROOM 8, AND ON THE ZOOM ONLINE
PLATFORM**

PRESENT

- | | |
|---|--------------------|
| 1. Sen. Sheikh Mohamed Abass, CBS, MP | - Chairperson |
| 2. Catherine Mumma, MP | - Vice-Chairperson |
| 3. Sen. (Prof.) Margaret Kamar, EGH, MP | - Member |
| 4. Sen (Dr.) Oburu Oginga, MGH, MP | - Member |
| 5. Sen. Richard Onyonka, EBS, MP | - Member |
| 6. Sen. Peris Tobiko, CBS, MP | - Member |
| 7. Sen. Paul Karungo Thangwa, CBS, MP | - Member |
| 8. Sen. Mohamed Said Chute, MP | -Member |

ABSENT WITH APOLOGY

- | | |
|----------------------------|----------|
| Sen. Hezena Lemaletian, MP | - Member |
|----------------------------|----------|

IN ATTENDANCE

Central Bank of Kenya

- | | |
|---------------------------|--------------------------|
| 1. Dr. Kamau Thugge, CBS, | - Governor, CBK |
| 2. Dr. Susan Koech | - Deputy Governor, CBK |
| 3. Mr. Michael Eganza | - Director of Banking |
| 4. Mr. Eric Owuor | - Legal Counsel |
| 5. Mr. Wallace Kantai | - Head of Communications |
| 6. Ms. Fahari Mwagonah | - Protocol Officer CBK |

SECRETARIAT

- | | |
|-----------------------|--|
| 1. Ms. Sylvia Nasambu | - Clerk Assistant I |
| 2. Mr. Desmond Rasugu | - Clerk Assistant III (taking minutes) |
| 3. Ms. Angela Kagunyi | - Legal Counsel II |
| 4. Ms. Amran Mursal | - Senior Fiscal Analyst |

- | | |
|---------------------------|-------------------------------|
| 5. Ms. Mwanamisi Mwachasi | - Research Officer III |
| 6. Mr. Stanley Gikore | - Media Relations Officer III |
| 7. Ms. Julia Gachoki | - Serjeant-at-arms |
| 8. Mr. Charles Oyosi | - Audio Officer III |

MIN/SEN/DEVIR/944/2025

PRAYER

The meeting was called to order at 9:48 a.m by the acting Chairperson Sen. Catherine Mumma, MP followed by a word of prayer by Ms. Sylvia Nasambu.

MIN/SEN/DEVIR/945/2025:

ADOPTION OF THE AGENDA

The agenda of the meeting was adopted as presented after being proposed by Sen. Karungo Thangwa, CBS, MP and seconded by Sen. Mohamed Chute, MP as follows -

1. Prayer;
2. Adoption of the agenda;
3. Consideration of the Committee Workplan for July-September 2025;
4. Meeting with the Governor of the Central Bank of Kenya to deliberate on commercial bank accounts operated by county governments contrary to the law;
5. Any other Business; and
6. Date of the Next Meeting and Adjournment.

MIN/SEN/DEVIR/946 /2025:

CONSIDERATION OF COMMITTEE WORKPLAN FOR JULY-SEPTEMBER 2025

Consideration of the work plan was deferred to the next meeting to give room for consideration of the next agenda, as the scheduled stakeholders had already arrived for the meeting.

MIN/SEN/DEVIR/947/2025

MEETING WITH THE GOVERNOR OF THE CENTRAL BANK OF KENYA TO DELIBERATE ON COMMERCIAL BANK ACCOUNTS OPERATED BY COUNTY GOVERNMENTS CONTRARY TO THE LAW.

The meeting began with consideration of a brief on the issues emerging from the deliberations the Committee had previously held with other stakeholders regarding commercial bank accounts operated by county governments in contravention of the law. The Chairperson stated that the meeting was looking forward to deliberating on the role of the Central Bank of Kenya in facilitating and enforcing the county government's adherence to this provision, and the measures put in place by CBK of Kenya as well as the challenges encountered in the implementation of the aforementioned Regulations. Thereafter, the Committee proceeded to hear the submissions of the Governor of the

Central Bank, who submitted as follows –

1. That the role of the Central Bank of Kenya in the implementation of regulation 82(1)(b) of the PFM (County Government) Regulations includes –
 - a) Facilitating account opening and closing upon request by the CECM Finance;
 - b) Maintaining County Government bank accounts, excluding commercial bank accounts;
 - c) Providing systems access and transaction viability for County Government Accounts maintained at CBK to oversight bodies such as the Controller of Budget; and
 - d) Collaborating with the National Treasury, Controller of Budget, and Auditor-General to support compliance.
2. That the main challenges of the CBK on the implementation of the said regulation include –
 - a) Enforcement limitations; lack of direct mandate by CBK to compel the County Government to close unauthorized accounts;
 - b) The responsibility and accountability of decisions regarding County Treasury Banking arrangements in commercial banks rests with the CEC Finance;
 - c) There is limited visibility by CBK banking teams over accounts opened at commercial banks unless flagged by oversight agencies;
 - d) There is inadequate coordination among oversight agencies (Controller of Budget and Office of the Auditor General) in enforcing compliance in line with Regulation 82 (4); and
 - e) There is limited physical reach of CBK Branches to some counties e.g, Revenue collection is banked at the nearest commercial bank for convenience.
3. That CBK makes the following recommendations on addressing the issue –
 - a) A coordinated approach by Oversight (CoB & OAG in line with Reg 82 (4) in enforcing compliance;
 - b) Sensitize commercial banks on the demands of the PFM Act and Regulations and their roles;
 - c) Strengthening the legal framework to address inconsistencies in the PFM Act and Regulations;
 - d) Counties to be encouraged to adopt alternative banking arrangements (digital channels) where CBK physical presence is limited;
 - e) Enhancing monitoring by oversight agencies through mandatory reporting of accounts operated by Counties in Commercial Banks;
 - f) Implementation of the Treasury Single Account will help consolidate and manage all public funds in a single account at the CBK.

Resolution

The Committee having met and heard the views of all the stakeholders it had scheduled to meet on its inquiry into commercial bank accounts that are operated by county governments contrary to the law, resolved to proceed to prepare and table its report on the matter.

MIN/SEN/DEVIR/948/2025

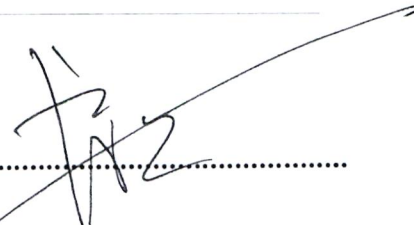
ANY OTHER BUSINESS

There was no any other business.

MIN/SEN/DEVIR/949/2025

ADJOURNMENT AND DATE OF NEXT
MEETING

The Chairperson adjourned the meeting at 11:25 a.m. The next meeting to be held on notice.

SIGNED.....

DATE.....31/07/25

**SEN. SHEIKH MOHAMED ABASS, CBS, MP,
CHAIRPERSON, STANDING COMMITTEE ON DEVOLUTION AND
INTERGOVERNMENTAL RELATIONS.**



MINUTES OF THE HUNDRED AND EIGHTIETH SITTING (180TH) SITTING OF THE SENATE STANDING COMMITTEE ON DEVOLUTION AND INTERGOVERNMENTAL RELATIONS HELD ON THURSDAY, 17TH JULY, 2025, AT 10:00 A.M. AT COMMITTEE ROOM 10, AND ON THE ZOOM ONLINE PLATFORM

PRESENT

- | | |
|---------------------------------------|--------------------|
| 1. Sen. Sheikh Mohamed Abass, CBS, MP | - Chairperson |
| 2. Catherine Mumma, MP | - Vice-Chairperson |
| 3. Sen. Richard Onyonka, EBS, MP | - Member |
| 4. Sen. Peris Tobiko, CBS, MP | - Member |
| 5. Sen. Mohamed Said Chute, MP | -Member |

ABSENT WITH APOLOGY

- | | |
|---|----------|
| 1. Sen. (Prof.) Margaret Kamar, EGH, MP | - Member |
| 2. Sen (Dr.) Oburu Oginga, MGH, MP | - Member |
| 3. Sen. Paul Karungo Thangwa, CBS, MP | - Member |
| 4. Sen. Hezena Lemaletian, MP | - Member |

IN ATTENDANCE

Ministry of National Treasury and Economic Planning

- | | |
|-------------------------|---------------------------------|
| 1. Hon. John Mbadi, EGH | - CS, National Treasury |
| 2. Mr. Cyrus Kahiga | - D. Director |
| 3. Mr. George Yogo | - Advisor |
| 4. Faith Jully major | - Protocol officer |
| 5. Mr. Milford Bett | - Parliamentary Liaison Officer |

SECRETARIAT

- | | |
|-----------------------|---|
| 1. Ms. Sylvia Nasambu | - Clerk Assistant I |
| 2. Mr. Desmond Rasugu | - Clerk Assistant III (taking minutes) |
| 3. Ms. Angela Kagunyi | - Legal Counsel II |
| 4. Ms. Amran Mursal | - Senior Fiscal Analyst |

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|---------------------------|-------------------------------|
| 5. Ms. Mwanamisi Mwachasi | - Research Officer III |
| 6. Mr. Stanley Gikore | - Media Relations Officer III |
| 7. Ms. Julia Gachoki | - Serjeant-at-arms |
| 8. Mr. Charles Oyosi | - Audio Officer III |

MIN/SEN/DEVIR/931/2025

PRAYER

The meeting was called to order at 10:12 a.m by the Chairperson, followed by a word of prayer by Ms. Sylvia Nasambu.

MIN/SEN/DEVIR/932/2025:

ADOPTION OF THE AGENDA

The agenda of the meeting was adopted as presented after being proposed by Sen. Catherine Mumma, MP and seconded by Sen. Mohamed Chute, MP as follows -

1. Prayer;
2. Adoption of the agenda;
3. Meeting with the Cabinet Secretary for National Treasury and Economic Planning to deliberate on commercial bank accounts operated by county governments contrary to the law;
4. Any other Business; and
5. Date of the Next Meeting and Adjournment.

MIN/SEN/DEVIR/933 /2025:

MEETING WITH THE CABINET SECRETARY FOR NATIONAL TREASURY AND ECONOMIC PLANNING TO DELIBERATE ON COMMERCIAL BANK ACCOUNTS OPERATED BY COUNTY GOVERNMENTS CONTRARY TO THE LAW.

The meeting began with consideration of a brief on the issues emerging from the deliberations the Committee had previously held with other stakeholders, on commercial bank accounts operated by county governments contrary to the law, including County Governors, the Auditor General, and the Controller of Budget.

Thereafter, the Committee proceeded to hear the submissions of the Cabinet Secretary for National Treasury and Economic Planning on the matter. He submitted as follows –

- a) That the Cabinet had approved the National Treasury Memorandum on implementation of the Treasury Single Account (TSA) as required by law. The TSA is a key reform in the Public Finance Management Act, 2012 used to consolidate and manage all public funds in a single account or a set of linked accounts at the Central Bank of Kenya;
- b) That the TSA system is aimed at ensuring accountability of the use of public resources, efficient cash management, improved monetary policy implementation and simplified bank reconciliations.
- c) That the TSA system will be implemented in three phases with Ministries,

Departments and agencies being undertaken in FY 2025/2026; while County Governments in FY 2026/2027; and State corporations in FY 2027/2028;

- d) To achieve the objective of implementing the TSA, a technical team comprising representatives from National Treasury, Central Bank, and the Controller of Budget has been constituted to guide towards transition into the system; and
- e) He finalised by stating that the National Treasury expects to leverage the success in implementing the TSA at the national government level to support County Governments to adopt the system as of the financial year 2026/2027. He therefore concluded by emphasizing that through implementation of this system, the National Treasury will ensure that all county governments and their entities are able to eliminate the operation of several commercial bank accounts within the finnaicial year 2026/2027.

MIN/SEN/DEVIR/934/2025

ANY OTHER BUSINESS

During the meeting, the Committee deliberated on various issues touching on the role of the National Treasury on financial and fiscal matters of counties. These included standardizing own source revenue collection systems across counties, pending bills, unremitted statutory deductions, management of unclaimed financial assets, etc.

MIN/SEN/DEVIR/935/2025

ADJOURNMENT AND DATE OF NEXT MEETING

The Chairperson adjourned the meeting at 12:47 p.m. The next meeting to be held on notice.

SIGNED.....

DATE.....28/07/25

**SEN. SHEIKH MOHAMED ABASS, CBS, MP,
CHAIRPERSON, STANDING COMMITTEE ON DEVOLUTION AND
INTERGOVERNMENTAL RELATIONS.s**



**MINUTES OF THE HUNDRED AND SIXTY-FIFTH SITTING (165TH)
SITTING OF THE SENATE STANDING COMMITTEE ON DEVOLUTION
AND INTERGOVERNMENTAL RELATIONS HELD ON FRIDAY, 2ND MAY,
2025, AT 12.00 P.M. AT SERENA HOTEL, MOMBASA.**

PRESENT

- | | |
|---|---------------|
| 1. Sen. Sheikh Mohamed Abass, CBS, MP | - Chairperson |
| 2. Sen. (Prof.) Margaret Kamar, EGH, MP | - Member |
| 3. Sen. Peris Tobiko, CBS, MP | - Member |
| 4. Sen. Paul Karungo Thangwa, CBS, MP | - Member |

ABSENT WITH APOLOGY

- | | |
|------------------------------------|--------------------|
| 1. Sen. Catherine Mumma, MP | - Vice-Chairperson |
| 2. Sen (Dr.) Oburu Oginga, MGH, MP | - Member |
| 3. Sen. Richard Onyonka, EBS, MP | - Member |
| 4. sen. Mohamed Said Chute, MP | -Member |
| 5. Sen. Hezena Lemaletian, MP | - Member |

IN ATTENDANCE

- | | |
|--|--|
| 1. FCPA Hon. Fernandes Barasa | - Governor, Kakamega County |
| 2. FCPA (Dr.) Nancy Gathungu, CBS | - Auditor General |
| 3. FCPA (Dr.) Margaret Nyakang'o, CBS, | - Controller of Budget |
| 4. Mr. Kizito Wangalwa | - Director, COG, Committees |
| 5. Mr. Stephen Momanyi | - Staff, Council Of Governors |
| 6. Ms. Julie Kubai | - Staff, Office of the Auditor General |
| 7. Mr. David Munyoka | - Staff, Office of the Auditor General |
| 8. Mr. Leonard Opar | - Staff, Office of the Auditor General |
| 9. Mr. Paul Kagwanja | - Staff, Office of the Auditor General |

SECRETARIAT

- | | |
|-----------------------|---|
| 1. Ms. Sylvia Nasambu | - Clerk Assistant I |
| 2. Mr. Desmond Rasugu | - Clerk Assistant III (taking minutes) |
| 3. Ms. Amran Yunis | - Senior Fiscal Analyst |

- | | |
|-----------------------|-------------------------------------|
| 4. Mr. Angela Kagunyi | - Legal Counsel II |
| 5. Mr. Stanley Gikore | - Media Relations Officer III |
| 6. Mr. Charles Oyosi | - Audio Officer III |
| 7. Ms. Julia Gachoki | - Serjeant-at-arms |
| 8. Ms. Lydia Mwangi | - Secretary, Senate DGAC Committees |

MIN/SEN/DEVIR/838/2025 **PRAYER**

The meeting was called to order at 12:01 p.m by the Chairperson, followed by a word of prayer by Ms. Sylvia Nasambu.

MIN/SEN/DEVIR/839/2025: **ADOPTION OF THE AGENDA**

The agenda of the meeting was adopted as presented after being proposed by Sen. Karungo Thangwa, CBS, MP, and seconded by Sen. Peris Tobiko, CBS, as follows -

1. Prayer;
2. Adoption of the agenda;
3. Meeting with various stakeholders to deliberate on the issues emerging from the inquiry of the Committee into commercial bank accounts operated by county governments contrary to the law;
4. Any other Business; and
5. Date of the Next Meeting and Adjournment.s

MIN/SEN/DEVIR/840/2025:

MEETING WITH VARIOUS STAKEHOLDERS TO DELIBERATE ON THE ISSUES EMERGING FROM THE INQUIRY OF THE COMMITTEE INTO THE COMMERCIAL BANK ACCOUNTS OPERATED BY COUNTY GOVERNMENTS CONTRARY TO THE LAW.

The Committee resumed deliberations with various stakeholders on the issues emerging from its inquiry on commercial bank accounts that are operated by county governments contrary to Regulation 82 (1) (b) of the Public Finance Management (County Governments) Regulations, 2015.

During the deliberations –

- a) it was observed that there were significant variations in the number of commercial bank accounts reported by the Auditor General, the Controller of Budget, and those reported by the County Governors that appeared before the Committee during its inquiry, making it difficult to know the true record of what exists in the counties;
- b) the Council of Governors stated that County governments submit to the Controller of Budgets reports on the operations of these accounts to the CoB as required by the law as well as to the Auditor General details for all the accounts for auditing in line with the Constitution, PFM Act and the Public Audit Act and relevant regulations;

- c) the Auditor General highlighted cases of how some Counties use the commercial accounts to commit financial fraud;
- d) it was noted that in some counties, chief officers could be opening commercial bank accounts without the knowledge of the County Governors;
- e) it was observed that the high number of accounts was making it difficult for the Office of the Controller of Budget to track budget spending in the counties; and
- f) the stakeholders made these general recommendations –

1. The Auditor General submitted that county governments must minimise fragmentation of government accounts in commercial banks by adopting the Treasury Single Account (TSA). The TSA model proposed in the Regulations by the National Treasury is one where county entities will maintain separate accounts linked to a central account, with all funds required to be transferred to the primary TSA account at the end of each day. This means that even if they operate commercial bank accounts, they will be required to swipe all the money back to the CBK main account each day. This will simplify government banking, enhance the visibility of cash resources, increase transparency in government cash management; and
2. The Council of Governors recommended that The Controller of budget to categorize the bank accounts appropriately in subsequent budget implementation review reports; The Controller of Budget and Auditor General to contextualize their reports and findings on these accounts to avoid sensationalism in public reports.
3. Additionally, the Council of Governors recommended and the Senate to cause amendments to the Public Finance Management (County Governments) Regulations, 2015 to align with new laws such as the FIF Act, 2023 and other emerging requirements such as the need for efficient implementation of development projects funded by conditional grants.

Resolutions

1. The Committee to invite the Cabinet Secretary for National Treasury and Economic Planning to deliberate on the issue; and
2. The Committee to invite the Governor Central Bank of Kenya as the regulator of all commercial banks to clarify on the accounts operated by the Counties.

MIN/SEN/DEVIR/841/2025

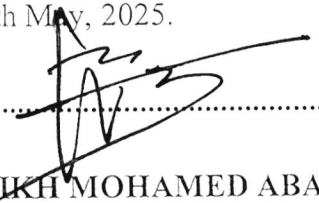
ANY OTHER BUSINESS

The Committee considered the request by the Deputy Governors Forum inviting the Committee to a retreat on sensitization of the National Building Code, 2024 to be held from Thursday, 8th – Saturday, 10th May, 2025 in Naivasha County. Upon deliberation of the request, the Committee resolved to attend the retreat.

MIN/SEN/DEVIR/842/2025

ADJOURNMENT AND DATE OF NEXT
MEETING

The Chairperson adjourned the meeting at 12:42 p.m. The next meeting to be held on Monday, 5th May, 2025.

SIGNED.....

DATE.....12.05.25

SEN. SHEIKH MOHAMED ABASS, CBS, MP,
CHAIRPERSON, STANDING COMMITTEE ON DEVOLUTION AND
INTERGOVERNMENTAL RELATIONS.



**MINUTES OF THE HUNDRED AND SIXTY-FOURTH SITTING (164TH)
SITTING OF THE SENATE STANDING COMMITTEE ON DEVOLUTION
AND INTERGOVERNMENTAL RELATIONS HELD ON FRIDAY, 2ND MAY,
2025, AT 10.00 A.M. AT SERENA HOTEL, MOMBASA.**

PRESENT

- | | |
|---|---------------|
| 1. Sen. Sheikh Mohamed Abass, CBS, MP | - Chairperson |
| 2. Sen. (Prof.) Margaret Kamar, EGH, MP | - Member |
| 3. Sen. Peris Tobiko, CBS, MP | - Member |
| 4. Sen. Paul Karungo Thangwa, CBS, MP | - Member |

ABSENT WITH APOLOGY

- | | |
|------------------------------------|--------------------|
| 1. Sen. Catherine Mumma, MP | - Vice-Chairperson |
| 2. Sen (Dr.) Oburu Oginga, MGH, MP | - Member |
| 3. Sen. Richard Onyonka, EBS, MP | - Member |
| 4. sen. Mohamed Said Chute, MP | -Member |
| 5. Sen. Hezena Lemaletian, MP | - Member |

IN ATTENDANCE

- | | |
|--|--|
| 1. FCPA Hon. Fernandes Barasa | - Governor, Kakamega County |
| 2. FCPA (Dr.) Nancy Gathungu, CBS | - Auditor General |
| 3. FCPA (Dr.) Margaret Nyakang'o, CBS, | - Controller of Budget |
| 4. Mr. Kizito Wangalwa | - Director, COG, Committees |
| 5. Mr. Stephen Momanyi | - Staff, Council Of Governors |
| 6. Ms. Julie Kubai | - Staff, Office of the Auditor General |
| 7. Mr. David Munyoka | - Staff, Office of the Auditor General |
| 8. Mr. Leonard Opar | - Staff, Office of the Auditor General |
| 9. Mr. Paul Kagwanja | - Staff, Office of the Auditor General |

SECRETARIAT

- | | |
|-----------------------|--|
| 1. Ms. Sylvia Nasambu | - Clerk Assistant I |
| 2. Mr. Desmond Rasugu | - Clerk Assistant III (taking minutes) |
| 3. Ms. Amran Yunis | - Senior Fiscal Analyst |

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|-----------------------|-------------------------------------|
| 4. Mr. Angela Kagunyi | - Legal Counsel II |
| 5. Mr. Stanley Gikore | - Media Relations Officer III |
| 6. Mr. Charles Oyosi | - Audio Officer III |
| 7. Ms. Julia Gachoki | - Serjeant-at-arms |
| 8. Ms. Lydia Mwangi | - Secretary, Senate DGAC Committees |

MIN/SEN/DEVIR/833/2025 **PRAYER**

The meeting was called to order at 10:05 a.m by the Chairperson, followed by a word of prayer by Ms. Sylvia Nasambu.

MIN/SEN/DEVIR/834/2025: **ADOPTION OF THE AGENDA**

The agenda of the meeting was adopted as presented after being proposed by Sen. Karungo Thangwa, CBS, MP, and seconded by Sen. Peris Tobiko, CBS, as follows -

1. Prayer;
2. Adoption of the agenda;
3. Meeting with various stakeholders to deliberate on the issues emerging from the inquiry of the Committee into commercial bank accounts operated by county governments contrary to the law;
4. Any other Business; and
5. Date of the Next Meeting and Adjournment.

MIN/SEN/DEVIR/835/2025:

MEETING WITH VARIOUS STAKEHOLDERS TO DELIBERATE ON THE ISSUES EMERGING FROM THE INQUIRY OF THE COMMITTEE INTO THE COMMERCIAL BANK ACCOUNTS OPERATED BY COUNTY GOVERNMENTS CONTRARY TO THE LAW.

The meeting began with a presentation of the key issues emerging from the inquiry of the Committee into commercial bank accounts operated by county governments contrary to Regulation 82 (1) (b) of the Public Finance Management (County Governments) Regulations, 2015.

Thereafter, the Chairperson invited the various stakeholders to make their submissions on the key issues arising from the inquiry. -

The Auditor General submitted as follows -

- a) that annual audits by the office of the Auditor General indicate that County Governments continue to open commercial bank accounts without approval by the County Treasury contrary to section 82(4) and (5) of the Public Finance Management (County Governments) Regulations, 2015;

- b) that the audits further indicate that most accounts are opened with respect to revenue collection, health facilities, donor-funded projects, and wards for county Assemblies;
- c) that with respect to donor-funded projects having a commercial bank account, regulation 74(1) and (5) of the PFM Regulations 2015 require that grants and donations be deposited in the County Revenue Fund and then transferred to the appropriate project bank account when required, and Regulation 76 (1) stipulates that project accounts shall be opened and maintained at Central Bank of Kenya unless it is exempted by the Cabinet Secretary in writing where the CBK has no branch or banking facilities. Counties have never submitted any authorization of this to the OAG;
- d) that holding many bank accounts in commercial banks presents challenges related to accountability, transparency and efficiency. It can make it difficult to track public expenditure, potentially leading to the misuse of funds and increasing the risk of corruption;
- e) that county governments lack visibility on funds scattered across the accounts in the commercial banks, which sometimes are unmonitored. This makes it impossible to prioritize and control expenditure disbursement.
- f) that some County governments do not disclose their accounts in commercial banks;
- g) that from the audits, it was revealed that some accounts had unsupported balances, where balances in the accounts are not supported by certificates of balances. Some Counties also failed to reconcile the balances as at the end of the year with the underlying records, such as cashbooks
- h) that with numerous bank accounts, there is a possibility that payments can be processed outside IFIMIS;
- i) Audits have revealed that County governments prefer securing short -term borrowing from commercial banks despite the availability of the Central Bank overdraft facility provided for in Regulation 83(3) and 177(2)(b) of the PFM 2015 Regulations. The use of commercial bank accounts therefore leads to unregulated borrowing.

The Controller of Budget submitted as follows -

- a) that the Office of the Controller of Budget has endeavoured to fulfil its mandate on ensuring prudent and efficient use of public funds by monitoring and evaluating budget implementation. In line with this, the Office visited 12 county governments from 16th February to March 2025 to monitor and evaluate the progress of budget implementation. The scope of the visit covered among others, compliance with the law on banking arrangements;
- b) from the exercise, it was noted that the number of commercial bank accounts in some counties keep increasing. The Counties covered include Embu, Meru, Tharaka Nithi, Nyandarua, Laikipia, Elgeyo Marakwet, Samburu, Marsabit, Isiolo, Kisii and Nyamira.

- c) she stated that her office relies on the information submitted by the counties on the commercial banks the county operates; it was therefore the responsibility of the county treasury to submit the correct information and declare all the commercial accounts operated by the county. Some counties do not declare the correct numbers, explaining the variations in the number of accounts reported by the Auditor General from those reported by the Controller of Budget;
- d) additionally, as required by Regulation 82(4) and (5) of the Public Finance Management (PFM) Act, accounting officers are required to obtain written authorization from the County Treasury before opening a commercial bank account and the the county treasury is required to submit a copy of the letter authorizing an accounting officer to open a commercial bank account to the Controller of Budget; no county government has submitted such a copy to the Office of the Controller of Budget.

The Council of Governors submitted that all accounts opened and operated by the County governments are lawful based on the following-

- a) Section 5 of the Public Finance Management Act provides for the declaration of a County government entity. Pursuant to this, County governments have established various entities which are semi-autonomous as is the case with the National Government. These include Health Facilities, Technical and Vocational Education Centres, Water Service Providers, County Funds, Urban Authorities, including cities, municipalities and towns, Investment Authorities and Revenue Authorities;
- b) further, in accordance with Section 5(2) of the Facility Improvement Financing Act, 2023, all County Health facilities have been declared entities of County Governments and are required to open and operate bank accounts in commercial banks for purposes of revenue collection, retention and expenditure;
- c) to date, County governments have at least 7,011 Health facilities which have all opened accounts in commercial banks in compliance with the FIF Law;
- d) secondly, pursuant to Regulation 82(1)(b) of the PFM (County Governments) Regulations, 2015, County governments are required to open accounts in commercial banks for imprest/petty cash management purposes;
- e) Regulation 63 (4) further provides for designated revenue collection accounts which are opened in commercial banks. The revenue collected is afterwards swept to the County Revenue Fund Account as required by law;
- f) County governments are implementing various projects funded from conditional grants by development partners. Some of the conditions include the requirement to open Special Purpose Accounts for these projects in a commercial bank for operational convenience purposes (Regulation 76 (1)). Therefore, all donor-operated projects have SPA accounts across all the counties;

- g) some bank accounts were inherited from the Defunct Local Authorities where some are operational due to multi-year projects/programmes that had to be executed by the County governments upon transition and some are dormant;
- h) concluded that all Commercial Banks are regulated by the CBK and that all County governments submit reports on the operations of these accounts to the COB as required by law and as an accountability measure. Similarly, the Auditor General audits these accounts in line with the Constitution, PFM Act and Public Audit Act and relevant regulations.

MIN/SEN/DEVIR/836/2025

ANY OTHER BUSINESS

There was no any other Business.

MIN/SEN/DEVIR/837/2025

ADJOURNMENT AND DATE OF NEXT MEETING

The Chairperson adjourned the meeting at 11:40 a.m. The next meeting to be held same day at 12.00 p.m.

SIGNED.....

DATE.....

SEN. SHEIKH MOHAMED ABASS, CBS, MP,
CHAIRPERSON, STANDING COMMITTEE ON DEVOLUTION AND
INTERGOVERNMENTAL RELATIONS.



**MINUTES OF THE HUNDRED AND THIRTY-SEVENTH SITTING OF THE
SENATE STANDING COMMITTEE ON DEVOLUTION AND
INTERGOVERNMENTAL RELATIONS HELD ON TUESDAY, 8TH
OCTOBER, 2024, AT 10:00 AM AT COMMITTEE ROOM 4, BUNGE TOWER.**

PRESENT

- | | |
|--|--------------------|
| 1. Sen. Sheikh Mohamed Abass, MP | - Chairperson |
| 2. Sen. Catherine Muyeka Mumma, MP | - Vice-Chairperson |
| 3. Sen. Richard Momoima Onyonka, EBS, MP | - Member |
| 4. Sen. Peris Tobiko, CBS, MP | - Member |
| 5. Sen. Mohamed Chute, MP | - Member |
| 6. Sen. George Mbugua, MP | - Member |
| 7. Sen. David Wafula Wakoli, MP | - Member |

ABSENT WITH APOLOGY

- | | |
|-------------------------------------|----------|
| 1. Sen. (Dr.) Oburu Oginga, MGH, MP | - Member |
| 2. Sen. Hezena Lemaletian, MP | - Member |

IN ATTENDANCE

- | | |
|-------------------------------|---------------------------|
| 1. Hon. Susan Kihika, EGH, MP | - Governor, Nakuru County |
| 2. Hon. Stephen Njogu | - CEC Finance, Nakuru |
| 3. Hon. Joseph Malinda | - CO, Finance |
| 4. Dr. Peter Ketyanga | - Chief of Staff |
| 5. Mr. Dan Odundi | - Deputy Director |

SECRETARIAT

- | | |
|----------------------------|--|
| 1. Ms. Sylvia Nasambu | - Clerk Assistant I |
| 2. Mr. Desmond Rasugu | - Clerk Assistant III (taking minutes) |
| 3. Mr. Walters Omondi | - Legal Counsel II |
| 4. Ms. Mwanamisi Mwachasi | - Research Officer III |
| 5. Ms. Amran Yunis | - Fiscal Analyst |
| 6. Ms. Celestine Jepkosgey | - Public Communications Officer |
| 7. Mr. David Barasa | - Serjeant-At-Arms |
| 8. Mr. Johnstone Simiyu | - Audio officer |

MIN/SEN/DEVIR/686/2024:**PRAYER**

The meeting was called to order at 9:28 am by the Chairperson followed by a word of prayer by Ms. Sylvia Nasambu.

MIN/SEN/DEVIR/687/2024**ADOPTION OF THE AGENDA**

The agenda of the meeting was adopted as presented after being proposed by Sen. George Mbugua, MP, and seconded by Sen. Richard Onyonka, EBS, MP as follows-

1. Prayer;
2. Adoption of the Agenda;
3. Meeting with the Governor of Nakuru County for deliberation of commercial bank accounts operated by the County Executive of Nakuru;
4. Any other Business; and
5. Date of the Next Meeting and Adjournment.

MIN/SEN/DEVIR/688/2024**MEETING WITH THE GOVERNOR OF NAKURU COUNTY FOR DELIBERATION OF COMMERCIAL BANK ACCOUNTS OPERATED BY THE COUNTY EXECUTIVE OF NAKURU.**

1. The Governor of Nakuru reported on the 12 commercial bank accounts that are operated by the County Executive of Nakuru as reported by the Controller of Budget by providing the names of the accounts, the dates they were opened, the purpose and signatories to the accounts;
2. The Governor further stated that the County operates commercial accounts for all the health facilities in the County, the municipalities and the technical vocational training colleges in the county. This makes the number of these Accounts to be more than two hundred and twenty-five. The Governor also provided the details of some of these accounts. She however, requested the Committee to grant her more time to submit information of all the commercial accounts operated by the County Executive; and
3. Upon deliberation, the Committee resolved to give the Governor three weeks from the date of the meeting, to submit the required information.

MIN/SEN/DEVIR/689/2024**ANY OTHER BUSINESS**

The Governor stated that she will submit to the Committee, a memorandum outlining her views on how the Urban Areas and Cities Act, 2011, can be amended to effectively enable cities and other urban areas to function effectively for proper service delivery to the people.

MIN/SEN/DEVIR/690/2024**DATE OF NEXT MEETING AND
ADJOURNMENT**

The Chairperson adjourned the meeting at 10:55 am. The next meeting to be held on Monday, 28th October, 2024 at 10.00 a.m.



SIGNED.....

DATE.....10/10/2024.....

**SEN. SHEIKH MOHAMED ABASS, MP,
CHAIRPERSON, STANDING COMMITTEE ON DEVOLUTION AND
INTERGOVERNMENTAL RELATIONS.**



**MINUTES OF THE HUNDRED AND THIRTY-FOURTH SITTING OF THE
SENATE STANDING COMMITTEE ON DEVOLUTION AND
INTERGOVERNMENTAL RELATIONS HELD ON THURSDAY, 26TH
SEPTEMBER, 2024, AT 10.00 AM IN COMMITTEE ROOM 4, BUNGE
TOWER.**

PRESENT

- | | |
|--|--------------------|
| 1. Sen. Sheikh Mohamed Abass, MP | - Chairperson |
| 2. Sen. Catherine Muyeka Mumma, MP | - Vice-Chairperson |
| 3. Sen. (Dr.) Oburu Oginga, MGH, MP | - Member |
| 4. Sen. Richard Momoima Onyonka, EBS, MP | - Member |
| 5. Sen. Peris Tobiko, CBS, MP | - Member |
| 6. Sen. Mohamed Chute, MP | - Member |
| 7. Sen. George Mbugua, MP | - Member |
| 8. Sen. David Wafula Wakoli, MP | - Member |

ABSENT WITH APOLOGY

- | | |
|----------------------------|----------|
| Sen. Hezena Lemaletian, MP | - Member |
|----------------------------|----------|

IN ATTENDANCE

- | | |
|----------------------------|------------------------------------|
| 1. Hon. Abdulswamad Nassir | - Governor, Mombasa County |
| 2. Mr. Jeizan Faruk | - County Secretary, Mombasa County |
| 3. Mr. Evans Oanda | - CECM, Finance, Mombasa County |
| 4. Dr. Mbwarali Kame | - CECM, Education, Mombasa County |
| 5. Dr. Shem Patta | - CECM Health, Mombasa |
| 6. Mr. Swaleh Mwalizama | - Chief officer, Finance |
| 7. Mr. Vincent Ouma | - Chief Accountant |
| 8. Ms. Gloria Natore | - Accountant |

SECRETARIAT

- | | |
|---------------------------|--|
| 1. Ms. Sylvia Nasambu | - Clerk Assistant I |
| 2. Mr. Desmond Rasugu | - Clerk Assistant III (taking minutes) |
| 3. Mr. Walters Omondi | - Legal Counsel II |
| 4. Ms. Mwanamisi Mwachasi | - Research Officer III |

- | | |
|-------------------------|---------------------------|
| 5. Ms. Amran Yunis | - Fiscal Analyst I |
| 6. Ms. Juliet Masinde | - Media Relations officer |
| 7. Mr. David Barasa | - Serjeant-At-Arms |
| 8. Mr. Johnstone Simiyu | - Audio officer |

MIN/SEN/DEVIR/666/2024:

PRAYER

The meeting was called to order at 10:15 am by the Chairperson followed by a word of prayer by Ms. Sylvia Nasambu.

MIN/SEN/DEVIR/667/2024

ADOPTION OF THE AGENDA

The agenda of the meeting was adopted as presented after being proposed by Sen. Catherine Mumma, MP, and seconded by Sen. George Mbugua, MP, as follows-

1. Prayer;
2. Adoption of the Agenda;
3. Confirmation of the minutes of the previous meetings (4 sets);
4. Pre-publication Scrutiny of the County Government laws (Amendment) Bill, 2024:
A legislative proposal by Sen. Paul Karungu Thang'wa, MP;
5. Consideration and adoption of the report of the Committee of the Intergovernmental Relations (Amendment) Bill, 2024 (Senate Bills. No. 12 of 2024);
6. Meeting with the Governor of Mombasa County for deliberation of the commercial bank accounts operated by the County Executive of Mombasa;
7. Any other Business; and
8. Date of the Next Meeting and Adjournment.

MIN/SEN/DEVIR/668/2024

**CONFIRMATION OF THE MINUTES OF
THE PREVIOUS MEETINGS (4 SETS)**

- a) The minutes of the hundred and twenty-ninth meeting held on Thursday, 5th September, 2024 at 10.00 am were confirmed as a true record of the proceedings after being proposed by Sen. Catherine Mumma, MP, and seconded by Sen. George Mbugua, MP;
- b) The minutes of the hundred and thirtieth meeting held on Monday, 9th September, 2024 at 9.30 am were confirmed as a true record of the proceedings after being proposed by Sen. George Mbugua, MP and seconded by Sen. Catherine Mumma, MP;
- c) The minutes of the hundred and thirty-first meeting held on Thursday, 12th September, 2024 at 9.30 am were confirmed as a true record of the proceedings after being proposed by Sen. George Mbugua, MP and seconded by Sen. Catherine Mumma, MP; and
- d) The minutes of the hundred and thirty-second meeting held on Monday, 16th September, 2024 at 10.00 am were confirmed as a true record of the proceedings after being proposed by Sen. Catherine Mumma, MP, and seconded by Sen. George Mbugua, MP.

Under minute 656/2024 - Any other Business

The Committee noted that the Governor of Nyandarua County had not formally written to the Committee to request the Committee's intervention in the matter of the disputed land between Nyandarua and Laikipia Counties. It was resolved that the secretariat to prompt the office of the Governor to do so if it still needs the Committee's intervention.

MIN/SEN/DEVIR/670/2024

**PRE-PUBLICATION SCRUTINY OF THE COUNTY GOVERNMENT LAWS
(AMENDMENT) BILL, 2024: A LEGISLATIVE PROPOSAL BY SEN. PAUL
KARUNGO WA THANG'WA, MP**

1. The Committee considered the legislative proposal on The County Governments Laws (Amendment) Bill, 2024 sponsored by Sen. Paul Karungo Thang'wa, MP. The proposed Bill seeks to –

- a) amend the County Governments Act Section 44 by providing the circumstances under which the office of a county secretary becomes vacant and to require a county governor to initiate the process of appointing a new secretary within 14 days from the date of the vacancy;
- b) amend the County Governments Act Section 45 by providing clarity on the appointment of new county chief officers whenever a new county government is elected after a general election and that a person shall not hold office of a chief officer for a cumulative period of more than ten years;
- c) amend the County Governments Act, Section 12 to provide that a member of the Board shall hold office for a term of five years and is eligible for re-appointment for one further term and shall serve on a part-time basis as well as provide clarity on the vacation from office of a member of a county assembly;
- d) amend the County Governments Act, Section 63 to provide the period within which a county public officer can hold an office in an acting capacity. It proposes that an officer may be appointed in an acting capacity for a period not less than one month and not more than 6 months. That appointment may be extended once where efforts to substantively fill the position have not been successful;
- e) amend the County Assembly services Act Section 10 to provide for the procedure for removal from office a member of a County Assembly Service Board;
- f) amend the County Assembly services Act by introducing a new Section 24A to allow the County Public Service Board to have powers to appoint officers in acting capacity pending substantive appointment; and

- g) amend the Public Appointments (County Assembly Approval) Act, CAP 265 B Section 9 to introduce subsection 3 to provide that where a county assembly fails to consider and approve or reject the nomination of a candidate within the time required, the candidate shall be deemed to have been approved by the county assembly.
2. Having considered the text of the legislative proposal, the Committee resolved that the Bill be reviewed to change the proposed amendments to Section 63 of the County Governments Act to provide that a county public officer shall serve in an acting capacity for not more than six months. This removes the provision of extending the term of acting after six months;
 3. The Committee further resolved that the same amendment to be made to the proposed section 24A of the County Assembly Services Act to provide that any member appointed by the county public service board in an acting capacity shall not hold the position for more than six months; and
 4. Consequently, the Committee resolved that the legislative proposal be accepted and published as a Bill pursuant to Senate Standing Order 131 (2).

MIN/SEN/DEVIR/670/2024

CONSIDERATION AND ADOPTION OF THE REPORT OF THE COMMITTEE OF THE INTERGOVERNMENTAL RELATIONS (AMENDMENT) BILL, 2024 (SENATE BILLS. NO. 12 OF 2024);

The Committee considered and adopted the report of the Committee on the Intergovernmental Relations (Amendment) Bill, 2024 (Senate Bills No. 12 of 2024 as presented.

MIN/SEN/DEVIR/671/2024

MEETING WITH THE GOVERNOR OF MOMBASA COUNTY FOR DELIBERATION OF THE COMMERCIAL BANK ACCOUNTS OPERATED BY THE COUNTY EXECUTIVE OF MOMBASA.

1. The Governor of Mombasa County submitted that the County Executive of Mombasa operates ninety-four (94) commercial bank accounts providing a breakdown of the specific purposes and departments that operate the accounts; the accounts are majorly operated by health facilities and vocational training colleges;
2. He further provided the details of the accounts, including the names of the accounts, the dates when they were opened, the signatories to the accounts the designations of the signatories to the accounts and the beneficiaries of the monies paid from the accounts;

3. The Governor informed the Committee that the County operates eighteen accounts at the Central Bank;
4. The Committee deliberated on the effectiveness of the Public Finance Management Act, 2012 on the laws that touch on County governments and resolved to give the Governor three weeks to submit to the Committee a matrix of the relevant laws in the Act that the Senate should look into with a view of making amendments.

MIN/SEN/DEVIR/671/2024 ANY OTHER BUSINESS

1. The Governor informed the Committee that the County Government of Mombasa was planning to establish administrative boroughs which are units for running the city County similar to the ones established in Nairobi County. The boroughs aim to facilitate easier provision of services to the residents. He stated that this was in line with the Urban Areas and Cities Act and committed that he will share more information to the Committee regarding the matter;
2. The Governor stated that he will submit a written response to the Committee on the questionnaire the Committee had requested the County's views on the postlegislative scrutiny of the Urban Areas and Cities Act, 2011.

MIN/SEN/DEVIR/672/2024

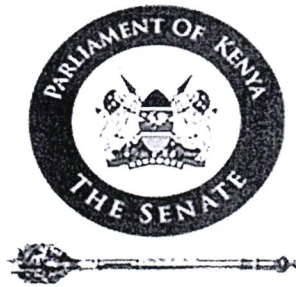
**DATE OF NEXT MEETING AND
ADJOURNMENT**

The Chairperson adjourned the meeting at 12:25 pm. The next meeting to be held on notice.

SIGNED.....

DATE.....

**SEN. SHEIKH MOHAMED ABASS, MP,
CHAIRPERSON, STANDING COMMITTEE ON DEVOLUTION AND
INTERGOVERNMENTAL RELATIONS.**



MINUTES OF THE HUNDRED AND THIRTY- SECOND SITTING OF THE SENATE STANDING COMMITTEE ON DEVOLUTION AND INTERGOVERNMENTAL RELATIONS HELD ON MONDAY, 16TH SEPTEMBER, 2024, AT 10.00 AM IN COMMITTEE ROOM 4, BUNGE TOWER.

PRESENT

- | | |
|--|--------------------|
| 1. Sen. Sheikh Mohamed Abass, MP | - Chairperson |
| 2. Sen. Catherine Muyeka Mumma, MP | - Vice-Chairperson |
| 3. Sen. (Dr.) Oburu Oginga, MGH, MP | - Member |
| 4. Sen. Richard Momoima Onyonka, EBS, MP | - Member |
| 5. Sen. Peris Tobiko, CBS, MP | - Member |
| 6. Sen. Mohamed Chute, MP | - Member |
| 7. Sen. George Mbugua, MP | - Member |
| 8. Sen. David Wafula Wakoli, MP | - Member |

ABSENT WITH APOLOGY

- | | |
|----------------------------|----------|
| Sen. Hezena Lemaletian, MP | - Member |
|----------------------------|----------|

IN ATTENDANCE

- | | |
|----------------------------|----------------------------|
| 1. Hon. Nathif Jama, EGII, | - Governor, Garissa County |
| 2. Mr. Abass Khaar | - CECM Finance Garissa |
| 3. Mr. Abdi Nuriye | - Head of Treasury |

SECRETARIAT

- | | |
|----------------------------|---|
| 1. Ms. Sylvia Nasambu | - Clerk Assistant I |
| 2. Mr. Desmond Rasugu | - Clerk Assistant III (taking minutes) |
| 3. Mr. Walters Omondi | - Legal Counsel II |
| 4. Ms. Mwanamisi Mwachasi | - Research Officer III |
| 5. Ms. Amran Yunis | - Fiscal Analyst I |
| 6. Mr. Stanely Gikore | - Media Relations officer |
| 7. Mr. David Barasa | - Serjeant-At-Arms |
| 8. Ms. Celestine Jepkosgey | - Public Communications Officer |
| 9. Mr. Johnstone Simiyu | - Audio officer |

MIN/SEN/DEVIR/658/2024:

PRAYER

The meeting was called to order at 10:20 am by the Chairperson followed by a word of prayer by Ms. Sylvia Nasambu.

MIN/SEN/DEVIR/659/2024

ADOPTION OF THE AGENDA

1. Prayer;
2. Adoption of the Agenda;
3. Meeting with the Governor of Garissa County for deliberation of the Commercial Bank Accounts operated by the County Executive of Garissa;
4. Any other Business; and
5. Date of the Next Meeting and Adjournment.

MIN/SEN/DEVIR/660/2024

MEETING WITH THE GOVERNOR OF GARISSA COUNTY FOR DELIBERATION OF THE COMMERCIAL BANK ACCOUNTS OPERATED BY THE COUNTY EXECUTIVE OF GARISSA

1. The Governor of Garissa provided details of five commercial bank accounts that the County of Garissa operates as indicated in the Controller of Budget's report. The five are the Garissa County Emergency Fund, Garissa County salary account, a Scholarship account, a revenue collection account and the revolving fund account;
2. The Governor also provided details of the dates when the said accounts were opened, the purpose for the accounts, the signatories to the accounts, and the designations of the signatories; and
3. The Governor reported that the County also operates commercial bank accounts for all 70 health facilities and 5 municipalities in the County.
4. The Governor, however, revealed that the level II and III health facilities have never been audited by the office of the Auditor General and this is why they are not accounted for in the Controller of Budgets report. This was a concerning disclosure as all institutions that receive public funds are to be subjected to an audit of the funds by the office of the Auditor General.

Resolutions

The Governor of Garissa County to submit full details of all the commercial bank accounts operated by the County Executive of Garissa including for dispensaries, municipalities and vocational training colleges.

MIN/SEN/DEVIR/656/2024

ANY OTHER BUSINESS

1. The Committee to invite the Governors of Nakuru and Isiolo Counties for deliberation of the commercial accounts operated by their respective counties;
2. The Committee resolved to have a joint sitting with the Controller of Budget and the Auditor General to deliberate on the key issues emerging from the deliberations the Committee has had with the Governors it has met over the commercial bank accounts that are operated by the; and
3. The Committee deliberated on the issue of low expenditure on development flagged out in the Controller of Budget's Budget Implementation for FY 2022/23 report and resolved to invite the Governors of the (ten) 10 counties with the least expenditure on development to appear before the Committee for deliberation of the issue.

MIN/SEN/DEVIR/657/2024

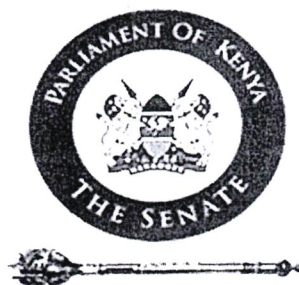
DATE OF NEXT MEETING AND
ADJOURNMENT

The Chairperson adjourned the meeting at 11:45am. The next meeting to be held on notice.

SIGNED.....

DATE..... 26/09/24.....

SEN. SHEIKH MOHAMED ABASS, MP,
CHAIRPERSON, STANDING COMMITTEE ON DEVOLUTION AND
INTERGOVERNMENTAL RELATIONS.



**MINUTES OF THE HUNDRED AND THIRTY- FIRST SITTING OF THE
SENATE STANDING COMMITTEE ON DEVOLUTION AND
INTERGOVERNMENTAL RELATIONS HELD ON THURSDAY, 12TH
SEPTEMBER, 2024, AT 9.30 AM IN COMMITTEE ROOM 4, BUNGE TOWER.**

PRESENT

- | | |
|--|-------------------------------|
| 1. Sen. Catherine Muyeka Mumma, MP | - Vice-Chairperson (Chairing) |
| 2. Sen. (Dr.) Oburu Oginga, MGH, MP | - Member |
| 3. Sen. Richard Momoima Onyonka, EBS, MP | - Member |
| 4. Sen. Peris Tobiko, CBS, MP | - Member |
| 5. Sen. Mohamed Chute, MP | - Member |
| 6. Sen. George Mbugua, MP | - Member |
| 7. Sen. David Wafula Wakoli, MP | - Member |

ABSENT WITH APOLOGY

- | | |
|----------------------------------|---------------|
| 1. Sen. Sheikh Mohamed Abass, MP | - Chairperson |
| 2. Sen. Hezzena Lemaletian, MP | - Member |

IN ATTENDANCE

- | | |
|--------------------------------|----------------------------------|
| 1. Sen. John Methu, MP, | - Senator, Nyandarua County |
| 2. Hon. (Dr.) Moses Badilisha, | - Governor, Nyandarua County |
| 3. Hon. Mary Kamande | - CECM Finance, Nyandarua County |
| 4. Dr. Zakayo Kariuki | - CECM, Health, Nyandarua County |
| 5. Mr. Phoebe Mbiyu | - Chief Accountant, Nyandarua |
| 6. Mr. Joseph Wahome | - Ag, Chief Officer Finance |
| 7. Mr. Peter Thiari | - Chief of Staff |

SECRETARIAT

- | | |
|---------------------------|--|
| 1. Ms. Sylvia Nasambu | - Clerk Assistant I |
| 2. Mr. Desmond Rasugu | - Clerk Assistant III (taking minutes) |
| 3. Mr. Walters Omondi | - Legal Counsel II |
| 4. Ms. Mwanamisi Mwachasi | - Research Officer III |
| 5. Ms. Amran Yunis | - Fiscal Analyst I |
| 6. Mr. Stanely Gikore | - Media Relations officer |

- | | |
|----------------------------|---------------------------------|
| 7. Mr. James Ngusia | - Serjeant-At-Arms |
| 8. Ms. Celestine Jepkosgey | - Public Communications Officer |
| 9. Mr. Johnstone Simiyu | - Audio officer |

MIN/SEN/DEVIR/652/2024:

PRAYER

The meeting was called to order at 9:40 am by the Ag. Chairperson followed by a word of prayer by Ms. Sylvia Nasambu.

MIN/SEN/DEVIR/653/2024

ADOPTION OF THE AGENDA

1. Prayer;
2. Adoption of the Agenda;
3. Consideration of matrix on the memoranda received from stakeholders on the Intergovernmental Relations (Amendment) Bill, 2024 (Senate Bills No. 12 of 2024);
4. Meeting with the Governor of Nyandarua County for deliberation of the Commercial Bank Accounts operated by the County Executive of Nyandarua;
5. Any other Business; and
6. Date of the Next Meeting and Adjournment.

MIN/SEN/DEVIR/654/2024

**CONSIDERATION OF MATRIX ON THE MEMORANDA RECEIVED FROM
STAKEHOLDERS ON THE INTERGOVERNMENTAL RELATIONS
(AMENDMENT) BILL, 2024 (SENATE BILLS NO. 12 OF 2024)**

1. The Committee considered a matrix of the memoranda that was received from various stakeholders on the Intergovernmental Relations (Amendment) Bill, 2024. The memoranda comprised views from the Council of Governors, the County Assemblies Forum, the Intergovernmental Relations Technical Committee; the State Department for Devolution, the Society of Clerks at the table; Mr. Kinuthia Wamwangi Former Chairperson of the Transitional Authority and the Commission on Revenue Allocation;
2. The matrix was a clause-by-clause analysis of each proposal made to the Bill which the Committee deliberated on and made a resolution on each;
3. Among the key resolutions the Committee made included -
 - a) Accepted amendment to clause 23L by the County Assemblies Forum to provide for a seamless transition of all aspects related to the County Assemblies Forum to the newly established Forum. It addresses the continuity of operations, the management of assets and liabilities, and the absorption of staff to prevent any disruption in the functioning of the Forum; and
 - b) Amend section 34 (1) of the Principal Act to 21 days as this will pave way for an expeditious process in dispute resolution.

MIN/SEN/DEVIR/655/2024

MEETING WITH THE GOVERNOR OF NYANDARUA COUNTY FOR DELIBERATION OF THE COMMERCIAL BANK ACCOUNTS OPERATED BY THE COUNTY EXECUTIVE OF NYANDARUA.

1. The Committee held deliberations with the Governor of Nyandarua County regarding the commercial bank accounts the county operates. The Governor reported on eighty six (86) commercial bank accounts which is the number that the controller of budget's report had indicated. The report provided the name of the accounts, the date opened, the purpose for the account, the signatories to the accounts and the designations for each;
2. However, the Governor disclosed that the County has got several other commercial accounts which could be more than 160 in number being accounts for vocational training colleges, dispensaries and health facilities in the County;
3. He further submitted that the all the accounts are audited internally by the County audit department and also by the Auditor General, and therefore are well known to the Controller of Budget;
4. The Governor, however, submitted that he was not sure of the exact total number of Commercial Bank accounts being operated by the County Executive and therefore requested for more time to provide the information.

Resolutions

With the foregoing, the Committee resolved to give the Governor 30 days to submit a list of all the commercial bank accounts operated by the county executive of Nyandarua providing the dates when they were opened, the signatories to the accounts, and their designations and the purpose for which the accounts were opened.

MIN/SEN/DEVIR/656/2024

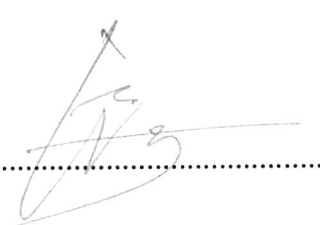
ANY OTHER BUSINESS

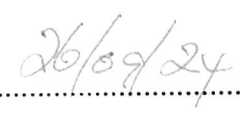
The Governor brought to the attention of the Committee a matter of disputed land between Nyandarua County and Laikipia County which he alleges belongs to Nyandarua but is forcefully being encroached by Laikipia. He reported that the matter had already been registered in court but still requested the committee to assist in resolving the dispute. It was resolved that the Governor of Nyandarua formally write to the Senate regarding the matter then thereafter, the Committee shall determine the next steps.

MIN/SEN/DEVIR/657/2024

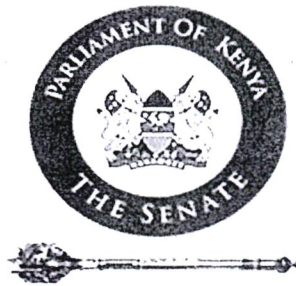
**DATE OF NEXT MEETING AND
ADJOURNMENT**

The Chairperson adjourned the meeting at 11:45 am. The next meeting to be held on notice.

SIGNED.....

DATE.....

SEN. SHEIKH MOHAMED ABASS, MP,
CHAIRPERSON, STANDING COMMITTEE ON DEVOLUTION AND
INTERGOVERNMENTAL RELATIONS.



**MINUTES OF THE HUNDRED AND THIRTIETH SITTING OF THE SENATE
STANDING COMMITTEE ON DEVOLUTION AND
INTERGOVERNMENTAL RELATIONS HELD ON MONDAY, 9TH
SEPTEMBER, 2024, AT 9.30 AM IN COMMITTEE ROOM 4, BUNGE TOWER.**

PRESENT

- | | |
|--|--------------------|
| 1. Sen. Sheikh Mohamed Abass, MP | - Chairperson |
| 2. Sen. Catherine Muyeka Mumma, MP | - Vice-Chairperson |
| 3. Sen. (Dr.) Oburu Oginga, MGH, MP | - Member |
| 4. Sen. Richard Momoima Onyonka, EBS, MP | - Member |
| 5. Sen. Peris Tobiko, CBS, MP | - Member |
| 6. Sen. Mohamed Chute, MP | - Member |
| 7. Sen. George Mbugua, MP | - Member |
| 8. Sen. David Wafula Wakoli, MP | - Member |

ABSENT WITH APOLOGY

- | | |
|----------------------------|----------|
| Sen. Hezena Lemaletian, MP | - Member |
|----------------------------|----------|

IN ATTENDANCE

- | | |
|------------------------------------|------------------------------------|
| 1. Sen. Enoch Wambua, MP, | - Senator, Kitui County |
| 2. Hon. (Dr.) Julius Malombe, EGH, | - Governor, Kitui County |
| 3. Mr. Peter Kilonzo, | - CECM, Finance Kitui County |
| 4. Mr. John Makau | - CECM, Finance, Kitui County |
| 5. Mr. Joel Muyanga | - Head of Accounting Kitui |
| 6. Ms. Gladys Mwambua | - Chief Officer, Agriculture Kitui |

SECRETARIAT

- | | |
|---------------------------|--|
| 1. Ms. Sylvia Nasambu | - Clerk Assistant I |
| 2. Mr. Desmond Rasugu | - Clerk Assistant III (taking minutes) |
| 3. Mr. Walters Omondi | - Legal Counsel II |
| 4. Ms. Mwanamisi Mwachasi | - Research Officer III |
| 5. Ms. Amran Yunis | - Fiscal Analyst I |
| 6. Mr. Stanely Gikore | - Media Relations officer |
| 7. Mr. James Ngusia | - Serjeant-At-Arms |

8. Ms. Celestine Jepkosgey
9. Mr. Johnstone Simiyu

- Public Communications Officer
- Audio officer

MIN/SEN/DEVIR/646/2024:

PRAYER

The meeting was called to order at 9:40 am by the Chairperson followed by a word of prayer by Ms. Sylvia Nasambu.

MIN/SEN/DEVIR/647/2024

ADOPTION OF THE AGENDA

1. Prayer;
2. Adoption of the Agenda;
3. Consideration of matrix on the memoranda received from stakeholders on the Intergovernmental Relations (Amendment) Bill, 2024 (Senate Bills No. 12 of 2024);
4. Meeting with the Governor of Kitui County for deliberation of the Commercial Bank Accounts operated by the County Executive of Kitui;
5. Any other Business; and
6. Date of the Next Meeting and Adjournment.

MIN/SEN/DEVIR/648/2024

**CONSIDERATION OF MATRIX ON THE MEMORANDA RECEIVED FROM
STAKEHOLDERS ON THE INTERGOVERNMENTAL RELATIONS
(AMENDMENT) BILL, 2024 (SENATE BILLS NO. 12 OF 2024)**

1. The Committee considered a matrix of the memoranda that was received from various stakeholders on the Intergovernmental Relations (Amendment) Bill, 2024. The memoranda comprised views from the Council of Governors, the County Assemblies Forum, the Intergovernmental Relations Technical Committee; the State Department for Devolution, the Society of Clerks at the table; Mr. Kinuthia Wamwangi Former Chairperson of the Transitional Authority and the Commission on Revenue Allocation;
2. The matrix was a clause-by-clause analysis of each proposal made to the Bill which the Committee deliberated on and made a resolution on each;
3. Among the key resolutions the Committee made included
 - a) Accepted the proposal by the State Department for Devolution to retain the amendment on section 34 of the Principal Act on the number of days for convening a meeting from the date of a formal declaration of a dispute from seven (7) days to twenty-one (21) days;
 - b) Accepted the proposal by the Council of Governors to insert a new provision after clause 23C on Saving and Transitional Provisions of the Council to provide for the transition of the staff currently serving under the Council of Governors to the Council of County Governors Secretariat upon the commencement of the new law as provided for in section 23C;

- c) Accepted the proposal by the County Assemblies Forum to amend clause 13 to provide that the Secretary General of the Forum shall be a member of the County Assembly who shall also be a member of the National Executive Board. This will ensure that the National Executive Board benefits from the direct insights and perspectives of the elected representatives.
4. The Committee resolved to conclude consideration of the matrix in the next sitting.

MIN/SEN/DEVIR/649/2024

**MEETING WITH THE GOVERNOR OF KITUI COUNTY FOR DELIBERATION
OF THE COMMERCIAL BANK ACCOUNTS OPERATED BY THE COUNTY
EXECUTIVE OF KITUI.**

1. The Committee held deliberations with the Governor of Kitui County regarding the commercial bank accounts the county operates. The Governor presented a report of the five (5) commercial bank accounts which is the number of accounts that the Controller of Budget's report had indicated. The report provided the names of the accounts, the dates which the accounts were opened, the purpose for the accounts, the signatories to the accounts and their designations;
2. However, the Governor disclosed that the County has operates several other commercial accounts including for each of the 308 dispensaries and health facilities in the county. He further submitted that the accounts were officially examined by the office of the Auditor General and therefore are well known to that office and that of the Controller of Budget;
3. The Governor therefore submitted that the County is not operating any undisclosed accounts and any information needed regarding all the commercial bank accounts in the county can be readily be provided;
4. The Committee therefore clearly observed that their was a huge difference in the number of accounts the Controller of Budget had reported on with what the Governor submitted; and

Resolution

With the foregoing, the Committee resolved to give the Governor thirty (30) days to submit to the Committee, a list of all the commercial bank accounts operated by the county executive of Kitui, the dates when they were opened, the signatories to the accounts, and their designations and the purpose for which the accounts were opened.

MIN/SEN/DEVIR/650/2024 ANY OTHER BUSINESS

There was no any other business.

MIN/SEN/DEVIR/651/2024

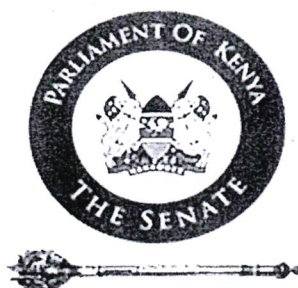
DATE OF NEXT MEETING AND
ADJOURNMENT

The Chairperson adjourned the meeting at 11:50 am. The next meeting to be held on notice.

SIGNED.....

DATE.....

SEN. SHEIKH MOHAMED ABASS, MP,
CHAIRPERSON, STANDING COMMITTEE ON DEVOLUTION AND
INTERGOVERNMENTAL RELATIONS.



**MINUTES OF THE HUNDREDTH AND TWENTY-THIRD SITTING OF THE
SENATE STANDING COMMITTEE ON DEVOLUTION AND
INTERGOVERNMENTAL RELATIONS HELD ON MONDAY, 22ND JULY
2024, AT 10.00 AM AT COMMITTEE ROOM 18, BUNGE TOWER.**

PRESENT

- | | |
|-------------------------------------|--------------------|
| 1. Sen. Sheikh Mohamed Abass, MP | - Chairperson |
| 2. Sen. Catherine Muyeka Mumma, MP | - Vice-Chairperson |
| 3. Sen. (Dr.) Oburu Oginga, MGH, MP | - Member |
| 4. Sen. Peris Tobiko, CBS, MP | - Member |
| 5. Sen. Mohamed Chute, MP | - Member |
| 6. Sen. George Mbugua, MP | - Member |
| 7. Sen. Hezena Lemaletian, MP | - Member |
| 8. Sen. David Wafula Wakoli, MP | - Member |

ABSENT WITH APOLOGY

- | | |
|---------------------------------------|----------|
| Sen. Richard Momoima Onyonka, EBS, MP | - Member |
|---------------------------------------|----------|

IN ATTENDANCE

- | | |
|------------------------|----------------------------------|
| 1. Hon. Ochilo Ayacko, | - Governor, Migori County |
| 2. Hon. Fatuma Achani | - Governor, Kwale County |
| 3. Ms. Sylvia Chidodo | - County Secretary, Kwale |
| 4. Mr. Maurice Otunga | - CECM, Finance Migori |
| 5. Mr. Achuora John | - Chief Officer, Finance, Migori |
| 6. Mr. Alex Onduko | - Chief Officer, Finance, Kwale |

SECRETARIAT

- | | |
|----------------------------|--|
| 1. Ms. Sylvia Nasambu | - Clerk Assistant I |
| 2. Mr. Desmond Rasugu | - Clerk Assistant III (taking minutes) |
| 3. Mr. Walters Omondi | - Legal Counsel I |
| 4. Mr. Jonathan Lemurt | - Fiscal Analyst I |
| 5. Ms. Lucianne Limo | - Media Relations Officer |
| 6. Ms. Celestine Jepkosgey | - Public Communications Officer |

- | | |
|-------------------------|--------------------|
| 7. Mr. David Barasa | - Serjeant-At-Arms |
| 8. Mr. Johnstone Simiyu | - Audio officer |

MIN/SEN/DEVIR/609/2024:

PRAYER

The meeting was called to order at 10:25 am by the Chairperson followed by a word of prayer by Ms. Sylvia Nasmbu. Thereafter, there was a round of introductions by all those who were present.

MIN/SEN/DEVIR/610/2024

ADOPTION OF THE AGENDA

The Agenda of the meeting was adopted as presented after being proposed by Sen. George Mbugua, MP and seconded by Sen. Catherine Mumma, MP as follows -

1. Prayer;
2. Adoption of the Agenda;
3. Meeting with the Governor of Migori County and the Governor of Kwale County to deliberate on the matter of commercial bank accounts opened and operated by the two respective Counties contrary to the law;
4. Any other Business; and
5. Date of the Next Meeting and Adjournment.

MIN/SEN/DEVIR/611/2024

MEETING WITH THE GOVERNOR OF MIGORI COUNTY AND THE GOVERNOR OF KWALE COUNTY TO DELIBERATE ON THE MATTER OF COMMERCIAL BANK ACCOUNTS OPENED AND OPERATED BY THE TWO RESPECTIVE COUNTIES CONTRARY TO THE LAW

1. The Committee interrogated the two Governors on the many commercial bank accounts operated by their counties contrary to the provisions of Regulation 82 (1) (b) of the Public Finance Management (County Governments) Regulations, 2015 which provides that all county government bank accounts shall be opened at the Central Bank of Kenya except for imprest for petty cash;
2. In their response, the Governors reported that the huge number of commercial bank accounts are mainly operated by the county health facilities & dispensaries. They explained that most of the conditional grants given to health facilities require that every benefiting dispensary must open an account for the funds;
3. They stated that the conditional grants negotiated between Donors and the National Government include a mandatory opening of a Special Purpose Account (SPA) and a Commercial Bank Account for operations. The grant further includes timelines in which funds move from the Revenue Fund Account at the Central Bank to the Special Purpose Account and eventually to the Commercial Bank Account;

4. They additionally submitted that their counties are not operating any illegal accounts as opening of the accounts is a requirement given by the donors which is also a practice approved by the National Treasury. They argued that this may make tracking of government spending difficult for the Controller of Budget, but there is no financial abuse at all by the entities operating the accounts;
5. The Governor of Migori County Summarised the 208 bank accounts by the Migori County Executive as follows-
 - a) Sub County hospitals bank Accounts – 20, used for facility improvement operations;
 - b) Dispensaries Banks Accounts – 137, used for facility improvement operations;
 - c) Donor and Fund Bank Accounts – 15, used for Donor and Fund activities and operations; and
 - d) Departments Bank Accounts – 36, used for Departmental operations and Imprest management.
6. The Governor further presented the following details of the bank account: the date on which the accounts were opened, the account name, the account number, the names and designations of signatories to the account and the purpose for each of the accounts;
7. The Governor of Kwale County summarized the 213 bank accounts held by the Kwale County Executive as follows –
 - a) Central Bank of Kenya – 24
 - b) Imprest Accounts- 15
 - c) Revenue Accounts – 2
 - d) Grants Accounts – Municipalities – 5
 - e) Level IV hospitals – 5
 - f) Health Centre and dispensaries – 153
8. She further reported that Kwale County operates three (3) Fund Accounts namely:
 - a) The Kwale County Trade Revolving Fund;
 - b) Kwale County Youth, Women and PWDs Revolving Fund; and
 - c) Kwale County Bursary Fund.
9. The Trade Revolving Fund and the Youth, Women and PWDs Revolving Fund disburses Funds to beneficiaries as loans who in turn repay the loans within a stipulated period of time. If the accounts were held at the Central Bank as per the regulation it would make it difficult for the beneficiaries to repay the loans to the Central Bank, not forgetting the accessibility of the loans by the Business Community;
10. The Bursary Account is held at the Commercial Bank are disbursed to schools and other learning institutions through Banker's Cheques. This has ensured accountability of the of the fund by learning institutions as ones banker's cheque is

issued together with the list of beneficiaries per institution a receipt of the same is sent back to the County Government.

11. The Governors appealed to the Committee and the Senate to help amend the PFM regulations in this regard, to allow the operation of commercial bank accounts with respect to conditional grants.

Observations

Since Donor funds cannot be managed by an account at the Central Bank of Kenya, it was noted that clearly, there is a contradiction in the regulation regarding the opening and operating of commercial accounts by county government entities. Counties cannot reject donor funding for important services and projects in the county, merely because it is illegal for them to operate a commercial bank account which is a condition by the donor.

Resolutions

The Governor to submit copies of the letters from the county treasury authorizing accounting officers to open the current commercial bank account.

MIN/SEN/DEVIR/612//2024

ANY OTHER BUSINESS

There was no any other Business.

MIN/SEN/DEVIR/613/2024

DATE OF NEXT MEETING AND
ADJOURNMENT

The Chairperson adjourned the meeting at 12:48 pm. The next meeting to be held on Thursday, 26th July, 2024.

SIGNED.....

DATE.....19/09/2024.

SEN. SHEIKH MOHAMED ABASS, M.P
CHAIRPERSON, STANDING COMMITTEE ON DEVOLUTION AND
INTERGOVERNMENTAL RELATIONS.



**MINUTES OF THE HUNDREDTH AND TWENTY-FIFTH SITTING OF THE
SENATE STANDING COMMITTEE ON DEVOLUTION AND
INTERGOVERNMENTAL RELATIONS HELD ON MONDAY, 29TH JULY
2024, AT 10.00 AM AT COMMITTEE ROOM 3, BUNGE TOWER.**

PRESENT

- | | |
|--|--------------------|
| 1. Sen. Sheikh Mohamed Abass, MP | - Chairperson |
| 2. Sen. Catherine Muyeka Mumma, MP | - Vice-Chairperson |
| 3. Sen. Richard Momoima Onyonka, EBS, MP | - Member |
| 4. Sen. Peris Tobiko, CBS, MP | - Member |
| 5. Sen. Mohamed Chute, MP | - Member |
| 6. Sen. George Mbugua, MP | - Member |
| 7. Sen. Hezena Lemaletian, MP | - Member |
| 8. Sen. David Wafula Wakoli, MP | - Member |

ABSENT WITH APOLOGY

- | | |
|----------------------------------|----------|
| Sen. (Dr.) Oburu Oginga, MGH, MP | - Member |
|----------------------------------|----------|

IN ATTENDANCE

- | | |
|------------------------------|----------------------------------|
| 1. Hon. Benjamin Cheboi, EBS | - Governor, Baringo County |
| 2. Mr. Wilson Ruto | - CECM, Finance, Baringo |
| 3. Dr. Solomon Siriya | - CECM, Health Baringo |
| 4. Mr. David Rerimoi | - Director Planning |
| 5. Dr. Winnie Bore | - Chief Officer Medical Services |
| 6. Dr. Gikoo Kiptoo | - Chief Officer Finance |

SECRETARIAT

- | | |
|----------------------------|--|
| 1. Ms. Sylvia Nasambu | - Clerk Assistant I |
| 2. Mr. Desmond Rasugu | - Clerk Assistant III (taking minutes) |
| 3. Mr. Walters Omondi | - Legal Counsel I |
| 4. Ms. Lucianne Limo | - Media Relations Officer |
| 5. Ms. Celestine Jepkosgey | - Public Communications Officer |
| 6. Mr. David Barasa | - Serjeant-At-Arms |
| 7. Mr. Johnstone Simiyu | - Audio officer |

MIN/SEN/DEVIR/619/2024:**PRAYER**

The meeting was called to order at 10:25 am by the Chairperson followed by a word of prayer by Ms. Sylvia Nasmbu. Thereafter, there was a round of introductions by all those who were present.

MIN/SEN/DEVIR/620/2024**ADOPTION OF THE AGENDA**

The Agenda of the meeting was adopted as presented after being proposed by Sen. George Mbugua, MP and seconded by Sen. David Wakoli, MP as follows -

1. Prayer;
2. Adoption of the Agenda;
3. Confirmation of Minutes of the Previous Meetings; (7 sets)
4. Consideration of Matters Arising from the Minutes;
5. Consideration of a legislative proposal on The County Government Laws (Amendment) Bill, 2024;
6. Meeting with the Governor of Baringo County, to deliberate on commercial bank accounts operated by the County Executive of Baringo;
7. Any other Business; and
8. Date of the Next Meeting and Adjournment.

MIN/SEN/DEVIR/621/2024**CONFIRMATION OF MINUTES OF THE
PREVIOUS MEETINGS**

- a) The minutes of the hundred and fourth sitting held on Monday, 22nd April, 2024 were confirmed as a true record of the proceedings after being proposed by Sen. Mohamed Chute, MP and seconded by Sen. David Wakoli, MP;
- b) The minutes of the hundred and fifth sitting held on Monday, 29th April, 2024 were confirmed as a true record of the proceedings after being proposed by Sen. Richard Onyonka, EBS, MP, and seconded by Sen. George Mbugua, MP;
- c) The minutes of the hundred and seventh sitting held on Thursday, 2nd May, 2024 were confirmed as a true record of the proceedings after being proposed by Sen. Mohamed Chute, MP and seconded by Sen. Richard Onyonka, MP;
- d) The minutes of the hundred and eight sitting held on Friday, 3rd May, 2024 were confirmed as a true record of the proceedings after being proposed by Sen. Mohamed Chute, MP and seconded by Sen. Richard Onyonka, EBS, MP;
- e) The minutes of the hundred and ninth sitting held on Thursday, 9th May, 2024 were confirmed as a true record of the proceedings after being proposed by Sen. Mohamed Chute, MP and seconded by Sen. George Mbugua, MP;
- f) The minutes of the hundred and tenth sitting held on Monday, 13th May, 2024 were confirmed as a true record of the proceedings after being proposed by Sen. Richard Onyonka, EBS, MP and seconded by Sen. George Mbugua, MP;

- g) The minutes of the hundred and eleventh sitting held on Thursday, 16th May, 2024 were confirmed as a true record of the proceedings after being proposed by Sen. Mohamed Chute, MP and seconded by Sen. David Wakoli, MP; and

MIN/SEN/DEVIR/622/2024

**CONSIDERATION OF MATTERS ARISING
FROM THE MINUTES**

There were no matters arising from any of the minutes.

MIN/SEN/DEVIR/624/2024

**CONSIDERATION OF THE LEGISLATIVE PROPOSAL ON THE COUNTY
GOVERNMENT LAWS (AMENDMENT) BILL, 2024.**

Consideration of the legislative proposal on the County Government Laws (Amendment) Bill, 2024 was deferred to the next sitting

MIN/SEN/DEVIR/625/2024

**MEETING WITH THE GOVERNOR OF BARINGO COUNTY, TO
DELIBERATE ON COMMERCIAL BANK ACCOUNTS OPERATED BY THE
COUNTY EXECUTIVE OF BARINGO.**

1. The Governor of Baringo confirmed to the Committee that the County of Baringo operates three hundred and four (304) Bank accounts for its entities and the county government;
2. The bank accounts comprise twenty-one (21) operated at the Central Bank and two hundred and eighty-three (283) operated at various commercial banks, being accounts for health centers and dispensaries. Others are twelve (12) operated by level 6 and 4 hospitals, eleven (11) for county funds for municipal expenditures, and 12 operated for level IV hospitals, and five (5) grant accounts for conditional grants;
3. The Governor further explained that most of the conditional grants given to health facilities require that every benefiting dispensary must open a commercial account for these funds. This explains why each dispensary operates a commercial bank account;
4. He submitted that all these bank accounts were opened legally and are consequently operating within the law and due process is followed when transferring monies to these transfers to these accounts. He further submitted that the accounts are meant to account for expenditure therefore transfers to the accounts are done through Integrated Financial Management Information System (IFMIS);
5. The Governor provided the list of the commercial bank accounts indicating the date they were opened, the account number, account name, account type and names of signatories; and

6. The Governor appealed to the Committee and the Senate to help amend the regulations in this regard, to allow the operation of commercial bank accounts with respect to conditional grants.

Resolutions

The Governor to submit copies of the letters from the county treasury authorizing accounting officers to open the current commercial bank accounts.

MIN/SEN/DEVIR/626//2024

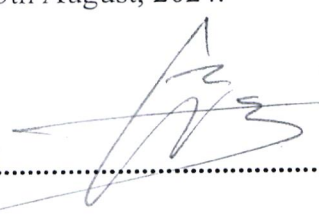
ANY OTHER BUSINESS

There was no any other Business.

MIN/SEN/DEVIR/627/2024

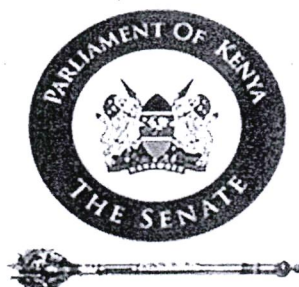
**DATE OF NEXT MEETING AND
ADJOURNMENT**

The Chairperson adjourned the meeting at 12:40 pm. The next meeting to be held on Monday, 5th August, 2024.

SIGNED.....

DATE.....19/09/2024

SEN. SHEIKH MOHAMED ABASS, M.P
CHAIRPERSON, STANDING COMMITTEE ON DEVOLUTION AND
INTERGOVERNMENTAL RELATIONS.



**MINUTES OF THE HUNDREDTH AND TWENTY-SIXTH SITTING OF THE
SENATE STANDING COMMITTEE ON DEVOLUTION AND
INTERGOVERNMENTAL RELATIONS HELD ON MONDAY, 5TH AUGUST
2024, AT 10.00 AM AT COMMITTEE ROOM 4, BUNGE TOWER.**

PRESENT

- | | |
|--|--------------------|
| 1. Sen. Sheikh Mohamed Abass, MP | - Chairperson |
| 2. Sen. Catherine Muyeka Mumma, MP | - Vice-Chairperson |
| 3. Sen. (Dr.) Oburu Oginga, MGH, MP | - Member |
| 4. Sen. Richard Momoima Onyonka, EBS, MP | - Member |
| 5. Sen. Peris Tobiko, CBS, MP | - Member |
| 6. Sen. Mohamed Chute, MP | - Member |
| 7. Sen. George Mbugua, MP | - Member |
| 8. Sen. Hezena Lemaletian, MP | - Member |
| 9. Sen. David Wafula Wakoli, MP | - Member |

IN ATTENDANCE

- | | |
|------------------------------|-------------------------------------|
| 1. Hon. Kenneth Lusaka, EGH, | -Governor, Bungoma County |
| 2. Mr. Chrispinus Barasa | - CECM, Finance |
| 3. Ms. Carolyn Makali | - CECM, Health |
| 4. Mr. Benedict Emecar | - CECM, Education |
| 5. Mr. Robert Simuyu | - Chief Officer, Finance |
| 6. Mr. Sam Nalwa | - Chief Officer, Education |
| 7. Mr. Luke Opwora | - Political Advisor to the Governor |

SECRETARIAT

- | | |
|----------------------------|--|
| 1. Ms. Sylvia Nasambu | - Clerk Assistant I |
| 2. Mr. Desmond Rasugu | - Clerk Assistant III (taking minutes) |
| 3. Mr. Walters Omondi | - Legal Counsel I |
| 4. Ms. Lucianne Limo | - Media Relations Officer |
| 5. Ms. Celestine Jepkosgey | - Public Communications Officer |
| 6. Mr. David Barasa | - Serjeant-At-Arms |
| 7. Mr. Johnstone Simiyu | - Audio officer |

MIN/SEN/DEVIR/628/2024:

PRAYER

The meeting was called to order at 10:20 am by the Chairperson followed by a word of prayer by Ms. Sylvia Nasmbu. Thereafter, there was a round of introductions by all those who were present.

MIN/SEN/DEVIR/629/2024

ADOPTION OF THE AGENDA

The Agenda of the meeting was adopted as presented after being proposed by Sen. George Mbugua, MP and seconded by Sen. David Wakoli, MP as follows -

1. Prayer;
2. Adoption of the Agenda;
3. Meeting with the Governor of Bungoma County to deliberate on commercial bank accounts operated by the County Executive of Bungoma;
4. Any other Business; and
5. Date of the Next Meeting and Adjournment.

MIN/SEN/DEVIR/630/2024

MEETING WITH THE GOVERNOR OF BUNGOMA COUNTY TO DELIBERATE ON COMMERCIAL BANK ACCOUNTS OPERATED BY THE COUNTY EXECUTIVE OF BUNGOMA

1. The Governor submitted that the 352 Commercial Bank Accounts operated by the County Executive of Bungoma are categorized as follows –
 - a) Established Public Funds – 10
 - b) Special Purpose Accounts – 9
 - c) Project Management Accounts – 1
 - d) Sub-County Imprest Accounts – 9
 - e) Mabanga Operations Accounts – 2
 - f) Level 4 & 5 Hospital Accounts – 19
 - g) Own Source Revenue Collection Accounts – 4
 - h) Vocational Training Centre Accounts – 152
 - i) Health Facility & Dispensary Accounts - 146
2. The Governor stated that for purposes of compliance with regulation 82 (1)(b) of the Public Finance Management (County Governments) Regulations, 2015 the County Government engaged the Central Bank of Kenya to open the accounts but CBK was hesitant to do so explaining that their office was not aware of the regulation and didn't see the practicality of such accounts as for dispensaries being opened at the CBK but the office of the Controller of Budget intervened by organizing a meeting between the County officials and the CBK which led to the opening of 10 bank accounts at the Central Bank;
3. The Governor further stated that the County is in the process of transitioning from Commercial bank accounts to CBK accounts and guidelines to all fund administrators has been issued to ensure the accounts at CBK have been opened and

to maintain one sweeping account and no operational transactions shall occur on that account except deposits and transfers to the Central Bank Account; and

4. The Governor provided details of the commercial bank accounts including the dates they were opened, the purpose for which they were opened, the signatories to the accounts and the list of the beneficiaries of payments made from each of the accounts.

Resolutions

The Governor to furnish the Committee with the following information within 30 days-

1. Provide evidence that there is ongoing transition of Commercial accounts to CBK accounts;
2. Provide the full identities of the four individuals whose names appear as signatories in multiple accounts;
3. Provide copies of the last audited reports of all the 352 Commercial accounts; and
4. Provide guidelines given by DANIDA and other donors on the management of their grants to Counties.

MIN/SEN/DEVIR/631//2024

ANY OTHER BUSINESS

There was no any other business.

MIN/SEN/DEVIR/627/2024

DATE OF NEXT MEETING AND ADJOURNMENT

The Chairperson adjourned the meeting at 12:40 pm. The next meeting to be held on Tuesday, 6th August, 2024.

SIGNED.....

DATE..... 19/09/2024.

SEN. SHEIKH MOHAMED ABASS, M.P
CHAIRPERSON, STANDING COMMITTEE ON DEVOLUTION AND
INTERGOVERNMENTAL RELATIONS.

Annex 2:

**Submissions from the Council of
Governors**



COUNCIL OF GOVERNORS

TALKING NOTES FOR THE CHAIRPERSON, COUNCIL OF GOVERNORS, ON ACCOUNTS OPENED AND OPERATED IN COMMERCIAL BANKS BY COUNTY GOVERNMENTS AND THEIR ENTITIES

Presented to the Senate Standing Committee on Devolution and Intergovernmental Relations on 2nd May 2025 at Serena Hotel, Mombasa.

Background

Following reports by the Controller of Budget that County governments are operating numerous accounts in commercial banks against the law, the Senate Committee on Devolution and Intergovernmental Relations resolved to conduct an enquiry on the matter. However, prior to this, the Council of Governors had written to the COB vide letter **Ref: COG/6/31/ vol.4 (69)** dated **17th September 2024**, providing clarity and stating that all accounts opened and operated by the County governments are in accordance with the law.

Council of Governors Response on the matter

All accounts opened and operated by the County governments are lawful based on the following:

- Section 5 of the Public Finance Management Act provides for the declaration of a County government entity. Pursuant to this, County governments have established various entities which are semi-autonomous as is the case with the National Government. These include **Health Facilities, Technical and Vocational Education Centres, Water Service Providers, County Funds, Urban Authorities, including cities, municipalities and towns, Investment Authorities and Revenue Authorities.**
- Further, in accordance with Section 5(2) of the Facility Improvement Financing Act, 2023, all County Health facilities have been declared entities of County Governments and are required to open and operate bank accounts in commercial banks for purposes of revenue collection, retention and expenditure.
- To date, County governments have at least 7,011 Health facilities which have all opened accounts in commercial banks in compliance with the FIF Law.
- Secondly, pursuant to Regulation 82(1)(b) of the PFM (County Governments) Regulations, 2015, County governments are required to open accounts in commercial banks for imprest/petty cash management purposes.
- Regulation 63 (4) further provides for designated revenue collection accounts which are opened in commercial banks. The revenue collected is afterwards swept to the County Revenue Fund Account as required by law.



- Thirdly, County governments are implementing various projects funded from conditional grants by development partners. Some of the conditions include the requirement to open Special Purpose Accounts for these projects in a commercial bank for operational convenience purposes (Regulation 76 (1). Therefore, all donor operated projects have SPA accounts across all the counties.
- Lastly, some bank accounts were inherited from the Defunct Local Authorities where some are operational due to multi-year projects/programmes that had to be executed by the County governments upon transition and some are dormant.

General Comments

- It should be noted that all Commercial Banks are regulated by the CBK.
- All County governments submit reports (self-report) on the operations of these accounts to the COB as required by law and as an accountability measure.
- Similarly, the Auditor General audits these accounts in line with the Constitution, PFM Act and Public Audit Act and relevant regulations.
- It follows therefore that the reported accounts should match and be a true record of what exists in the Counties.
- These underscore the County governments' commitment to enhancing transparency and accountability.

Recommendations

- The Controller of budget to categorize the bank accounts appropriately in subsequent budget implementation review reports.
- The Controller of Budget and Auditor General to contextualize their reports and findings on these accounts to avoid sensationalism in public reports.
- The Senate to cause amendments to the Public Finance Management (County Governments) Regulations, 2015 to align with new laws such as the FIF Act, 2023 and other emerging requirements such as the need for efficient implementation of development projects funded by conditional grants.

Annex 3:

**Submissions from the Office of
the Auditor General**



Enhancing Accountability

**AUDITOR-GENERAL'S SUBMISSIONS TO THE SENATE STANDING
COMMITTEE ON DEVOLUTION AND INTERGOVERNMENTAL RELATIONS
DURING THE COMMITTEE RETREAT TO DELIBERATE ON THE INQUIRY BY
THE COMMITTEE ON COMMERCIAL BANK ACCOUNTS OPERATED BY
COUNTY GOVERNMENTS**

30 APRIL, 2025

The Chairman, The Senate Standing Committee – Hon. Sen. Sheikh Mohamed Abass, CBS, MP

Honourable Members of the Committee

A. Appreciation Note

1. Allow me to first appreciate this Committee for its proactiveness and commitment to promoting good governance, transparency and accountability in the devolved level of government and generally in the country at large. The issue of cash management in our sub-national government is critical especially with the devolved governments grappling with delayed exchequer releases and stagnating/ reducing revenue collections. There is need therefore to prudently manage the cash available and ensure there is easy tracking of cash movements.
2. I also thank the Committee for this invitation to share our thoughts regarding the inquiry into commercial bank accounts held by the devolved units. I re-iterate that Parliament, and my Office are important and strategic players in the accountability ecosystem for holding Governments accountable. Our roles are key to unlocking focused sustainable development of the country, economic growth and sustainable delivery of services to the citizens. We achieve this by promoting good governance, transparency and accountability in the public sector.

B. The Commercial Banks Problem

Honorable Chair

Honorable Members

3. The Committee has requested that I make remarks on the emerging issues from the inquiry of the Committee on Commercial Banks operated by County Governments.
4. Section 119(1) of the Public Finance Management Act, 2012 bestows the County Treasury the responsibility of authorising the opening, operating and closing of bank accounts for the county government and its entities, except as otherwise provided by other legislation and in accordance with the Public Finance Management (County Governments) Regulations, 2015. This responsibility is further reinforced by Regulation 82(4) and (5) of the Public Finance Management (County Governments) Regulations, 2015 which requires that any Accounting Officers who seeks to open a bank account for the deposit, custody or withdrawal

of public moneys or other moneys for which he or she is responsible in his or her official capacity or for the transaction of official banking business **must obtain written authority from the County Treasury**. The authority of the County Treasury shall be copied to the Controller of Budget and the Auditor-General.

5. Further, Regulation 82(1) of the 2015 Regulations requires all county government bank accounts to be opened at the **Central Bank of Kenya except for imprest bank accounts for petty cash**. County Governments who had opened commercial banks accounts before the commencement of the Public Finance Management (County Governments) Regulations, 2015 were required by Regulation 82(2) to comply with the directive within six (6) months from the date of commencement of the Regulations.
6. However, our annual audits indicate that County Governments continue to open bank accounts in commercial banks without the approval of the County Treasury. In our financial and compliance audits for the financial years 2022/2023 and 2023/2024 we raised instances where counties continued to operate these bank accounts without the requisite approvals. For instance, Kiambu County Executive had 276 bank accounts in commercial banks while Baringo had 233 bank accounts. Other counties noted included:

- Samburu – 25 accounts
- Nakuru - 15 accounts
- Narok – 27 accounts
- Migori County Assembly – 59 accounts
- Garissa – 3 payroll accounts
- Mombasa – 3 unauthorized accounts opened

C. Common Accounts Domiciled in Commercial Accounts

Honorable Chair

Honorable Members

7. Our audits indicate that most accounts are opened in respect of:
 - (i) **Revenue Collection**
8. Counties open accounts in commercial banks despite Regulation 63(4) of the Public Finance Management (County Governments) Regulations, 2015 requiring that all public moneys collected by a receiver of revenue or collector of revenue or

collected and retained by a county government entity be paid into the designated bank accounts of the county government. The designated bank account is defined by Section 109(4) of the Public Finance Management Act, 2012 as the County Exchequer Account. For instance Isiolo County Executive had 5 revenue bank accounts; Busia 5 accounts.

(ii) **Health Facilities**

9. We noted that county executives opened bank accounts in respect of health facilities in commercial banks. For instance, Kiambu county had 276 accounts in FY 2022/2023 most of which related to health facilities. Similarly, Elegyo Marakwet County Executive had 129 accounts with balances totalling Kshs. 41.3m relating to health facilities.

(iii) **Wards for County Assemblies**

10. County's that had established wards also opened accounts in commercial banks. For instance, in the FY 2023/2024, Migor County had 59 accounts – 40 relating to the wards while 19 were opened in the names of the Members of County Assembly.

(iv) **Donor Funded Projects/ Special Purpose Accounts**

11. Counties receive grants in respect to the Fuel Levy, conditional grants and other donor funding some which required the county governments open bank accounts in commercial banks. Although Regulation 74(1) and (5), of the PFM Regulations, 2015 require that grants and donations be deposited in the County Revenue Fund and then transferred to the appropriate project bank account when required, Regulation 76(1) stipulates that projects accounts shall be opened and maintained at Central Bank of Kenya unless it is exempted by the Cabinet Secretary in writing where the CBK has no branch or banking facilities. Each project shall maintain only one bank account.
12. We also noted instances where the Court directed that the counties establish joint accounts with contractors where there were disputes in contracting. For instance in the FY 2020/2021, Vihiga County Assembly was directed by the court to establish such a joint account in a commercial bank to cater for legal expenses.

D. Challenges of Opening Bank Accounts in Commercial Banks

Honorable Chair

Honorable Members

13. When the county government holds numerous bank accounts in commercial banks it presents challenges related to accountability, transparency, and efficiency. It can make it difficult to track public expenditure, potentially leading to the misuse of funds and increasing the risk of corruption. The county governments lack visibility on funds scattered across the accounts in the commercial banks which sometimes are unmonitored. This makes it impossible to prioritize and control expenditure disbursements.

(i) Potential risk of fraud

14. Banks accounts may be opened to mask the trail of flow of money: For instance:

- In the FY 2020/2021, the County Executive of Murang'a opened an account in a commercial bank in the name of "**Small Traders Empowerment Fund**". In FY 2021/2022, the account was credited with 2 tranches of Kshs. 12m and Kshs. 10m on 12 April, 2021 and 31 January 2022 all totalling Kshs. 22m. At the same time, another account was opened under the name "**Small Traders Empowerment Loan Account**", domiciled at the same local bank and 2 tranches of Kshs. 10m each were transferred into the account from the **Small Traders Empowerment Fund Account** on 27 January, 2022 and 4 February, 2022 totalling Kshs. 20m. The Kshs. 20m credited to the account was immediately transferred to another account "**Loan to Wachuuzi**" in two equal instalments of Kshs. 10m on 27 January, 2022 and 4 February, 2022. There were no documents to support how the Kshs. 20m was used.
- In the FY 2022/2023, Vihiga County Assembly opened an interest-bearing joint account in the names of individuals instead of the County Assembly.
- In the FY 2023/2024, Nyamira County Executive made a double payment to a supplier from a commercial bank account all totalling Kshs. 140.9m.

(ii) Difficulty in Tracking Funds

15. With numerous accounts, it's more challenging for oversight bodies like the Controller of Budget and the County Assemblies to monitor how county government funds are being used. This challenge is compounded further by the following three root causes:

(a) Non-Disclosure of Bank Accounts

16. Regulation 87 (1) and (2) of the PFM 2015 Regulations requires the County Head of Accountancy Services to maintain a register of all County Treasury Single Account sub accounts and other bank accounts opened by County government entities including public funds and donor funded projects. The register will be periodically reconciled with the records maintained by the Central Bank of Kenya.

17. However, we have noted instances where county governments do not disclose bank accounts in commercial banks. In the FY 2022/2023, the following 6 counties did not disclose bank accounts:

County	No. of Accounts	Comments
Tana River	3	
Lamu	3	Kenya Marine and Fisheries Socio-economic Development, Kenya Expanded Immunization and UNICEF
Machakos	245	Balances totalling Kshs. 225m
Nakuru	1	
Busia	7	
Nairobi City	1	Balance of Kshs. 3.5m

18. Similarly, in the FY 2023/2024, 7 counties did not disclose accounts held in commercial banks.

County	No. of Accounts	Comments
Baringo	233	Balances totalling Kshs. 80.38m
Samburu	25	Undetermined value of balances
Kirinyaga	1	Balance of Kshs. 62.5m
Nairobi	2	Balances totalling Kshs. 3.2m

Kisumu	4	Balances totalling Kshs. 7.2m
Embu County Assembly	3	Balances totalling Kshs. 24.9m

(b) Unsupported Balances

19. In addition, we have noted the balances in the accounts are not supported by certificates of balances, Board of Survey reports, bank reconciliation statements and cashbooks. In both FY 2022/2023 and 2023/2024, unsupported balances were a major finding in county governments audits as detailed below:

FY 2022/2023	
County	Comments
Tana River	13 a/cs (Balance: Kshs. 31m)
Nairobi	43 a/cs (Balance Kshs.561.02m)
Kiambu	47 a/cs
Narok	19 a/cs
Vihiga	5 a/cs
Homa Bay	3 a/cs

FY 2023/2024	
County	Comments
Kakamega	Balances totalling Kshs. 1.744B
Elgeyo Marakwet	Balances totalling Kshs. 41m
Nandi	Balances totalling Kshs. 17m
Mombasa	Balances totalling Kshs. 2.82m

(c) Unreconciled Balances

20. County governments also failed to reconcile the balances as at the end of the year with the underlying records such as cashbooks. Regulation 90(1) requires an Accounting Officers to ensure bank accounts reconciliations are completed for each bank account held by that Accounting Officer, every month and submit a bank reconciliation statement not later than the 10th of the subsequent month to the County Treasury with a copy to the Auditor-General. Lack of regular bank reconciliations means that these balances will not reconcile at the end of the financial year.

21. For instance,

- In the FY 2023/2024, the contractors retention balance of Kshs. 22m for Kilifi County Executive differed with the cashbook balance of Kshs. 1.5m. In Nyamira County Executive, 11 bank accounts were not supported by reconcilaitions.
- In FY 2023/2024, account balances totalling Kshs. 5.357B in various counties could not be reconciled as detailed below:

County	Unreconciled Balance (Kshs.)
Nairobi	1,920m
Kakamega	1,710m
Kitui	670m
Mombasa	591m
Nakuru	340m
Trans Nzoia	120m
Kisumu	9m

(iii) Payments Made Outside IFMIS

Honourable Chair

Honourable Members

22. With numerous accounts, there is a possibility that payments will not be processed in IFMIS. For instance:

- In the FY 2022/2023, an amount of Kshs. 162.5m was transferred to Kajiado Emergency Fund. However, Kshs. 150m included in the amount could not be traced back to the IFMIS.
- In FY 2022/2023, Nyandarua County Assembly paid staff Kshs. 60m outside IFMIS.
- In FY 2023/2024, the Wajir County Executive used an account in a commercial bank to pay salaries and daily subsistence allowance.

(iv) Wasteful Expenditure

Honorable Chair

Honorable Members

23. Managing numerous accounts can be more costly as a result of bank charges and idle bank accounts. Indeed, Regulation 83(1)(c) recognizes non-accumulation of idle balances as a good practice in sound cash management.
24. In the FY 2022/2023, Kisumu County Transforming Health bank account incurred Kshs. 10.12m in respect of interbank transfers. In the same year, Makueni County Assembly incurred Kshs. 2.1m due to late settlement of overdrafts.
25. Further, in 2022/2023, it was noted that Nairobi City County Youth Poly grant account was dormant for 2 years with a balance of Kshs. 31.3m. in FY 2023/2024, Kwale and Vihiga county governments had 3 and 9 dormant accounts respectively. Similarly, the Kisumu Universal Healthcare account had been dormant for 3 years.

(v) Unregulated Borrowing

26. The Public Finance Management Act, 2012 provides limits for borrowing by County Governments. Section 107(3) of the Act restricts short-term borrowing to not more than five percent of the most recent audited county government revenue. Such a borrowing also requires a national government guarantee pursuant to section 58 of the PFMA, 2012 and must be approved by the County Assembly.
27. However, we have noted that county governments prefer securing short-term borrowing from commercial banks despite the availability of the Central Bank overdraft facility provided for in Regulation 83(3) and 177(2)(b) of the PFM 2015 Regulations. The most common form of borrowing was through overdraft facilities in commercial banks. We also noted that there were no limits set by the County Treasury contrary to the requirements of Section 119(4) of the PFMA 2012. For instance:
- In the FY 2022/2023, Nandi County Assembly borrowed Kshs. 15.65m to pay salary advances which was unapproved. They paid interest of Kshs. 282,000.
 - In the same year, Kakamega County Assembly had overdrawn 2 accounts by Kshs. 38.91m.
 - In the FY 2023/2024, Kisumu County Executive salary account had been overdrawn by Kshs. 3B which was above the 5% threshold of the most recent audited county government revenue of Kshs. 9.7B as stipulated in Section 107(3) of the PFMA, 2012.

- In the same year, Kisii County Executive took a loan of Kshs. 751.85m to pay salaries without approval of the County Assembly and guarantee by the National Treasury.
- Kakamega County Executive also took an overdraft of Kshs.37m without approval and paid Kshs. 4.4m as interest.
- Busia County Executive imprest account was overdrawn by Kshs. 7.4m without approval.

E. Solution – Adopting the Treasury Single Account (TSA)

Honorable Chair

Honorable Members

28. The challenge presented by the county governments maintaining bank accounts in commercial banks can be minimized by County Treasury keeping complete and current records of all bank accounts for which it is responsible as required by Section 119(5) of the PFMA 2012 and Regulation 87(1) of the 2015 PFM Regulations.
29. However, county governments must minimise fragmentation of government accounts in commercial banks by adopting the Treasury Single Account. Section 119(2) of the PFMA, 2012 and Regulation 95(1) of the PFM 2015 Regulations required each County Treasury to establish a Treasury Single Account, within six (6) months after the commencement of the PFM Regulations, at the Central Bank of Kenya or a bank approved by the County Treasury through which payments of money to and by the various county government entities are to be made.
30. The TSA model proposed in the Regulations and by the National Treasury is one where county entities will maintain separate accounts linked to a central account, with all funds required to be transferred to the primary TSA account at the end of each day. This means that even if they operate commercial bank accounts, they will be required to swipe all the money back to the CBK main account each day.
31. On 15th January, 2024, the Cabinet approved the implementation of TSA in both National and County Governments setting the stage for the consolidation of government finances in Kenya. The TSA aims to provide the county government with a consolidated view of its total available cash balances at any given time.

32. The TSA is expected to simplify government banking, enhance the visibility of cash resources, increase transparency and increasing transparency in government cash management. Additionally, the new system will help control expenditure, reduce administrative costs by eliminating fees and charges associated with maintaining multiple bank accounts and minimize the volume of idle balances in the banking system.

33. The TSA will also:

- Provide real-time complete information about government funds.
- Help the County Treasuries to plan and implement the budget in an efficient and transparent manner
- Improve bank reconciliations and quality of fiscal data

34. The success of the TSA, however, will require

- Internal accounting arrangements and incentives to minimize levels of idle balances and reduce payment/receipting timing uncertainties
- Bank account structures to net transactions and aggregate the balances into TSA

F. Conclusion

Honorable Chair

Honorable Members

35. As I conclude, County governments face the challenge of scarce resources and must prudently use what is available. As these governments mobilize resources and look for alternative sources, they must also monitor how they are spending these resources by having a view of their cash management.

36. My Office will continue addressing the issue of public resources usage. Indeed, I have directed that auditors in the county governments collect information on each bank account maintained in the CBK and commercial banks for ease of analysis.

I thank you for this opportunity.


FCPA Nancy Gathungu, CBS

AUDITOR-GENERAL

30 April, 2025

Annex 4:

***Submissions from the
Controller of Budget***



OFFICE OF THE CONTROLLER OF BUDGET



**A REPORT ON COMMERCIAL BANK ACCOUNTS OPENED AND OPERATED BY
COUNTY GOVERNMENTS**

APRIL 2025

Introduction

The Office of the Controller of Budget (OCOB) is required under Section 5(b) of the Controller of Budget Act 2016 (COB Act) to ensure prudent and efficient use of public funds by, among other functions, monitoring, evaluating, reporting, and making recommendations to the National and County Governments on measures to improve budget implementation.

In an endeavour to fulfil this mandate, the office visited 12 County governments from 16th February to 8th March 2025 to monitor and evaluate the progress of budget implementation. The scope of the visit covered among others compliance with the law on banking arrangements. Regulation 82(4) of the Public Finance Management (PFM) Act mandates that accounting officers obtain written authorization from the County Treasury before opening a commercial bank account. Additionally, Regulation 82(5) of the Public Finance Management (County Governments) Regulations, 2015, requires the County Treasury to submit a copy of the letter authorizing an accounting officer to open a commercial bank account to the Controller of Budget.

The following is a summary of the findings relating to the banking arrangements in the 12 Counties that were visited.

No.	Name of County	Number of Bank Accounts	Remarks
1	Embu	-	Not submitted
2	Meru	61	Submitted
3	Tharaka Nithi	23	Submitted
4	Samburu	25	Submitted
5	Marsabit	6	Submitted
6	Isiolo	66	Submitted
7	Kisii	77	Submitted
8	Nyamira	172	Submitted
9	Nyandarua	60	Submitted
10	Laikipia	24	Submitted
11	Elgeyo Marakwet	127	Submitted
12	Trans Nzoia	89	Submitted

1. Embu County

The County government has yet to submit a list of commercial bank accounts and the authorization letters

2. Meru County

Meru County operates 61 commercial bank accounts approved by the County Treasury as shown below

SNo	Bank Name	Date Opened	Name of The Account	Account Number
1	Co-operative Bank of Kenya	01/4/2013	Revenue Control Account	Ac no.01141418507201
2	Co-operative Bank of Kenya	14/9/2016	Meru County Hospital Revenue Account	Ac no.01141665693600
3	Kenya Commercial Bank	15/3/2021	Kaguru Agricultural Training Centre	Ac. No. 1293077143
4	Kenya Commercial Bank	15/3/2021	Kaguru Agricultural Training Centre	AC. No. 1293077216
5	Kenya Commercial Bank	15/3/2021	Kaguru Agricultural Training Centre	AC. No. 1293077178
6	Housing Finance Corporation	28/10/2019	Meru County Energy & Environment Programme	Ac no. 9783652536
7	Kenya Commercial Bank	14/9/2016	FIF - Hospital Revenue Account	Ac no.1199571369
8	Kenya Commercial Bank	10/06/2015	Meru County Revenue Collection Account	Ac no. 1140746316
9	Kenya Commercial Bank	14/9/2016	Meru County Hospital Account	Ac no. 1155672720
10	Kenya Commercial Bank	01/4/2013	Meru County Standing Imprest Account	Ac no.1140746480
11	Kenya Commercial Bank	06/2/2017	Meru County ECDE Project Account	Ac no.1205726659
12	Kenya Commercial Bank	06/11/2021	Meru County Emergency Locust –ELRP Account	Ac no.1285223047
13	Family Bank	18/8/2020	Meru County Bursary Account	Ac no.063000055885
14	Equity Bank	18/4/2023	County Government of Meru-NAVCDP	Ac no.1040284206622
15	Family Bank	13/4/2023	Meru Climate Change Fund	Ac. No 063000070468
16	Kenya Commercial Bank	18/5/2023	Meru County Teaching & Referral Hospital account	Ac. No 1296080870

SNo	Bank Name	Date Opened	Name of The Account	Account Number
17	Family Bank	30/5/2023	Kenya Informal Settlement Improvement Project (KISIIP 2)	Ac. No 063000064253
18	Kenya Commercial Bank	18/5/2023	Giaki Sub County Hospital Revenue Account	Ac. No.1314436562
19	Kenya Commercial Bank	18/5/2023	Timau Sub County Hospital Revenue Account	Ac. No.1314492837
20	Kenya Commercial Bank	18/5/2023	Kibirichia Sub County Hospital Revenue Account	Ac. No.131447832
21	Kenya Commercial Bank	18/5/2023	Miathene Sub County Hospital Revenue Account	Ac. No. 1314415727
22	Kenya Commercial Bank	18/5/2023	Githongo Sub County Hospital Revenue Account	Ac. No. 1314568345
23	Kenya Commercial Bank	18/5/2023	Naari Sub County Hospital Revenue Account	Ac. No. 1314416014
24	Kenya Commercial Bank	18/5/2023	Kanyakine Sub County Hospital Revenue Account	Ac. No.1314404148
25	Kenya Commercial Bank	18/5/2023	Mikumbune Sub County Hospital Revenue Account	Ac. No. 1314352512
26	Kenya Commercial Bank	18/5/2023	Mutuati Sub County Hospital Revenue Account	Ac. No. 1314408178
27	Kenya Commercial Bank	18/5/2023	Kangeta Sub County Hospital Revenue Account	Ac. No. 1314349023
28	Kenya Commercial Bank	18/5/2023	Nyambene Sub County Hospital Revenue Account	Ac. No.1314397494
29	Kenya Commercial Bank	18/5/2023	Meru County Teaching & Referral Hospital account	Ac. No. 1141997909400
30	Kenya Commercial Bank	18/5/2023	Mikinduri Sub County Hospital Revenue Account	Ac. No.1314441655
31	Co-operative Bank of Kenya	18/5/2023	Mbeu Sub County Hospital Revenue Account	Ac. No. 1314420836
32	Kenya Commercial Bank	18/5/2023	Muthara Sub County Hospital Revenue Account	Ac. No.1314485784
33	Kenya Commercial Bank	18/5/2023	Buuri West Sub County Public health Revenue Account	Ac. No.1314491393
34	Kenya Commercial Bank	18/5/2023	Buuri East Sub County Public health Revenue Account	Ac. No.1314438506

SNo	Bank Name	Date Opened	Name of The Account	Account Number
35	Kenya Commercial Bank	18/5/2023	Igembe Central Sub County Public health Revenue Account	Ac. No.1314353942
36	Kenya Commercial Bank	18/5/2023	Igembe North Sub County Public health Revenue Account	Ac. No.1314421050
37	Kenya Commercial Bank	18/5/2023	Igembe South Sub County Public health Revenue Account	Ac. No. 1314458949
38	Kenya Commercial Bank	18/5/2023	Imenti Central Sub County Public health Revenue Account	Ac. No.1314567934
39	Kenya Commercial Bank	18/5/2023	Imenti South Sub County Public health Revenue Account	Ac. No. 1314438190
40	Kenya Commercial Bank	18/5/2023	Tigania East County Public health Revenue Account	Ac. No. 1314493167
41	Kenya Commercial Bank	18/5/2023	Tigania West Sub County Public health Revenue Account	Ac. No. 1314441825
42	Kenya Commercial Bank	18/5/2023	Tigania Central Sub County Public health Revenue Account	Ac. No. 13144466836
43	Kenya Commercial Bank	19/5/2023	Imenti North Sub County Public Health Revenue Account	Ac.No. 1314492586
44	Kenya Commercial Bank	18/3/2016	Meru County Executive Staff Housing Fund	Ac. No. 1204408971
45	Family Bank	18/8/2020	Meru Youth Service Board	Ac.No. 063000055887
46	Kenya Commercial Bank	15/4/2014	Meru County Investment & Development Corporation	Ac.No. 1168502845
47	Kenya Commercial Bank	20/6/2015	Meru County Investment & Development Corporation	Ac.No. 1176612611
48	Kenya Commercial Bank	02/11/2021	Meru County Investment & Development Corporation	Ac.No. 1225554969
49	Kenya Commercial Bank	02/11/2017	Meru County Revenue Board Operational Account	Ac. No. 1199586579
50	Kenya Commercial Bank	14/6/2022	Meru County Revenue Board Salaries Account	Ac.No. 1280896523
51	Kenya Commercial Bank	15/2/2015	Meru County Microfinance Coporation- gourante	Ac.No. 1180085434
52	Kenya Commercial Bank	15/2/2015	Meru County Microfinance Loan Collection	Ac.No.1180085329

SNo	Bank Name	Date Opened	Name of The Account	Account Number
53	Kenya Commercial Bank	15/2/2015	Meru County Microfinance Coporation	Ac.1168502993
54	Kenya Commercial Bank	05/03/2015	Meru County Microfinance Disbursment	Ac.No. 1180084896
55	Kenya Commercial Bank	05/03/2015	Meru County Acholic Drinks Control Board	Ac.No. 1168502993
56	Family Bank	05/03/2015	Meru County Acholic Drinks Control Board	Ac.No. 063000039570
57	Co-operative Bank of Kenya	05/03/2015	Meru County Acholic Drinks Control Board	Ac.No. 01141418844301
58	Family Bank	25/1/2024	Meru County FAO Digital Land Governance Program	Ac.No. 063000073339
59	Family Bank	02/01/2024	Meru County Kenya Informal Settlement Improvement program special Purpose Account	Ac.No. 063000073337
60	Co-operative Bank of Kenya	21/09/2023	Meru School meals & Nutrition Program	Ac.No. 01100259844001
61	Equity Bank	23/7/2023	Meru County Aggregation and Industrial Park	Ac.No. 1040284381048

3. Tharaka Nithi County

Tharaka Nithi County operates 23 commercial bank accounts as shown below:

Revenue Collection Bank Accounts

S/N O	BANK	BRANCH	DATE OPENED	ACCOUNT NAME	ACCOUNT NO.
1.	Equity Bank	Chuka	18-Apr-13	Tharaka Nithi Revenue Acct	0210260871230
2.	Trans Nation Sacco	Chuka	18-Apr-13	Tharaka Nithi Revenue Account	68260800224701
3.	Family Bank	Chuka	06-Feb-24	Tharaka Nithi Revenue Account	054000015859
4.	Family Bank	Chuka	05-Jan-23	Tharaka Nithi FIF Revenue Account	054000011532
5.	Family Bank	Chuka	05-Jan-23	Chuka District Hospital Account	054000011533
6.	Family Bank	Chuka	05-Jan-23	Kibung'a Sub District Hospital	054000011534
7.	Family Bank	Chuka	05-Jan-23	Tharaka South District Hospital	054000011535
8.	Family Bank	Chuka	05-Jan-23	Magutuni Hospital Account	054000011536
9.	Co-operative Bank	Chuka	15-Jun-23	Tharaka Nithi Asset Disposal Deposit	01100003308001

3.1 County Funds Bank Accounts

S/NO	Bank Name	Date Opened	Account Name	Account Number	Status
10.	Family Bank	08-Nov-19	Tharaka Nithi County Emergency Fund	054000007524	Dormant
11.	Family Bank	12-Nov-19	Tharaka Nithi County Bursary Fund	054000007495	Active
12.	Family Bank	05-Feb-21	Tharaka Nithi County Youth Empowerment Fund	054000008745	Dormant
13.	Co-operative Bank	18-Apr-23	Tharaka Nithi County Staff Car Loan and Mortgage Fund	01141923530601	Active

3.2 County Funds Bank Account

Sno	Bank Name	Date Opened	Account Name	Account Number	Status
14.	Co-operative Bank	03-Apr-23	Tharaka Nithi County NAVCDP	01141923530700	Active
15.	Co-operative Bank	22-Apr-22	Tharaka Nithi County Emergency Locust Response Project	01196128535723	Active
16.	KCB	29-Jun-20	Tharaka Nithi County Aqua Business Development Project	1275217419	Active
17.	Family Bank	25-Aug-21	Tharaka Nithi County Informal Settlement Improvement Project	054000009877	Active
18.	Family Bank	20-Nov-23	Tharaka Nithi County Climate Action Programme	054000015589	Active

3.3 Grant Projects

S/No	Bank Name	Date Opened	Account Name	Account Number	Status
19.	Co-operative Bank	03-Apr-23	Tharaka Nithi County NAVCDP	01141923530700	Active

20.	Co-operative Bank	22-Apr-22	Tharaka Nithi County Emergency Response Project	01196128535723	Active
21.	KCB	29-Jun-20	Tharaka Nithi County Aqua Business Development Project	1275217419	Active
22.	Family Bank	25-Aug-21	Tharaka Nithi County Informal Settlement Improvement Project	054000009877	Active
23.	Family Bank	20-Nov-23	Tharaka Nithi County Climate Action Programme	054000015589	Active

4. Nyandarua County

Nyandarua County operates 60 commercial bank accounts as shown below.

S/No	Account Name	Commercial Bank	Account Opening Date	Account Type	Purpose of Bank Account
1	Kangui Vocational Training Centre	Equity	14.2.2019	Operation	Capitation
2	Melangine Vocational Training Centre	Equity	22.5.2018	Operation	Capitation
3	Olkolau Vocational Training Centre	Equity	25.5.2018	Operation	Capitation
4	Rurie Vocational Training Centre	Equity	24.5.2018	Operation	Capitation
5	Pesi Vocational Training Centre	Equity	12.1.2018	Operation	Capitation
6	Ngorika Vocational Training Centre	Equity	15.2.2019	Operation	Capitation
7	Kangui Vocational Training Centre	Equity	13.22.2009	Operations	VTC Operations
8	Kinangop Vocational Training Centre	Equity	25.11.2009	Operations	VTC Operations
9	Kinangop Vocational Training Centre	KCB	25.11.2009	Operations	Capitation
10	Melangine Vocational Training Centre	Equity	13.7.2015	Operations	VTC Operations
11	Mukeu Vocational Training Centre	Equity	23.5.2014	Operations	VTC Operations
12	Rurie Vocational Training Centre	Equity	27.3.2007	Operations	VTC Operations

S/No	Account Name	Commercial Bank	Account Opening Date	Account Type	Purpose of Bank Account
13	Ngorika Vocational Training Centre	Equity	28.9.2007	Operations	VTC Operations
14	Miharati Vocational Training Centre	Equity	18.5.2005	Operations	VTC Operations
15	Kanyagia Vocational Training Centre	Cooperative Bank	21.5.2015	Operations	Capitation
16	Leshau Vocational Training Centre	Cooperative Bank	27.2.2009	Operations	VTC Operations
17	Shamata Vocational Training Centre	Cooperative Bank	18.6.2010	Operations	VTC Operations
18	Shauri Vocational Training Centre	Cooperative Bank	17.9.2015	Operations	VTC Operation
19	Shamata Vocational Training Centre	KCB	28.2.2019	Operations	Capitation
20	Shauri Vocational Training Centre	KCB	14.2.2019	Operations	Capitation
21	Miharati Vocational Training Centre	KCB	2.3.2019	Operations	Capitation
22	Kahoro Vocational Training Centre	KCB	2.3.2019	Operations	Capitation
23	Leshau Vocational Training Centre	KCB	27.2.2019	Operations	Capitation
24	Mukeu Vocational Training Centre	KCB	18.5.2018	Operations	Capitation
25	Lereshwa Vocational Training Centre	KCB	15.5.2014	Operations	VTC Operation
26	Lereshwa Vocational Training Centre	KCB	15.5.2014	Operations	Capitation
27	Njabini Vocational Training Centre	KCB	3.4.2012	Operations	VTC Operation
28	Njabini Vocational Training Centre	KCB	14.2.2019	Operations	Capitation
29	Olkolau Vocational Training Centre	KCB	15.2.2011	Operations	VTC Operation
30	Kinangop Vocational Training Centre	KCB	14.2.2019	Operations	Capitation
31	Nyandarua County Bursary Fund Account	Equity	28.12.2017	Operations	Grant a bursary to needy students
32	Nyandarua County Government Imprest Account	Equity	13.12.2017	Operations	To refund salaries withheld for the failure of the imprest surrender
33	Nyandarua County Emergency Fund Account	Equity Bank	5.4.2018	Operations	To Support Emergency cases in the County

S/No	Account Name	Commercial Bank	Account Opening Date	Account Type	Purpose of Bank Account
34	Nyandarua County Executive (state & public) officers Car loan and Mortgage Scheme Fund	Family	27.10.2016	Operations	Granting car loans and mortgages to staff and executives
35	Lake Olbolossat Sports Tourism and Conservation Half Marathon Fund	KCB	14.3.2024	Operations	Support Marathon Events
36	Lake Olbolossat Sports Tourism and Conservation Half Marathon Fund	DTB	5.10.2023	Operations	To support Lake Olbolossat marathon events
37	Nyandarua County Agricultural Sector Development Support Programme II	Family	15.4.2023	Operations	Agricultural support
38	Ol Kalou Municipality Urban Development Grant (UDG)	Family	23.4.2024	Development	Development
39	Ol Kalou Municipality Urban Institutional Grant (UIG)	Family	23.4.2024	Recurrent	Capacity Building for the project
40	Nyandarua County National Agricultural Value Chain Dev Project	Family	15.4.2023	Operations	Project Operation
41	Ol Kalou Municipality KISIP	Cooperative Bank	16.9.2021	Operations	Operation
42	Ol Kalou Municipality Urban Dev Grant	Equity	6.6.2018	Development	Development
43	Kenya Urban Support Program UIG	Equity	29.6.2019	Recurrent	Capacity Building
44	Olkalou Municipality Deposit Account	Equity	31.7.2023	Deposit	deposit
45	Nyandarua County Agricultural Revolving Fund	Equity	16.10.2023	Operations	Main account Revolving Fund
46	Oljoroorok ATC	Equity	16.10.2023	Operations	Operation
47	Nyandarua County Seed Unit	Equity	16.10.2023	Operations	Operation
48	Njabini ATC	Equity	16.10.2023	Operations	Operation
49	Kinangop AMS	Equity	16.10.2023	Operations	Operation

S/No	Account Name	Commercial Bank	Account Opening Date	Account Type	Purpose of Bank Account
50	Nyahururu AMS	Equity	16.10.2023	Operations	Operation
51	Nyandarua County Agricultural Sector Development Support Programme II	Family	15.4.2023	Operations	Agricultural support
52	Okalou Municipality Urban Development Grant (UDG)	Family	23.4.2024	Development	Development
53	Olkalou Municipality Urban Institutional Grant (UIG)	Family	23.4.2024	Recurrent	Capacity Building for the project
54	Nyandarua County National Agricultural Value Chain Dev Project	Family	15.4.2023	Operations	Project Operation
55	Olkalou Municipality Kisip	Cooperative Bank	16.9.2021	Operations	Operation
56	Nyandarua County Revenue Collection Account	Family	7.6.2022	Revenue Collections	Revenue collection
57	Nyandarua County Revenue Collection Account	Equity	22.5.2013	Revenue Collections	Revenue collection
58	Nyandarua County Revenue Collection Account	KCB	23.9.2014	Revenue Collections	Revenue collection
59	Nyandarua County Revenue Collection Account	CO-OP	29.7.2022	Revenue Collections	Revenue collection
60	Nyandarua County Revenue Collection Account	DTB	24.10.2024	Revenue Collections	Revenue collection

5. Laikipia County

Laikipia County operates 24 commercial bank accounts as shown in the table below.

No.	Name of Bank Account	Date the Account was Opened	Purpose of the Bank Account
	COUNTY ASSEMBLY		
1	Laikipia County Assembly Recurrent	8 th Dec 2015	Facilitate assembly of recurrent operations
2	Laikipia County Assembly Development	19 th Dec 2017	Facilitate assembly Development operations
3	Laikipia County Assembly MCA's Car and Mortgage	1 st January 2014	Facilitate assembly members' mortgage and car loan operations

No.	Name of Bank Account	Date the Account was Opened	Purpose of the Bank Account
4	Laikipia County Assembly MCA's Car and Mortgage	16 th May 2024	Facilitate assembly members' mortgage and car loan operations
5	Laikipia County Mortgage & Car Loan Account (Staff)	13 th Feb 2018	Facilitate assembly staff's mortgage and car loan operations
6	The County Assembly of Laikipia	11 th July 2013	Facilitate assembly of recurrent operations
7	Laikipia County Assembly Recurrent	8 th Dec 2015	Facilitate assembly of recurrent operations
8	Laikipia County Assembly Development	19 th Dec 2017	Facilitate assembly Development operations
COUNTY EXECUTIVE			
1	Recurrent Bank	2013	Recurrent Expenditure
2	Development	2013	Development Expenditure
3	Laikipia County Revenue Fund Account	2013	County Revenue
4	Laikipia County Deposit Account	26.02.2016	Retention & Deposits
5	Laikipia County Road Maintenance Levy Fund Account	26.02.2016	Road Maintenance Grant
6	Laikipia County Urban Institutional Grant Account	17.5.2019	Municipal Grant
7	Laikipia County Urban Support Programme Account	22.3.2018	Grant
8	Laikipia County Primary Health Care	29.3.2022	Danida Grant
9	Laikipia County Climate Change Fund Account	17.1.2022	Grant
10	Laikipia County Emergency Fund Account	5.6.2020	Emergency Operations
11	Laikipia County Industrial Park Account	17.8.2023	Project Funds
12	Laikipia County Community Health Promoters Account	29.05.2024	Grant
13	Laikipia County Food Systems Resilience Account	13.06.2024	Grant
14	Laikipia County, Kenya Devolution Support Program 2 Account	29.06.2024	Grant
15	Laikipia County Equalization Fund Deposit Account	16.09.2024	Equalization allocation
16	Laikipia County Health Service Fund	26.02.2016	Grant
17	Laikipia County Village Polytechnic Account	27.2.2018	Grant
18	Laikipia County, Kenya Climate Smart Agriculture Project Account	21.2.2018	Grant
19	Laikipia County Agriculture Special Purpose Account (IDEAS-LED)	30.1.2018	Grant
20	Laikipia County Agriculture Sector Development Support Program	21.3.2018	Grant
21	Laikipia County Revenue Board Account	27.4.2018	Operations
22	Laikipia County Health FIF Account	1.10.2018	Hospital Operations

No.	Name of Bank Account	Date the Account was Opened	Purpose of the Bank Account
23	Laikipia County, Kenya Devolution Support Programme Recurrent	15.10.2019	Grant
24	Laikipia County, Kenya Devolution Support Programme	1.7.2019	Grant

6. Elgeyo Marakwet County

Elgeyo Marakwet County operates a total of 155 accounts, out of which 28 accounts are held at the Central Bank of Kenya, and 60 accounts are operated at commercial banks. A total of 67 accounts operated at various commercial banks are community health dispensaries, which existed before devolution and were inherited by the County government.

No	Name of Bank Account	Date Opened	Purpose of Bank Account	Account Type
1	CBK-Development Account	17/2/2013	Development	Development Account
2	CBK- Recurrent Account	17/2/2013	Recurrent	Recurrent
3	CBK-Road Maintenance Levy - Account	1/4/2013	Special purpose	Special purpose
4	CBK- Dev of Youth Polytechnic Account	1/4/2013	Special purpose	Special purpose
5	CBK- Maternal Health Account	1/4/2013	Special purpose	Special purpose
6	CBK-Retention monies	1/4/2013	Deposit account	Deposit account
7	CBK- KCSAP Account	1/4/2013	Special purpose	Special purpose
8	CBK-ASDSP Account	1/4/2013	Special purpose	Special purpose
9	CBK-EMC-KDSP Account	1/4/2013	Special purpose	Special purpose
10	CBK-Covid Account	1/4/2013	Special purpose	Special purpose
11	CBK-Emergency Locusts Fund	1/4/2013	Special purpose	Special purpose
12	CBK Nutrition International	1/4/2013	Special purpose	Special purpose
13	CBK EMC Climate Change	1/4/2013	Special purpose	Special purpose
14	CBK, EMC Primary Health	1/4/2013	Special purpose	Special purpose
15	CBK, Elgeyo Marakwet Equalization Fund	1/4/2013	Special purpose	Special purpose
16	CBK, EMC Kenya Informal Settlements Improvement Project	1/4/2013	Special purpose	Special purpose
17	CBK, EMC Aggregated and Industrial Park	1/4/2013	Special purpose	Special purpose
18	CBK, EMC Urban Development Grants I	1/4/2013	Special Purpose	Special Purpose
19	CBK, EMC Urban Infrastructure Grants	1/4/2013	Special Purpose	Special Purpose
20	CBK, EMC Kenya Livestock Commercialization Project	1/4/2013	Special Purpose	Special Purpose
21	CBK, EMC Community Health	1/4/2013	Special Purpose	Special Purpose

No	Name of Bank Account	Date Opened	Purpose of Bank Account	Account Type
22	CBK, EMC County Revenue Fund	17/2/2013	Revenue Fund	Exchequer account
23	CBK, EMC Urban Development Grant (UDG II)	3/5/2024	Special Purpose	Special Purpose
24	CBK, EMC Urban Institutional Grants	3/5/2024	Special Purpose	Special Purpose
25	CBK, EMC Food Systems Resilience Project (FSRP)	9/7/2024	Special Purpose	Special Purpose
26	KCB, County Revenue Collection A/c	6/3/2023	Revenue	Revenue
27	Access Bank, County Revenue Collection	30/8/2017	Revenue	Revenue
28	KCB, Elgeyo Marakwet County Standing Imprest Account	2/3/2023	Imprest	Operations
29	KCB, Keiyo North Sub-County Standing Imprest	18/09/2018	Imprest	Operations
30	KCB- Keiyo South Sub-County Standing Imprest	18/09/2018	Imprest	Operations
31	Equity Bank- Marakwet West Sub-County Standing Imprest	16/09/2015	Imprest	Operations
32	Equity Bank- Marakwet East Sub-County Standing Imprest.	16/09/2015	Imprest	Operations
33	CBK, Elgeyo Marakwet County Assembly Recurrent	16/09/2015	Recurrent	Operations
34	CBK, Elgeyo Marakwet County Assembly Development	16/09/2015	Development	Operations
35	CBK, Elgeyo Marakwet County Assembly Deposit	16/09/2015	Deposit	Operations
36	KCB, Elgeyo Marakwet County Assembly	16/09/2015	Imprest	Operations
37	KCB, EMC Assembly Car and Mortgage Revolving Fund	16/09/2015	Revolving Fund	Revolving Fund
38	KCB, EMC Assembly Catering Services Revolving Fund	16/09/2015	Revolving Fund	Revolving Fund
39	Coop Bank-EMC Emergency Locusts Response	3/5/2021	Operations	Operations
40	Equity Bank,EMC KISIP	14/09/2021	Operations	Operations
41	Coop Bank- EMC KELCOP	6/5/2020	Operations	Operations
42	Coop Bank-EMC Salary A/c	6/5/2020	Salary account	Salary A/c
43	Coop Bank- EMC County Executive Car and Mortgage Revolving Fund	9/2/2023	Revolving Fund	Revolving Fund
44	Access Bank- EMC County Executive Car and Mortgage Revolving Fund	26/1/2015	Revolving Fund	Revolving Fund

No	Name of Bank Account	Date Opened	Purpose of Bank Account	Account Type
45	Access Bank- EMC Alcoholic Drinks Control Fund	16/3/2017	Fund	Revenue Fund
46	KCB Bank- EMC Alcoholic Drinks Control Fund	2/9/2020	Operations	Operations
47	Access Bank- EMC County Education Fund	16/4/2015	Bursary Fund	Bursary Fund
48	KCB-EMC ECD Capitation Fund	13/04/2017	ECD Capitation	ECD Capitation
49	EMC - Tot sub County Free Maternity Account	23/06/2015	Operations	Operations
50	EMC - Youth, Women, and PWD Revolving Fund	25/10/2021	Revolving Fund	980,000.00
51	EMC -Iten County Referral Hospital Account Number	14/06/2020	Operations	Operations
52	EMC - Kapcherop Sub County Hospital FIF Operations Account	16/09/2015	Operations	Operations
53	EMC - Chebororwa Sub County Hospital FIF Operations Account	23/10/2015	Operations	Operations
54	EMC - Kocholwo Sub County Hospital FIF Operations Account	25/02/2021	Operations	Operations
55	EMC - Kamwosor Sub County Hospital FIF Operations Account	14/09/2021	Operations	Operations
56	EMC - Chebiemit Sub County Hospital FIF Operations Account	4/6/2020	Operations	Operations
57	EMC - Kaptarakwa Sub County Hospital FIF Operations Account	27/08/2024	Operations	Operations
58	EMC - Tambach Sub County Hospital FIF Operations Account	27/08/2024	Operations	Operations
59	EMC - CHMT HSSF	9/6/2013	Operations	Operations
60	Iten County Referral FIF account	15/1/2013	FIF Account	Revenue account
61	Tambach Sub County Hospital	27/09/2018	Operations	Operations
62	EMC - Revenue Collection Account	6/3/2013	Receiving Account	Receiving Account
63	EMC - Kamwosor Hospital Project Account	13/04/2017	Operations	Operations
64	EMC - Chesoi Sub County Hospital	18/11/2016	Operations	Operations
65	EMC - Revenue Collection Account - Iten Referral Hospital	29/04/2015	Operational Account	Operational Account
66	EMC - Urban Institutional Grant (UIG)	6/3/2013	Operational Account	Operational Account
67	EMC - ECD Capitation Account	13/04/2017	Operational Account	Operational Account
68	EMC – Keiyo North FIF Expenditure Account	18/11/2016	Operational Account	Operational Account
69	EMC – FLLOCA Climate Change Fund Account	16/11/2013	Operational Account	Operational Account
70	EMC - DVI Account	12/9/2019	Operational Account	Operational Account

No	Name of Bank Account	Date Opened	Purpose of Bank Account	Account Type
71	EMC – CHMT HSSF Account	9/6/2023	Operational Account	Operational Account
72	EMC – Salary Suspense Account	9/7/2023	Operational Account	Operational Account
73	EMC – Public Health FIF Revenue Account	9/8/2023	Operational Account	Operational Account
74	EMC - DVI Account	19/09/2023	Operational Account	Operational Account
75	EMC – Kamwosor Sub County Hospital	8/12/2015	Operational Account	Operational Account
76	EMC – FLLOCA Climate Change Fund Account	18/11/2022	Operational Account	Operational Account
77	EMC – Nutrition International	24/10/2017	Operational Account	Operational Account
78	EMC – Iten County Referral Hospital	15/1/2013	Operational Account	Operational Account
79	EMC – Kaptarakwa Sub County Hospital	8/11/2016	Operational Account	Operational Account
80	EMC – Tambach Sub County Hospital	15/11/2023	Operational Account	Operational Account
81	EMC Tot Sub County Hospital Development Account	23/07/2018	Operational Account	Operational Account
82	EMC – Tot Sub County Hospital	15/11/2013	Operational Account	Operational Account
83	EMC Chebiemit Sub County Hospital – HSSF Free maternity	29/08/2013	Operational Account	Operational Account
84	EMC – Chebiemit Sub County Hospital	15/01/2013	Operational Account	Operational Account
85	EMC–Kamwosor Sub County Hospital Project Account	13/04/2017	Operational Account	Operational Account
86	Emc – Kocholwo Sub County Hospital	15/08/2016	Operational Account	Operational Account
87	EMC – Chesoi Sub County Hospital	18/11/2016	Operational Account	Operational Account
88	EMC - Alcoholic Drinks Control Fund Account	2/9/2020	Operational Account	Operational Account

7. Samburu County

Samburu County operates 25 commercial bank accounts as shown below:

SNo	Name of Bank Account	Bank Account Number	Date the Account was Opened	Account Type	Purpose of the Bank Account
1.	Maralal Municipality KUSP UDG	01141999572700	30/04/2020	Project Account	Kenya Urban Support Program
2.	Samburu County UIG	01141999588000	26/05/2020	Project Account	Kenya Urban Support Program

SNo	Name of Bank Account	Bank Account Number	Date the Account was Opened	Account Type	Purpose of the Bank Account
3.	Samburu County Covid-19 Emergency Response Fund Account	01141999581100	14/05/2020	Project Account	Covid-19 Emergency Response
4.	Samburu County Camel Derby Account	1144505623	19/8 2013	Project Account	Camel Derby
5.	Samburu County Director of Health Account	1147720185	03 DEC 2013	Project Account	Health Services
6.	County Government Payments Account	1149127198	01 FEB 2014	Project Account	Payments Account
7.	Samburu County MOH KEPI Account	1151624683	09 APR 2014	Project Account	Ministry Of Health KEPI
8.	Samburu County MOH Free Maternity Account	1162918217	03 NOV 2014	Project Account	Ministry Of Health Free Maternity
9.	Samburu County DRSLP Account	1167571665	20 FEB 2015	Project Account	Drought Resilience Project
10.	Samburu County Realloc NRM	1180998030	22/4/2016	Project Account	Realloc NRM
11.	Samburu County Council Kazi Kwa Vijana Account	1116674564	24/2/2010	Project Account	Kazi Kwa Vijana
12.	Samburu County ASDSP	1233307428	08 JUN 2018	Project Account	Agriculture Sector Development Support Program
13.	Samburu County Village Councils A/c	1273312716	28 APR 2020	Project Account	Village Councils
14.	Samburu County Maralal Youth Polytechnic	1232887668	18 MAY 2018	Project Account	Village Polytechnic
15.	Samburu County IDEAS Project	1217494561	26 SEP 2017	Project Account	IDEAS Project
16.	Samburu County Maralal International Camel Derby	1100261379532	28 AUG 2013	Project Account	Maralal International Camel Derby
17.	Samburu County Bursary Fund	1169663761	21 APR 2015	Project Account	Samburu County Bursary Fund
18.	Samburu County Youth and Women Deve Acc	1155380533	27 JUN 2014	Project Account	Samburu County Youth and Women Enterprise Fund
19.	Samburu County Exe. Car Loan & Mor.	1169663966	21 APR 2015	Project Account	Samburu County Executive Staff Mortgage Fund
20.	Samburu County Gov Disability Fund	1257587196	24 MAY 2019	Project Account	Samburu County Disability Fund
21.	Samburu County Conservancies Fund Account	1281158208	02 DEC 2020	Project Account	Conservancies Fund Account
22.	Samburu County Government Dollar AC	1108196624	26 APR 2007	Receipt Account	Revenue Account
23.	Samburu County Revenue Collect ACC	1140756516	06 MAR 2013	Receipt Account	Revenue Account
24.	Samburu County Emergency Locust Response Project Account	01141999708000	22/04/2021	Project Account	Project Account
25.	Samburu County KELCOP Project	01141999839000	03/02/2023	Project Account	Project Account

8. Marsabit County

Marsabit County operates 6 commercial bank accounts as shown below:

Sno.	Name Of Bank Account	Date Opened	Purpose Of Bank Account	Account Type (Recurrent/Development)	Authorization Letter Provided
1.	Equity Bank	13/08/2013	Salary for Members and Staff	Recurrent	Yes
2.	Co-Operative Bank	23/06/2014	Members' Car and Mortgage Scheme	Recurrent	Yes
3.	Kenya Commercial Bank (KCB)	22/08/2022	Staff Car and Mortgage Scheme	Recurrent	Yes
4.	Equity Bank (County Assembly)	13/08/2013	Salary Account	Recurrent	Yes
5.	Co-operative Bank (County Assembly)	23/06/2014	Members' Car and Mortgage	Recurrent	Yes
6.	Kenya Commercial Bank (County Assembly)	22/08/2022	Staff Car Loan and Mortgage	Recurrent	Yes

9. Isiolo County

Isiolo County operates 66 commercial bank accounts as shown below

No	Bank Name	Account Name	Account Number	Purpose of the Account
1.	Consolidated Bank of Kenya	Isiolo County Government Revenue ACC	10111203000081	Local revenue collection
2.	Consolidated Bank of Kenya	Isiolo County Government Account-Dollar	1011220000004	Local revenue collection
3.	Consolidated Bank of Kenya	Isiolo County Emergency Fund ACC	10111203000240	Emergency Fund Administration
4.	Consolidated Bank of Kenya	Isiolo County Imprest Account	10111203000249	Imprest Account
5.	Consolidated Bank of Kenya	County Aggression and Industrial Park Account	10111203000278	Operation Account
6.	Consolidated Bank of Kenya	Isiolo County Public Service Board	10111203000298	Operation Account
7.	Co-operative Bank of Kenya	Isiolo County Government-	0114143792300	Local revenue collection

No	Bank Name	Account Name	Account Number	Purpose of the Account
8.	Co-operative Bank of Kenya	Isiolo Health Services Account	01141134217800	Health Operations
9.	Co-operative Bank of Kenya	Isiolo Health Services Account	01101342178002	Medical Account
10.	Co-operative Bank of Kenya	Food Systems Resilience	01100970282001	Operations Account
11.	Kenya Commercial Bank	Kenya Climate Smart Agri Project	1235885739	Climate Smart Operational Account
12.	Kenya Commercial Bank	Emergency Locust Response Project	1285148894	Emergency Locust Operational Account
13.	Kenya Commercial Bank	Isiolo Climate Change Fund	1271810131	Climate change operations
14.	Kenya Commercial Bank	Isiolo Export Abattoir Account	1322675368	Abattoir funds Operations
15.	Kenya Commercial Bank	Isiolo County Climate Change	1314845012	Climate change operations
16.	Kenya Commercial Bank	Isiolo Integrated Early C.D.P	1224691709	Early childhood Educ funds
17.	Kenya Commercial Bank	Isiolo County UNICEF WASH AC	1208199277	UNICEF Funds
18.	Kenya Commercial Bank	Isiolo County Government Payment	1140038988	Checkoff Loan remittance
19.	National Bank of Kenya	County Government Of Isiolo Revenue	01040204720700	Local revenue collection
20.	Kenya Commercial Bank	Isiolo County Bursary Fund	1182179509	Bursary Fund Administration
21.	National Bank of Kenya	Isiolo Municipality Operational Account	1042226023400	Municipality Operational Account
HEALTH SERVICES DEPARTMENT ACCOUNTS				
22.	Co-operative Bank	Bojt Dispensary	01141437183300	DANIDA
23.	Co-operative Bank	Escort Dispensary	01141437542400	DANIDA
24.	Co-operative Bank	Gafarsa Health Centre	01141437241600	DANIDA
25.	Co-operative Bank	Kombola Dispensary	01141438515800	DANIDA
26.	Co-operative Bank	Malka Daka Dispensary	01141437228800	DANIDA
27.	Co-operative Bank	Muchuro Dispensary	01141437239200	DANIDA
28.	Co-operative Bank	Barambate Dispensary	01141437217700	DANIDA
29.	Co-operative Bank	Duse Dispensary	01141611484200	DANIDA
30.	Co-operative Bank	Kinna Health Centre	01141437143300	DANIDA
31.	Co-operative Bank	Kula Mawe Dispensary	01141437143900	DANIDA
32.	Co-operative Bank	Rapsu Dispensary	01141437147300	DANIDA
33.	Co-operative Bank	Yaqbarsadi Dispensary	01141438516800	DANIDA
34.	Co-operative Bank	Badana Dispensary	01141437161300	DANIDA

No	Bank Name	Account Name	Account Number	Purpose of the Account
35.	Co-operative Bank	Billqi Sericho Dispensary	01141438444000	DANIDA
36.	Co-operative Bank	Eldera Dispensary	01141437189200	DANIDA
37.	Co-operative Bank	Iresaboru Dispensary	01141437237700	DANIDA
38.	Co-operative Bank	Modogashe Health Centre	01141437170500	DANIDA
39.	Co-operative Bank	Sericho Health Centre	01141437171800	DANIDA
40.	Co-operative Bank	Bulla Pesa Health Centre	01141438450600	DANIDA
41.	Co-operative Bank	APU Dispensary	01141437139200	DANIDA
42.	Co-operative Bank	Eremet Health Centre	01141437138400	DANIDA
43.	Co-operative Bank	Daaba Dispensary	01141437420401	DANIDA
44.	Co-operative Bank	Gotu Dispensary	01141438451000	DANIDA
45.	Co-operative Bank	Ngaremara Dispensary	01141438511300	DANIDA
46.	Co-operative Bank	Samburu Complex	01141437139300	DANIDA
47.	Co-operative Bank	Kipsing Health Centre	01141437139800	DANIDA
48.	Co-operative Bank	Lebarsherik Dispensary	01141438441400	DANIDA
49.	Co-operative Bank	Noolorol Dispensary	01141438441800	DANIDA
50.	Co-operative Bank	Oldonyiro Dispensary	01141437142800	DANIDA
51.	Co-operative Bank	Ntuale Dispensary	01141438442000	DANIDA
52.	Co-operative Bank	GK Prison Dispensary (Isiolo)	01141437139500	DANIDA
53.	Co-operative Bank	Biliqo Marara Dispensary	01141437938500	DANIDA
54.	Co-operative Bank	Bisan Biliqo Dispensary	01141437162200	DANIDA
55.	Co-operative Bank	Bulesa Dispensary	01141437170000	DANIDA
56.	Co-operative Bank	Goda Dispensary	01141438442400	DANIDA
57.	Co-operative Bank	Basa Dispensary	01141437169700	DANIDA
58.	Co-operative Bank	Korbesa Dispensary	01141437170800	DANIDA
59.	Co-operative Bank	Malka Galla Dispensary	01141437169900	DANIDA
60.	Co-operative Bank	Mata-arba Dispensary	01141437929600	DANIDA
61.	Co-operative Bank	Saleti Dispensary	01141438447700	DANIDA
62.	Co-operative Bank	Shambani Health Centre	01141438629500	DANIDA
63.	Co-operative Bank	Kiwanja Ndege	0114143867900	DANIDA
64.	Co-operative Bank	Merti Sub-County Hospital	01141437138100	DANIDA/FIF
65.	Co-operative Bank	Garbatula Sub-County Hospital	01141438117200	FIF
66.	Isiolo County Referral Hospital	Consolidated Bank of Kenya	10111203000246	FIF

10. Kisii County

The County has opened and operates 77 commercial bank accounts as shown below:

5	Kisii County Bursary Fund Account	1180225465	Kcb Bank	1.Vincent Nyang'wara 2.John Nyandanyi 3.James Marochi	To Facilitate Bursary Transactions To Needy Students
6	Kisii County Covid 19 Emergency Fund Account	0252381781001	Sbm Bank		To Facilitate Covid-19 Transactions
7	Kisii County Emergency Fund Account	0617137001	Dtb Bank	1.Vincent Nyang'wara 2.John Nyandanyi	To Facilitate County Emergency Transactions
8	Kisii County Loans & Mortgage Fund	0252322396004	Sbm Bank	1.Kennedy Abincha 2.Vincent Nyang'wara 3.Johnnes Chacha	To Facilitate County Executives With Car Loans And Mortgage- Administrative Costs
9	Kisii County Loans And Mortgage Fund	0252322396001	Sbm Bank	1.Kennedy Abincha 2.Vincent Nyang'wara 3.Grace Nyarangi'o	To Facilitate County Executives With Car Loans And Mortgage
10	Kisii County Facility Improvement Fund	1282543164	Kcb Bank	1.Vincent Nyang'wara 2.Calen Drori 3.Dr. Mabiko Giabe 4.Kevin Oribu	To Facilitate Various County Health Facilities Transactions
11	Agricultural Sector Dev Support Programme	01560209412700	National Bank		To Facilitate Grant Transactions
12	Kisii General Hospital Fif Account (KTRH)	1101996315	Kcb Bank	1.Vincent Nyang'wara 2.Dr.Mariita Oimeke 3.Elijah Mosagwe	To Facilitate Level 6 Transactions
13	KTRH Amaenity Wing	131698011	Kcb Bank	1.Vincent Nyang'wara 2.Dr.Mariita	To Facilitate Level 6 Transactions

				Oimeke J. Elijah Mosagwe	
14	Nang'g Kisii County Operations Account	15602118195	National Bank		To Facilitate Nang'g Operations
15	Gucha South District Hospital FIF	1102030139	Kcb Bank	1. Dr. Daniel Ondonga 2. Jeremiah Ogeto 3. Dr. Otumu Geoffrey	To Facilitate Operations Of the Institution
16	Kisii County Revenue Collection Account	1140758510	Kcb Bank	1. Conrad Owino 2. John Nyandanyi	To Facilitate Own Source Revenue Collection
17	Kisii County Alcoholic Drinks Fund Account	01001090952900	National Bank	1. Vincent Nyang'wara 2. Cleophas Okoi 3. Vincent Mirera 3. John Nyandanyi	To Facilitate Liquor Transactions
18	Manyansi Vocational Training Centre	1233603272	Kcb Bank	1. James Oenga 2. Benard Obwori 3. Nicodemus Orito	To Facilitate Operations Of the Institution
19	Entanke Vocational Training Centre	1233624873	Kcb Bank	1. James Oenga 2. Richard Onduso 3. Evans Okari	To Facilitate Operations Of the Institution
20	Gotichaki Vocational Training Centre	1233625721	Kcb Bank	1. James Oenga 2. Samson Onderi 3. Susan Momenyi	To Facilitate Operations Of the Institution

21	Kirwanda Vocational Training Centre	1233624695	Kcb Bank	1.Christopher Masanta 2.Benard Momanayi 3. Nicodemus Orito	To Facilitate Operations Of the Institution
22	Nyansembe Youth Polytechnic	510277307167	Equity Bank	1. James Oenga 2.David Ayieko 3. Susan Omwancha 4. George Nyambane	To Facilitate Operations Of the Institution
23	Masakwe Vocational Vtc	1233605992	Kcb Bank	1. James Oenga 2. Sospeter Otero 3. Abigael Mayaka	To Facilitate Operations Of the Institution
24	Nyachenge Vocational Training Centre	1233499041	Kcb Bank	1. James Oenga 2. Nelson Moreka 3. Susan Monyangi	To Facilitate Operations Of the Institution
25	Bosansa Vocational Training Centre	1139808194300	Coop Bank	1. James Oenga 2. Nicodemus Orito 3. Susan Monyangi	To Facilitate Operations Of the Institution
26	Ekioga Vocational Training Centre	1233499491	Kcb Bank	1. James Oenga 2. Joseph Ngoge 3. Abigael Mayaka	To Facilitate Operations Of the Institution
27	St. Don Bosco Ngeri Polytechnic	1139296807300	Coop Bank	1. James Oenga 2.	
28	Itongo Vocational Training Centre	1233625217	Kcb Bank	1. James Oenga 2. Makori Mosoti	To Facilitate Operations Of the Institution

29	Nyagonyi Vocational Training Centre	1233598430	Kcb Bank	3. Susan Monyangi 1. James Oenga 2. Lenah Kemunto 3. Edward Ondeki	To Facilitate Operations Of the Institution
30	Nyamondo Vocational Training Centre	1233625063	Kcb Bank	1. James Oenga 2. Jacob Achando 3. Peter Maroko	To Facilitate Operations Of the Institution
31	Kenyenya Vocational Training Centre	1233496786	Kcb Bank	1. James Oenga 2. Nelson Moreka 3. Susan Monyangi	To Facilitate Operations Of the Institution
32	Nyarenda Vocational Training Centre	1238170587	Kcb Bank	1. James Oenga 2. Dorcas Tinega 3. Susan Omwocha	To Facilitate Operations Of the Institution
33	Nyachogochogo Vocational Training Centre	1233622285	Kcb Bank	1. James Oenga 2. George Nzandoro 3. Susan Omwocha	To Facilitate Operations Of the Institution
34	Nyakoora Vocational Training Centre	1238158234	Kcb Bank	1. James Oenga 2. Edward Gwaro	To Facilitate Operations Of the Institution
35	Nyaore Vocational Training Centre	1233624628	Kcb Bank	1. James Oenga 2. Fred Oroko 3. Nicodemus Orito	To Facilitate Operations Of the Institution
36	Nyamagesa Vocational Training Centre	1233506226	Kcb Bank	1. Christopher Ormae 2. Musa Ogere	To Facilitate Operations Of the Institution

37	Nyambogo Vocational Training Centre	1233506773	Kcb Bank	3. Onwonga Mokuu 1. Christopher Omae 2. Geoffrey Masamo 3. James Oenga	To Facilitate Operations Of the Institution
38	Moreremi Vocational Training Centre	1233507494	Kcb Bank	1. Christopher Omae 2. Musa Ogaro 3. Dennis Onger	To Facilitate Operations Of the Institution
39	Riatinimba Vocational Training Centre	1233505645	Kcb Bank	1. George Mbeche 2. Musa Ogaro 3. James Oenga	To Facilitate Operations Of the Institution
40	Nyabiosi Vocational Training Centre	1238227732	Kcb Bank	1. Barnabas Aondo 2. Haron Omariba 3. James Oenga	To Facilitate Operations Of the Institution
41	Nyanguru Vocational Training Centre	1233625411	Kcb Bank	1. David Mosota 2. Esther Otwerre 3. James Oenga	To Facilitate Operations Of the Institution
42	Irungu Vocational Training Centre	1233599933	Kcb Bank	1. Moses Mogere 2. Peterson Mangera 3. Mildred Monchari	To Facilitate Operations Of the Institution
43	Keumbu Vocational Training Centre	1233927892	Kcb Bank	1. Dennis Matoya 2. Nicodemus Orito 3. James Oenga	To Facilitate Operations Of the Institution
44	Kiobegi Vocational Training Centre	1233545590	Kcb Bank	1. Wilfred Nyamwega	To Facilitate Operations Of the Institution

45	Mobamba Vocational Training Centre	1233625268	Kcb Bank	2. George Nyandoro 3. Haron Ontiri 1. James Oenga 2. George Nyandoro 3. Peter Oino	To Facilitate Operations Of the Institution
46	Gionseri Vocational Training Centre	1233624059	Kcb Bank	1. Douglas Okwayo 2. George Nyandoro 3. Orito Nicodemus	To Facilitate Operations Of the Institution
47	St. Kizito Nyamagwa Youth Polytechnic	1233443658	Kcb Bank	1. James Oenga 2. Robert Mogeni 3. Joseph Oirere	To Facilitate Operations Of the Institution
48	Nyaburumbasi Vocational Training Centre	1233624989	Kcb Bank	1. James Oenga 2. Joyce Nyaboke 3. Raini Antony	To Facilitate Operations Of the Institution
49	Enchoro Youth Polytechnic	1233396838	Kcb Bank	1. James Oenga 2. George Nyandoro 3. Nicodemus Orito	To Facilitate Operations Of the Institution
50	Bombaba Vocational Training Centre	1233625608	Kcb Bank	1. James Oenga 2. Daniel Oichoe 3. Francis Moses	To Facilitate Operations Of the Institution
51	Gesonso Vocational Training Centre	1233625519	Kcb Bank	1. James Oenga 2. Sylvester Nzakundi 3. William Abuya	To Facilitate Operations Of the Institution

52	St. Joseph Etono Dok Vtc	1233608169	Kcb Bank	1. James Oenga 2. John Omosa 3. Charles Oronyi	To Facilitate Operations Of the Institution
53	St. Joseph's Nyamesocho Vct	1233608363	Kcb Bank	1. James Oenga 2. Jeremiah Otwor 3. Nyambega Anastanciah	To Facilitate Operations Of the Institution
54	Nyabinyinyi Vocational Training Centre	1233624288	Kcb Bank	1. James Oenga 2. James Aminga 3. Enock Choti	To Facilitate Operations Of the Institution
55	Nyamioho Vocational Training Centre	1233624784	Kcb Bank	1. James Oenga 2. Peter Ogechi 3. Philies Ochogo	To Facilitate Operations Of the Institution
56	Nyandusi Vocational Training Centre	1233624784	Kcb Bank	1. James Oenga 2. Peter Ogechi 3. Philies Ochogo	To Facilitate Operations Of the Institution
57	Getacho Vocational Training Centre	1238101445	Kcb Bank	1. James Oenga 2. Benard Ototo 3. Nicodemus Orito	To Facilitate Operations Of the Institution
58	Masongo Vocational Training Centre	1233404008	Kcb Bank	1. James Oenga 2. Everline Nyanchoka 3. George Morara	To Facilitate Operations Of the Institution
59	Ikorongo Vocational Training Centre	1233507117	Kcb Bank	1. James Oenga 2. David Mosota 3. Esther Otwere	To Facilitate Operations Of the Institution

60	Rianyoka Vocational Training Centre	1233601644	Kcb Bank	1. Moses Oyaro 2. Samwel Mogire 3. Andrew Mogusu	To Facilitate Operations Of the Institution
61	Riangabi Vocational Training Centre	1233485318	Kcb Bank	1. James Oenga 2. Joel Siocha 3. Nicodemus Orito	To Facilitate Operations Of the Institution
62	Genga Youth Vocational Training Centre	1233401831	Kcb Bank	1. James Oenga 2. Isabohe Elkana 3. Benard Ondieki	To Facilitate Operations Of the Institution
63	Omosobwa Vocational Training Centre	1233926985	Kcb Bank	1. James Oenga 2. Florence Sarange 3. Evans Omuya	To Facilitate Operations Of the Institution
64	Raganga Vocational Training Centre	1257034073	Kcb Bank	1. James Oenga 2. Bettsheba Kennedy 3. Moses Anyega	To Facilitate Operations Of the Institution
65	Kisii County Demonstration Farm Fund	1106481267	Kcb Bank	1. John Nzandanyi 2. Benson Mulei 3. Vincent Nyangwara	To Facilitate Operations Of the Institution
66	Birongo Pag Vtc	1233541455	Kcb Bank	1. James Oenga 2. Daniel Juma 3. Dorcas Tinega	To Facilitate Operations Of the Institution
67	Kioke Vocational Training	1238099750	Kcb Bank	1. James Oenga 2. Samwel Oriku 3. Nicodemus Orito	To Facilitate Operations Of the Institution

68	Gesabakwa Vocational Training Centre	1141809197900	Coop Bank	1. Caren Oron 2. Charles A. O. Magero 3. Henry Oshure	To Facilitate Operations Of the Institution
69				1. Caren Oron 2. Meshack K. Nyagwara 3. Cecilia K. Makutu 4. Winfrida K. Onger	To Facilitate Operations Of the Institution
70	Nyangusu Vocational Training Centre	1141809435700	Coop Bank	1. Caren Oron 2. Reuben N. Migiro 3. Gladys K. Mwabe 4. Cyprian Ratumo Ndege	To Facilitate Operations Of the Institution
71	Iringa Vocational Training Centre	1141808839900	Coop Bank	1. James Oenga 2. John Mokoro 3. Francis Oso	To Facilitate Operations Of the Institution
72	Nyatoni Vocational Training Centre	1275622542	Kcb Bank	1. James Oenga 2. John Mokoro 3. Francis Oso	
73	Mtunwa Vocational Training Centre	1238133878	Kcb Bank	1. Ndege 2. John Mokoro 3. Bonvas	To Facilitate Operations Of the Institution
74	Kisii County Salary Account	027000056204	Family Bank		To facilitate payment of salary
75	Kisii County Ambulance & Emergency Services	132127465	Kcb Bank	1. Caren Oron 2. James N. Kimonge 3. Kevin Odu Mabuya	To Facilitate Operations Of the Institution
76	Kisii County Library Services County Health Management Team	1160360642	Kcb Bank	1. Dr. Richard Onkware	To Facilitate Operations Of the Institution
77	Kisii County Health Promoters	027000073714	Family Bank	2. Yophes Juma 3. Samuel Kipkirui Mutai 1. Vincent Nyangwara 3. Kevin Oribu	To Facilitate Operations Of the Institution

11. Nyamira County

The County has opened and operates 172 commercial bank accounts as shown below:

NYAMIRA COUNTY GOVERNMENT REGISTER OF BANK ACCOUNTS AS AT 30TH JUNE ,2024						
	ACCOUNT NAME	BANK	BRANCH	ACCOUNT NUMBER	COUNTY GOVERNMENT REFERENCE NUMBER	STATUS
1	KIOGUTWA SUBSIDISED VTC SUPPORT GRANT	COOPERATIVE BANK	NYAMIRA	01139349802700	OPENED 2016	ACTIVE
2	KEGWANDA SUBSIDISED VTC SUPPORT GRANT	COOPERATIVE BANK	NYAMIRA	01139349800400	OPENED 2016	ACTIVE
3	GETA SUBSIDISED VTC SUPPORT GRANT	COOPERATIVE BANK	NYAMIRA	01139349800200	OPENED 2016	ACTIVE
4	KIOBWOGWE SUBSIDISED VTC SUPPORT GRANT	COOPERATIVE BANK	NYAMIRA	01139349802400	OPENED 2016	ACTIVE
5	RITONGO SUBSIDISED VTC SUPPORT GRANT	COOPERATIVE BANK	NYAMIRA	01139349800800	OPENED 2016	ACTIVE
6	BUNDO SUBSIDISED VTC SUPPORT GRANT	COOPERATIVE BANK	NYAMIRA	01139349810700	OPENED 2016	ACTIVE
7	ST. STEPHENE EKERUBO SUBSIDISED VTC SUPPORT GRANT	COOPERATIVE BANK	NYAMIRA	01139349800000	OPENED 2016	ACTIVE
8	BONYUNYU SUBSIDISED VTC SUPPORT GRANT	COOPERATIVE BANK	NYAMIRA	01139349801300	OPENED 2016	ACTIVE
9	KENYERERE SUBSIDISED VTC SUPPORT GRANT	COOPERATIVE BANK	NYAMIRA	01139349802300	OPENED 2016	ACTIVE
10	NYAIKURO SUBSIDISED VTC SUPPORT GRANT	COOPERATIVE BANK	NYAMIRA	01139349801100	OPENED 2016	ACTIVE
11	MONG'ONI SUBSIDISED VTC SUPPORT GRANT	COOPERATIVE BANK	NYAMIRA	01139349802600	OPENED 2016	ACTIVE
12	MARIBA SUBSIDISED VTC SUPPORT GRANT	COOPERATIVE BANK	NYAMIRA	01139349801500	OPENED 2016	ACTIVE
13	NYAMANAGU SUBSIDISED VTC SUPPORT GRANT	COOPERATIVE BANK	NYAMIRA	01139349801700	OPENED 2016	ACTIVE
14	ST. ELIZABETH EMBARO SUBSIDISED VTC SUPPORT GRANT	COOPERATIVE BANK	NYAMIRA	01139349799800	OPENED 2016	ACTIVE
15	BOBEMBE SUBSIDISED VTC SUPPORT GRANT	COOPERATIVE BANK	NYAMIRA	01139349801400	OPENED 2016	ACTIVE
16	KIANG'ENDE SUBSIDISED VTC SUPPORT GRANT	COOPERATIVE BANK	NYAMIRA	01139349801600	OPENED 2016	ACTIVE
17	TING'A SUBSIDISED VTC SUPPORT GRANT	COOPERATIVE BANK	NYAMIRA	01139349801200	OPENED 2016	ACTIVE
18	NYAIRANG'A SUBSIDISED VTC SUPPORT GRANT	COOPERATIVE BANK	NYAMIRA	01139349800500	OPENED 2016	ACTIVE
19	BITICHA SUBSIDISED VTC SUPPORT GRANT	COOPERATIVE BANK	NYAMIRA	01139349800100	OPENED 2016	ACTIVE
20	ST. ANDREWS KEREMA SUBSIDISED VTC SUPPORT GRANT	COOPERATIVE BANK	NYAMIRA	01139349811000	OPENED 2016	ACTIVE
21	KIENDEGE SUBSIDISED VTC SUPPORT GRANT	COOPERATIVE BANK	NYAMIRA	01139349801000	OPENED 2016	ACTIVE
22	MISAMBI SUBSIDISED VTC SUPPORT GRANT	COOPERATIVE BANK	NYAMIRA	01139349802500	OPENED 2016	ACTIVE
23	GESIMA SUBSIDISED VTC SUPPORT GRANT	COOPERATIVE BANK	NYAMIRA	01139349802000	OPENED 2016	ACTIVE
24	IBUCHA SUBSIDISED VTC SUPPORT GRANT	COOPERATIVE BANK	NYAMIRA	01139349799900	OPENED 2016	ACTIVE
25	SAIGA NGIYA SUBSIDISED VTC SUPPORT GRANT	COOPERATIVE BANK	NYAMIRA	01139349800900	OPENED 2016	ACTIVE
26	ST. PETERS GETENI SUBSIDISED VTC SUPPORT GRANT	COOPERATIVE BANK	NYAMIRA	01139349799600	OPENED 2016	ACTIVE
27	GETARE SUBSIDISED VTC SUPPORT GRANT	COOPERATIVE BANK	NYAMIRA	01139349800300	OPENED 2016	ACTIVE
28	MATONGO SUBSIDISED VTC SUPPORT GRANT	COOPERATIVE BANK	NYAMIRA	01139349810600	OPENED 2016	ACTIVE
29	NYAIGESA SUBSIDISED VTC SUPPORT GRANT	COOPERATIVE BANK	NYAMIRA	01139349800700	OPENED 2016	ACTIVE
30	RITIBO SUBSIDISED VTC SUPPORT GRANT	COOPERATIVE BANK	NYAMIRA	01139349800600	OPENED 2016	ACTIVE
31	MORAKO SUBSIDISED VTC SUPPORT GRANT	COOPERATIVE BANK	NYAMIRA	01139349799500	OPENED 2016	ACTIVE

32	MWONGORI SUBSIDISED VTC SUPPORT GRANT	COOPERATIVE BANK	NYAMIRA	01139349810100	OPENED 2016	ACTIVE
33	BIGEGE SUBSIDISED VTC SUPPORT GRANT	COOPERATIVE BANK	NYAMIRA	01139349801800	OPENED 2016	ACTIVE
34	NYAMIRA COUNTY EDUCATIONAL SUPPORT FUND	KENYA COMMERCIAL BANK	NYAMIRA	1182983871	OPENED 2016	ACTIVE
35	NYAMIRA COUNTY Recurrent Account	CENTRAL BANK OF KENYA	Haile Selassie Avenue	1000170522	OPENED 2013	ACTIVE
36	County Revenue Fund Account	CENTRAL BANK OF KENYA	Haile Selassie Avenue	1000170891	OPENED 2014	ACTIVE
37	Development Account	CENTRAL BANK OF KENYA	Haile Selassie Avenue	1000170549	OPENED 2015	ACTIVE
38	Retention Account	CENTRAL BANK OF KENYA	Haile Selassie Avenue	1000323938	OPENED 2017	ACTIVE
39	KRB Fund account	CENTRAL BANK OF KENYA	Haile Selassie Avenue	1000291885	NCG/FIN/DR.B.5/2/16	ACTIVE
40	NARIG PRJ. Fund Account	CENTRAL BANK OF KENYA	Haile Selassie Avenue	1000365595	NYM/CT/VOL.2(18)	ACTIVE
41	Village POLY.PRJ. Fund account	CENTRAL BANK OF KENYA	Haile Selassie Avenue	1000367954	NCG/FIN/C BANK/VOL.2(72)	ACTIVE
42	THS UC (ASP). Fund account	CENTRAL BANK OF KENYA	Haile Selassie Avenue	1000340018	NCG/FIN/C BANK.R.2(9)/26	ACTIVE
43	KUSP Account	CENTRAL BANK OF KENYA	Haile Selassie Avenue	1000394374	NCG/FIN/C BANK.R.10/83	ACTIVE
44	ASDSP Account	CENTRAL BANK OF KENYA	Haile Selassie Avenue	1000365617	NYM/CT/VOL.2(18)	ACTIVE
45	AUIG (ASP) Account	CENTRAL BANK OF KENYA	Haile Selassie Avenue	1000404841	NYM/FIN/CEC/VOL.6(64)	ACTIVE
46	County KDSP	CENTRAL BANK OF KENYA	Haile Selassie Avenue	1000454172	NCG/FIN/C BANK.R.2(2)/155	ACTIVE
47	NYAMIRA COUNTY CCF (SPA) ACCOUNT	CENTRAL BANK OF KENYA	Haile Selassie Avenue	1000546069	NCG/FIN/C BANK.R.2(2)178	ACTIVE
48	NYAMIRA COUNTY PRIMARY HEALTH CARE	CENTRAL BANK OF KENYA	Haile Selassie Avenue	1000573074	NCG/FIN/C BANK.R.2(2)181	ACTIVE
49	NYAMIRA CLIMATE CHANGE FUND SPA	CENTRAL BANK OF KENYA	Haile Selassie Avenue	10004546069	NCG/FIN/C BANK.R.2(2)178	ACTIVE
50	NYAMIRA COUNTY NAVCDP	CENTRAL BANK OF KENYA	Haile Selassie Avenue	1000719777	NCG/FISEP/CB/VOL.1/(188)	ACTIVE
51	KENYA INFORMAL SETTLEMENT IMPROVEMENT PROJECT 2	CENTRAL BANK OF KENYA	Haile Selassie Avenue	1000740515	NCG/FIN/C.BANK.R.2(2)/27	ACTIVE
52	NYAMIRA COUNTY AIPP	CENTRAL BANK OF KENYA	Haile Selassie Avenue	1000721634	NCG/FISEP/CB/VOL.1/(189)	ACTIVE
53	NYAMIRA COUNTY KENYA DEVOLUTION SURPPORT PROGRAMM	CENTRAL BANK OF KENYA	Haile Selassie Avenue	1000745436	NCG/FIN/C.BANK.R.2(2)43	ACTIVE
54	NYAMIRA COUNTY COMMUNITY HEALTH PROMOTORS	CENTRAL BANK OF KENYA	Haile Selassie Avenue	1000743549	NCG/FISEP/CB/VOL.1/(191)	ACTIVE
55	Nyamira County Revenue Account	KENYA COMMERCIAL BANK	NYAMIRA	1141208989	OPENED 2013	ACTIVE
56	Revenue Account -Health	KENYA COMMERCIAL BANK	NYAMIRA	1238881378	OPENED 2018	ACTIVE
57	ASDSP A/C	KENYA COMMERCIAL BANK	NYAMIRA	1236606132	OPENED 2018	ACTIVE
58	Nyamira County Revenue Account	COOPERATIVE BANK	NYAMIRA	1141348689700	OPENED 2018	ACTIVE
59	NAGRIP A/C	KENYA COMMERCIAL BANK	NYAMIRA	11253449872	OPENED 2018	ACTIVE
60	Nyamira County Salaries Account	KENYA COMMERCIAL BANK	NYAMIRA	1150304227	OPENED 2013	ACTIVE
61	Emergency Fund Account	KENYA COMMERCIAL BANK	NYAMIRA	1272997286	OPENED 2019	ACTIVE

62	Nyamira KUSP-UDG	EQUITY BANK	NYAMIRA	05202800023457	OPENED 2019	ACTIVE
63	Nyamira KUSP-UIG	EQUITY BANK	NYAMIRA	05202800023457	OPENED 2019	DORMANT
64	County Mortgage Fund Account	EQUITY BANK	NYAMIRA	05202800023457	NCG/FSP/ECM/VOL 6(181)	ACTIVE
65	NYAMIRA COUNTY REVENUE ACCOUNT	EQUITY BANK	NYAMIRA	05202800023457	NCG/FSP/ECM/VOL 6(181)	IN ACTIVE
66	NYAMIRA UDG	FAMILY BANK	NYAMIRA	05202800023457	OPENED 2019	IN ACTIVE
67	NYAMIRA UIG	FAMILY BANK	NYAMIRA	05202800023457	OPENED 2019	IN ACTIVE
68	NYAMIRA CLIMATE CHANGE FUND OPERATIONS ACCOUNT	FAMILY BANK	NYAMIRA	05202800023457	NCG/FSP/ECM/BANKVL 1/183	ACTIVE
69	NAVCDP	KENYA COMMERCIAL BANK	NYAMIRA	01318321379	NCG/FIN/C BANK R.2/2/177	ACTIVE
70	COUNTY GOVERNMENT OF NYAMIRA	COOPERATIVE BANK	NYAMIRA	01893646783400	NCG/FIN/C BANK R.2/2/178	ACTIVE
71	Nyamira Health Centre	KENYA COMMERCIAL BANK	Nyamira	1158707029	OPENED 2015	ACTIVE
72	Nyamira Health Centre	KENYA COMMERCIAL BANK	Nyamira	1158707452	OPENED 2015	ACTIVE
73	Ngongu Health Centre	KENYA COMMERCIAL BANK	Nyamira	1158707908	OPENED 2015	ACTIVE
74	Rongu Health Centre	KENYA COMMERCIAL BANK	Nyamira	1158707983	OPENED 2015	ACTIVE
75	Kericho Health Centre	EQUITY BANK	Nyamira	0520262790377	OPENED 2015	ACTIVE
76	Bosongo Health Centre	EQUITY BANK	Nyamira	0520262790466	OPENED 2015	ACTIVE
77	Tung'a Health Centre	EQUITY BANK	Nyamira	0520262790471	OPENED 2015	ACTIVE
78	Nyansakwa Health Centre	EQUITY BANK	Nyamira	0520262790196	OPENED 2015	ACTIVE
79	Rakmaro Health Centre	EQUITY BANK	Nyamira	0520262790345	OPENED 2015	ACTIVE
80	Nyamirago Health Centre	EQUITY BANK	Nyamira	0520262790256	OPENED 2015	ACTIVE
81	Embonga Health Centre	EQUITY BANK	Nyamira	0520262790215	OPENED 2015	ACTIVE
82	Gateto Health Centre	EQUITY BANK	Nyamira	0520262790236	OPENED 2015	ACTIVE
83	Kenyere Health Centre	EQUITY BANK	Nyamira	0520262790314	OPENED 2015	ACTIVE
84	Kianjinda Health Centre	EQUITY BANK	Nyamira	0520262790335	OPENED 2015	ACTIVE
85	Mongorisa Dispensary	EQUITY BANK	Nyamira	0520262790357	OPENED 2015	ACTIVE
86	Molomera Dispensary	EQUITY BANK	Nyamira	1158708033	OPENED 2015	ACTIVE
87	Nyansangio Dispensary	KENYA COMMERCIAL BANK	Nyamira	1158726082	OPENED 2015	ACTIVE
88	Iyena Hambe Health Centre	EQUITY BANK	Nyamira	0520262790305	OPENED 2015	ACTIVE
89	Granchore Health Centre	EQUITY BANK	Nyamira	0520262790446	OPENED 2015	ACTIVE
90	Uono Health Centre	KENYA COMMERCIAL BANK	Nyamira	1158726252	OPENED 2015	ACTIVE
91	Kenyoro Health Centre	KENYA COMMERCIAL BANK	Nyamira	1158726546	OPENED 2015	ACTIVE
92	Kerobo Health Centre	KENYA COMMERCIAL BANK	Nyamira	1158726775	OPENED 2015	ACTIVE

127	Mochuwa Health Centre	EQUITY BANK	Keroka	1240262785360	OPENED 2015	ACTIVE
128	Gitango Dispensary	KENYA COMMERCIAL BANK	Keroka	1158730683	OPENED 2015	ACTIVE
129	Machuruti Dispensary	KENYA COMMERCIAL BANK	Keroka	1158730799	OPENED 2015	ACTIVE
130	Nyagacha Dispensary	KENYA COMMERCIAL BANK	Keroka	1158730969	OPENED 2015	ACTIVE
131	Rigoma Dispensary	KENYA COMMERCIAL BANK	Keroka	1158731167	OPENED 2015	ACTIVE
132	Rikeny Dispensary	KENYA COMMERCIAL BANK	Keroka	1158731418	OPENED 2015	ACTIVE
133	Mosobeti Dispensary	KENYA COMMERCIAL BANK	Keroka	1158731566	OPENED 2015	ACTIVE
134	Mung'oni Dispensary	KENYA COMMERCIAL BANK	Keroka	1158731728	OPENED 2015	ACTIVE
135	Muri Dispensary	KENYA COMMERCIAL BANK	Keroka	1158731868	OPENED 2015	ACTIVE
136	Nyamakoto Dispensary	EQUITY BANK	Keroka	01240262785423	OPENED 2015	ACTIVE
137	Nyanchoni Dispensary	EQUITY BANK	Keroka	1240262785454	OPENED 2015	ACTIVE
138	Riakwoti Dispensary	EQUITY BANK	Keroka	*1240262785604	OPENED 2015	ACTIVE
139	Ramba Health Center	KENYA COMMERCIAL BANK	Nyamira	1161619968	OPENED 2015	ACTIVE
140	Kerunya Health Center	KENYA COMMERCIAL BANK	Nyamira	1163707961	OPENED 2015	ACTIVE
141	Kiamunyamba Dispensary	KENYA COMMERCIAL BANK	Nyamira	1145217192	OPENED 2015	ACTIVE
142	Amagila Dispensary	COOPERATIVE BANK	Kisii	1141423595800	OPENED 2015	ACTIVE
143	Nyaguta Dispensary	KENYA COMMERCIAL BANK	Nyamira	1105607356	OPENED 2015	ACTIVE
144	Mutajara Health Center	KENYA COMMERCIAL BANK	Nyamira	1103057286	OPENED 2015	ACTIVE
145	Nyamveturuko Dispensary	KENYA COMMERCIAL BANK	Nyamira	1201740088	OPENED 2015	ACTIVE
146	Kionara Dispensary	KENYA COMMERCIAL BANK	Nyamira	1202904769	OPENED 2015	ACTIVE
147	Kemuchugu Dispensary	KENYA COMMERCIAL BANK	Nyamira	1146643640	OPENED 2015	ACTIVE
148	Rianyambwe Dispensary	KENYA COMMERCIAL BANK	Nyamira	1202632211	OPENED 2015	ACTIVE
149	Nyalweri Dispensary	KENYA COMMERCIAL BANK	Nyamira	1202904971	OPENED 2015	ACTIVE
150	Nyaironde Dispensary	EQUITY BANK	Keroka	1240269512834	OPENED 2015	ACTIVE
151	Nyangori Dispensary	KENYA COMMERCIAL BANK	Keroka	1202605206	OPENED 2015	ACTIVE
152	Siratic Dispensary	COOPERATIVE BANK	Kisii	01141670318900	OPENED 2015	ACTIVE
153	Nyamira referral hospital	KENYA COMMERCIAL BANK	Nyamira	1152757091	OPENED 2015	ACTIVE
154	Keroka sub-county hospital	KENYA COMMERCIAL BANK	Keroka	1152777661	OPENED 2015	ACTIVE
155	Nyagena sub-county hosp	KENYA COMMERCIAL BANK	Nyamira	1152615718	OPENED 2015	ACTIVE
156	E-sai sub-county hosp	KENYA COMMERCIAL BANK	Keroka	1152664742	OPENED 2015	ACTIVE
157	Kitauri sub-county hosp	KENYA COMMERCIAL BANK	Keroka	1152800469	OPENED 2015	ACTIVE
158	Kerunya sub-county hosp	KENYA COMMERCIAL BANK	Nyamira	1152767976	OPENED 2015	ACTIVE
159	Manga sub-county hosp	KENYA COMMERCIAL BANK	Nyamira	1152782088	OPENED 2015	ACTIVE
160	Nyamusi sub-county hosp	KENYA COMMERCIAL BANK	Nyamira	1152446930	OPENED 2015	ACTIVE

161	Romonyi Dispensary	KENYA COMMERCIAL BANK	Keroka	1223541517	OPENED 2015	ACTIVE
162	Nyakore Dispensary	COOPERATIVE BANK	Nyamira	01141349646.300	OPENED 2015	ACTIVE
163	Unenvenche Dispensary	KENYA COMMERCIAL BANK	Keroka	1223462706	OPENED 2015	ACTIVE
164	Karungu Dispensary	KENYA COMMERCIAL BANK	Nyamira	1223189988	OPENED 2015	ACTIVE
165	Nyakogopi Health Center	KENYA COMMERCIAL BANK	Nyamira	1223524418	OPENED 2015	ACTIVE
166	Kambini Dispensary	KENYA COMMERCIAL BANK	Keroka	122310256	OPENED 2015	ACTIVE
167	Rumoni Dispensary	KENYA COMMERCIAL BANK	Keroka	1223416208	OPENED 2015	ACTIVE
168	Nyamkenye Disp	KENYA COMMERCIAL BANK	Nyamira	1258972654	OPENED 2015	ACTIVE
169	Iturungi Dispensary	KENYA COMMERCIAL BANK	Nyamira	1258972654	OPENED 2015	ACTIVE
170	Nyagacho Dispensary	KENYA COMMERCIAL BANK	Keroka	1252152523	OPENED 2015	ACTIVE
171	Karatini Dispensary	KENYA COMMERCIAL BANK	Keroka	1252339232	OPENED 2015	ACTIVE
172	Sere Dispensary	UNITY BANK	Nyamira	0520171843178	OPENED 2015	ACTIVE

Annex:5

***Submissions from the CS for
National Treasury and
Economic Planning***



REPUBLIC OF KENYA

**THE NATIONAL TREASURY AND ECONOMIC PLANNING
BRIEF SUBMITTED TO THE STANDING COMMITTEE ON
DEVOLUTION AND INTERGOVERNMENTAL RELATIONS**

1.0 Introduction

The Standing Committee on Devolution and Intergovernmental Relations invited the Cabinet Secretary for National Treasury and Economic Planning to discuss matters relating to the operation of **commercial bank accounts** at the County Governments contrary to Regulation 82(1) of the Public Finance Management (County Governments) Regulations, 2015.

In this regard, the National Treasury wishes to respond as follows;

2.0 Policy and Legal Background

Article 225 of the Constitution of Kenya 2010 establishes the National Treasury with functions and responsibilities for the management and control of public funds. Section 12 (1) (e) of the Public Finance Management (PFM) Act, 2012, states that the National Treasury is responsible for designing and prescribing an efficient financial management system for national and county governments to ensure transparent financial management and standard financial reporting as contemplated by Article 226 of the Constitution

Section 119 (1) of the PFM Act 2012 states that *County Treasuries are responsible for **authorising the opening, operating, and closing of bank accounts for the County Government and its entities, except as otherwise provided by other legislation and in accordance with regulations made under the PFM Act.***

Section 119 (2) of the PFM Act 2012 states that, *as soon as practicable, each County Treasury shall establish a Treasury Single Account at the Central Bank of Kenya or a bank approved by the County Treasury through which payments of money to and by the various county government entities are to be made.* In this regard, the law has created an avenue for County Governments to open accounts in commercial banks.

Regulation 82 (1) (a) of the Public Finance Management (County Government) Regulations, 2015 states that:-

- (a) all county exchequer accounts shall be opened at the Central Bank of Kenya*
- (b) for avoidance of doubt, all county government bank accounts shall be opened at the Central Bank of Kenya, except for imprest bank accounts for petty cash.*

Regulation 82 (2) of the PFM (County Government) Regulations states that all county government entities **operating bank accounts outside the provisions of paragraph (1)** shall comply with the provisions under this Regulation within six (6) months from the date of commencement of these Regulations.

3.0 What has the National Treasury done to enforce the law

The opening, operating, and closing of bank accounts for the County governments are the responsibilities of the County Treasuries. The National Treasury **has issued circulars** bringing the requirements of the law to the attention of County Governments (see Appendix 1).

The Cabinet approved the National Treasury Memorandum on the implementation of the **Treasury Single Account** as required by law. The implementation of the Treasury Single Account by both the National and County governments is a key reform for the public finance management system. The Treasury Single Account is a key reform in the PFM Act, 2012, used to

consolidate and manage all public funds in a single account or a set of linked accounts at the Central Bank of Kenya. The primary goal is to ensure:

- accountability and transparency of the use of public resources
- reduction in bank fees and charges
- reduced borrowing costs and, at times, reduced tendency to borrow your own money
- efficient cash management
- enhanced fiscal discipline
- simplified bank reconciliation
- improved monetary policy implementation
- support for e-government and digital payments

The Treasury Single Account will be implemented in three phases:

- FY 2025/2026, Ministries, Departments, and Agencies
- FY 2026/2027, County Government and County Government entities
- FY 2027/2028, State Corporations

4.0 Proposed Way Forward

The National Treasury has started in earnest to guide the transition towards the Treasury Single Account, and the following progress has been realised.

- a. Constitution of a TSA Technical Committee comprising representatives from the Treasury, Central Bank of Kenya (CBK), and Controller of Budget (COB). This committee is tasked with:
 - Designing the Hybrid TSA model architecture.
 - Specifying technical requirements for account consolidation.
 - Proposing the implementation of the rollout roadmap
- b. Carrying out an inventory of GOK bank accounts held at the CBK and commercial banks.

- c. Benchmarking with other jurisdictions that have implemented the TSA system.
- d. Commencement of the automation of County Exchequer release processes as a key enabler of the TSA system at the County level.

To this end, National Treasury expects to leverage the success in implementing the TSA at the National government level to support County Governments adopt TSA as of the financial year 2026/2027.

Sign  Date 15th July, 2025

Hon. FCPA John Mbadi Ng'ongo, EGH
Cabinet Secretary/National Treasury and Economic Planning

Annex:6

***Submissions from the Central
Bank of Kenya***



Central Bank of Kenya

REPORT ON CBK'S ROLE IN COUNTY GOVERNMENTS' COMPLIANCE WITH PFM REGULATIONS

Presentation to:

THE SENATE STANDING COMMITTEE ON DEVOLUTION AND INTERGOVERNMENTAL RELATIONS

The Governor, CBK

JULY 2025

WWW.CENTRALBANK.GO.KE

The Central Bank of Kenya (CBK) acknowledges the invitation by the Senate Standing Committee on Devolution and Intergovernmental Relations and welcomes the opportunity to engage on matters of public financial governance.

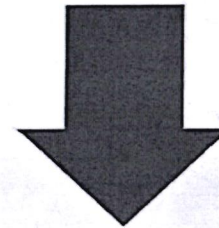
The session seeks to deliberate on the Bank's role in facilitating and supporting County Governments' compliance with **Regulation 82(1)(b) of the Public Finance Management (County Governments) Regulations, 2015**.

The presentation sets out:

- 1) Background – Regulation 82- PFM (County Governments) Regulations, 2015*
- 2) Key Provisions of Regulation 82*
- 3) CBK's Role in Implementation of 82(1)(b) of the PFM (County Gov) Regulations*
- 4) Challenges in CBK's Ancillary Role in Implementing Reg. 82 (1) (b)*
- 5) Recommendations*



Regulation 82 provides the legal framework for the establishment and operation of County Government bank accounts.



Specifically, Regulation 82(1)(b) requires all County Government bank accounts to be maintained at the Central Bank of Kenya, with the exception of imprest accounts for petty cash.

Key Provisions of Regulation 82

a) Regulation 82(1)(a) & 82(1)(b)

- All County Exchequer Accounts shall be opened at CBK.
- All County Government bank accounts must be at CBK, except imprest accounts.

b) Regulation 82(2) & 82(3)

- Non-compliant entities must comply within six months of commencement.
- Account opening requires prior written County Treasury authority.

c) Regulation 82(4) & 82(5)

- The Authority must be copied to Controller of Budget and Auditor-General.
- County Treasury may prescribe banking rules and balances.

d) Regulation 82(6) & 82(7)

- No overdrafts or unauthorized advances from County accounts.
- All authorizations must be written and copied to Auditor-General.

As a Banker and Advisor to Government, CBK plays the following roles:

Facilitating	Facilitating account opening and closing upon request by the CEC Finance and County Assembly Clerk.
Maintaining	Maintaining County Government bank accounts at CBK, excluding commercial bank accounts.
Providing	Providing system access and transaction visibility for County Government Accounts maintained at CBK to oversight bodies such as the Controller of Budget.
Collaborating	Collaborating with the National Treasury, Controller of Budget, and Auditor-General to support compliance.

Challenges in CBK's Ancillary Role in Implementing Reg. 82 (1) (b)

1

Enforcement Limitations

Lack of direct mandate by CBK to compel County Governments to close unauthorized accounts.

2

Governance/Operational Issues

The responsibility and accountability of decisions regarding the County Treasury Banking arrangements in commercial banks rests with the CEC Finance.

3

Visibility Constraints

Limited visibility by CBK Banking teams over accounts opened at Commercial Banks unless flagged by oversight agencies.

4

Coordination Gaps

Inadequate coordination among oversight agencies (Controller of Budget and Office of the Auditor General) in enforcing compliance in line with Reg 82 (4).

5

Legacy Arrangements

Legacy commercial bank arrangements retained for convenience. (E.g. PFM Act Sec. 142) that authorizes short-term borrowing by county governments for cash management

6

Operational Constraints

Limited physical reach of CBK Branches/Centers to some counties e.g. Revenue collection are banked at the nearest commercial bank for convenience.

Recommendations

1. **Joint Oversight:** Coordinated approach by Oversight agencies (CoB & OAG in line with Reg 82 (4)) in enforcing compliance.
2. **Sensitization:** Sensitize commercial Banks on the demands of the PFM Act and Regulations and their roles.
3. **Strengthening the Legal Framework** to address inconsistencies in the PFM Act and Regulations. For instance,
 - Sec119(2) of the Act allows the County Treasurer to open the County accounts at either CBK or Commercial Banks.
 - Amending Section 82(1)(b) to add the accounts used to borrow as permitted in PFM Act Sec 142 as an exception.
4. **Alternative Banking Channels:** Counties to be encouraged to adopt alternative banking arrangements (digital channels) where CBK physical presence is limited.
5. **Enhance monitoring** by oversight agencies through mandatory reporting of accounts operated by Counties in Commercial Banks.
6. **TSA:** Implementation of the TSA as a key reform in the PFM ACT 2012 will help consolidate and manage all public funds in a single account at the CBK



The Central Bank of Kenya reiterates its commitment to supporting sound financial governance across all levels of government.

CBK stands ready to continue its collaboration with the Senate and relevant institutions in strengthening public financial management and ensuring compliance with established regulations.