First Assembly (No. 078)



Second Session (183)

# **REPUBLIC OF KENYA**

# NAIROBI CITY COUNTY ASSEMBLY

## FIRST ASSEMBLY - (SECOND SESSION)

# ORDERS OF THE DAY

# TUESDAY, NOVEMBER 11, 2014 AT 2.30 P.M.

## ORDER OF BUSINESS

#### **PRAYERS**

- 1. Administration of Oath
- 2. Communication from the Chair
- **3.** Messages
- 4. Petitions
- 5. Papers
- **6.** Notices of Motion
- 7. Statements

## 8. \*. MOTION - (Leader of the Minority Party)

**THAT,** aware that borrowing by County Governments is provided for under Article 212 of the Constitution, and specifically Sections 58, 140, 141 and 142 of the Public Finance Management Act (PFM) 2012, which amongst other things outline conditions on the *authority for borrowing by county governments*; noting that under the said provisions such request for borrowing can be allowed <u>only</u> if the loan and the terms and conditions for the loan are set out in writing and are in accordance with—

- a. Article 212 of the Constitution;
- b. sections 58 and 142 of the PFM Act;
- c. the fiscal responsibility principles and the financial objectives of the county government set out in its most recent County Fiscal Strategy Paper; and
- d. the debt management strategy of the county government over the medium term...;

Deeply concerned that this Assembly on Thursday 23rd October, 2014 passed a Motion pursuant to Section 140 and 142 of the said Act, authorizing the borrowing of monies amounting to Kshs 4 billion without following due procedure of the law and the Assembly's own rules of procedure on such matters; disturbed that the Assembly in its handling of the matter raises serious questions on the oversight role of the County Assembly given that no terms were forwarded with the request for approval nor even from which Bank such monies are to be borrowed from nor whether guarantees have been given by the National Government, and whether the County Government can sustain the said loan; this Assembly resolves pursuant to Standing Order 46(2)(a) to rescind its earlier resolution approving the County Executive Committee Member for Finance to borrow the sum of Kshs1.5 billion as a revolving overdraft to cater for the County Monthly personal bills and to borrow the sum of Kshs2.5 billion to cater for Capital projects for the Financial Year 2014/2015 in order to allow the said request for approval to follow due procedure for such requests and comply with provisions of Sections 58, 140, 141 and 142 of the Public Finance Management Act, 2012, and Article 212 of the Constitution.

#### <u>NOTICE</u>

#### The Assembly resolved on Wednesday, February 19, 2014 as follows:-

**THAT,** notwithstanding the provisions of Standing Order 94(4), this Assembly orders that, each speech in a debate on any **Motion** including a Special motion, be limited in the following manner:- A maximum of three hours with not more than twenty (20) minutes for the Mover and ten (10) minutes for each other Member speaking, except the Leader of the Majority Party and the Leader of the Minority Party, who shall be limited to a maximum of fifteen (15) minutes each, and that ten (10) minutes before the expiry of the time, the Mover be called upon to reply; and that priority in speaking be accorded to the Leader of the Majority Party, the Leader of the Minority Party and the Chairperson of the relevant Sectoral Committee, in that Order.

\* Denotes Orders of the Day