

(Legislative Supplement No. 5)

LEGAL NOTICE NO. 5

THE PUBLIC FINANCE MANAGEMENT ACT

(No. 18 of 2012)

THE PUBLIC FINANCE MANAGEMENT (KAKAMEGA COUNTY
ASSEMBLY STAFF) (MORTGAGE AND CAR LOAN) SCHEME
FUND (AMENDMENT) REGULATIONS, 2016

1. These regulations may be cited as the Kakamega (County Citation. Assembly Staff Mortgage and Car Loan Scheme) Fund (Amendment), Regulations, 2016.

2. Arrangement of Regulations in the Principal Regulations is amended—

- (a) at page 1, regulation 7 by *repealing* the word “administration” and *substituting* it with the words “the loan”;
- (b) at page 2, regulation 20 by *repealing* the word “Governments” and *substituting* it with the word “Assembly’s”);
- (c) at Page 2, regulation 22 by *repealing* the word “Fund Manager” and *substituting* it with the words “financial institution”;
- (d) at page 2, regulation 24 by *repealing* the word “Management” and *substituting* it with the words “Financial Institutions”.

3. Regulation 2 of the principal regulations is amended—

Amendment of
Regulation 2

- (a) by *repealing* the word “rquires” and *substituting* it with the word “requires”;
- (b) under “committee” by *repealing* the word “administration” and *substituting* it with the word “loan”;
- (c) by *repealing* the words “Fund Manager means a financial institution mortgage finance company or tenant purchase institution”;
- (d) under “member of the scheme” by *repealing* the words “of the scheme”;
- (e) by *repealing* all the words beginning with the word “mortgage finance company” and ending with “Valuers Act”.

4. Regulation 4 of the principal regulations is *amended* by Amendment of
Regulation 4 repealing the last 3 words “of the scheme.”

5. Regulation 5 of the principal regulations is *amended* by *repealing* sub-regulation (3). Amendment of
Regulation 5

6. Regulation 7 of the principal regulations is amended—

- (a) by *repealing* the words “an administration” and *substituting* them with the words “loan management”;
- (b) by *repealing* the word “administration” in the marginal note and *substituting* it with the words “loan management”;
- (c) by *inserting* a new paragraph (j) below paragraph (i) to read “the head of serjeant at arms department”.

7. Regulation 8 of the principal regulations is amended— Amendment of
Regulation 8

- (a) by *repealing* paragraph (a) of sub-regulation 2 and *substituting* it with the words “manage the fund”;
- (b) by *inserting* the following new paragraph below paragraph (a)—
 - (aa) “open a bank account for the fund”
- (c) by *repealing* paragraph (e) and *substituting* it with the following words “designate a financial institution responsible for disbursement of loans to members and receipt of repayments of loans granted and the financial institution so designate to be subject to the terms and conditions of agreement as may be determined by the committee from time to time”;
- (d) by *inserting* the following new paragraph below paragraph (e)—
 - (ee) “in conjunction with the financial institution determine the monthly repayment of every borrower for the loan granted.”
- (e) by *repealing* the words “fund manager” in paragraph (i) wherever they occur and *substituting* them with the words “financial institution”;
- (f) by *inserting* the following new paragraphs below paragraph (K)—
 - (KK) “through the Human Resource, Finance and accounts offices pay to the financial institution members’ monthly loan deductions from their salaries through the Check off system.”
 - (KKK) “verify the documents under regulations 11 and 13 of the principal regulations”;
- (g) by *repealing* the word “administration” in sub regulation (2) appearing after paragraph L and *substituting* it with the word “management”;
- (h) by *repealing* (2) appearing immediately after paragraph L and *substituting* it with “(3)”.

8. Regulation 10 of the principal regulations is amended— Amendment of
Regulation 10
- (a) by *repealing* all the words appearing immediately after the word “designate” in paragraph (a) and *substituting* them with the words “a financial institution”;
 - (b) by *inserting* the word “and” in between the words “receive” and “scrutinize” in paragraph (c) and *repealing* the words “and review” appearing immediately after the words “scrutinize”;
 - (c) by *repealing* the words “fund manager” appearing immediately after the word “the” in paragraph (c) and *substituting* them with the words “financial institution” .
9. Regulation 11 of the principal regulations is amended— Amendment of
Regulation 11
- (a) by *repealing* the words “of the scheme” in sub regulation (1), (2) and (3);
 - (b) by *repealing* the words “sub-regulation” appearing in (2), (3) (4) and (5);
 - (c) by *repealing* all the words in paragraph (c) of sub-regulation (2) and *substituting* them with words “a log book incase of a motor vehicle”;
 - (d) by *inserting* the words “not more than” in between the words “of” and “forty” in sub regulation (3);
 - (e) by *repealing* the word “fund” in sub-regulation (4) and *substituting* it with the word “assembly”.
10. Regulation 13 of the principal regulation is amended— Amendment of
Regulation 13
- (a) by *repealing* the words “duly approved by relevant authority or authorities” appearing immediately after the word “house” in sub-regulation (1) paragraph (a);
 - (b) by *adding* at the end of sub-regulation (1) paragraph (d) the words “for those applying under regulation 11 (3)”;
 - (c) by *inserting* a new paragraph (ee) below paragraph (e) to read as follows—
 - (ee) “documents referred to in regulation 11 (2)”;
 - (d) by *repealing* the words “copy of the borrower’s driving licence appearing in sub regulation (2) and substituting them with the words “log book”;
 - (e) by *adding* the following words at the end of sub-regulation (3)
 - “and such fees and charges may be paid out of the fund and debited in the borrower’s account”
11. Regulation 15 of the principal regulation is amended— Amendment of
Regulation 16
- (a) by *repealing* the words “of the scheme” appearing in sub-regulation (1);
 - (b) by *repealing* the words “or fund manager” appearing in sub-regulation (2).
12. Regulation 17 of the principal regulations is amended— Amendment of
Regulation 17

- (a) by *inserting* the words “through a financial institution” between the words “shall” and “register” appearing in sub regulation (1);
- (b) by repealing the word “fund” appearing in sub regulation (2) between the words “the” and “and” and *substituting* it with the word “assembly”;
- (c) by *repealing* the words “fund manager or the committee” appearing in sub regulation (3) and *substituting* them with the words “financial institution”;
- (d) by repealing the word “insurances” appearing in paragraph (b) of sub-regulation (4);
- (e) by *repealing* (4) appearing immediately below (b) and *substituting* it with “5”;
- (f) by *inserting* the word “not” at the beginning of paragraph (c) of sub-regulation (4) of the principal regulations.
13. Regulation 18 is amended— Amendment of Regulation 18
- (a) by *repealing* the words “committee or the fund manager” appearing in sub-regulation (2) and *substituting* them with the words “financial institution”.
14. Regulation 20 of the principal regulations is amended— Amendment of Regulation 20
- (a) by *repealing* the word “Government” and substituting it with the word “assembly’s”
- (b) by *repealing* the word “Government” in the marginal note and substituting it with the word “assembly”.
15. Regulation 21 of the principal regulations is amended— Amendment of Regulation 21
- (a) by *inserting* in between regulation 20 and 21 (1) the following new paragraph—
- 21 “the executive committee member shall designate a person to be responsible for administering the fund in accordance with Section 116 (2) of the Public Finance Management Act, 2012.”
- (b) by *repealing* the word “committee” appearing in 21 (1) and *substituting* it with the words “fund administrator”;
- (c) by *repealing* paragraph (a) of sub-regulation (1) and *substituting* it as follows—
- “prepare accounts for the fund for each financial year.”
- (d) by *repealing* paragraph (b) of sub-regulation (1) and *substituting* it as follows—
- “not later than three months after the end of each financial year submit financial statements relating to those accounts to the Auditor-General.”
- (e) by *repealing* paragraph (c) of sub-regulation (1) and substituting it as follows—
- “present the financial statements to the assembly”.

- (f) by *repealing* paragraph (d) of sub-regulation (1) and substituting it as follows—

“ensure that the accounts for the fund and the annual financial statements relating to those accounts comply with the accounting standards prescribed and published by the Accounting Standards Board from time to time”

- (g) by *repealing* paragraph (e) of sub-regulation (I) and substituting it with the word “assembly’s”.

16. Regulation 22 of the principal regulations is amended—

Amendment of
Regulation 22

- (a) by *repealing* the words appearing immediately after the word “committee” and substituting them with the words “designates a financial institution, the institution shall”;
- (b) by *repealing* the word “fund” appearing between the words “the” and “and” in paragraph (b) and substituting it with the word “assembly”;
- (c) by *repealing* the words “administering the fund” appearing at the end of paragraph (e);
- (d) by *repealing* paragraph (f) and (h);
- (e) by *repealing* the words “fund manager” appearing in the marginal note and *substituting* them with the words “financial institution”.

17. Regulation 24 of the principal regulations is amended—

Amendment of
Regulation 24

- (a) by *repealing* and *substituting* it with the following words—
- “the financial institution shall agree with the committee on the rate chargeable to cover its operational costs.”
- (b) by *repealing* the marginal note and *substituting* it with the words “financial institution’s costs”.

18. Regulation 25 of the principal regulations is amended—

Amendment of
Regulation 25

- (a) by *repealing* the words “or the fund manager and” and substituting them with the word “or”;
- (b) by *repealing* the words “or the fund manager and the borrower” appearing at the end.

19. Regulation 27 of the principal regulations is amended by *repealing* the word “county” appearing in paragraphs (a), (b) and (c).

Amendment of
Regulation 27

20. The heading “schedule 1” at page 12 of the principal regulations is *amended* by *repealing* “1”.

Dated the 21st October, 2016

GEOFFREY OMULAYI,
County Executive Committee Member for Finance.