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19/11/25

REPUBLIC OF KENYA


THE NATIONAL ASSEMBLY

THIRTEENTH PARLIAMENT – FOURTH SESSION (2025)

PUBLIC PETITIONS COMMITTEE

REPORT ON

THE CONSIDERATION OF PUBLIC PETITION NO. 20 OF 2024 BY KENYA
RETIRED TEACHERS AND RESIDENTS OF NANDI COUNTY REGARDING
MISMANAGEMENT OF NANDI TEACHERS' SACCO AND OWNERSHIP OF
MWALIMU PLAZA BUILDING IN KAPSABET TOWN

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 19 NOV 2025	DAY: WED
TABLED BY:	<i>Chair, Public Petitions Hon. Eric Muchangi</i>
CLERK-AT-THE-TABLE:	<i>Mado Atabo</i>

**The Directorate of Audit, Appropriations
& General Purpose Committees**

The National Assembly

Parliament Buildings

NAIROBI

November, 2025

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CHAIRPERSON'S FOREWORD

On behalf of the Public Petitions Committee and pursuant to the provisions of Standing Order 227, it is my pleasant privilege and honour to present to this House the Report of the Committee on the Public Petition No. 20 of 2024 regarding mismanagement of Nandi Teachers' SACCO and ownership of Mwalimu Plaza, formerly Barclays Bank building in Kapsabet town, Nandi County.

The petition was presented to the House pursuant to Standing Order No. 225 (2) (a) by the Member for Nandi Hills Constituency (Hon. Benard Kitur, M.P.) on behalf of Kenya Retired Teachers and residents in Nandi County.

The petitioners prayed that the National Assembly, through the Public Petitions Committee, recommends that —

- a) Investigations be carried out to determine whether the Nandi Teachers SACCO Society officials fraudulently swindled the members' funds as alleged, and if found culpable, the officials be prosecuted; and that the retirees who originally purchased the said building be compensated for the loss.
- b) The property and building known as Kapsabet Municipality I 181/3705806 be reverted to the founding teacher retirees of the Nandi Teachers SACCO Society; and
- c) Trans-elite County SACCO Society Ltd. be compelled to remit rental collections from the property and building from 2004 to date to the Nandi Teachers SACCO Society retirees through their Community-Based Organisation (CBO) Nandi Teachers 2000.

The Committee observed that both the petitioners and Trans Elite County Sacco Limited Sacco agreed that, initially, the Sacco, then known as Nandi Teachers Sacco, intended to construct a storey (Plaza) on one of the Sacco's plots within Kapsabet Town. The arrangement was that the members would own 70% of the shares, while the Sacco would own 30%.

The Committee further observed that after shelving the decision to build a plaza on one of the Sacco's plots and instead purchasing property from Barclays Bank with a loan from the National Bank, the Sacco's decided to refund paid-up members their shares. However, there was no confirmation that the members had been refunded their contributions for the shares. Further, in 2003, the then Nandi Teachers SACCO used the petitioners' dividends as collateral for the building to secure a loan amounting to Kshs—60,000,000 from an offshore financial institution instead of refunding the members.

Further, the Committee noted that the Commissioner for Cooperative Development, in an inquiry conducted in 2006, found former officers of the SACCO Society (Board and staff) guilty of mismanagement and abuse of office and imposed a surcharge totalling KShs. 68.6 million. In addition, KShs 181 million in unaccounted cash was reported to have been paid by the Cooperative Bank without any record of payees. Further, KShs 177.78 million was lost due to land purchases reportedly made by the former management on behalf of the SACCO Society.

The Committee recommends that the Ethics and Anti-Corruption (EACC) conducts further investigation into:

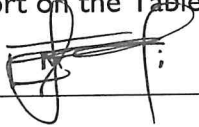
- (a) Whether action was taken against the persons surcharged for withdrawing the secured loan amounts on 5th May 2005 amounting to Kshs.. 60, 000,000 in 5 batches as detailed in the report of the inquiry into the affairs of Nandi Teacher SACCO Society Ltd. (2709), as detailed by the Commissioner of Cooperatives dated 20th June 2006 within six months of the tabling of this report.
- (b) The payees of the Kshs. 181 million in unaccounted cash by the Cooperative Bank of Kenya.
- (c) The Kshs. 177.78 million lost in land purchase by the former management of the Nandi Teachers' Sacco Society.

The Committee also recommends that the Ethics and Anti-Corruption (EACC) conducts investigations into the ownership of Mwalimu Teachers Plaza (Kapsabet Municipality I181/3705806) with a view to determining the petitioners' stake in the property.

The Committee appreciates the Offices of the Speaker and Clerk of the National Assembly for providing guidance and necessary technical support, without which its work would not have been possible. The Chairperson expresses gratitude to the Committee Members for their devotion and commitment to duty during the consideration of the petition.

On behalf of the Committee and pursuant to the provisions of Standing Order 199, I now wish to lay the Report on the Table of the House.

Signed: _____



Date: 19/11/2025

THE HON. KAREMBA MUCHANGI, M.P.
CHAIRPERSON, PUBLIC PETITIONS COMMITTEE

ACRONYMS

SACCO	Savings and Credit Cooperative Society (SACCO)
SASRA	Societies Regulatory Authority

PART ONE

I. PREFACE

I.1 Establishment and Mandate of the Committee

The Public Petitions Committee is established under the provisions of Standing Order 208A with the following terms of reference:

- a) considering all public petitions tabled in the House;
- b) making such recommendations as may be appropriate with respect to the prayers sought in the petitions;
- c) recommending whether the findings arising from consideration of a petition should be debated; and
- d) advising the House and reporting on all public petitions committed to it.

1.2 Committee Membership

The Public Petitions Committee was first constituted in October 2022 and reconstituted in March 2025, and comprises the following Members:

Chairperson

Hon. Ernest Kivai Ogesi Kagesi, M.P.
Vihiga Constituency

Amani National Congress (ANC)

Vice Chairperson

Hon. Janet Jepkemboi Sitienei, M.P.
Turbo Constituency

United Democratic Alliance (UDA)

Hon. Bernard Muriuki Nebart, M.P.
Mbeere South Constituency

Independent

Hon. Patrick Makau King'ola, M.P.
Mavoko Constituency

Wiper Democratic Movement-Kenya (WDM-K)

Hon. Beatrice Elachi KAdeveresia, M.P.
Dagoretti North Constituency

Orange Democratic Movement (ODM)

Hon. Edith Vethi Nyenze, M.P.
Kitui West Constituency

Wiper Democratic Movement-Kenya (WDM-K)

Hon. John Bwire Okano, M.P.
Taveta Constituency

Wiper Democratic Movement-Kenya (WDM-K)

Hon. Nimrod Mbithuka Mbai, M.P.
Kitui East Constituency

United Democratic Alliance (UDA)

Hon. Peter Mbogho Shake, M.P.
Mwatate Constituency
Jubilee Party (JP)

Hon. Maisori Marwa Kitayama, M.P.
Kuria East Constituency

United Democratic Alliance (UDA)

Hon. Sloya Clement Logova, M.P.
Sabatia Constituency

United Democratic Alliance (UDA)

Hon. Joshua Chepyegon Kandie, M.P.
Baringo Central Constituency

United Democratic Alliance (UDA)

Hon. Suzanne Ndunge Kiamba, M.P.
Makueni Constituency

Wiper Democratic Movement-Kenya (WDM-K)

Hon. John Kuhungi Irungu, M.P.
Kangema Constituency

United Democratic Alliance (UDA)

I.3 Committee Secretariat

The secretariat comprises the following:

Mr. Leonard Machira
Principal Clerk Assistant II

Mr. Benard Kipchumba
Clerk Assistant III

Ms. Nancy Akinyi
Research Officer III

Ms. Roselyn Njuki
Senior Sergeant at Arms

Ms. Felister Muiya
Public Communications Officer

Mr. Clinton Sindiga
Legal Counsel II

Mr. Arkan Mumin
Research Officer III

Mr. Calvin Karungo
Media Relations Officer

Mr. Peter Mutethia
Audio Officer

PART TWO

2. BACKGROUND OF THE PETITION

2.1 Introduction

1. Public petition No. 20 of 2024 regarding mismanagement of Nandi Teachers' SACCO and ownership of Mwalimu Plaza, formerly Barclays Bank building in Kapsabet town, Nandi County, was presented to the House on 3rd December, 2024 by the Member for Nandi Hills Constituency (Hon. Benard Kitur, M.P.) on behalf of Kenya Retired Teachers and residents of Nandi County.
2. The petitioners stated that 1,787 members of the defunct Nandi Teachers SACCO Society purchased the Barclays Bank Building at Kapsabet Municipality, 1181/370, herein referred to as Mwalimu Plaza, in Kapsabet Town, Nandi County, at a cost of Ksh12,000,000 in 2000.
3. In the process of purchasing the property, members, through the delegates meeting of 18th March 2000, consented to use their 1999 dividends to pay Barclays Bank.
4. The petitioners further stated that on 25th April 2000, a down payment of 10 per cent, herein referred to as the commitment fee, was paid by cheque No. 00018479 for Kshs 1.2 million, with a further subscription of Kshs 10,000, equivalent to 100 shares.
5. Further, on 27th December 2000, Barclays Bank transferred the property to the Nandi Teachers SACCO, having received full payment of Kshs. 12,000,000.
6. The petitioners also submitted that in 2003, some teachers were paid KShs 400 in dividends. However, in the following year, 2004, instead of paying dividends, the Nandi Teachers SACCO management used the dividends as collateral for the building to secure a loan amounting to Kshs. 60,000,000 from an offshore financial institution known as "OIKO."
7. The petitioners also submitted that the secured loan of Kshs. 60,000,000 was credited to the Nandi Teachers SACCO Current Account No. 0137000014, K-Rep Bank Limited, Head Office, on 4th May 2005, through electronic funds transfer (EFTS) from Co-operative Bank.
8. However, the funds were withdrawn the following day on 5th May 2005, leaving a balance of Kshs 64,200 in the account.

9. The Kshs. 60,000,000 was withdrawn on 5th May 2005 in five batches, namely-
 - a) Kshs. 1,000,000 in cash through Cheque No. 00000000022
 - b) Kshs. 5,000,000 through a BCHQ Issued Transfer Debit Cheque
 - c) Kshs. 9,920,251 in TFR, Funds Savings A/C 4154000007; and
 - d) Kshs. 40,000,000 in TFR, Funds Savings A/C 4154000007
10. The petitioners also averred that in 2015, the Nandi Teachers SACCO defaulted on its loan payments to the alleged offshore financial institution, OIKO. As a result, Valley Auctioneers, under instructions, undertook to recover the loan by selling the property by public auction on 31st March 2015.
11. During the 31st Annual Delegates Meeting on 22nd April 2015, the then Chairman, Alfred Ng'etuny, gave an undertaking that teachers who were members when the building was purchased in 2000 would be considered and given preference in dividend compensation and in ownership of the property.
12. Teachers whose dividends were used to purchase the building have never benefited. Thereafter, the 1,788 retired teachers formed a group called "Nandi Teachers 2000".
13. On 4th August 2016, the chairperson of the Nandi Teachers 2000 wrote a letter to the SACCO Societies Regulatory Authority (SASRA) regarding the ownership of the building. SASRA, in response to the letter from the chairperson of the Nandi Teachers 2000, affirmed ownership and provided a copy of the attached loan, which the Society secured in 2002, two years after the payment was completed and transferred to the Nandi Teachers SACCO Society.
14. In 2021, the retired teachers, through their registered group, filed a case under Cooperative Tribunal No. 347 of 2021 against Trans-elite County SACCO. However, on 9th December 2021, the case was struck out in Kakamega because the teachers were no longer members of the Society.
15. Efforts by relevant authorities to have the building revert to the owners have been futile. Over the years, some members have passed away without benefiting from their savings and investments.

2.2 Petitioner's Prayers

16. The Petitioners prayed that the National Assembly, through the Public Petitions Committee, recommends that —

- d) Investigations be carried out to determine whether the Nandi Teachers SACCO Society officials fraudulently swindled the members' funds as alleged, and if found culpable, the officials be prosecuted; and that the retirees who originally purchased the said building be compensated for the loss.
- e) The property and building known as Kapsabet Municipality 1181/3705806 be reverted to the founding teacher retirees of the Nandi Teachers SACCO Society; and
- f) Trans-elite County SACCO Society Ltd. be compelled to remit rental collections from the property and building from 2004 to date to the Nandi Teachers SACCO Society retirees through their Community-Based Organisation (CBO) Nandi Teachers 2000.

PART THREE

3. STAKEHOLDERS' SUBMISSIONS ON THE PETITION

3.1 Submission by the Petitioners

Hon. Bernard Kitur, M.P., the Member for Nandi Hills Constituency, appeared before the Committee on 22nd April, 2025, on behalf of petitioners and submitted as follows —

17. The SACCO finished paying for the building by December 2000. However, from 2001 to 2004, mismanagement at the institution culminated in the management applying for a loan.
18. The account holders of the four accounts that the Kshs. 60 million was disbursed to, undertook to provide certified bank statements showing how they withdrew funds.
19. The 1,787 members identified themselves as Nandi 2000 to pursue their interests in the Mwalimu Plaza building as shareholders in the investment.
20. The building's title was in the name of the Trans Elite SACCO. However, Nandi 2000, who sought rightful shares as the individuals involved in its purchase, laid claim to the building.
21. An auction of the property in question by Valley Auctioneers did not happen because Trans Elite SACCO rescued the building just as it was about to be sold.

3.2 Site Visit to Nandi County

22. The Committee met the petitioners, the Ministry of Lands, Public Works, Housing and Urban Planning, the County Government of Nandi, and the National Land Commission on Thursday, 22nd May 2025, at the Deputy County Commissioner's office in Nandi Hills Sub-County, Emgwen Constituency, Nandi County.

3.2.1 Submissions by the advocate of Trans Elite County Sacco Limited

Mr. Joseph Songol, the advocate representing Trans Elite County Sacco Limited (the successor to the Nandi Teachers Sacco), submitted as follows—

23. He stated that the property in question, known as IR No. 5806, Land Reference No 1181/370 measuring 0.1400 Ha as contained in the survey plan No.181607 as deposited in the survey records at Nairobi, was purchased at Kshs—12,000.000/= from Barclays Bank of Kenya (now Absa Bank).

24. He acknowledged that the property was acquired using the 1999 dividends and members' contributions of Kshs 10,000, which was equivalent to 100 shares, as alleged in the Petition.
25. He submitted that the transfer was completed on 19th January 2001, and that a charge in favour of National Bank was also registered on the same day, which was typical of a transaction involving both a transfer and a charge. The property was purchased through financing taken by the Sacco from the National Bank for Kshs. 10,800,000/- as shown by the title, the balance of Kshs. The Sacco paid 1,200,000/= as part of the 10% purchase price.
26. He also informed the Committee that the 1999 dividends were paid to the membership. Samples of the payouts of dividends paid out to the membership for the year 1999 were duly paid from the sample cashbook, and cheque counterfoils were as follows—
- i. Mr. Zacharia Kuto, member no 00089011, who was an official of the Sacco, received dividends for 1999 on his own behalf and on behalf of other members who authorized him to do so. For instance, on 27th July 2000, he received Kshs. 3,848.55/= on his own behalf and Kshs. 14,345/= on behalf of others.
 - ii. Ms Pascaliah Too, member No. 00270610, received her dividends via a cheque dated 26th June 2000 for Kshs 2,317, representing 1999 dividends.
 - iii. Samwel K. Letting member No 00138592 received a cheque for Kshs—53,365 on his behalf and on behalf of other members who authorized him to do so.
 - iv. Mrs. Ann Birgen, Member no 00300221, received a cheque on 10/7/2000 for Kshs 2,678 as the dividends for 1999.
27. Further, he submitted samples to reproduce the cashbook and counterfoils, demonstrating every dividend payment. The support documents were bulky because the payments were made on various dates.
28. He further submitted that the members of the Sacco initially intended to construct a storey (Plaza) on one of the Sacco's plots within the town. The initial arrangement was that the members would own 70% of the shares, while the Sacco would own 30%. However, the plan was later shelved when members realised that paying for shares would take a long time. The Sacco membership identified a building that had been put up for sale by Barclays Bank.
29. At the time of negotiation and purchase, the members were in the process of paying for the shares. After shelving the decision to build a plaza on one of the Sacco's plots and instead purchasing property from Barclays Bank with a loan from the National Bank, it became prudent to refund all paid-up members their shares.

30. On the alleged claim of payment of dividends, where members were paid Kshs 400 in dividends. He stated that it was unclear whether this payment resulted from the shares paid for the construction of the plaza or from the initial membership share contribution. There is no evidence in the books to confirm when and why those shares were paid.
31. Regarding the allegation of the mismanagement of funds, He submitted that whereas Trans Elite County Sacco Limited indeed borrowed a loan of Kshs. 60,000,000/- from Oiko Credit Ecumenical Development Co-operative Society, the money received on the 4th May 2005 was utilized as follows:
- (i) Kshs. 25,000,000 was paid out to members as 2004 dividends.
 - (ii) Kshs. 14,000,000 was used to clear the K-Rep loan balance.
 - (iii) Kshs. 21,000,000 in loans was given to members.
32. He further stated that the payments indicated in the petition were made from one account of the Sacco to another for operational purposes, and were not withdrawals by individuals, as alleged by the petitioners.
33. In 2006, members ousted the previous administration from office due to mismanagement. A caretaker committee was appointed, and then, thereafter, the current committee was appointed in acting capacity and later confirmed.
34. There was no handover, resulting in many documents being misplaced, which Trans Elite County Sacco Ltd believes were illegally held by the petitioners and other third parties.
35. When the current committee assumed office, the operational capital was a paltry Kshs. 800,000/=. It was impossible to service a loan that could not be authenticated while also ensuring the Sacco stayed afloat.
36. Due to financial constraints, the Sacco's management decided to file a case in court against Oiko Credit. The case proceeded to the Court of Appeal and was referred back for retrial in the High Court. The High Court subsequently transferred the case to the Cooperative Tribunal.
37. The management devised an ingenious plan: allowing one of the officials to bid in the auction and, by being the highest bidder, foiling the plan to sell.
38. At the tribunal, the matter was settled, and Sacco successfully paid the entire due amount, recovering the title documents held under charge by Oiko.

39. The current management deserves due acknowledgement for turning around the fortunes of the Sacco and recovering the SACCO's otherwise lost property under very difficult and stringent circumstances.

40. In an inspection report done by the Commissioner of Co-operatives, previous officials were surcharged as follows—

NAME	2002	2003	2004	2005	TOTAL
Henry Birgen		40,000	150,000	950,000	1,140,000
Paul Korir				4,540,000	4,540,000
Sammy Kirwa	100,000	7,700,000	4,390,000	19,110,000	31,300,000
Patrick Lelei		2,955,000	6,271,630		9,226,630
Antony Tarus				4,740,000	4,740,000
Ruth Serem				750,000	750,000
Sub total	100,000	10,695,000	10,811,630	30,090,000	51,696,630
Others (Payees not known)		2,155,000	5,975,475	4,156,000	12,286,475
GRAND TOTAL	100,000	12,850,000	16,787,105	32,246,000	63,983,105

41. The parties were surcharged, and their attempts to quash the report in a Judicial review application in the High Court were unsuccessful. The SACCO, following the High Court's decision in the judicial review, filed a reference with the cooperative tribunal.

42. The allegation that during the 31st Annual Delegates Meeting on 22nd April 2015, the then Chairperson, Alfred Ng'etuny, gave an undertaking that teachers who were members of the SACCO when the building was purchased in 2000, would be considered and given preference regarding dividend compensations, and ownership of the property was not part of the agenda.

43. No dividends were ever used to purchase the property; therefore, it is not true that 1,788 retired teachers did not benefit, as they were paid all their dividends as demonstrated.

44. Although there was correspondence between Trans Elite County Sacco Limited and SASRA regarding the ownership of the building, Trans Elite County Sacco Limited has consistently stated that the property was purchased with a loan from National Bank. SASRA lacked the capacity to determine land ownership based on the available documentation.
45. When the Cooperative tribunal in Kakamega struck out the case, the parties were advised to sue in their individual capacities, provided they proved that they were still members of the Sacco.
46. The prayers of the petitioners were all disregarded as lacking in accuracy, in fact, and in law.
47. In conclusion, Trans Elite County Sacco Limited submitted that the Public Petitions Committee recommends that the relevant authorities conduct further investigation into the lost funds, as detailed in the investigation report dated 2nd June 2006, and that legal action be taken against those found culpable.

3.2.2 Submissions by the Chairperson of Trans Elite County Sacco Limited

Mr. Alfred Ngetuny, the Chairperson of Trans Elite County Sacco Limited, submitted as follows—

48. Trans Elite County Sacco, formerly known as Nandi Teachers Sacco, was established and officially registered on 26th July 1977 by a group of visionary teachers.
49. Over the years, the Sacco experienced significant growth in assets and finances, eventually becoming a major player in Kenya's cooperative movement. By 2005, it had amassed savings totalling Kshs. 324,596,422 held substantial fixed deposits, and its membership had exceeded 10,000.
50. Around the year 2000, the Sacco made a notable investment by purchasing EATEC plots in Uasin Gishu, a transaction that lacked transparency. It also took on loans to pay dividends, in an attempt to maintain member confidence.
51. However, warning signs began to emerge as early as 1996 when the Sacco struggled to meet loan repayments. Instead of full payments, members received partial disbursements. This marked the beginning of financial mismanagement, with members' savings and deposits eventually disappearing.
52. By 2005, concerned members took decisive action to regain control of the deteriorating Sacco. They voted out the then board and management, prompting the Commissioner of Cooperatives to initiate an official inquiry. An interim committee was appointed to oversee operations temporarily.

53. A new management team assumed office in 2006 with the mandate to rescue and revive the troubled cooperative. Upon taking over, the team encountered numerous challenges, including TSC remittances amounting to only Kshs. 800,000, dependence on costly bank overdrafts, failure to pay dividends for five consecutive years, absence of a formal handover process, loss of member trust, membership plummeting from over 15,000 to fewer than 2,000 and EATEC farm properties still registered under unclear ownership.
54. In addition, the team started operations with financial liabilities such as Kshs. 200 million loan from Cooperative Bank, KRA tax arrears totalling Kshs. 4.5 million, Kshs. 4 million in unremitted CIC insurance premiums, Kshs. There was also an 82 million loan from Oiko Credit, with a discrepancy in financial records amounting to Ksh 177 million, including Kshs 68 million in misappropriated funds and Kshs. 8 million lost in transit between Eldoret and Kapsabet.
55. Despite the immense challenges, the new management recorded several achievements, including successfully clearing all outstanding loans, resolving discrepancies in financial records, and writing off Kshs. 177 million and Kshs. 68 million with plans to fully clean the books within a year, restored member trust and confidence, reinstated dividend payments with a current rate of 9%, enhanced loan servicing efficiency, opened a new branch and laid the groundwork for further expansion, and invested in information technology, enabling many products and services to be accessed digitally by both our local members and those in the diaspora.

3.2.3 The petitioners - Nandi Teachers 2000

Mr. Fredrick Songol, the Chairperson, on behalf of the petitioners who were Members of the defunct Nandi Teachers SACCO between 1978 and 2010, submitted as follows—

56. The defunct Nandi Teachers Sacco was founded in 1978 by Lawrence Sitienei Kilel Sawe. The offices were in the KNUT building, now Mwalimu Housing and later moved to KCB.
57. In 1981, the sacco decided to put up a building owned by teachers to house the society and teachers (members) to supplement their dividends. The first contributions for the project were deducted from their salaries as follows:

YEAR	AMOUNT PER MONTH	TOTAL DEDUCTIONS
1981	Kshs. 200	5,000
1982	Kshs. 500	6,000
1983	Kshs. 300	3,000

1984	Kshs. 775	22,000
1985	Kshs. 250	3,000
1989	Kshs. 200	35,000

58. In 1997, at the annual delegation meeting held on 9th May 1997, Kshs. 1.5M was deducted from the 1996 dividend to save for the construction of the said building. By then, the society had acquired three plots in Kapsabet town where Sacco offices could be constructed.

59. Vide the meeting held on 29th May 1999, the building was to be constructed and owned as follows:

- a) Cost per share Kshs. 10,000
- b) Total cost Kshs.32, 000,000
- c) Sacco to own 30% Kshs. 9.6M and Teachers 70% - Kshs. 22.0 M.

60. On 28th January 2000, Barclays Bank gave notice of the closure of the Kapsabet branch. On 1st February 2000, the management approached the bank to purchase the building. On 22nd February 2000, the management. On 6th March 2000, management held a meeting, and on 18th March 2000, the special administration approved the purchase.

61. A down payment of 10% made, and subsequent payments were made as follows—

DATE	DOCUMENT NO.	AMOUNT	
4-2000	Cheque 18479	1.2 M	10%deposit
9 th May 1997	Minutes	1.5 M	Dividends for 1996
3 rd June 2000	Minutes	3.3 M	Members contribution from the previous Mwalimu Plaza
	Dividends for the year 1999		
27 th Dec 2000	Transfer		

62. On 27th December 2000, the bank effected a transfer to Nandi Teachers Sacco.

63. Collateral to secure the loan was obtained as follows—

BANK	AMOUNT	YEAR
National Bank	10.8M	2001 -2002
KREP bank	50M	2003 - 2005
Oiko	60M	2005

64. The Sacco management committee's understanding at the time was that members who contributed to the purchase of the building could receive share certificates based on their contributions, and that the society would pay them dividends in the form of rent.

65. The retirees formed a self-help group known as the Nandi Teachers 2000 self-help group and elected Mr. Fredrick Songol as their chairman, who then wrote a letter to Governor Nandi. Subsequently, the Governor instructed his attorney to assist the Ministry of Co-operative in investigating the matter and make recommendations.

66. The Director of the Co-operative of Nandi, after investigations, recommended in a letter dated 22nd March 2019 that the building belonged to retirees. Later, the matter was transferred to cooperative tribunal case number 347/2021. The same was dismissed.

67. On 4th May 2005, Kshs. 60M was credited to the KREP account through a loan from Oiko, which was withdrawn at the Nairobi-Naivasha branch by the following officials—

- a) Sammy Kirwa – manager
- b) Benjamin Kosgei -Treasurer
- c) Paul Korir - Vice chairman
- d) Henry Birgen - Chairman

68. The petitioners prayed that the Committee recommend that the building belongs to teachers who were members of the defunct Nandi Teachers Sacco in 2000 and had money deducted from them since 1981. It is also the prayer of the retirees that the rent dividends from 2001 to date be paid.

3.2.4 Submissions by the Chief Executive Officer, the SACCO Societies Regulatory Authority (SASRA)

69. The Ag Chief Executive Officer, Sacco Societies Regulatory Authority, appeared before the Committee on 2nd October, 2025, and submitted as follows:
70. The Trans-Elite (formerly Nandi Teachers) Sacco Society Ltd is a deposit-taking SACCO (DT-SACCO) licensed, regulated, and supervised by SASRA.
71. It was first licensed in 2011 and maintained its licensing status with the Authority up to and including 2025. As a deposit-taking SACCO Society, the Authority expected to renew its license for the ensuing years in accordance with the law.
72. The Chief Executive Officer submitted that initially, the SACCO Society in question was registered as Nandi Teachers SACCO Society Ltd. It later changed its name to Trans-Elite SACCO Society Ltd in 2015. The reason for the name change was to give other Kenyans the opportunity to patronise its services.
73. He confirmed that Trans-Elite (formerly Nandi Teachers) SACCO Society Ltd was initially registered on 27th June 1977 pursuant to the provisions of the Cooperative Societies Act, certificate registration No. 2709, and operated for several years as a savings and credit cooperative society, before being licensed as a deposit-taking SACCO by SASRA in 2011.
74. Regarding the SACCO's current financial status, the Committee was informed that as of December 2024, the SACCO reported total assets of KShs 1.8 billion, gross loans of KShs 1.04 billion, member deposits of KShs 816 million, and an income of KShs 283 million. Core capital stood at KShs 482 million, significantly above the KShs 10 million regulatory requirement, indicating a robust capital adequacy.
75. The Authority confirmed that there have been no incidents of fraud or misappropriation under its regulatory watch since licensing began in 2011.
76. Regarding allegations of mismanagement prior to 2011, the Chief Executive Officer stated that the SACCO Society in question was involved in multiple long-standing court cases that commenced in 2005, before it applied for a deposit-taking license in 2011. The cases involved the SACCO itself, as well as its former board members and staff, who were implicated in a 2006 Inquiry Report by the Commissioner for Cooperatives Development
77. The Committee was further informed that the Commissioner for Cooperative Development, in the said inquiry, found former officers of the SACCO Society (Board and staff) guilty of mismanagement and abuse of office and imposed a surcharge totalling KShs. 68.6 million. The court cases were therefore an attempt to recover the surcharge amounts imposed on those former officers.

- a) KShs. 68.86 million in cash was defrauded by the former directors and staff
- b) KShs 181 million unaccounted cash paid by the Cooperative Bank without any record of payees
- c) KShs 177.78 million was lost in land purchases reportedly made by the former management on behalf of SACCO Society.

78. In addition, he informed the Committee that, upon being licensed, the SACCO was required to make adequate provisions for these sums recorded in its books as receivables, thereby overstating its actual total asset base. As of December 2024, the SACCO Society had made provisions for these receivables, leaving a balance of KShs. 43.65 million.

79. On the other hand, the former officials whom the Commissioner of the Cooperative Tribunal surcharged were still being pursued in pending cases at the Cooperative Tribunal.

80. Consequently, the information on the operations, activities, and governance of the Nandi Teachers SACCO by the SACCO Society before 2011 was based solely on the records provided by the SACCO Society during that period, along with other secondary validated records. This included allegations of mismanagement and the dispute over the ownership of all the land and buildings registered and known as LR. No. 1181/370-35, SACCO Plaza (formerly *Mwalimu Plaza*) Building, situated along Kapsabet - Chavakali Road, Kapsabet Town, Nandi County (*hereinafter the SACCO Building*).

81. Regarding the ownership of Mwalimu Plaza (Now SACCO Plaza), the Ag Chief Executive Officer informed the Committee that it was not exactly clear when the dispute regarding the ownership of the building arose

82. However, according to the SACCO Society's current officers, some members who contributed money towards the initial plan to build a building in Kapsabet Town formed a group called the Nandi Teachers 2000 Self-Help Group.

83. Furthermore, the initial intention of the members of the said SACCO Society on hand and the SACCO Society itself was to construct a storied building in Kapsabet town, which was to be co-owned by the two parties

84. Further, the Committee was informed that when the initial plan failed to materialize, the SACCO Society later accepted a request that had been floated by Barclays Bank for the sale of their building, then known as the Barclays Bank building in Kapsabet town.

85. Following the acceptance, the SACCO Society proceeded to purchase the building from Barclays Bank at a purchase price of Kshs 12 million, with the members' consent, as determined at a meeting held on 25th April 2010, under Minute Number Min. 2/19/4/2000.

86. He also stated that in 2001, the group filed a case under CTC No. 347 of 2021 against the SACCO Society at the Cooperative Tribunal in Eldoret. Their claims against the SACCO Society were for the SACCO to vacate the premises or to pay rent from 2003.
87. He submitted that the SACCO Plaza is lawfully owned by Trans-Elite SACCO Society Ltd, having been purchased using its funds and loan facilities. While acknowledging that some contributors may not have been refunded, he clarified that such claims cannot be tied to the ownership of the Plaza.
88. The Commissioner for Cooperative Development found former officers of the SACCO Society (Board and staff) guilty of mismanagement and abuse of office and imposed a surcharge totalling KShs. 68.6 million. The court cases were therefore an attempt to recover the surcharge amounts imposed on those former officers.
- d) KShs. 68.86 million in cash was defrauded by the former directors and staff
 - e) KShs 181 million unaccounted cash paid by the Cooperative Bank without any record of payees
 - f) KShs 177.78 million was lost in land purchases reportedly made by the former management on behalf of SACCO Society.
89. Regarding the possibility of recovering the funds lost by Nandi Teachers SACCO, he explained that the refund figures were derived from the 2006 Inquiry Report. According to the report, out of the KShs 4 million contributed, KShs 1.1 million was refunded, leaving KShs 2.8 million outstanding at that time.
90. Since then, the SACCO has been making refunds progressively; however, SASRA did not have tangible documentation to ascertain the exact status of the refunds. Therefore, while refunds were made, the precise balance yet to be cleared could not be confirmed without updated records from the SACCO.
91. He reiterated that the Authority continued to supervise the SACCO in line with the Sacco Societies Act, and that all pending litigation and recovery processes remain under active monitoring.
92. On the status of the case lodged in the Cooperative Tribunal in Eldoret, he informed the committee that the Authority had not received a formal determination from the Tribunal and committed to providing the Committee with official updates within two weeks. The Authority emphasized that the claim remains unsubstantiated as the SACCO legally owns the property, and the list of members who were not refunded remains incomplete.
93. The Ag. Chief Executive Officer concluded that the subject SACCO Plaza is legally and rightfully owned by the said SACCO Society, having been purchased using the SACCO Society's funds, including a facility from the National Bank of Kenya.

94. He also acknowledged that some former members of the SACCO Society contributed money towards the initial construction of a building in Kapsabet town, intended to be co-owned with the SACCO Society. However, this plan was shelved after some members failed to meet their end of the bargain, resulting in refunds of the contributions.
95. In addition, some contributors may not have been refunded their money, but the non-refund cannot be attributed to the building or any income generated from it. However, he informed the Committee that there was no credible data to validate the list of contributors who did not receive a refund, except for those who filed cases at the tribunal.

PART FOUR

4. COMMITTEE OBSERVATIONS

Upon hearing from the Petitioner and other stakeholders, the Committee observed that —

96. Both the petitioners and Trans Elite County Sacco Limited Sacco agreed that, initially, the Sacco, then known as Nandi Teachers Sacco, intended to construct a storey (Plaza) on one of the Sacco's plots within Kapsabet Town. The arrangement was that the members would own 70% of the shares, while the Sacco would own 30%.
97. After shelving the decision to build a plaza on one of the Sacco's plots and instead purchasing property from Barclays Bank with a loan from the National Bank, the Sacco's decided to refund paid-up members their shares. However, there was no confirmation that all members had been refunded.
98. There is no evidence that the Petitioners were refunded in full, as demonstrated by Trans Elite County Sacco, aside from a few cashbook entries and cheque counterfoils. This does not constitute payment in full to the petitioners.
99. A loan amounting to Ksh. 60,000,000 was secured using dividends and the building as collateral from an offshore financial institution. The loan was credited to the Nandi Teachers SACCO Current Account Number 0137000014, K-Rep Bank Limited, Head Office on 4th May 2005, and funds were withdrawn the very next day, leaving a balance of Ksh 64,200 in the account.
100. The petitioners, through their registered group, filed a case, Cooperative Tribunal No. 347 of 2021, in Kakamega against Trans-elite County SACCO. However, the case was struck out on 9th December 2021 because the teachers were no longer members of the Society. The parties were advised to sue in their individual capacities, provided they could prove they were still members of the Sacco.
101. The Commissioner for Cooperative Development, in an inquiry conducted in 2006, found former officers of the SACCO Society (Board and staff) guilty of mismanagement and abuse of office and imposed a surcharge totalling KShs. 68.6 million. In addition, KShs 181 million in unaccounted cash was reported to have been paid by the Cooperative Bank without any record of payees. Further, KShs 177.78 million was lost due to land purchases reportedly made by the former management on behalf of the SACCO Society.
102. In Case Number: CTC/E001/2021- Nandi Teachers 2000 Self Help Group Versus Trans Elite County Sacco Ltd and Chairman Trans Elite County Sacco, the Tribunal held that it lacked jurisdiction to deal with the matter, as the Claimant is not a Cooperative Society, and the suit was dismissed in its entirety.

PART FIVE

5. COMMITTEE RECOMMENDATIONS

105. Pursuant to the provisions of Standing Order 227, the Committee responds to the Petition as follows—

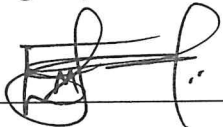
1. On the prayer that investigations be carried out to determine whether the Nandi Teachers SACCO Society officials fraudulently swindled the members' funds as alleged and if found culpable, the officials be prosecuted; and that the retirees who originally purchased the said building be compensated for the loss; the Committee notes that the Commissioner for Cooperative Development, in an inquiry conducted in 2006, found former officers of the SACCO Society (Board and staff) guilty of mismanagement and abuse of office and imposed a surcharge totalling KShs. 68.6 million, while the Cooperative Bank paid Kshs 181 million in unaccounted cash without any record of payees, and KShs 177.78 million was lost in land purchases reportedly made by the former management on behalf of the SACCO Society.

The Committee recommends that, within six months of the tabling of this report, the Ethics and Anti-Corruption (EACC) conducts further investigation into:

- a. **Whether action was taken against the persons surcharged for withdrawing the secured loan amounts on 5th May 2005, amounting to Kshs.60, 000,000 in 5 batches as detailed in the report of the inquiry into the affairs of Nandi Teacher SACCO Society Ltd. (2709) as detailed by the Commissioner of Cooperatives dated 20th June 2006.**
 - b. **The payees of the Kshs. 181 million in unaccounted cash by the Cooperative Bank of Kenya.**
 - c. **The Ksh.177.78 million lost in land purchase by the former management of the Nandi Teacher's Sacco Society.**
2. On the prayer that the property and building known as Kapsabet Municipality 1181/3705806 be reverted to the founding teacher retirees of the Nandi Teachers SACCO Society, the Committee notes there was no confirmation that the members who contributed the initial capital for the purchase of the buildings were fully refunded. Further, in 2003 the then Nandi Teachers SACCO used the petitioners' dividends as collateral for the building to secure a loan amounting to Kshs. 60,000,000 from an offshore financial institution instead of refunding the members.

The Committee recommends that, within six months of the tabling of this report, the Ethics and Anti-Corruption (EACC) conducts investigations into the ownership of Mwalimu Teachers Plaza (Kapsabet Municipality I181/3705806), with a view to determining the petitioners' stake in the property and any illegality in its acquisition.

3. On the prayer that the Trans-elite County SACCO Society Ltd. be compelled to remit rental collections from the property and building from 2004 to date to the Nandi Teachers SACCO Society retirees through their Community-Based Organisation (CBO) Nandi Teachers 2000. The Committee recommends that, within six months of the tabling of this report, the Ethics and Anti-Corruption (EACC) conducts investigations into the ownership of Mwalimu Teachers Plaza (Kapsabet Municipality I181/3705806), with a view to determining the petitioners' stake in the property and any illegality in its acquisition.

Signed:  _____

Date: 19/11/2025

THE HON. KAREMBA MUCHANGI, M.P.
CHAIRPERSON, PUBLIC PETITIONS COMMITTEE

PART SIX

ANNEXURES

- Annex 1: The Adoption List
- Annex 2: Public Petition No. 20 of 2024 regarding mismanagement of Nandi Teachers' SACCO and ownership of Mwalimu Plaza, formerly Barclays Bank building in Kapsabet town, Nandi County
- Annex 3: Minutes of the 11th Sitting held on 22nd April, 2025
- Annex 4: Minutes of the 46th Sitting held on 12th November, 2025

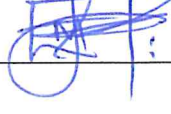

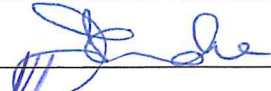


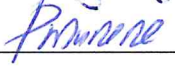
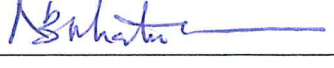
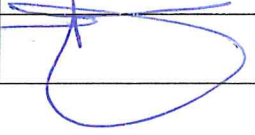

PUBLIC PETITIONS COMMITTEE

ADOPTION LIST

- (i) Consideration and adoption of the report on Public Petitions No. 20/2024 by Hon. Bernard Kitur, MP, Member for Nandi Hills constituency on behalf of Kenya retired teachers and residents of Nandi County regarding the mismanagement of Nandi Teachers Sacco and ownership of Mwalimu Plaza Building in Kapsabet Town.

We, the undersigned, hereby affix our signatures to this Report to affirm our approval:

DATE: 12/11/2025

	HON. MEMBER	SIGNATURE
1.	Hon. Muchangi Karemba, CBS, M.P. (Chairperson)	
2.	Hon. Janet Jepkemboi Sitienei, CBS, M.P. (Vice Chairperson)	
3.	Hon. Patrick Makau King'ola, M.P.	
4.	Hon. Beatrice Kadeveresia Elachi, CBS, M.P.	
5.	Hon. Joshua Chepyegon Kandie, M.P.	
6.	Hon. Maisori Marwa Kitayama, M.P.	
7.	Hon. Edith Vethi Nyenze, M.P.	
8.	Hon. Patrick Ntwiga Munene, M.P.	
9.	Hon. Bidu Mohamed Tubi, M.P.	
10.	Hon. (Eng.) Bernard Muriuki Nebart, M.P.	
11.	Hon. Peter Mbogho Shake, M.P.	
12.	Hon. Suzanne Ndunge Kiamba, M.P.	
13.	Hon. John Bwire Okano, M.P.	
14.	Hon. Sloya Clement Logova, M.P.	
15.	Hon. Peter Irungu Kihungi, M.P.	



REPUBLIC OF KENYA
THE NATIONAL ASSEMBLY

MINUTES OF THE 46TH SITTING OF THE PUBLIC PETITIONS COMMITTEE
HELD ON TUESDAY, 12TH NOVEMBER 2025, IN COMMITTEE ROOM 25, 5TH
FLOOR BUNGE TOWER, PARLIAMENT BUILDINGS AT 11:30 AM

PRESENT

1. Hon. Eric Muchangi Karemba, M.P. - Chairperson
2. Hon. Edith Vethi Nyenze, M.P.
3. Hon. Maisori Marwa Kitayama, M.P.
4. Hon. Beatrice Kadeveresia Elachi, CBS, M.P.
5. Hon. (Eng.) Bernard Nebart Muriuki, M.P.
6. Hon. Patrick Ntwiga Munene, M.P.
7. Hon. Joshua Chepyegon Kandie, M.P.
8. Hon. Peter Irungu Kihungi, M.P.
9. Hon. John Bwire Okano, M.P.

APOLOGIES

1. Hon. Janet Jepkemboi Sitienei, CBS, M.P. - Vice-Chairperson
2. Hon. Patrick Makau King'ola, M.P.
3. Hon. Suzanne Ndunge Kiamba, M.P.
4. Hon. Peter Mbogho Shake, M.P.
5. Hon. Sloya Clement Logova, M.P.

SECRETARIAT

- | | |
|--------------------------|-------------------------------|
| 1. Mr. Leonard Machira | Principal Clerk Assistant II |
| 2. Mr. Bernard Toroitich | Clerk Assistant III |
| 3. Ms. Roselyn Ndengi | Senior Serjeant at Arms I |
| 4. Mr. Clinton Sindiga | Legal Counsel II |
| 5. Ms. Nancy Akinyi | Research Officer III |
| 6. Mr. Arkan Mumin | Research Officer III |
| 7. Ms. Felister Muiya | Public Communications Officer |
| 8. Mr. Peter Mutethia | Audio Officer |

MIN./PPETC/2025/232:

PRELIMINARIES

The Chairperson called the meeting to order at 11:45 am, followed by a word of Prayer.

MIN./PPC/2025/233:

ADOPTION OF AGENDA

The Committee then adopted the agenda as listed hereunder on the proposal by Hon. (Eng.) Bernard Nebart Muriuki, M.P, and seconded by Hon. Beatrice Kadeveresia Elachi, CBS, M.P.

AGENDA

1. Prayer and preliminaries;
2. Adoption of the agenda;
3. **consideration and adoption of the following reports:**
 - (i) Report on Public Petitions No. 20/2024 by Hon. Bernard Kitur, MP, Member for Nandi Hills constituency, on behalf of Kenya retired teachers and residents of Nandi County regarding the mismanagement of Nandi Teachers Sacco and ownership of Mwalimu Plaza Building in Kapsabet Town.
 - (ii) Report on Public Petitions No.15/2024 by Hon. Vincent Musyoka, MP, Member for Mwala Constituency, on behalf of residents of Mwala constituency, regarding the gazettelement of Mwala and Kalama Sun Counties as hardship areas.

(iii) Report on Public Petitions No. 76 of 2023 by Kenya Union of Post-Primary Education Teachers (KUPPET) regarding discrimination by TSC on career progression guidelines for special needs education teachers

4. Any Other Business; and

5. Adjournment

MIN./PPC/2025/234: CONSIDERATION AND ADOPTION OF REPORT ON PUBLIC PETITIONS NO. 20/2024 REGARDING THE MISMANAGEMENT OF NANDI TEACHERS SACCO AND OWNERSHIP OF MWALIMU PLAZA BUILDING IN KAPSABET TOWN.

The Committee unanimously adopted the report, having been proposed by Hon. Maisori Marwa Kitayama, M.P and seconded by Hon. (Eng.) Bernard Nebart Muriuki, M.P The Committee made the following observations and recom:

The Committee made the following observations:

1. Both the petitioners and Trans Elite County Sacco Limited Sacco agreed that, initially, the Sacco, then known as Nandi Teachers Sacco, intended to construct a storey (Plaza) on one of the Sacco's plots within Kapsabet Town. The arrangement was that the members would own 70% of the shares, while the Sacco would own 30%.
2. After shelving the decision to build a plaza on one of the Sacco's plots and instead purchasing property from Barclays Bank with a loan from the National Bank, the Sacco's decided to refund paid-up members their shares. However, there was no confirmation that all members had been refunded.
3. There is no evidence that the Petitioners were refunded in full, as demonstrated by Trans Elite County Sacco, aside from a few cashbook entries and cheque counterfoils. This does not constitute payment in full to the petitioners.
4. A loan amounting to Ksh. 60,000,000 was secured using dividends and the building as collateral from an offshore financial institution. The loan was credited to the Nandi Teachers SACCO Current Account Number 0137000014, K-Rep Bank Limited, Head

Office on 4th May 2005, and funds were withdrawn the very next day, leaving a balance of Ksh 64,200 in the account.

5. The petitioners, through their registered group, filed a case, Cooperative Tribunal No. 347 of 2021, in Kakamega against Trans-elite County SACCO. However, the case was struck out on 9th December 2021 because the teachers were no longer members of the Society. The parties were advised to sue in their individual capacities, provided they could prove they were still members of the Sacco.
6. The Commissioner for Cooperative Development, in an inquiry conducted in 2006, found former officers of the SACCO Society (Board and staff) guilty of mismanagement and abuse of office and imposed a surcharge totalling KShs. 68.6 million. In addition, KShs 181 million in unaccounted cash was reported to have been paid by the Cooperative Bank without any record of payees. Further, KShs 177.78 million was lost due to land purchases reportedly made by the former management on behalf of the SACCO Society.
7. In Case Number: CTC/E001/2021- Nandi Teachers 2000 Self Help Group Versus Trans Elite County Sacco Ltd and Chairman Trans Elite County Sacco, the Tribunal held that it lacked jurisdiction to deal with the matter, as the Claimant is not a Cooperative Society, and the suit was dismissed in its entirety.

The Committee made the following recommendations:

1. The Committee recommends that, within six months of the tabling of this report, the Ethics and Anti-Corruption (EACC) conducts further investigation into:
 - a. Whether action was taken against the persons surcharged for withdrawing the secured loan amounts on 5th May 2005, amounting to Kshs.60, 000,000 in 5 batches as detailed in the report of the inquiry into the affairs of Nandi Teacher SACCO Society Ltd. (2709) as detailed by the Commissioner of Cooperatives dated 20th June 2006.
 - b. The payees of the Kshs. 181 million in unaccounted cash by the Cooperative Bank of Kenya.
 - c. The Ksh.177.78 million lost in land purchase by the former management of the Nandi Teacher's Sacco Society.
2. The Committee recommends that, within six months of the tabling of this report, the Ethics and Anti-Corruption (EACC) conducts investigations into the ownership of

Mwalimu Teachers Plaza (Kapsabet Municipality 1181/3705806), with a view to determining the petitioners' stake in the property and any illegality in its acquisition.

3. The Committee recommends that, within six months of the tabling of this report, the Ethics and Anti-Corruption (EACC) conducts investigations into the ownership of Mwalimu Teachers Plaza (Kapsabet Municipality 1181/3705806), with a view to determining the petitioners' stake in the property and any illegality in its acquisition.

MIN./PPC/2025/235: **CONSIDERATION AND ADOPTION OF THE REPORT ON PUBLIC PETITIONS NO.15/2024 REGARDING THE GAZETTMENT OF MWALA AND KALAMA SUN COUNTIES AS HARDSHIP AREAS.**

The Committee unanimously adopted the report, having been proposed by Hon. (Eng.) Bernard Nebart Muriuki, M.P, and seconded by Hon. Edith Vethi Nyenze, M.P.

The Committee made the following observations:

1. The right to fair labour practices, as enshrined in Article 41 of the Constitution of Kenya, 2010, includes, among others, fair remuneration and reasonable working conditions. Section C.10 of the Human Resource Policies and Procedures Manual for the Public Service (2016) provides for the payment of a hardship allowance to officers stationed in designated hardship areas as an incentive to compensate Public Servants working in such areas partially.
2. The Committee also noted that Mwala and Kalama Sub-County is geographically located adjacent to or surrounded by already gazetted hardship areas like Yatta, Kitui Rural, and Mbooni East, all of which are hardship zones, but Mwala and demonstrate similar conditions but lack hardship designation.
3. The core issue arising from the petition is the disparity and lack of harmonization in the policies employed by various Public Service jurisdictions, including the Civil Service, the Teachers Service Commission (TSC), and the Judiciary, in designating hardship areas and compensating employees. Currently, the TSC operates under its own policy, specifically outlined in Legal Notice No. 534 of 1997 and the Code of Regulations (COR).

4. The Ministry of Public Service, Human Capital Development and Special Programmes established an Inter-Agency Technical Committee in March 2019 to address these disparities and develop a uniform policy. The Committee comprised of representatives from the then Ministry of Public Service and Gender, Ministry of Interior and Co-ordination of National Government, Ministry of Education, The National Treasury and Planning, the Judiciary, Public Service Commission, Teachers Service Commission, Salaries and Remuneration Commission, Commission on Revenue Allocation, the Kenya National Bureau of Statistics (KNBS) and the Council of Governors.
5. The key findings and recommendations of the report from the Inter-Agency Technical Committee were as follows:
 - a) There are areas currently designated as hardship or petitioned by stakeholders to be categorized as 'hardship'; however, upon review they were found not to be 'hardship'.
 - b) The severity of hardship in the reviewed areas varies from moderate to extreme.
 - c) Some of the currently designated hardship areas cover an entire County/Sub-County/Division uniformly. It is, however, noted that some regions have only specific locations with moderate or extreme hardship conditions. The areas were therefore reviewed and categorized as "Moderate" and "Extreme" hardship areas.
 - d) Not all Public officers working in hardship areas are currently paid a hardship allowance. This is due to disparities in the current policy guidelines on designated hardship areas in the Public Service.
 - e) Some areas that were previously designated as hardship and have acquired different status following the implementation of the devolved system of governance and improved socio-economic development across the country have been reviewed and recommended for de-gazettement.

6. The report of the Inter-Agency Technical Committee on the review of designated hardship areas and payment of hardship allowance in the Public Service was finalized and submitted to the Salaries and Remuneration Commission (SRC) for concurrence. However, its implementation is awaiting Cabinet consideration.

The Committee made the following recommendations:

The Committee recommends that the Cabinet Secretary, Ministry of Public Service, Human Capital Development and Special Programmes, fast-track the approval of the Inter-Agency Technical Committee Report by the Cabinet with a view to designating all regions meeting the set-out criteria as hardship areas, and submit the report to the National Assembly within six (6) months upon the adoption of this report by the House.

**MIN./PPC/2025/236: CONSIDERATION AND ADOPTION OF THE REPORT
ON PUBLIC PETITIONS NO. 76 OF 2023 REGARDING DISCRIMINATION BY
TSC ON CAREER PROGRESSION GUIDELINES FOR SPECIAL NEEDS
EDUCATION TEACHERS**

The Committee unanimously adopted the report, having been proposed by Hon. Maisori Marwa Kitayama, M.P., and seconded by Hon. Patrick Ntwiga Munene, M.P. The Committee observed as follows—

The Committee made the following observations:

1. Job titles of SNE teachers in the payroll differ from those outlined in the Career Progression Guidelines. For instance, teachers designated as "Senior Teacher II" in the payroll should be titled "Primary Teacher II (SNE)" according to the CPG. This inconsistency has contributed to confusion and delayed the teachers' rightful recognition and progression within their roles.
2. The Teachers Service Commission had yet to align the grading structure for Special Needs Education (SNE) teachers with the 2018 Career Progression Guidelines (CPG).
3. The delay in the alignment was caused by the Government's payroll system, managed by the State Department of Public Service, which has been undergoing re-configuration to facilitate migration to a new payroll system.

4. Despite the lack of change in the job group title for SNE Teachers in the payroll, the Commission ensured that teachers received salaries commensurate with their designation.
5. Even though the mismatch between the titles in the 2018 Career Progression Guidelines and those in payroll, did not adversely affected their salaries or career advancement it impacted of others benefits including allowances related to the scale.

The Committee made the following recommendations:

The Committee recommends that within six months of the adoption of this report by the House, the Teachers Service Commission in collaboration with the Cabinet Secretary, Ministry of Public Service, Human Capital Development and Special Programmes align grades for the job titles in the payroll to reflect those in the Career Progression Guidelines of 2018 specific to Special Needs Education (SNE) Teachers; and backdates the implementation of the same to 2017 to ensure that Special Needs Education Teachers (SNE), get their rightful benefits accrued since the roll-out of the new payroll system.

MIN./PPC/2025/237: ADJOURNMENT AND DATE OF NEXT MEETING

The Chairperson adjourned the meeting at 01:45 p.m. The next meeting will be on Wednesday, 13th November, 2025 at 11:30 a.m.

Sign:  Date..... 19/11/2025

HON. MUCHANGI KAREMBA, CBS, M.P.

CHAIRPERSON, PUBLIC PETITIONS COMMITTEE

