

COUNTY ASSEMBLY OF KISUMU



THIRD ASSEMBLY

FOURTH SESSION

FINANCE AND ICT COMMITTEE

REPORT ON:

**CONSIDERATION OF THE PETITION PRESENTED TO THE ASSEMBLY BY
KISUMU COUNTY CONTRACTORS AND SUPPLIERS ASSOCIATION REGARDING
THE MATTER OF PRIORITIZATION OF PENDING BILLS BY KISUMU COUNTY
GOVERNMENT**

**BY
HON. CARREN ADHIAMBO
CHAIPERSON**

*Clerk's Chambers
Directorate of Committee Services
The County Assembly
Kisumu*

AUGUST, 2025

*Finance Committee Report on the consideration of the petition presented to the Assembly by KICOSA
regarding the matter of prioritization of Pending Bills by Kisumu County Government*

Contents

CHAIRPERSON'S FOREWORD	3
CHAPTER ONE.....	5
PREFACE	5
1.1 ESTABLISHMENT AND MANDATE OF THE COMMITTEE.....	5
1.2 MANDATE OF THE COMMITTEE	5
1.3 COMMITTEE MEMBERSHIP.....	5
1.4 COMMITTEE MEETINGS.....	6
1.5 TERMS OF REFERENCE BY THE COMMITTEE	6
2.0 CHAPTER TWO	7
2.1 INTRODUCTION.....	7
2.2 PRAYER MADE IN THE PETITION	7
2.3 SITUATIONAL ANALYSIS.....	8
2.3 IMPACT OF PENDING BILLS ON THE COUNTY ECONOMY.....	8
2.4 LEGAL FRAMEWORK UNDERPINNING ADMINISTRATION, MANAGEMENT AND PAYMENT OF PENDING BILLS	8
2.5 ANNUAL BUDGETARY ALLOCATION FOR PENDING BILLS SINCE FY 2015/2026 TO 2023/2024.....	10
3.0 CHAPTER THREE	11
STAKEHOLDERS SUBMISSIONS ON THE PETITION.....	11
3.1 THE PETITIONERS (KICOSA).....	11
3.2 SUBMISSIONS BY THE CECM. FINANCE, ECONOMIC PLANNING & ICT	12
4.0 CHAPTER FOUR.....	15
4.1 CRITICAL OBSERVATIONS/FINDINGS.....	15
4.2 RECOMMENDATIONS & DETERMINATION OF THE PRAYERS CONTAINED IN THE PETITION.....	17
4.3 CONCLUSION	20
5.0 LIST OF ANNEXES.....	21

CHAIRPERSON'S FOREWORD

Mr. Speaker Sir and Honorable Members,

On behalf of the Sectoral Committee on Finance and ICT, and pursuant to the provisions of Standing Orders Nos. 193 and 217 of the County Assembly, it is my distinct honor and privilege to present to this House the Report on the Consideration of the Petition submitted by the Kisumu County Contractors and Suppliers Association (KICOSA), concerning the prioritization of pending bills by the Kisumu County Government. This Petition was conveyed to this House in accordance with Standing Order No. 210(1)(a) by the Speaker and seeks redress on critical issues affecting contractors and suppliers.

The Committee carefully considered the petition and made several key observations, including; the County has accrued a significant amount of pending bills across both recurrent and development expenditure lines; Some of these bills date back as far as FY 2015/2016 and remain unsettled as of June 2024; the County Government has consistently failed to adhere to its own debt management strategies, as well as to resolutions from the Senate, Office of the Auditor General (OAG), Office of the Controller of Budget (OCOB), and the County Assembly.

The Petitioners prayed for the County Assembly to:

Compel the County Government to prioritize and expedite the payment of pending bills in a fair, transparent, and equitable manner; Direct the CECM for Finance to establish a structured process for reviewing voided files and providing timely updates to affected suppliers and contractors; Allocate specific budgetary provisions for the settlement of pending bills; Enforce early procurement by all County Government entities within the first quarter of the financial year; Investigate and eliminate preferential treatment in the settlement of pending bills to uphold transparency and fairness.

In response, the Committee made the following recommendations:

That pending bills be treated as the first charge on the County Revenue Fund in accordance with Regulation 41(2), and that the Accounting Officer ensures strict compliance; that the Chief Officer ensures payments are processed on a First-In-First-Out (FIFO) basis, in a manner that is transparent and equitable.

That the County Assembly appropriates sufficient funds within the current and subsequent budgets to fully settle all verified pending bills owed to contractors and suppliers, as outlined in the repayment schedule.

That the County Assembly adopts the proposed pending bills repayment plan covering FY 2024/2025 and FY 2025/2026, and that the County Treasury creates fiscal space to support implementation.

That the CECM for Finance, Economic Planning, and ICT, together with the Chief Officer, be subjected to thorough investigations regarding allegations of preferential treatment, and that legal action be pursued where culpability is established.

Finance Committee Report on the consideration of the petition presented to the Assembly by KICOSA regarding the matter of prioritization of Pending Bills by Kisumu County Government

Mr. Speaker Sir, I wish to extend my sincere appreciation to the Offices of the Speaker and the Clerk for their unwavering support in facilitating this assignment. I equally commend the Members of the Committee for their dedication, diligence, and professionalism throughout the consideration of this petition.

Special gratitude also goes to the Petitioners from KICOSA for honoring the Committee's invitations and submitting relevant documents, as well as to the CECM Finance for availing crucial information during the inquiry. Finally, I thank the Committee Secretariat for their exceptional technical and logistical support, and for compiling this comprehensive report.

It is now my honor and privilege to table this Report before the House for deliberation, adoption, and appropriate action in line with the Committee's recommendations.

.....

HON. CARREN AJWANG'

CHAIRPERSON, FINANCE AND ICT COMMITTEE

CHAPTER ONE

PREFACE

1.1 ESTABLISHMENT AND MANDATE OF THE COMMITTEE

Mr. Speaker Sir,

The Sectoral Committee on Finance and ICT is established under Kisumu County Assembly Standing Order No. 193 and is required to;

- I. Investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operation and estimates of the assigned departments;
- II. Study the Program and policy objectives of departments and the effectiveness of the implementation;
- III. Study and review all the County legislation referred to it;
- IV. Study, access and analyze the relative success of the departments as measures by the results obtained as compared with their stated objectives;
- V. Investigate and inquire into all matters relating to the assigned departments as they may deem necessary, and as may be referred to them by the County Assembly;
- VI. To vet and report all appointments where the Constitution or any law requires the County Assembly to approve, except those under Standing Order No. 187 (Committee on Appointments).
- VII. Make reports and recommendations to the County Assembly as often as possible, including recommendation of proposed legislation.

1.2 MANDATE OF THE COMMITTEE

In accordance with the second schedule of the Kisumu County Assembly Standing Orders, the Committee is mandated to consider;

All matters relating to Finance, Financial Statements, all matters of Tax Estimates, monitor the spread and enhanced use of ICT in the County Government to Increase transparency and accountability.

1.3 COMMITTEE MEMBERSHIP

Mr. Speaker Sir and Hon. Members,

The sectoral committee on Finance and ICT is composed of the following members and Secretariat;

COMMITTEE MEMBERS

- | | | |
|------------------------|---|------------------|
| 1. Hon. Carren Ajwang' | - | Chairperson |
| 2. Hon. Lumumba Owade | - | Vice Chairperson |
| 3. Hon. Joachim Oketch | - | Member |
| 4. Hon. George Abaja | - | Member |
| 5. Hon. Pete Oiko | - | Member |

Finance Committee Report on the consideration of the petition presented to the Assembly by KICOSA regarding the matter of prioritization of Pending Bills by Kisumu County Government

- | | | |
|------------------------|---|--------|
| 6. Hon. Benson Adege | - | Member |
| 7. Hon. Mildred Ajumbo | - | Member |
| 8. Hon. Ratib Boitone | - | Member |
| 9. Hon. Gard Olima | - | Member |

COMMITTEE SECRETARIAT

- | | | |
|---------------------|---|------------------|
| 1. Edwin Omollo | - | Committee Clerk |
| 2. Kefas Onoka | - | Fiscal Analyst |
| 3. Mollen Achayo | - | Fiscal Analyst |
| 4. Zablon Otiende | - | Hansard Reporter |
| 5. Abraham Odegi | - | Sergeant-at-Arm |
| 6. Calvins Odhiambo | - | Secretariat |

1.4 COMMITTEE MEETINGS

Mr. Speaker Sir and Hon. Members,

The Committee dedicated significant time and effort towards processing this matter. It held eight (8) meetings where members discussed the Petition, interrogated the responses submitted by Finance Department and supplementary details produced by Petitioner and held a consultative meeting with the Petitioners and the CECM. Finance, Economic Planning and ICT.

1.5 TERMS OF REFERENCE BY THE COMMITTEE

Mr. Speaker Sir and Hon. Members,

To effectively carry out this assignment, the Committee derived the following terms of references;

- I. Reviewed compliance with relevant legal frameworks, Senate and County Assembly resolutions on addressing the matter of pending bills.
- II. Engaged the County Treasury to establish a detailed report on all pending bills and verify eligibility, including payment status, justification for any exclusions and a pending bill repayment plan.
- III. Conducted stakeholder engagements with KICOSA to obtain further insights on the petition.
- IV. Review responses to ascertain accuracy and reliability & report writing.

PROCESSING OF THE PETITION BY KISUMU COUNTY CONTRACTORS AND SUPPLIERS ASSOCIATION REGARDING THE MATTER OF PRIORITIZATION OF PENDING BILLS BY KISUMU COUNTY GOVERNMENT

2.1

INTRODUCTION

The petition by Kisumu County Contractors and Suppliers Association who are investors with Kisumu County Government was presented to the House by the Hon. Speaker on **Wednesday, 10th October, 2024**.

The Kisumu County Contractors and Suppliers Associations (KICOSA) petitioned the County Assembly over the matter of prioritization of pending bills by the County Government which has significantly affected contractors and suppliers who have provided goods, works and services to the County Government. This has consequently caused Financial strain on businesses, led to job losses and hindered the economic growth of the County.

In their petition, KICOSA raised several concerns regarding the current payment status of Kisumu County's pending bills including allegations of: Non-payment of eligible pending bills; Unstructured, inequitable, and preferential payment of pending bills; Voiding of legitimate files; Consequential adverse financial and economic impacts of delayed payments; and Undermining alternative dispute resolution mechanisms initiated by KICOSA to settle the matter.

2.2

PRAYER MADE IN THE PETITION

The Petitioners sought the Assembly's intervention and made the following prayers;

- I. That, the County Government be compelled to prioritize and expedite the payment of pending bills owed to contractors and suppliers in fair, transparent and equitable manner.
- II. That, the County Executive Committee Member for Finance be directed to establish a clear structured process for reviewing and clearing voided files and providing contractors and suppliers with a timely resolution for outstanding payments;
- III. That, the County Assembly resolves to set aside within the Budget a specific amount for priority payment of pending bills owed to contractors and suppliers;
- IV. That, the County Government entities be directed to conduct early procurement for tenders specifically within the first quarter of every Financial Year;
- V. That, the County Assembly to investigate and address the issue of preferential treatment in the payment of contractors and suppliers, ensuring that all contractors are paid based on a clear, fair, transparent prioritization system, and not on favoritism and other improper considerations.

2.3

SITUATIONAL ANALYSIS

Pending bills have become a long-standing challenge in Kisumu County, with numerous suppliers and contractors left unpaid despite having fulfilled their contractual obligations. This problem persists even after various oversight institutions - including the National Treasury, Office of the Controller of Budget (OCOB), Office of the Auditor General (OAG), Intergovernmental Budget and Economic Council (IBEC), and the County Assembly — issued directives urging the prioritization and settlement of verified bills.

Moreover, the County faces additional arrears related to:

Pensions and payroll deductions;

Payments due to third parties;

Legal liabilities and tax refunds.

The cumulative effect has been the erosion of trust between the County Government and its service providers, stifling enterprise growth and undermining the local economy.

2.3

IMPACT OF PENDING BILLS ON THE COUNTY ECONOMY

The continued accumulation and delayed clearance of pending bills has had the following adverse effects:

Cash flow disruptions for businesses, particularly Micro and Small Enterprises (MSEs); **Increased unemployment** due to halted operations and downsizing; **Worsening poverty levels**, especially among vulnerable groups including women, youth, and persons with disabilities; and **Reduced private sector investment**, hampering overall economic growth in the County.

2.4 LEGAL FRAMEWORK UNDERPINNING ADMINISTRATION, MANAGEMENT AND PAYMENT OF PENDING BILLS

Mr. Speaker Sir and Hon. Members,

The obligation of the County Government to manage and settle pending bills is anchored in various legal and regulatory frameworks. These include:

1. Constitution of Kenya, 2010

Article 201 – Establishes principles of public finance, emphasizing prudent use of public funds, openness, and accountability.

Article 225 – Grants the **National Treasury** power to stop fund transfers to counties that fail to manage finances prudently, including pending bills.

2. Public Finance Management (PFM) Act, 2012

Section 107 – Requires County Governments to promote fiscal responsibility and ensure that expenditures, including pending bills, are sustainable.

Finance Committee Report on the consideration of the petition presented to the Assembly by KICOSA regarding the matter of prioritization of Pending Bills by Kisumu County Government

Section 149 – Accounting Officers (Chief Officers) are responsible for proper financial management, including settling pending bills before new expenditures.

3. Public Procurement and Asset Disposal Act, 2015

Section 53 (8) & (9): No contract should be awarded without confirming fund availability to prevent pending bills.

4. County Governments Act, 2012

Section 104: Requires counties to maintain sound financial and economic policies, including responsible debt and pending bills management.

5. Controller of Budget Act, 2016

Section 5: The Controller of Budget (COB) must ensure that withdrawals from the **County Revenue Fund (CRF)** are lawfully authorized, including pending bill payments.

Section 6: Counties must justify payments, including pending bills, before withdrawals from CRF.

Counties with pending bills **without supporting documentation** may face audit queries and recommendations for non-payment.

6. Intergovernmental Budget and Economic Council (IBEC) Resolutions

IBEC, chaired by the Deputy President, issues directives on financial management, including the **settlement of verified pending bills before new spending**.

The **National Treasury and Office of the Controller of Budget** regularly monitor county compliance with IBEC resolutions.

7. Senate/County Assembly Resolutions & National Treasury Circulars and Directives

The Senate of Kenya/County Assembly has issued resolutions on prioritization and settling of verified pending bills, consequently the National Treasury has issued circulars directing counties to **prioritize settlement of pending bills**.

2.5 ANNUAL BUDGETARY ALLOCATION FOR PENDING BILLS SINCE FY 2015/2016 TO 2023/2024

S/N	FINANCIAL YEAR	AMOUNT
1.	2023/2024	1,000,000.00
2.	2022/2023	1,442,855,947.00
3.	2021/2022	648,749,190.00
4.	2020/2021	413,000,000.00
5.	2019/2020	1,473,800,116.00
6.	2018/2019	-
7.	2017/2018	1,041,457,821.00
8.	2016/2017	167,315,997.00
9.	2015/2016	-
	TOTAL	5,188,179,071.00

Source; Approved County Budget Books

N/B; The County treasury failed to produce payment schedules for pending bills paid with the annual budgetary allocations.

STAKEHOLDERS SUBMISSIONS ON THE PETITION

THE PETITIONERS (KICOSA)

The Kisumu County Contractors and Suppliers Association (KICOSA) appeared before the Committee on **21st November 2024**. The delegation was led by:

- | | | |
|---|-----------------------------|-------------------------|
| 1 | Mr. Charles Olandoh | – Association Secretary |
| 2 | Mr. Maurice Aloo | – Member |
| 3 | Mr. Kephass Opiyo | – Member |
| 4 | Ms. Mical Aduda | – Member |
| 5 | Ms. Maureen Adhiambo | – Member |
| 6 | Mr. Erick Okello | – Member |

This petition was received at the Office of the Clerk of the Assembly on **16th September, 2025** signed by 32 members of the Association (**See Annex I – The Petition**).

Oral Submissions and Documentary Presentation by the Petitioners:

The Petitioners presented both oral evidence and supporting documents to substantiate their claims. Key issues raised include:

The petition was officially received by the Office of the Clerk of the Assembly on **16th September 2025**, signed by **32 members** of the Association (**See Annex I – The Petition**).

The Petitioners presented both oral evidence and supporting documents to substantiate their claims. Key issues raised include:

i. Unfunded Commitments Despite Awarded Contracts

The County Government issued Letters of Award, Local Purchase Orders (LPOs), and signed contracts with suppliers and contractors. However, the County Treasury failed to honor payments citing lack of funds (**See Annex II – Sampled LPOs/LSOs**).

ii. Allegations of Corruption and Bribery

Petitioners alleged systemic corruption, including demands for bribes to fast-track file movement and payment processing.

iii. Historical Unpaid Bills

The petitioners presented documentation showing contracts executed as far back as **2017** which

Finance Committee Report on the consideration of the petition presented to the Assembly by KICOSA regarding the matter of prioritization of Pending Bills by Kisumu County Government

remain unpaid.

iv. Voiding of Legitimate Files

The Petitioners alleged that the County Treasury arbitrarily voided payment files, particularly recurrent ones, without due justification or transparency.

v. Violation of FIFO Principle in Payments

Petitioners accused the County Treasury of abandoning the **First-In, First-Out (FIFO)** principle and instead aiding preferential payment.

vi. Failure to Publish Key Reports

The County Government has not published:

The **Maurice Aloo Taskforce Report on Pending Bills** and the **OAG Special Audit Report** on pending bills. As such, recommendations from these reports remain unimplemented.

Delayed Procurement and File Movement

Delays in initiating procurement processes and movement of payment files were cited as contributors to the ballooning pending bills portfolio.

Undermining Alternative Dispute Resolution (ADR)

Petitioners expressed frustration that their proposals to use ADR mechanisms to resolve the payment stalemate had been ignored and dismissed by the County Treasury.

Denial of Access to Information

The Petitioners claimed that they were denied access to basic information regarding the status of their payment files, contrary to the principles of transparency and the Access to Information Act.

3.2 SUBMISSIONS BY THE CECM. FINANCE, ECONOMIC PLANNING & ICT

The Committee held consultative meeting with the CECM. Finance, Economic Planning on **17th April, 2025** and received supplementary submissions from the Department on **15th July, 2025**;

Key Responses by the CECM;

1. Non-payment of eligible pending bills despite several assurance by the County Government;

The CECM. Finance admitted that the County has accumulated huge stock of pending bills of **Kshs. 2,846,885,847** as at 30th June, 2024 comprising of recurrent pending bills at **Kshs. 1,331,536,308** and Development at **Kshs. 1,515,349,539 (ANNEX III – Pending Bill Portfolio)**. The high pending bill portfolio is attributed to the following major root causes.

Finance Committee Report on the consideration of the petition presented to the Assembly by KICOSA regarding the matter of prioritization of Pending Bills by Kisumu County Government

4.0

CHAPTER FOUR

4.1

CRITICAL OBSERVATIONS/FINDINGS

Following a detailed review of the Petition, analysis of the submissions from both the Petitioners and the County Treasury, examination of supporting documentation, and reference to relevant legal frameworks, the Committee made the following key observations:

1. STOCK OF PENDING BILLS AS AT 30TH JUNE, 2024

The County owes verified unpaid claims of goods supplied, works completed and services rendered which remain unsettled as at 30th June, 2024. The stock of pending bills as at 30th June, 2024 stand at **Kshs. 2,846,885,847** comprising of recurrent pending bills at **Kshs. 1,331,536,308** and Development at **Kshs. 1,515,349,539**. The figure is exclusive of contingent liabilities, especially in court decrees, Debts owed to Kenya Housing Cooperation and HR related pending bills

2. FINANCIAL HARDSHIPS AND ADVERSE ECONOMIC IMPACTS

That, by recognizing the accrued substantial amount of pending bills for goods supplied, works completed and services rendered by KICOSA for extended periods of over 9 years dating since FY 2015/2016, the prolonged non-settlements have caused severe financial hardships to the affected contractors/suppliers many of whom are small and medium sized enterprises.

3. VOIDING OF FILES AND PREFERENTIAL PAYMENTS

The CECM acknowledged **voiding of files** at the close of the Financial mainly due to fiscal deficits. It was observed that;

- a. There **absence of a clear, transparent framework** guiding which files are voided and feedback to suppliers.
- b. **Failure by the County Treasury to submit payment schedules** of settled bills within the previous years' annual budgetary allocation limited the Committee's ability to verify adherence to the **First-In, First-Out (FIFO)** principle.

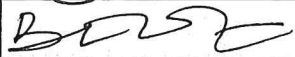
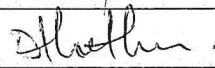
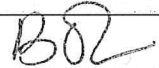
4. UNDERMINING OF ALTERNATIVE DISPUTE RESOLUTION (ADR)

Though the County Treasury refuted claims of undermining ADR mechanisms, the Committee encountered; deliberate delays in responding to official communications and failure to honor multiple invitations and directives issued by the Committee.

These actions project an image of reluctance or sabotage in resolving the long-standing issue of pending bills through constructive dialogue and mediation, thereby undermining the principles of openness and good governance.

ADOPTION SCHEDULE

We the Honorable member of the Sectoral Committee on Finance & ICT do hereby append our signatures to this report to confirm its accuracy, validity and authenticity.

S/NO.	NAME	POSITION	SIGNATURE
1.	Hon. Carren Ajwang'	Chairperson Finance	
2.	Hon. Lumumba Owade	V. Chairperson	
3.	Hon. Joachim Oketch	Member	
4.	Hon. Pete Oiko	Member	
5.	Hon. Benson Adege	Member	
6.	Hon. Mildred Ajumbo	Member	
7.	Hon. George Abaja	Member	
8.	Hon. Gard Olima	Member	
9.	Hon. Boitone Ratib	Member	

REPORT ON THE CONSIDERATION OF THE PETITION PRESENTED TO THE
ASSEMBLY BY THE KISUMU COUNTY CONTRACTORS AND SUPPLIERS ASSOCIATION
REGARDING THE PRIORITIZATION OF PENDING BILLS BY THE KISUMU COUNTY
GOVERNMENT



THE CLERK
COUNTY ASSEMBLY OF KISUMU
P.O BOX 86 – 40100
KISUMU



PETITION TO THE COUNTY ASSEMBLY UNDER ARTICLE 37 OF THE CONSTITUTION, SECTION 4 OF THE PETITIONS TO THE COUNTY ASSEMBLIES (PROCEDURES) ACT, 2020 AND STANDING ORDERS NO. 210 OF THE COUNTY ASSEMBLY STANDING ORDERS ON THE MATTER OF PRIORITIZATION OF PENDING BILLS FOR KISUMU COUNTY GOVERNMENT.

WE, the undersigned,

Citizens of Kenya, representing no less than one hundred (100) Contractors and Suppliers for Kisumu County Government under the Kisumu Contractors and Suppliers Association (KICOSA);

DRAW the attention of the Honorable House to the following:

1. NON-PAYMENT OF PENDING BILLS

- i. THAT pursuant to Section 55 of the Public Procurement and Asset Disposals Act, 2015 we are eligible contractors and suppliers for Kisumu County Government having been engaged by the County Government through various contractual agreements in accordance to the Constitution of Kenya, 2010 and the Public Procurement and Asset Disposals Act, 2015,

PETITION TO THE COUNTY ASSEMBLY UNDER ARTICLE 37 OF THE CONSTITUTION, SECTION 4 OF THE PETITIONS TO THE COUNTY ASSEMBLIES (PROCEDURES) ACT, 2020 AND STANDING ORDERS NO. 210 OF THE COUNTY ASSEMBLY STANDING ORDERS ON THE MATTER OF PRIORITIZATION OF PENDING BILLS FOR KISUMU COUNTY GOVERNMENT.

- ii. THAT, the Kisumu County Government has accrued significant pending bills for services rendered by contractors and suppliers, many of whom have not been paid for extended periods despite fulfilling their contractual obligations.
- iii. THAT, as of 30th June, 2024, we are owed substantial amounts by the county government, which has resulted in severe financial hardships for the affected businesses, leading to layoffs, loan defaults, and closure of businesses.
- iv. THAT, despite numerous assurances from the county government, there has been no structured or equitable effort to prioritize the payment of these pending bills. Contractors and suppliers continue to suffer from prolonged financial uncertainty.
- v. THAT, the Kisumu County Government has been voiding certain files without a transparent process, leaving contractors and suppliers without a clear explanation or remedy for payment delays. This practice creates significant confusion and leads to prolonged non-payment of legitimate claims.

2. VOIDED FILES AND PREFERENTIAL PAYMENTS

- i. THAT, there is growing concern over the preferential treatment of some contractors and suppliers, who receive timely payments, while others face delays for months or even years. This selective prioritization has undermined the principle of fairness and equality in the disbursement of public funds and continues to violate the spirit of the Public Finance Management Act and the Public Procurement and Asset Disposals Act, 2015.
- ii. THAT, we demand the clearing of all voided files and a fair and transparent process for prioritization of the payment of pending bills.

PETITION TO THE COUNTY ASSEMBLY UNDER ARTICLE 37 OF THE CONSTITUTION, SECTION 4 OF THE PETITIONS TO THE COUNTY ASSEMBLIES (PROCEDURES) ACT, 2020 AND STANDING ORDERS NO. 210 OF THE COUNTY ASSEMBLY STANDING ORDERS ON THE MATTER OF PRIORITIZATION OF PENDING BILLS FOR KISUMU COUNTY GOVERNMENT.

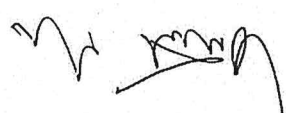
- iii. THAT, the continued delay in payment of pending bills has caused significant financial distress for contractors and suppliers, many of whom are small and medium-sized enterprises (SMEs) whose financial stability heavily depends on timely payment from the county government.

3. FINANCIAL HARDSHIPS AND ADVERSE ECONOMIC IMPACTS.

- i. THAT, our inability to meet financial obligations due to delayed payments has resulted in the downgrading of our creditworthiness, reduced access to credit facilities, and in some cases, the forced cessation of business operations.
 - ii. THAT, this situation also affects the wider Kisumu County economy as businesses are unable to reinvest, employ more people, or contribute to local development, which undermines the overall economic growth and welfare of the county's residents.
4. THAT, we have made the best efforts to have these matters addressed by the County Executive Committee Member for Finance and Economic Planning who have failed to provide a satisfactory response.
5. THAT, none of these issues raised in this Petition is pending in any court of law, constitutional or any other legal body.

WHEREFORE, your humble petitioners pray that the County Assembly:

- 1. Compels the Kisumu County Government to prioritize and expedite the payment of pending bills owed to contractors and suppliers in a fair, transparent, and equitable manner.

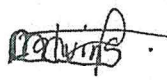
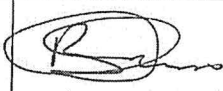
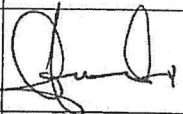


PETITION TO THE COUNTY ASSEMBLY UNDER ARTICLE 37 OF THE CONSTITUTION, SECTION 4 OF THE PETITIONS TO THE COUNTY ASSEMBLIES (PROCEDURES) ACT, 2020 AND STANDING ORDERS NO. 210 OF THE COUNTY ASSEMBLY STANDING ORDERS ON THE MATTER OF PRIORITIZATION OF PENDING BILLS FOR KISUMU COUNTY GOVERNMENT.

2. **Directs the County Executive Committee Member for Finance** to establish a clear, structured process for reviewing and clearing voided files and providing contractors and suppliers with a timely resolution for outstanding payments.
3. **Resolves to set aside within the Budget a specific amount for priority payment of pending Bills owed to contractors and suppliers.**
4. **Direct County Government entities to conduct early procurement for tenders specifically within the first quarter of every financial year.**
5. **Investigates and addresses the issue of preferential treatment** in the payment of contractors and suppliers, ensuring that all contractors are paid based on a clear, fair, and transparent prioritization system, and not on favoritism or other improper considerations.

Dated this 16th day of Sep. 2024.

KISUMU CONTRACTORS AND SUPPLIERS ASSOCIATION (KICOSA)

S/No	NAME	ID	ADDRESS	SIGNATURE
1.	NICHIAEL OCHENG	24107394	229 MIRSIENI	
2.	CALVINS OMONDI	26264951	P.O. BOX 1234-40100 KISUMU	
3.	BENARD Ouma Oloo	13707366	Box 51-40 100 Kisumu	
4.	Peter Deheng	20304809	4537 Kisumu	
5.	BEATRICE A. Juma	11475504		

REPUBLIC OF KENYA
KISUMU CONTRACTORS AND SUPPLIERS ASSOCIATION (KUSCO)
SOC/80239

DEPARTMENT OF THE REGISTRAR-GENERAL
STATE LAW OFFICE
HARAMBEE AVENUE
P.O. BOX 30031, NAIROBI
9TH DECEMBER, 2020

Dear Sir/Madam,

THE SOCIETIES ACT (CAP.108)

Enclosed herewith please find the certificate of registration of your society.

1. I would take this opportunity of drawing your attention to the salient requirements of the above Act and the Rules made there under in respect of registered societies, which are as follows:-

2. Every registered society shall:-

- a) Keep a register of its members and shall cause to be entered therein the name and address of each member, the date of his admission to membership and the date on which he ceases to be a member (section 25 (1);
- b) Keep one or more books of account, and shall cause to be entered therein details of all moneys received and payments made by the society (section 26 (1);
- c) Furnish annually to the Registrar not later than 31st March an annual return in respect of the immediately preceding calendar year form I, together with the relevant filing fees as shown on the form (section 30 (1) and rule 13);
- d) Notify the Registrar on Form B within 14 days of any change in the society's registered office or postal address (section 16 (3) and rule 10). Such notification must be accompanied by a filing fee (rule 18);
- e. Give notice to the Registrar on Form H of any Change of Officers, giving names, addresses and occupations, or of the title of any officer, within 14 days of the change (section 17 91) and rule 11). Such notice must be accompanied by a filing fee (rule 18).
- f. Ensure that the society does not:-

- i. Amend its name or constitution or rules; or
- ii. Become a branch of, or affiliated to or connected with, any organization or group of a political nature established outside Kenya; or
- iii. Dissolve itself.

Except with the prior consent in writing of the Registrar obtained upon written application to him signed by three of the officers of the society (section 20 (1). An application to do any of the things specified above must be

accompanied by a copy of the minutes of the meeting at which the resolution to do that thing was passed, certified as a true copy by three of the officers of the society. The application must be delivered to the Registrar within 14 days after the day on which the resolution was passed (section 20 (2) and must be accompanied by an application fee (Rule 18).

g. Supply any information which the Registrar may order under section 31.

3. No special forms are required to be submitted in respect of items (f) and (g) above.

4. It must be clearly understood that the foregoing notes are for your guidance. They are not intended to be a summary of the Societies Act and should not be considered as such.

5. Copies of the Societies Act may be obtained from the Government Printer, P. O. Box 30128, Nairobi, on payment of the prescribed charges.

Yours faithfully



Assistant Registrar of Societies

Encls:

GPK 2241

/ewm

ations

ROADS AND GENERAL LIMITED

Head Office: Nairobi
Off. Nairobi - Nairobi
P.O. Box 5691 - 40100, Nairobi
Tel: 0724 889 195

Head Office: Embury House
Harambee Avenue
P.O. Box 13642 - 00100, Nairobi
Tel: 0724 889 195
Email: roadsandgeneral@rnl.com

Your Ref;
Our Ref: UPD/09/2019

20th February, 2019

TO
THE CHIEF OFFICER,
TOURISM, CULTURE, ARTS, SPORTS INFORMATION
COUNTY GOVERNMENT OF KISUMU
PO BX 2738-40100,
KISUMU.

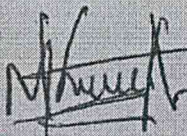
Dear Sir/Madam,

REF: ACCEPTANCE LETTER FOR AWARD OF PROPOSED CONSTRUCTION OF CHANGING ROOM AND 4 DOOR PIT LATRINE AT PAP KADUNDO STADIUM IN SEME SUB COUNTY. TENDER NO .CGK/T/TCA&S/2018-2019/036-A.

I hereby submit my acceptance and willingness for the above award as per the indicated tender sum Ksh. 2,299,020/= (*Two Million, Two Hundred and Ninety Nine Thousand and Twenty Only*) In line with Section 87(2) of the Public Procurement And Asset Disposal Act 2015.

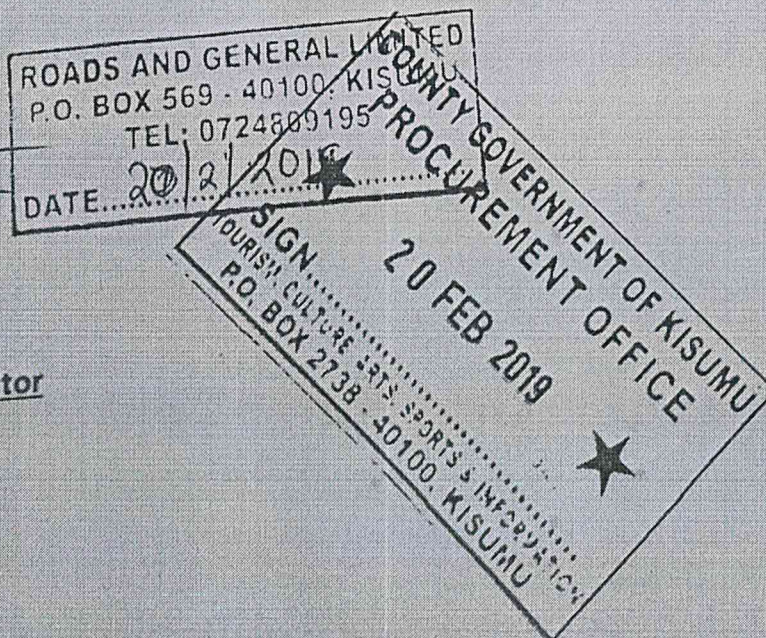
Thank you in advance as we look forward to working together.

Yours Truly,



Michael Aduda

Technical Director



LOCAL SERVICE ORDER

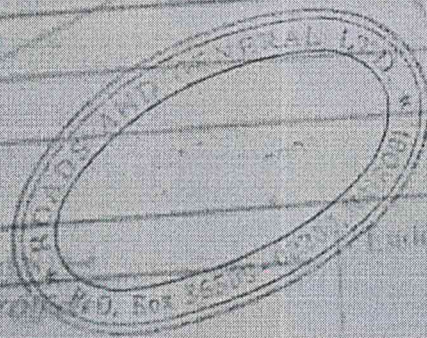
To: 2019-02-01 From: 2019-02-01
 P.O. Box 2019-02-01 City: 2019-02-01
 VAT ID No. 2019-02-01 Date: 2019-02-01
 Delivered to: 2019-02-01 Invoices No. 2019-02-01
 Department: 2019-02-01 Time: 2019-02-01

Please check off the goods listed here below as they are delivered.

County Department of Justice

and conditions stated on the back of this Order, on or before 2019-02-01
 and send the invoices immediately to Department/Ministry.

Item No.	Description of Service	Cost	
		Unit	Price
1	Provision of 4 copies of the report of the Forensic Laboratory of Central Forensic Science	1	100.00



TOTAL 100.00
21/02/2019
2019-02-01

REPUBLIC OF KENYA



COUNTY GOVERNMENT OF KISUMU

DEPARTMENT OF TOURISM, CULTURE, ARTS, SPORTS AND INFORMATION

TO,

ROADS AND GENERAL LTD

P.O BOX 569-40100

KISUMU

DATE: 18TH FEBRUARY,

RE: NOTIFICATION OF AWARD FOR CONTRACT NO CGK/T/TCA&S/2018-2019/036A-PROPOSED CHANGING ROOM AND 4 DOOR PIT LATRINE AT PAP KADUNDO STADIUM IN CENTRAL SEME-SEME SUB COUNTY

The County Government of Kisumu Department of Tourism, Culture, Arts, Sports and Information Tender Evaluation Committee in its meeting held on 15th February, 2019 considered your application and resolved to award you the above mentioned Contract at bid sum of Kshs 2,299,020.00/= (Kenya Shillings Two Million Two Hundred And Ninety Nine Thousand And Twenty Only)

You are required to finish us with an acceptance letter together with a performance bond 2% of your contract sum within 14 days from the date of this letter. You are also reminded to adhere to Public Procurement Act 2005, Regulations 2006, 2015 and county government regulations 2013 which require that you provide quality work to the procuring entity.

THOMAS OUKO

AG. CHIEF OFFICER TOURISM, CULTURE, ARTS, SPORTS AND INFORMATION

ROADS AND GENERAL LIMITED
P.O. BOX 569 - 40100, KISUMU
TEL: 0724609195
DATE: 20/2/2019

Prosperity House (Former Nyanza Provincial Headquarters Building) 1st Floor
P.O. Box 2738-40100 Kisumu City

L.S.O No.

ORIGINAL

9271

COUNTY GOVERNMENT OF KISUMU
SUPPLY CHAIN MANAGEMENT DEPARTMENT
LOCAL SERVICE ORDER

Suppliers are warned that this Order is INVALID unless availability of funds is confirmed here below by the Accountant I/C YBC.

To: Evation Com Ltd

CCW/PT/\$PW
TENDER/QUOTATION REF. NO.

P.O. Box 4601 KISumu

CONTRACT REF. NO. 013

VAT/PIN No. _____

DATE 19/6/2017

Delivered to _____

REQUISITION NO.

Department RT & PW

DATE _____

Please deliver the goods listed here below to (full address)

COUNTY GOVERNMENT OF ISLEMAN

on terms and conditions stated on the back of this Order, on or before _____ and send the invoices immediately to Department/Ministry, _____

125 (8) P W

[illegible]

Prepare by: SILVIA ACUM

Name of Officer

Date _____

19/06/2017

Date _____

Vote

Head

Sub-Head

Item

Signature _____

I acknowledge receipt of this Order

Signature _____

Chief Financial Officer (CFO)/ Chief Officer

Supplier

Date _____

Date _____

(Refer to the conditions of acceptance overleaf)

[P.T.O.]

ORIGINAL



1-8-0100

COUNTY GOVERNMENT OF KISUMU
SUPPLY CHAIN MANAGEMENT DEPARTMENT
LOCAL SERVICE ORDER

7016

Suppliers are warned that this Order is INVALID unless availability of funds is confirmed here below by the Accountant/CO VBO

to: DENWASH LOG COM

TENDER/QUOTATION REF. No.

P.O. Box 359 KISUMU

CONTRACT REF. No.

VAT/PIN No.

DATE

Delivered to

REQUESTION No.

Department D.L.D.W

DATE

Please deliver the goods listed here below to (full address)

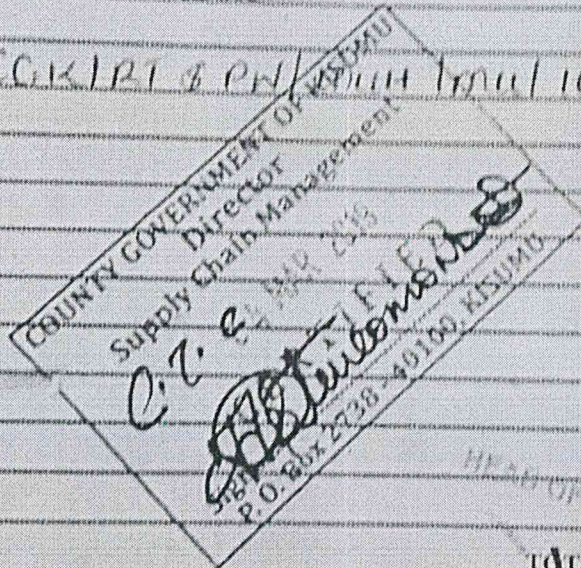
County Government of Kisumu

on terms and conditions stated on the back of this Order, on or before

and send the invoices immediately to Department/Ministry,

D.L.D.W

Item No.	Description of Service	Cost	
		Sh.	Cts.
	SPOK improvement of Mtwapa Access Road		
	CGK/RT & PN/KSMM/16-17/04	2,000	935.00



TOTAL 2,000 935.00

Prepare by: SILV. A. Auma

Name of Officer

Endorsed by

Date

6/11/2017

Date

Vote

Head

Sub-Head

Item

Signature

I acknowledge receipt of this Order

Supplier

Date

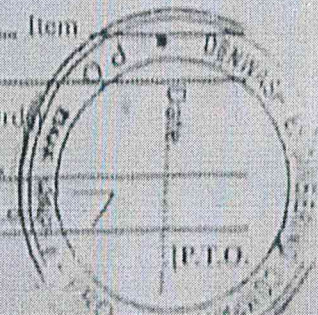
Signature

Chief Finance Officer (CFO)/ Chief Officer

Date

6/8/2017

(Refer to the conditions of acceptance-overleaf)



COUNTY GOVERNMENT OF KISUMU

PAYMENT CERTIFICATE

CERTIFICATE NO.	(First Payment Certificate)
CONTRACT NAME	SPOT GRAVELLING OF MTWALA RUKE ACCESS ROAD
CONTRACT NO.	CGK/RT&PW/MUH/MU/16-17/04
CONTRACT SUM (Ksh)	2,000,935.00
EMPLOYER	COUNTY GOVERNMENT OF KISUMU, DEPARTMENT OF ROADS, TRANSPORT AND PUBLIC WORKS

payment on account of the above Contract in accordance with statements and measurements held in support thereof:

1	M/S DENWASH ENGINEERING COMPANY LTD P.O.BOX 389, 40100 KISUMU	KSH.	1,748,697
2	COMMISSIONER OF INCOME TAX [3% Withholding Tax], KRP	KSH.	51,733
3	RETENTION MONEY HELD IN SUSPENSE ACCOUNT(10% Retention)	KSH.	200,048
TOTAL AMOUNT CERTIFIED		KSH.	2,000,478

Amount in Words:

KENYA SHILLINGS TWO MILLION FOUR HUNDRED SEVENTY EIGHT ONLY

Certified by:	Checked by:	Approved by:
<i>[Signature]</i>	<i>BRIAN ONDIEK</i>	<i>Moses Aguda</i>
Name:		
Design: PROJECT MANAGER	ROADS-ENGINEER	ACCOUNTING OFFICER - RT&PW
<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>
Date: 21/01/2019	08/02/2019	18/2/2019

REPUBLIC OF KENYA



THE COUNTY GOVERNMENT OF KISUMU
DEPARTMENT OF ROADS, TRANSPORT AND PUBLIC WORKS

CONTRACT AGREEMENT

This AGREEMENT, made on the 5th day of January, 2017 between THE COUNTY GOVERNMENT OF KISUMU, DEPARTMENT OF ROADS, TRANSPORT AND PUBLIC WORKS of P. O. Box 2738-40100, KISUMU, whose registered office is situated at KISUMU (hereinafter called "the Employer") on the one part and DENWASH ENGINEERING COMPANY, P. O. BOX 388, whose registered office is situated at KISUMU (hereinafter called "the Contractor") on the other part.

Whereas the Employer is desirous that the Contractor executes the
SPOT IMPROVEMENT OF MTWALA RUKE ACCESS ROAD
CONTRACT NO. CGK/RT&PW/MUH/MU/16-17/04

(herein called "the works") located at MUHORONI SUB-COUNTY, KORUMU-MORONI WILDERNESS and the employer has accepted the tender submitted by the Contractor for the execution and completion of such works and the remedying of any defects therein for the Contract Price of Ksh. 2,000,000.00 (Kenya Shillings Two Million Nine Hundred And Thirty Five Shillings Only).

NOW THIS AGREEMENT WITNESSETH as follows:

1. In this Agreement, words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract hereinafter referred to.
2. The following documents shall be deemed to form and shall be read and construed as part of this Agreement i.e.
 - (i) Letter of Award
 - (ii) Tender Document
 - (iii) Conditions of Contract
 - (iv) Appendix to Conditions of Contract
 - (v) Specifications
 - (vi) Design Drawings
 - (vii) Bills of Quantities
3. In consideration of the payments to be made by the employer to the Contractor as hereinafter mentioned, the Contractor hereby covenants with the Employer to execute and complete the works described under the Scope and remedy any defects therein in conformity with the provision of the Contract.
4. The Employer hereby covenants to pay the Contractor in consideration of the execution and completion of the works and remedying of defects therein, the Contract Price of Ksh. 2,000,000.00

It is hereby acknowledged that the undersigned has read and understands the contents of the contract and is bound by its terms.

IN WITNESS WHEREOF the parties have hereunto set their hands and seals this 1st day of May 2018.

SIGNED, SEALED AND DELIVERED

Name: SAMUEL ONDIA

Designation: CHIEF OFFICER

EMPLOYER

On behalf of the
County Government of Kisumu,
Department of Roads, Transport And Public Works.

In the presence of:

Name: PROV. S. D. A.

Designation: ENGINEER

WITNESS

SIGNED BY THE SAID CONTRACTOR

Name: FRANCIS OTIENO MW

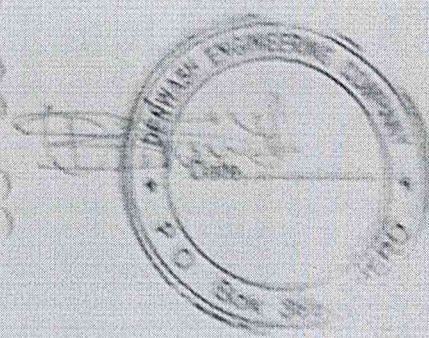
National ID No.: 11382083

In the presence of:

Name: PAMELA NYAMOLO

National ID No.: 12025310

WITNESS



Encl. (b)
ANNEX (III)



DCOB

THE COUNTY GOVERNMENT OF KISUMU

Office of the County Executive Committee **Member, Finance, Economic Planning & ICT Services**

REF:KC/FIN/C.BUDGET VOL/.11/47

DATE:17th June,2025

The Controller of Budget
Office of the Controller of Budget
NAIROBI.

FCPA, Dr. Margaret Nyakong'o CBS

Dear Madam,

RE: SUBMISSION OF THE REVISED KISUMU COUNTY EXECUTIVE PENDING BILLS REPORT FY 2024/2025

We acknowledge receipt of your letter referenced **COB/KSM/001/005/4(3)** dated 12th May 2025, regarding the re-submission of the revised pending bills report for the County Government of Kisumu.

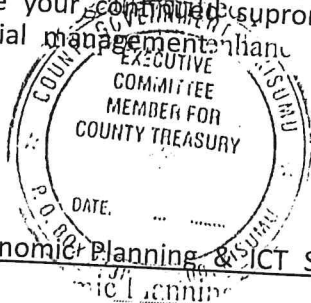
We wish to confirm that we have taken note of the concerns raised in your letter, and the necessary corrections have been made accordingly.

Following the reconciliation and verification process, we have forwarded the revised list of pending bills including action plan as at 30th June 2024, the total pending bills now stand at **Kshs.2,846,885,847**, which comprises of **Kshs.1,515,349,359** and **Kshs.1,351,536,308** for **Development and Recurrent** expenditures respectively as attached.

We remain committed to settling all existing pending bills in a structured and transparent manner and appreciate your continued support in enhancing fiscal discipline and accountability in county financial management.

GEORGE OKONG'O

CEC Member-Finance, Economic Planning & ICT Services



Prosperity House (Former Nyanza Provincial Headquarters Building) 2nd Floor
P.O. Box 2738-40100 Kisumu City
Email: george.okongo@kisumu.go.ke

OFFICE OF THE CONTROLLER OF BUDGET



REPUBLIC OF KENYA

Bima House, 12th Floor
Harambee Avenue
P.O Box 35616-00100
Nairobi, Kenya



Tel: 020 2211068/66/56/51, 0709910000,
0716274922, 0738466721
Website: www.cob.go.ke
Email: cob@cob.go.ke/Info@cob.go.ke

Ref: COB/KSM/001/005/4(3)

12th May, 2025

Mr. George O. Okong'o
CECM -Finance and ICT Services
County Government of Kisumu
KISUMU

Dear Mr. Okong'o,

RE: SUBMISSION OF THE KISUMU COUNTY REVISED PENDING BILLS REPORT

Reference is made to your letter REF: CGK/FIN/COB/3/VOL.IV(146) dated 5th May, 2025 on the above subject matter.

We commend the County Executive for adopting the standard pending bills reporting template developed under the Kenya Devolution Support Program II (KDSP II). This demonstrates a positive step toward improving transparency, consistency, and accountability in the reporting and management of pending bills.

Upon reviewing the revised report, we note that the total amount of pending bills as of 30th June, 2024 has significantly reduced from the initial Kshs.3,323,814,08 as submitted at the beginning of the financial year to Kshs.1,650,492,493. The revised figure comprises of Kshs.1,074,858,472 for development and Kshs.575,634,021 for recurrent expenditures.

Our further analysis reveals that the pending bills for which funding has already been requisitioned and approved by the Controller of Budget have been omitted from the revised list. This exclusion presents a challenge in accurately determining the comprehensive pending bills position.