

COUNTY GOVERNMENT OF KISUMU



COUNTY ASSEMBLY OF KISUMU

THE HANSARD

Official Report

SECOND ASSEMBLY – FIFTH SESSION

Tuesday, 05th October, 2021

House met in the Main Chamber at 2:30 p.m.

(The Speaker (Hon. Elisha Jack Oraro) in the Chair)

PRAYERS

The Speaker (Hon. Oraro): Madam Clerk take us through the Order Paper of the day.

The Speaker (Hon. Oraro): Next order!!

COMMUNICATION FROM THE CHAIR

The Speaker (Hon. Oraro): Honourable Members, I want to welcome you to this afternoon session. I want to remind you that we still have Covid 19 with us and we need to observe the Ministry of Health Protocols. Those of you who have not been vaccinated kindly make arrangement to take the jab. I know Members were out for some trainings and I want to welcome you back. I want to remind you that we had a resolution in the House Business Committee that we shall have a meeting after this session. The reason is that, House Committees with the pending work shall submit the reports for the purposes of scheduling them for debates. I will be posting the pending work reports in our WhatsApp group immediately after this. If you know your Committee has a pending work, please send it to the House Business Committee Clerk. Thank you.

The Speaker (Hon. Oraro): Next order!

MOTION

THE COOPERATIVE, FINANCE, TRADE AND ENTERPRISE DEVELOPMENT COMMITTEE REPORT ON THE CONSIDERATION OF THE KISUMU COUNTY ASSEMBLY QUARTERLY FINANCIAL REPORT FOR (1ST, 2ND AND 3RD) OF THE FINANCIAL YEAR 2020/2021.

BY

HON. PAUL OKIRI

CHAIRPERSON, COOPERATIVE, FINANCE, TRADE AND ENTERPRISE DEVELOPMENT COMMITTEE

The Speaker (Hon. Oraro): Hon. Paul Okiri.

Hon. Okiri: Thank you Mr. Speaker. The Accounting Officer for the County Assembly of Kisumu (Clerk of the Assembly) submitted the Quartely Reports and Financial Statements for the Financial Year 2020/2021 for tabling in the House. The reports were subsequently tabled in this House by the Majority leader Hon. Kenneth Onyango.

Mr. Speaker and Hon. Members. Consequently, Pursuant to the Standing Orders No. 193(5) Second Schedule, the Hon. Speaker directed that the reports be committed to the Sectoral Committee on Co-operative, Finance, Trade and Enterprise Development for analysis and to cause a report on the same.

Acknowledgement

Mr. Speaker Sir and Hon. Members, it is my privilege and pleasure on behalf of the Committee to convey my gratitude to all Members of the Committee for their valuable input throughout its proceedings. The Committee equally extends thanks to its members for taking their valuable time out of their busy schedule to participate robustly during the interrogation and scrutiny of this report

The Committee also appreciates the invaluable support from the offices of the Speaker and Clerk of the County Assembly for providing conducive atmosphere to prepare this report. To our Clerk and the technical staff who tirelessly worked through to make this exercise a success, I applaud you.

It is now my humble desire and wish to hereby submit this report to this House for consideration on behalf of the Sectoral Committee on Co-operatives, Finance, Trade and Enterprise Development.

Committee Mandate

Mr. Speaker, The mandates of the Committee as set forth in the County Assembly of Kisumu Standing Order 193 (5) are as follows:-

- (a) Investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned departments;
- (b) Study the programme and policy objectives of departments and the effectiveness of the implementation;
- (c) Study and review all County legislation referred to it;
- (d) Study, assess and analyze the relative success of the departments as measured by the results obtained as compared with their stated objectives;
- (e) 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;
- (f) To vet and report on all appointments where the Constitution or any law requires the County Assembly to approve, except those under Standing Order 185 (Committee on Appointments); and
- (g) Make reports and recommendations to the County Assembly as often as possible, including recommendation of proposed legislation.

1.3. Terms of References of the Committee

Mr. Speaker,

The Committee's specific mandate with regards to the above financial reports was as follows:-

- i. To establish the compliance with Section 164(4) of the PFM Act 2012, on submission of financial reports,
- ii. To establish receipts and payments during the Quarters
- iii. To establish the budget utilization for both the development and recurrent expenditures of the Assembly
- iv. To examine in details the nature and behavior of the expenditure for the financial year 2020/2021
- v. Identify any significant details or information in the reports that may be of material importance to the House

Legal Framework

Mr. Speaker, the Committee was guided in its work by the following legal instruments:-

1. PFM Act 166 which stipulates that:
 - a) An accounting officer for a County Government entity shall prepare a report for each quarter of the financial year in respect of the entity.

- b) In preparing a financial report for a county government entity, the accounting officer shall ensure that the report:-
- i. Contains information on the financial and non-financial performance of the entity; and
 - ii. Is in a form determined by the Accounting Standards Board.
2. Assembly Standing Order 193 (5) (Second Schedule)

Committee Membership

- | | | |
|--------------------------|---|------------------|
| 1. Hon. Paul Okiri | - | Chairperson |
| 2. Hon. Victor Rodgers | - | Vice Chairperson |
| 3. Hon. Sally Okudo | - | Member |
| 4. Hon. Samson Ameso | - | Member |
| 5. Hon. Joachim Oketch | - | Member |
| 6. Hon. Rashid Miruka | - | Member |
| 7. Hon. Steve Owiti | - | Member |
| 8. Hon. Julius Genga | - | Member |
| 9. Hon. John Atieno | - | Member |
| 10. Hon. Kennedy Ageng'o | - | Member |
| 11. Hon. Judith Ogaga | - | Member |
| 12. Hon. Vitalis Otura | - | Member |
| 13. Hon. Florence Olango | - | Member |
| 14. Hon. Samuel Dede | - | Member |
| 15. Hon. George Olwal | - | Member |

Secretariat

- | | | |
|---------------------|---|---------------------------|
| 1. Annebelle Wabuge | - | Senior Clerk Assistant |
| 2. Austine Ochieng | - | Committee Clerk Assistant |
| 3. Geoffrey Omollo | - | Accountant |
| 4. Zablon Otiende | - | Hansard |
| 5. Kennedy Okise | - | Sergeant-at-Arms |

COUNTY ASSEMBLY OF KISUMU QUARTERLY REPORTS AND FINANCIAL STATEMENTS FOR THE FY 2020/2021

FIRST QUARTER REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH SEPTEMBER 2020

Mr. Speaker and Hon. Members, the Committee narrowed their interrogation into the following four major components of the Kisumu County Assembly Quarterly Reports;

- a) Receipts in form of Transfers from the County Treasury/Exchequer Releases for each Quarter
- b) Payments
- c) Surplus/Deficit
- d) Comparison of Budget and Actual Amounts/Budget Utilization (Development and Recurrent)

Mr. Speaker and Hon. Members, for the 1st Quarter which ended on 30th September 2020, the County Assembly of Kisumu received Kshs. 52,875,074 for Recurrent expenditure. At the end of the quarter, Kshs. 50,006,353 had been consumed as outlined in the table below;

Expenditure/Payments	Amount (kshs.)
Compensation of employees	36,946,655
Use of goods and services	10,887,975
Social Security Benefits	2,121,813
Acquisition of Assets	49,900
TOTAL	50,006,353

STATEMENT OF RECEIPTS AND PAYMENTS FOR THE QUARTER ENDED 30TH SEPTEMBER 2020

	Sept	Dec	Mar	Jun	Cumulative amount
	Q1 (Kshs.)	Q2 (Kshs.)	Q3 (Kshs.)	Q4 (Kshs.)	
RECEIPTS					
Transfers from the County Treasury/Exchequer releases	52,875,074				52,875,074
Proceeds from sale of Assets					
Other receipts					

TOTAL RECEIPTS	52,875,074				52,875,074
PAYMENTS					
Compensation of Employees	36,946,665				36,946,665
Use of goods and services	10,887,975				10,887,975
Subsidies					
Transfers to other government entities					
Other grants and transfers					
Social Security Benefits	2,121,813				2,121,813
Acquisition of Assets	49,900				49,900
Finance Costs					
Other payments					
TOTAL PAYMENTS	50,006,353				50,006,353
SURPLUS/DEFICIT	2,868,721				2,868,721

The following can be observed from the statement of receipts and payments for the first quarter.

- The Assembly received Kshs. 52,875,074 in the first quarter during the financial year 2020/2021
- Payments included compensation of employees, Use of goods and services, Social Security Benefits and Acquisition of Assets
- Total payments amounted to Kshs. 50,006,353
- There was a surplus of Kshs. 2,868,721
- On the performance of key development projects, the Committee observed that the Assembly had not received any Development funding.

Budget utilisation

Budget utilization is the means by which all planned activities will be delivered and responsiveness in the activities will create the outcome for reporting by the end of the implementation period.

The statement below illustrates the budget utilization for the First Quarter ended 31st September 2020.

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS (RECURRENT AND DEVELOPMENT COMBINED)

Receipt/Expense Item	Budget Q1 (Kshs.)	Actual Q1 (Kshs.)	Budget Utilization difference(K shs.)	Budget cumulative as at 30 th September 2020(Kshs)	Actual Cumulative as at September 2020 (Kshs.)	Budget Utilisation difference(K shs.)	% of budget utilisation
RECEIPTS							
Transfers from the County Treasury	202,980,374	52,875,074	150,105,300	202,980,374	52,875,074	150,105,300	26
Proceeds from sale of Assets							
Other receipts							
TOTAL	202,980,374	52,875,074	150,105,300	202,980,374	52,875,074	150,105,300	26
PAYMENTS							
Compensation of employees	81,747,437	36,946,665	44,800,771	81,747,437	36,946,665	44,800,771	45
Use of goods and services	75,623,969	10,887,795	64,735,994	75,623,969	10,887,975	64,735,994	14
Subsidies							
Transfers to other government entities							
Other grants and transfers							
Social Security benefits	12,557,718	2,121,813	10,435,905	12,557,718	2,121,813	10,435,905	17

Acquisition of Assets	28,500,000	49,900	28,450,100	28,500,000	49,900	28,450,100	0
Finance costs							
Other payments	4,551,250		4,551,250	4,551,250		4,551,250	
TOTAL	282,980,374	50,006,353	152,974,021	202,980,374	50,006,353	152,974,021	25

Observations

- Utilisation of budget was highest (45%) in the Compensation of Employees which is a recurrent expenditure
- Acquisition of Assets registered the lowest (0%) utilisation
- Use of goods and Services recorded 17%
- There was 17% budget utilisation in Payments of Social Security Benefits
- Averagely, the budget utilisation for the first quarter ended 30th September 2020 was 25%

Second Quarter ended 31st December 2020

Mr. Speaker and Hon. Members, In summary, the Assembly received Kshs. 173,191,544 during the second Quarter. Cumulatively, the Assembly had received Kshs. 226,066,618 out of Kshs. 405,960,747, being 56% of the expected receipt as per the budget. The budget utilization rate as at the end of the Quarter stood at 55% with no development vote utilised.

Below is a summary of payments/expenditures during the quarter;

Expenditure/Payments	Amount (kshs.)
Compensation of employees	90,903,441
Use of goods and services	69,419,038
Social Security Benefits	14,715,103
Acquisition of Assets	99,590
TOTAL	175,137,172

The figure below is the Statement of Receipts and Payments for the Quarter ended 31st December 2020.

Statement of Receipts and Payments for the Quarter ended 31st December 2020

	Sept	Dec	Mar	Jun	Cumulative amount
	Q1 (Kshs.)	Q2 (Kshs.)	Q3 (Kshs.)	Q4 (Kshs.)	
RECEIPTS					
Transfers from the County Treasury/Exchequer releases	52,875,074	173,191,544			226,066,618
Proceeds from sale of Assets					
Other receipts					
TOTAL RECEIPTS	52,875,074	173,191,544			226,066,618
PAYMENTS					
Compensation of Employees	36,946,665	90,903,441			127,850,106
Use of goods and services	10,887,975	69,419,038			80,307,013
Subsidies					
Transfers to other government entities					
Other grants and transfers					
Social Security Benefits	2,121,813	14,715,103			16,836,916
Acquisition of Assets	49,900	99,590			149,490
Finance Costs					
Other payments					
TOTAL PAYMENTS	50,006,353	175,137,172			225,143,525
SURPLUS/DEFICIT	2,868,721	(1,945,628)			923,093

Observations

- a) During the Quarter, net transfer from the Exchequer was Kshs. 173,191,544.
- b) A total of Kshs. 90,903,441 was spent on compensation of employees
- c) Kshs. 69,419,038 was spent on use of goods and services
- d) Kshs.14,715,103 was spent on social security benefits
- e) There was acquisition of assets for an amount of Kshs. 99,590
- f) Total payments/expenses amounted to 1,945,628.
- g) There was a net deficit of Kshs. 1,945,628 in consideration of the total receipts against the payments made during the Quarter

The Statement below illustrates the budget utilisation for the 2nd Quarter ended 31st December 2020.

Statement of Comparison of Budget and Actual amounts (Recurrent and Development combined)

Receipt/Expense Item	Budget Q2 (Kshs.)	Actual Q2 2020 (Kshs.)	Budget Utilization difference(Kshs.)	Budget cumulative as at 31 st December 2020 (Kshs)	Actual Cumulative as at 31 st December 2020 (Kshs.)	Budget Utilistation difference (Kshs.)	% of budget utilisation
RECEIPTS							
Transfers from the County Treasury	202,980,374	173,191,544	29,788,830	405,960,747	226,066,618	179,894,129	56
Proceeds from sale of Assets							
Other receipts							
TOTAL	202,980,374	173,191,544	29,788,830	405,960,747	226,066,618	179,894,129	56
PAYMENTS							

Compensation of employees	81,747,437	90,903,441	(9,156,005)	163,494,873	127,850,106	35,644,767	78
Use of goods and services	75,623,969	69,419,038	6,204,931	151,247,938	80,307,013	70,940,925	53
Subsidies							
Transfers to other government entities							
Other grants and transfers							
Social Security benefits	12,557,718	14,715,103	10,435,905	12,557,718	2,121,813	8,278,520	17
Acquisition of Assets	28,500,000	99,590	28,400,410	57,000,000	49,900	56,850,510	0
Finance costs							
Other payments	4,551,250		4,551,250	9,102,500		9,102,500	
TOTAL	202,980,374	175,137,172	27,843,201	405,960,747	225,143,525	180,817,222	55

Observations

- Compensation of employees had the highest budget utilization, at 78%
- Use of goods and Services was utilised at 53%
- Social security benefits was utilised at 17%
- The total receipts for the Quarter was utilised at 56%

Third Quarter ended 31st March 2021

Mr. Speaker and Hon. members, the Assembly received Kshs. 410,055,850 for the Recurrent Expenditure as at 31st March 2021. This was 79% of the total expected receipts. This created a deficit of Kshs. 116,385,271 to be disbursed from the County Exchequer.

As is illustrated in this report, the above Exchequer received was spent as follows;

Compensation of Employees amounted to 44%, 39% was spent on goods and services, other expenses was 17%.

For the Development Account as at the Quarter ending 31st March 2021, the Assembly had only received Kshs. 4,708,000 for external works at the Assembly precinct.

The Committee would like to report that out of the Kshs. 82, 500,000 which is three quarter of the total development budget, only Kshs. 4,708,000 had been utilised. This translates to only 5.7% of the expected absorption rate.

Below is the Statement of Receipts and Payments as at 31st March 2021.

STATEMENT OF RECEIPTS AND PAYMENTS FOR THE QUARTER ENDED 31ST DECEMBER 2020

	Sept	Dec	Mar	Jun	Cumulative amount
	Q1 (Kshs.)	Q2 (Kshs.)	Q3 (Kshs.)	Q4 (Kshs.)	
RECEIPTS					
Transfers from the County Treasury/Exchequer releases	52,875,074	173,191,544	188,697,232		414,763,850
Proceeds from sale of Assets					
Other receipts					
TOTAL RECEIPTS	52,875,074	173,191,544	188,697,232		414,763,850
PAYMENTS					
Compensation of Employees	36,946,665	90,903,441	56,826,593		184,676,699
Use of goods and services	10,887,975	69,419,038	82,857,332		163,164,345
Subsidies					
Transfers to other government entities					
Other grants and transfers					
Social Security Benefits	2,121,813	14,715,103	5,895,795		22,732,711
Acquisition of Assets	49,900	99,590	4,708,000		4,857,490
Finance Costs			179,000		179,000

Other payments					
TOTAL PAYMENTS	50,006,353	175,137,172	150,466,720		375,610,245
SURPLUS/DEFICIT	2,868,721	(1,945,628)	38,230,512		39,153,605

Observations

- Cumulatively, as at the quarter ended 31st March 2021, the County Assembly had received Kshs. 414,763,850
- Payments during the quarter amounted to Kshs. 150,466,720. Cumulatively, a total of Kshs. 375,610,245 was used in payments which basically consisted of Compensation of Employees, Use of goods and services, Social Security Benefits and Acquisition of Assets. (See Annex 1)
- There was a surplus of Kshs. 38,230,512 during the Quarter
- Cumulatively, total surpluses amounted to Kshs. 39,153,605

Budget Utilisation

In the Statement of Comparison of Budget and Actual Amounts (Recurrent and Development), the average budget utilisation stood at 62%, with compensation of employees, a major component of the recurrent expenditure having the highest percentage(75%) of budget utilisation. The following is the statement of Comparison of Budget and Actual Amounts; Recurrent and Development combined;

Statement of Comparison of budget and actual amounts (recurrent and development combined)

Receipt/Expense Item	Budget Q3 (Kshs.)	Actual Q3 2021(Kshs.)	Budget Utilization difference(Kshs.)	Budget cumulative as at 31 st March 2021	Actual Cumulative as at 31 st March 2021 (Kshs.)	Budget Utilisation difference(Kshs.)	% of budget utilisation
RECEIPTS							
Transfers from the	202,980,374	188,697,232	14,283,142	608,941,121	414,763,850	194,177,271	68

County Treasury							
Proceeds from sale of Assets							
Other receipts							
TOTAL	202,980,374	188,697,232	14,283,142	608,941,121	414,763,850	194,177,271	68
PAYMENTS							
Compensation of employees	81,747,437	56,826,593	24,920,844	245,243,310	184,676,699	60,565,611	75
Use of goods and services	75,623,969	82,857,332	(7,358,363)	226,496,907	163,164,345	63,332,562	72
Subsidies							
Transfers to other government entities							
Other grants and transfers							
Social Security benefits	12,557,718	5,895,795	6,661,923	37,673,155	22,732,711	14,940,444	60
Acquisition of Assets	28,500,000	4,708,000	23,792,000	85,500,000	4,857,490	80,642,510	6
Finance Costs	125,000						
Other Payments	4,551,250		4,551,250	13,653,750		13,653,750	-
TOTAL	202,980,374	150,466,720	52,513,564	608,941,121	375,610,245	233,330,877	62

Observations

Utilization of budget was as follows for the quarter ended 31st March 2021;

- a) Transfers from the County Treasury/Exchequer releases was utilised at 68%
- b) Compensation of employees was utilised at 75%
- c) Use of goods and services – 72%
- d) Social Security Benefits – 60%
- e) Acquisition of Assets – 6%

Summaries

- a) Cumulatively, the Assembly received a total of 414,763,850 during the three quarters. Comparatively, the highest amount was received in the third quarter (Kshs. 188,697,232). Kshs. 173,191,544 was received in the second quarter and the least, Kshs. 52,875,075 was received in the first quarter.
- b) In terms of payments/expenditures, a total of Kshs. 184,676,699 was spent on compensation of employees over the three quarters. This translates to 44.52% of the total cumulative amount received from the exchequer.
- c) Kshs. 163,164,345 was spent on Use of goods and Services. This is 33.33% of the cumulative amount received from the Exchequer over the three quarters.
- d) There was payment of Social Security Benefits amounting to Kshs. 22,732,711, translating to 5.48%.
- e) There was acquisition of assets worth Kshs. 179,000- 0.04%.
- f) Total payments amounted to Kshs. 375,610,245 over the three Quarters
- g) There was a surplus of Kshs. 39,153,605. This therefore became the net financial position of the County Assembly as at 31st March 2021
- h) There was no development funding for the quarter ended 31st December 2020. The poor absorption rate during this quarter was as a result of late and inadequate funding from the Exchequer
- i) The Net Financial Position were Kshs. 2,868,761, Kshs. 923,133 and Kshs. 39,153,646 for the First, Second and Third quarters respectively
- j) A major challenge that is faced by the Assembly is the late and inadequate funding from the Exchequer
- k) The late and inadequate funding from the exchequer/County releases has resulted to the low absorption rates of the budget.

COMMITTEE RECOMMENDATIONS

Following the numerous findings in this report, the Committee recommends the following;

- a) That Procurement Plan timelines should be strictly followed for timely and adequate absorption of the budget. This would go a long way in enhancing the value of money.
- b) To deal with the issue of late exchequer releases, the Committee recommends that discussions be held with the County Treasury so that the County Treasury ensure that the County Assembly which basically operates on personell emoluments and operations and

Management is not impeded with the late exchequer releases. This way, the Assembly can also be funded by the proceeds from other sources like own source revenue.

- c) Mr. Speaker and Hon. Members, Information on what the Assembly receives, how it is spent, the surpluses/deficits and the budget utilization for each and every quarter is crucial for this Assembly. The Committee therefore recommends for continuous adherence of Section 166 (1) and (2) of the PFM Act which states that; (1) An accounting officer for a county government entity shall prepare a report for each quarter of the financial year in respect of the entity. (2) In preparing a quarterly report for a county government entity, the accounting officer shall ensure that the report—
- i. contains information on the financial and
 - ii. Non-financial performance of the entity;

CONCLUSION

Mr. Speaker and Hon. Members, Late and inadequate monthly exchequer releases has derailed the County Assembly budget absorption. The Assembly must do all within its reach to reduce the impact of the late and inadequate funding by the exchequer to the operations of the institution. Thank you Mr. Speaker and Hon. Members, May I call upon Hon. Samuel Dede to second.

The Speaker (Hon. Oraro): Hon. Samuel Dede.

Hon. Dede: Thank you Mr. Speaker. I rise to second the report as read by the Honourable Member.

The Speaker (Hon. Oraro): Honourable Members, the Cooperative, Finance, Trade and Enterprise Development Committee report on the consideration of the Kisumu County Assembly Quarterly Financial report for the FY 2020/2021 has been moved by the Chairperson, Hon. Paul Okiri and seconded by Hon. Samuel Dede. I now want to propose a question for debate on the same.

The Speaker (Hon. Oraro): Hon. Judith Ogaga.

Hon. Ogaga: Thank you Mr. Speaker. I rise to support the report as read by the Chairperson. I am member of this Standing Committee and I want to say that this is a good report. I want to congratulate the Chairperson for the good report he has presented on the Floor of the House. Our recommendations as a Standing Committee are quite clear.

Mr. Speaker, I will stress on the first two recommendations because under our oversight role, we should also check on whether the implementation timelines are adhered to by the County Executive. Once the Budget Estimates has been approved and due for implementation, the County Executive often have a culture of delaying matters on procurement and uploading for us to access, hence delay implementation. With delays in implementation, projects are done in haste, and the contractors have limited time to work through projects as it should because they are competing with time. This is an aspect that should be stressed on the County Executive to improve on. Consequently, there is the late and inadequate releases by the Exchequer, which has also affected

us as an Assembly and even end up going without implementing our activities. The implementation Committee should follow up on that to ensure that we get money released to us in good time to enable us implement our projects early.

Towards the end of the second recommendation, it says that; this with the Assembly can also be funded by the proceeds from others sources like Own Source Revenue. Which is quite important. Otherwise, I support the report and urge my fellow members to do the same, thank you.

The Speaker (Hon. Oraro): Yes, senior member, Hon. Aslam Khan

Hon. Khan: Thank you Mr. Speaker, I rise to support this report for the consideration of the second and third quarter of the FY 2020/2021. Mr. Speaker, as has been noted, you will find that the pace at which these monies are being disbursed from the National Treasury or from the Exchequer, is not in tandem with the requirements of the of the PFM Act as regulated in each quarter.

Mr. Speaker, as indicate in this report, you will have noticed that in Quarter one the County Assembly received Kshs 52 million, Quarter two we received Kshs 172 million and in Quarter three we received Kshs 226 million and yet the expenditure is the same or more or less we have some other issues here and there. In fact this has pushed the County Assembly to lure in some of the areas as a result of the delays from the Exchequer. Therefore, they are not actually complying with the provision of section 164 of the PFM Act of 2012. This is the reason as to why the Standing Committee has equally recommended that they should adhere to these provisions so that at least it is seen to be done.

Secondly, I want to touch on the Own Source Revenue Component. It is very unfortunate that the County Assembly does not engage in any kind of business or any income generating activities that they can generate income from it but that issue here could be mitigated through access of credits from financial institutions or other development partners who can come in or we take over-drafts for the purposes of running the Assembly and when time comes, these credits can be paid back. I believe that this can be done from time to time to mitigate these situations which has become rampant and tedious.

Therefore, the recommendation herein, should be adhered to and as has been stated by my colleagues that the Committee on Implementation should ensure that this is implemented and similarly ensure that this runs in tandem together with the report to ensure that operation of the Assembly are not impeded and run seamless. Thank you.

The Speaker (Hon. Oraro): Yes Hon. Otura.

Hon. Otura: Thank you Mr. Speaker. I rise in concurrence with this report and by virtue of being a Member of this Standing Committee I would only like to urge this Hon. House to approve this report. Mr. Speaker, before that is done, I would wish that we keenly observe what is contained in

the recommendations. Mr. Speaker, it is true that we have late exchequer releases which negates our efforts of proper consumption of our funds.

The second bullet (ii) there talks of how we can deal with the issue of exchequer release. The Standing Committee recommends that discussions be held with the County Treasury. That is where I want to emphasize on that this recommendation is very key and this should be acted upon if possible by the Implementation Committee, so that we do not undergo what we have experienced as an Assembly.

Mr. Speaker, I believe that, this is the only key thing which is very important which is contained under this recommendation that can make us utilize our funds accordingly, thank you and I support the report.

The Speaker (Hon. Oraro): Yes Hon. Erick Agola.

Hon. Agola: Mr. Speaker, going by the mood of the House, I call the mover to reply.

The Speaker (Hon. Oraro): Hon. Paul Okiri (Senior Member)

Hon. Okiri: Thank you very much Mr. Speaker. I have to applaud the Senior Members. Their robust and wonderful debate especially when it comes to financial issues, normally Hon. Members are alert. It is also evident today that they are alert and I have to congratulate each and every one of them.

Mr. Speaker, we know that what ails us is what the Standing Committee has just enlightened; the late disbursement of funds. The Assembly goes without funds for a period until members start to wonder. Sometimes we pity the Assembly for having been in that situation being that the issue is not of their making. However, it comes from another level which actually paralyses the Assembly.

That is why the Assembly recommended that we must seek an audience with the County Executive so that we can have some source of revenue Mr. Speaker that the Assembly can utilize so that by the time funds are being disbursed, we are ready to refund that. This will also act as a morale booster to Members who work here tirelessly. This will enable Hon. Member work and sustain themselves for different kind of developments. Mr. Speaker that is why the committee recommended that we should have a talk with the Executive so that late disbursement does not affect us so that we are able to go on with our operations until we are stabilized. Thank you.

The Speaker (Hon. Oraro): Hon. Members now that the Sectoral Committee on Corporate, Finance, Trade and Enterprise Development has presented a report on the consideration of the County Assembly Assembly's Quarterly Reports for FY 2020/2021, seconded, debated; I want to put a question on the adoption of the same.

(Question put and agreed to)

The Speaker (Hon. Oraro): The Sectoral Committee on Corporative, Finance, Trade and Enterprise Development report on the consideration of the County Assembly Assembly's Quarterly Reports for FY 2020/2021 has been adopted today Tuesday, 05th October 2021 at 1520 hours. Consequently, I direct that the recommendations therein be implemented.

The Speaker (Hon. Oraro): Next Order!

ADJOURNMENT

The Speaker (Hon. Oraro): Hon. Members, there being no any other business to transact, the House stands adjourned to Wednesday, 06th October 2021 at 9.00 a.m. Thank you.

(House rose 03.21 p.m.)

Addendum

Hansard Team

<i>Zablon Otiende</i>	-	<i>Senior Hansard Report</i>
<i>Edward Odanga</i>	-	<i>Reporter</i>
<i>Fanuel Okode</i>	-	<i>Reporter</i>
<i>Patrick Okoyo</i>	-	<i>Reporter</i>
<i>Jesca Otieno</i>	-	<i>Reporter</i>
<i>Dennis Onyango</i>	-	<i>Reporter</i>
<i>Jacklyne Otieno</i>	-	<i>Reporter</i>