COUNTY GOVERNMENT OF KISUMU

COUNTY ASSEMBLY OF KISUMU

THE HANSARD

Official Report

SECOND ASSEMBLY – SIXTH SESSION

Tuesday 07th June, 2022

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

(The Temporary Speaker (Hon. Inviolate Adhiambo) in the Chair)

PRAYERS

The Temporary Speaker (Hon. Inviolate): Good afternoon Honourable Member and welcome to this session. I want to request that pursuant to the provisions of County Assembly of Kisumu Standing Orders No. 32 (2) that the Serjeant-at-Arms rings the quorum bell for five minutes.

(Quorum bell rung for five minutes)

The Temporary Speaker (Hon. Inviolate): Hon. Deputy Majority Whip, could you please confirm if we have the quorum.

Deputy Whip (Hon. Obonyo): Thank you Madam Speaker. There is quorum.

The Temporary Speaker (Hon. Inviolate): Mr. Clerk, please take us through the Order Paper of today.

The Temporary Speaker (Hon. Inviolate): Next order!!

PAPER LAID

LABOUR AND SOCIAL WELFARE COMMITTEE ON ITS CONSIDERATION OF THE KISUMU COUNTY PUBLIC SERVICE BOARD'S ANNUAL REPORT FOR THE YEAR ENDING DECEMBER, 2021

BY

HON. RASHID MIRUKA

CHAIRPERSON, LABOUR AND SOCIAL WELFARE COMMITTEE

The Temporary Speaker (Hon. Inviolate): Yes Hon. Rashid Miruka.

Hon. Miruka: Thank you Madam Speaker. Pursuant to the provisions of the County Assembly of Kisumu Standing Orders No 182 (6), I wish to table today Tuesday 07th June, 2022, the report of the Labour and Social Welfare Committee on its consideration of the Kisumu County Public Service Board's Annual Report for the year ending December, 2021. Thank you.

(Hon. Miruka lays the report before the House for consideration)

The Temporary Speaker (Hon. Inviolate): Honourable Members, I confirm the receipt of the report of the Labour and Social Welfare Committee on its consideration of the Kisumu County Public Service Board's Annual Report for the year ending December, 2021 as laid by the Member. I therefore, want to commit this report to the House Business Committee to schedule it for debate.

The Temporary Speaker (Hon. Inviolate): Next order!!

NOTICE OF MOTION

LABOUR AND SOCIAL WELFARE COMMITTEE ON ITS CONSIDERATION OF THE KISUMU COUNTY PUBLIC SERVICE BOARD'S ANNUAL REPORT FOR THE YEAR ENDING DECEMBER, 2021

BY

HON. RASHID MIRUKA, MCA, NORTH NYAKACH.

(CHAIRPERSON, LABOUR AND SOCIAL WELFARE COMMITTEE)

The Temporary Speaker (Hon. Inviolate): Hon. Rashid Miruka.

Hon. Miruka: Thank you Madam Speaker. Pursuant to the provisions of the County Assembly of Kisumu Standing Order No 45 (1), I wish to give a Notice of Motion on the report of the Labour and Social Welfare Committee on its consideration of the Kisumu County Public Service Board's Annual Report for the year ending December, 2021. Thank you.

The Temporary Speaker (Hon. Inviolate Adhiambo): Next order!

MOTION

ADOPTION OF THE COOPERATIVES, FINANCE, TRADE AND ENTERPRISE DEVELOPMENT COMMITTEE REPORT ON ITS CONSIDERATION OF THE KISUMU COUNTY EXECUTIVE QUARTERLY REPORTS AND FINANCIAL STATEMENTS FOR QUARTER ENDED 31ST MARCH, 2022

BY

HON. PAUL OKIRI

CHAIRPERSON, COOPERATIVES, FINANCE, TRADE AND ENTERPRISE DEVELOPMENT COMMITTEE

The Temporary Speaker (Hon. Inviolate): What is it Hon. Vitalis Otura?

Hon. Otura: Madam Speaker, allow me to present this report on behalf of Hon. Paul Okiri.

The Temporary Speaker (Hon. Inviolate Adhiambo): Please proceed.

Hon. Otura: Madam Speaker and Honourable Members. Pursuant to Section 166(4) of the PFM Act, the County Treasury is mandated to prepare quarterly reports on all the County Departments and submit the same to the County Assembly not later than 15th day of the succeeding month after the end of each quarter. It is in this regard that the County Executive Committee member for Finance and Economic Planning submittted the Kisumu County Executive Quarterly Report and Financial Statements for the period ended 31st March 2022.

The report was subsequently tabled in this House by the Majority leader Hon. Kenneth Onyango on 11th May 2022. Pursuant to the Standing Orders No. 193(5) Second schedule, the Hon. Speaker directed that the report be committed to the Sectoral Committee on Co-operative, Finance, Trade and Enterprise Development for legislative processing and reporting.

The committee has herein comprehensively considered the Kisumu County Quarterly Report and Financial Statements for the period ended 31st March 2022 and presents this documentation as its committee report on the same.

Committee Mandate
Madam Speaker and Honourable Members. the Sectoral Committee On Co-Operatives, Finance, Trade And Enterprise Development is established pursuant to the County Assembly of Kisumu Standing Order 193 (5) and is mandated to:-

i). Investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned departments;

ii). Study the programme and policy objectives of departments and the effectiveness of the implementation;
iii). Study and review all County legislation referred to it;
iv). Study, assess and analyze the relative success of the departments as measured 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 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
vii). Make reports and recommendations to the County Assembly as often as possible, including recommendation of proposed legislation.

Committee Membership

Madam Speaker and Honourable Members. As is currently constituted, the sectoral committee on Co-Operatives, Finance, Trade And Enterprise Development is comprised of the following members;

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 Olang'o - Member
14. Hon. Samuel Dede - Member
15. Hon. George Olwal - Member

Secretariat

1. Annebelle Wabuge - Senior Clerk Assistant
2. Austine Ochieng - Committee Clerk
3. Brenda Chasi - Clerk Assistant
4. Geoffrey Omollo - Accountant
5. Zablon Otiende - Senior Hansard Reporter
6. Kennedy Okise - Serjeant-at-Arms

Acknowledgement

Madam Speaker and Honourable Members It is now 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 appreciations to its members for taking their time out of their busy schedule to participate robustly during the interrogation and scrutiny of this Quarterly Report and Financial Statements.

The Committee also appreciates the offices of the Speaker and Clerk of the County Assembly for providing a 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 privilege to table this report before this House for consideration and adoption.

REVIEW OF THE QUARTERLY REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2022

Terms of References of the Committee

Madam Speaker and Honourable Members. In order to comprehensively review the quarterly report and the financial statements as committed to the committee, the Committee set out a specific approach in which it clearly spelt out specific terms of reference to guide its operations. The terms of reference with regards to the analysis included but not limited to;

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 Quarter ended 31st March 2022
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 quarter
v. Identify any significant details or information in the reports that may be of material importance to the House

Legal Framework

Madam Speaker and Honourable Members. The Committee was guided in its work by the following legal instruments:-

1. Chapter 12 of the Constitution of Kenya 2010 on public finance
2. Section 131 of the County Governments Act No.17 of 2012 financial management of County Governments
3. Various sections of the Public Finance Management Act, including but not limited to, Section 166 of the Public Finance Management Act No.18 of 2012; 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.

4. Assembly Standing Order 193 (5) (Second Schedule)

Third Quarter Financial Statements (Period Ended 31st March 2022)

Madam Speaker and Honourable Members. In considering the financial statements for the 3rd quarter of the Financial Year 2021/2022, the Committee majorly focused on the following four major components of the Kisumu County Executive Quarterly Reports;

a) Receipts

The County Executive of Kisumu had the following major sources of money during the last two quarters of the financial year 2020/2021;

i). Exchequer releases
ii). Proceeds from Domestic and Foreign Grants
iii). Transfers from other Government entities
iv). County Own Generated Receipts

b) Payments

The money received from various sources was used to fund various expenditures which includes the following;

i). Compensation of employees
ii). Use of goods and services
iii). Transfer to other Government units
iv). Other Grants and Transfers
v). Social Security Benefits
vi). Acquisition of Assets

c) Surplus/Deficit
d) Notes to the financial Statements
e) Supporting schedule to the financial statements
f) Comparison of Budget and Actual Amounts/Budget Utilization (Development and Recurrent)

1. Receipts(Revenue) and Payments(Expenditure) during the Quarter

Madam Speaker and Honourable Members. As at 31st March 2022, the County Government of Kisumu had receipts totalling to Kshs. 5,477,222,410 with own source revenue collection standing

at Kshs. 705,202,633 and the exchequer at Kshs. 4,655,166,754. There was a total of Kshs. 116,859,020 from Proceeds from domestic and foreign grants.

Out of this, the County managed to spend Kshs. 3,913,770,663 on compensation of employees, use of goods and services at Kshs. 970,426,156, transfer to other Government units at Kshs. 799,728,767. Other payments included the following;

a) Other Transfers and Grants Kshs. 43,107,938
b) Social Security Benefits Kshs. 19,033,821
c) Acquisition of Assets Kshs. 601,455,204
d)

Total payments added up to Kshs. 6,347,522,549. This left the County Government on a deficit of Kshs. 870,300,139

Comprehensively, the illustration below indicates the statement of receipts and payments for the Q3 ended 31st March 2021;

Table 1: Illustration of statement of receipts and payments for Q3 fy2020/2021

	Mar	Comparative period
	Q3 (Kshs.)	
RECEIPTS		
Exchequer releases	4,655,166,754	587,930,400
Proceeds from domestic and foreign grants	116,859,020	
Transfers from other Government entities		
County Own Generated Receipts	705,202,633	134,088,796
TOTAL RECEIPTS	5,477,222,410	722,019,196
PAYMENTS		
Compensation of Employees	3,913,770,663	1,160,026,056
Use of goods and services	970,426,156	710,037,845
Subsidies		
Transfers to other government entities	799,728,767	

Other grants and transfers	43,107,938	
Social Security Benefits	19,033,821	
Acquisition of Assets	601,455,204	
Finance Costs		
TOTAL PAYMENTS	6,347,522,549	1,231,063,899
SURPLUS/DEFICIT	(870,300,139)	(509,044,703)

Source: Kisumu County Treasury, 2022

The following additional observations can be made from the statement of receipts and payments and the notes to the financial statements for the quarter ended 31st March 2022,

a) Receipts amounted to a total of Kshs. 5,477,222,410
b) Exchequer releases was received to a tune of Kshs. 4,655,166,754
c) Proceeds from Domestic and Foreign Grants amounted to Kshs. 116,859,020. From the notes to the Financial Statements, domestic and foreign grants consisted of the EU Grant for instrument for Devolution Advice and Support(IDEAS) at Kshs. 31,676,176, Kenya Develution Support Programe at Kshs. 82,682,844 and Agriculture Sector Development Support Project (ASDSP) at Kshs. 2, 500,000, all totalling to Kshs. 116,859,020.
d) County Own Generated Receipts amounted to Kshs. 705,202,633. The Committee noted that during the quarter, Public Health facilities provided the highest amount of Own Source Revenue at Kshs. Kshs. 169,752,469. The lowest was realised at Kshs. 4800, on Payroll Revenue. Other major sources of County Own Generated Receipts included; Slaughterhouses' administration, Business permits, Rent, Plan approvals, Receipts from admimistrative fees and charges on signboard promotion and many others. (See annex 1- full list of County Own Generated Revenue sources)
e) Compensation of employees amounted to Kshs. 3,913,770,663. Out of this, Kshs. 3,119,959,566 was Basic salaries of Parmanent employees, Basic wages of temporary employees added up to Kshs. 89,880,246 and Personal allowances paid as part of salary amounted to Kshs. 642,945,554. Other components of Compensation of employees included Employer Contribution to compulsory National Social Schemes at Kshs. 19,033,821, Employer contribution to Compusory National Health Insurance Schemes at Kshs. 41,951,477 and Pension and other social security contributions at Kshs. 19,033,821.
f) Use of goods and services amounted to Kshs. 970,426,156. This included several components including; Utilities, Supplies and Services, Communication, Supplies and Services, Domestic travel and subsistence, Foreign Travel and Subsistence, Printing, advertising and information supplies and services, Rental of produced assets, Taining expenses etc. (See Annex 2- full list of components of ''Use of Goods and Services'')
g) Transfer to other Government units at Kshs 799,728,767. This included other Capital Grants and Subsidies at Kshs. 361,441,116 and other current transfers and subsidies at Kshs. 438,287,651

h) Other Grants and Transfers at Kshs. 43,107,938. This is made up of Scholarships and other educational benefits at Kshs. 3,898,000 and Emergency relief and refugee asssitance at Kshs. 39,209,938.
i) Acqusition of Assets Kshs. 601,455,204. (See Annex 3- full details of acquisition of assets)
j) Social Security Benefits Kshs. 19,033,821. This was basically Government pension and retirement benefits
k) Total payments amounted to Kshs. 6,347,522,549
l) There was a deficit of Kshs. 870,300,139

STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH, 2022

Madam Speaker and Honourable Members. The Statement of Assets and Liabilities as at March, 2022 reflects the following;

a) Bank balances of Kshs. (194,942,068) (See Annex 4)
b) Accounts receivables of Kshs. 107,024,910. The committee noted with great concern that the accounts receivables are Government Imprests yet to be surrendered.
c) Total Financial Assets (87,917,158)
d) Accounts payables at Kshs. 13,300,086. An analysis of the Accounts payables shows that these are Deposits
e) Net Financial Assets at Kshs. (101,217,244)

2. Budget utilisation

Madam Speaker and Honourable Members. 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 Quarter ended 31st March 2021.

Table 2: Illustration of the budget utilization (recurrent and development combined) for the Q3 ended 31st March 2022

Receipt/Expense Item	Original Budget (Kshs)	Adjustments (Kshs.)	Final Budget (Kshs.)	Actual on Comparable basis(Kshs)	% of Budget Utilisation
RECEIPTS					

Exchequer releases	8,026,139,240		8,026,139,240	4,655,160,757	58
Proceeds from Domestic and Foreign Grants	769,632,733		769,632,733	116,859,020	15.18
Transfers from Other Government Entities					
Proceeds from Domestic Borrowings					
Proceeds from Foreign Borrowings					
Proceeds from Sale of Assets					
Reimbursements and Refunds					
Returns of Equity Holdings					
County Own Generated Receipts	1,984,000,003		1,984,000,003	705,202,633	30.00
Returned CRF issues	437,086,865		437,086,865		
TOTAL	11,216,858,841		11,216,858841	5,477,222,410	48.83
PAYMENTS					
Compensation of employees	4,481,809,406		4,481,809,406	3,913,770,663	87.33
Use of goods and services	1,709,097,974		1,709,097,974	970,426,156	56.78
Subsidies					
Transfers to other government entities	2,046,368,195		2,046,368,195	799,728,767	39.08
Other grants and transfers	227,700,000		227,700,000	43,107,938	51.80

Social Security benefits	77,424,141		77,424,141	19,033,821	24.58
Acquisition of Assets	2,674,459,125		2,674,459,125	601,455,204	22.49
Finance costs					
Other payments					
TOTAL	11,216,858,841		11,216,858,841	6,347,522,549	56

Source: Kisumu County Treasury, 2022

The following observations were made as far as the budget utilisation of budget during the Quarter ended 31st March 2022 is concerned;

a) Utilisation of budget was highest (87%) in the Compensation of Employees, a major component of the recurrent expenditure
b) Exchequer releases was utilised at 58%
c) Proceeds from domestic and foreign grants were utilised at 15.18%
d) County Own Generated receipts was utilised at 30%
e) Averagely, Receipts were utilised at 48.83%
f) Use of goods and services was utilised at 56.78%
g) Other Grants and Transfers was utilised at 51.80%
h) Social Security Benefits at 24.58%
i) Acquistion of Assets registered 22.49% utilisation

SUMMARY OF COMMITTEE FINDINGS

Madam Speaker and Honourable Members. Following the foregoing analysis and illustrations from the 3rd Quarter Financial Statemets of the financials for the year 2021/2022, the committee makes the following findings;

a) THAT the County Executive of Kisumu had received a total of Kshs. 4,655,166,754 from the Exchequer as at 31st March 2022.
b) THAT proceeds from domestic and foreign grants as a source of revenue amounted to Kshs. 116,859,020.
c) THAT County Own Generated Receipts amounted to a total of Kshs. 705,202,633
d) THAT total Receipts amounted to Kshs. 5,477,222,410 for the quarter ended 31st March 2022
e) THAT compensation of employees as a component of payment amounted to Kshs. 3,913,770,663.
f) There was Use of Goods and Services at Kshs. 970,426,156
g) Transfers to other Government units amounted to Kshs. 799,728,767
h) Other Grants and Transfers amounted to Kshs. 43,107,938

i) Social Security Benefits were paid to a tune of Kshs. 19,033,821
j) Acquisition of Assets during the quarter amounted to Kshs. 601,455,204
k) Total payments anounted to Kshs. 6,347,522,549 leaving a deficit of Kshs. 870,300,139
l) The committee noted with great concern the amount of Kshs. 107,024,910 for unsurrendered imprests
m) THAT late and inadequate monthly exchequer releases continue to be the main challenge derailing adequate and timely budget absorption.
n) Averagely, the budget was utilized at 56% during the Quarter.

COMMITTEE RECOMMENDATIONS

Madam Speaker and Honourable Members. Based on the findings indicated hereabove, the committee makes the following recommendations on the Kisumu County Financial Reports for Q3 FY2021/2022;

i). THAT the County Executive Committee member Finance provides to this House, within 30 days of approval of this report, a detailed specific report on Own Source Revenue performance for the quarter ended 31st March 2022 with specific strategies on revenue enhancement measures in the future.
ii). THAT the County Executive Committee member for Finance and Economic Planning provides to this House, within 30 days of approval of this report, a detailed report on utilization of funds from development partners including but not limited to the fuel levy funds and that the subsequent reports be inclusive of the utilization status of such revenue.
iii). THAT the County Executive Committee Member for Finance and Economic Planning provides to this House, within 30 days upon approval of this report, a detailed report on the status of imprest surrender amounting to Kshs. 107,024,910 and imprest management measures.
iv). THAT the County Executive Committee Member for Finance and Economic Planning should issue a circular to all departmental accounting officers, within 30 days upon approval of this report, to ensure that timelines for procurrement planning are strictly followed for adequate absorption of the budget.
v). THAT the Committee on Implementation do a follow-up on the implementation of recommendations on the previous Quarterly Reports passed in this House.

CONCLUSION

Madam Speaker and Honourable Members. l hereby urge the Hon. members to adopt this report with the recommendations herein. May I call upon Hon. Judith Ogaga to second? Thank you.

Hon. Ogaga: Thank you Madam Speaker. I want to appreciate the Members of this Committee for a job well done. It is known that all businesses are source of our revenue and I am really interested in the recommendations we made as a committee. Collection of our revenue has been very low. I would really urge that the concerned department to ensure that we meet our targets. I urge the Members to support. I second.

The Temporary Speaker (Hon. Inviolate): Honourable Members, a report from the Standing Cooperatives, Finance, Trade and Enterprise Development Committee Report on Its Consideration of The Kisumu County Executive Quarterly Reports and Financial Statements for Quarter Ended 31st March, 2022 has been moved by Hon. Otura and seconded by Hon. Judith Ogaga. I therefore open it for debate.

The Temporary Speaker (Hon. Inviolate): Yes Hon. George Ogutu.

Hon. Ogutu: Thank you Madam Speaker. You are all aware of the challenges we have been facing in the Own Source Revenue collection. Several irregularities marred the recruitment of revenue officers because we are told that people employed their girlfriends and boyfriends.

The Temporary Speaker (Hon. Inviolate): Hon. Pamela Odhiambo.

Hon. Pamela Odhiambo: (On a Point of Order). Thank you Madam Speaker. Can the Honourable Member substantiate what he has just stated?

Hon. Ogutu: Thank you Madam Speaker, in fact I was expecting that because you can also hear some murmurings from the background. It is now a clear indication that those are the people who brought their girlfriends and wives to work as revenue collectors. However, I do believe that it is not bad to withdraw.

The Temporary Speaker (Hon. Inviolate): Thank you, proceed.

Hon. Ogutu: Thank you Madam Speaker.

(Hon. Samo rises on his feet).

The Temporary Speaker (Hon. Inviolate): Yes Hon. Roy Samo.

Hon. Samo: Madam Speaker, I stand with Hon. Pamela that the Hon. Ogutu needs to be very careful with his sentiments because there is no problem working with your girlfriend or boyfriend. The Hon. Pamela is working together with her husband who drives her around and they are working in the same government and it has never been a problem. Therefore, I wonder why Hon. Ogutu is having a problem with that Madam Speaker. Thank you.

The Temporary Speaker (Hon. Inviolate): Thank you.

Hon. Ogutu: Madam Speaker, I believe that what I meant is different from what Hon. Samo is implying. I was talking about the kind of impunity which these revenue collectors have. It is one that implies some people are behind them. Most of them know that we are the MCAs of this beautiful County of Kisumu. Sometimes they do their collecting while we are watching and we are also the people who are supposed to protect the revenue of this County. However, sometimes you sit back and say yes, here we know one another and sometimes it happens that the one collecting that particular, takes a bribes because it is common knowledge that, he/she is not a revenue collector but Hon. Samo's girlfriend for example. Definitely I will sit back because I cannot antagonize my friend Samo since I know for sure that this particular lady who is taking a bribe from a car is a wife of my friend Hon. Roy Samo. Madam Speaker…

(Hon. Rashid arises on his feet).

Hon. Miruka: (On a Point of Order). Madam Speaker. Under Standing order No. 89. I believe that Hon. Ogutu was told to withdraw his sentiments because they are not based on facts. Just a question; how is that related to revenue collection? Of course the girlfriend may be employed but does he have a proof that she is misappropriating the county's money? Otherwise, let us talk facts. Let us not just argue for the sake of it, thank you Madam Speaker.

The Temporary Speaker (Hon. Inviolate): Yes Hon. Ogutu.

Hon. Ogutu: Madam Speaker, I do not believe that I just based my argument for the sake of it. I pointed out where we are losing money. First, I said that we are losing money because the revenue clerks whom we employed are pocketing the monies without giving receipts to people who are supposed to be and you can only get money through receipts…

(Hon. Rashid arises on his feet).

The Temporary Speaker (Hon. Inviolate): Okay Hon. Rashid Miruka.

Hon. Miruka: Thank you Madam Speaker. Can the Hon. Member substantiate these allegations and if he cannot let him withdraw and apologies.

The Temporary Speaker (Hon. Inviolate): Okay. Hon. Ogutu, I believe that you should withdraw and apologize. Please stick to the agenda.

Hon. Ogutu: Madam Speaker, I withdrew in the first place and also know the truth will always remain whether I withdraw or not. I believe you are the only visitor in Jerusalem. Madam Speaker, even today if you just go and park somewhere outside next to a revenue collector. Then, take some few minutes and observe what is going on there. What evidences again do my colleagues want me to give? Let him walk out of this Assembly and go to the streets and he will see by himself what is exactly going on. These are the things that I am saying. They are very obvious that even you

with your busy schedule, you have spotted them around. That is what I am saying here and it is very painful for our County to lose …

(Hon. Pamela Odhiambo arises on his feet).

The Temporary Speaker (Hon. Inviolate): Order!! Hon. Ogutu.

The Temporary Speaker (Hon. Inviolate): Yes Hon. Pamela Odhiambo.

Hon. Pamela Odhiambo: Thank you Madam Speaker. I stand on a point of information. Hon. Ogutu has a sticker on his car. So, what the revenue collectors do is that if you have a sticker on your car, you do not pay revenue but if you do not have a sticker, you pay for the revenue. Therefore, I believe that Hon. Ogutu has been giving them money for lunch but not that bribe he is talking about. If at all somebody has given a bribe, then Hon. Ogutu should be telling us who that person is and the one who took the bribe. If at all there is no evidence, let him stick to the motion that is being discussed, thank you.

The Temporary Speaker (Hon. Inviolate): Thank you. Hon. Ogutu I hope you have been informed.

(Hon. Ogaga arises on her feet).

The Temporary Speaker (Hon. Inviolate): Yes Hon. Judith Ogaga.

Hon. Ogaga: Madam Speaker. I would like to rectify what Hon. Ogutu has said. If you are telling us that because of corruption, nepotism or even friendship, it means that we have incompetent revenue collectors on board. He should not just tell us that they are bribed so that they do not give receipts, but also tell us how they handle people in unethical way. That is because they will have a feeling that they have powers because they were brought on board by big people and so they can mishandle people the way they want. That one is very evident as shown by how they treat people outside there. However, the issue of receiving less money than the amount they should be, I believe that it Hon. Ogutu who is giving money to his girlfriend outside there but not that we hired our girlfriends or boyfriends. I believe he should put it right.

Nevertheless, Madam Speaker, something needs to be done about those revenue collectors plus City Askaris. They need to handle our people with care and even taken for good orientations and trainings so that they know how to carry out themselves well when performing their duties as well as upholding their integrity at their workplace, thank you Madam Speaker.

The Temporary Speaker (Hon. Inviolate): Thank you. To Hon. Ogutu, I believe that you have been appropriately guided. Please wind up.

Hon. Ogutu: Thank you Madam Speaker, I believe that I have been guided by Hon. Ogaga and it is my belief that it's no different from what I was saying. Madam Speaker it is only that what I

was trying to say is the correct position outside there and I challenge anybody who is challenging me to bring evidence. I have not heard her (Hon. Ogaga) say that she has evidence on what she has uttered here because she said those people mishandled people. Does she have evidence that those people mishandle people? And if that is not exactly what I was saying then I think we are not there to correct anything in this particular report because if it is true that these people are taking bribes then it is the responsibility of this particular House Committee to investigate and come up with those allegations. Right now we are treating them as allegation but if such a report is brought to this House then, it is their responsibility to undertake investigation.

Hon. Ogaga: Point of information Madam Speaker.

The Temporary Speaker (Hon. Inviolate): Yes Hon. Ogaga.

Hon. Ogaga: (On a Point of Information) Madam Speaker I beg to inform the House that the Member is out of order. He needs to stick to the report that we are discussing but for now Madam Speaker we have taken a different direction, thank you.

Hon. Ogutu: Hon. Ogaga, **y**ou are not the one to inform me that I am out of order, which Standing Orders are you referring to?

The temporary Speaker (Hon. Inviolate): Hon. Ogutu, can you please speak through the Chair and not directly to the Members.

Hon. Ogutu: Madam Speaker, the Honourable Member should not say that am out of order, you are the one who should be aware of inform me whether I am out of order or not.

The Temporary Speaker (Hon. Inviolate): Thant you. Yes Leader of Minority.

The Temporary Speaker (Hon. Inviolate): Yes Hon. Ogutu has concluded his submissions.

Leader of Minority (Hon. Oiko): Thank you Madam Speaker. If Hon. Ogutu has finished that is a credit. Madam Speaker, this is a very crucial report because it touches on our Own Source Revenue a matter which we should not treat lightly because in our budget, what affects it mostly is the Own Source Revenue and that is why the Pending Bills have been accumulating and the projects cannot be done to completion. So when a report of this nature is brought to this Assembly we need to handle it with the seriousness it deserves.

Madam Speaker, in this report there is claim that the staff have not remitted an imprest amounting to Kshs.107 million. When the Department of Finance remits such a report to the Assembly what do they expect the Assembly to do? To tell them that they have failed in their work or the Assembly to go and follow up?

Madam Speaker, the committee should take the department to task to explain why the imprest of such magnitude cannot be surrender, the measures they have put down and why they have failed.

This is because they are giving us the impression that they just release the imprests without asking the staff to account for the ones that they had been given. If proper measures are put in place to guide the staff on surrendering imprests, I don't believe that this would be a problem in this office unless there is something seriously wrong with the department in handling imprests.

Madam Speaker, on the collection of Own Source Revenue. This has been a problem in this county and the picture given is that, what the County is collecting now is much less than what was being collected during the Defunct Local Authorities. The markets, the towns which were there then are still there, then what has happened? It maybe the department has not put good measures to ensure that collection is done without misappropriation. The committee needs to investigate the department to find out what measures they have put in place to ensure that collection is properly done and the money are accounted for. Because with this kind of outcry from the establishment of County Government it look like proper measures are not put in place and when proper measures are not put in place, then that anticipated revenue will not be realized. The Standing Committee has the task to take the department to task to ensure that what they are doing on the ground and why they cannot realize the target so that those issues are addressed.

Madam Speaker, the issues of Own Source Revenue is a weighty matter in this County and I believe that a Bill is coming in this Assembly Kisumu County Revenue Administration (Amendment) Bill, so that a body is established that will look into the collection money separate from the Department of Finance. If this would be a good measure, let it be so that we can collect good money to help us in our planning, but as for now, let this Standing Committee take the department to task and interrogate it, find out why they have not succeeded in the collection of the Own Source Revenue because that is the most important thing so that we move ahead.

Madam Speaker, in the recommendation No. 2. There is this order that the County Executive Committee Member for Finance and Economic Planning provides this House within 30 days of approval of this report a Detailed Report on Utilization of Funds from Development Partners including but not limited to the Fuel Levy Funds.

Madam Speaker and Honourable Member. The Fuel Levy Funds that is for the roads department, the grants. I believe that this was scrapped, and in the last financial year it was not there and this financial year it may also not be there that is the coming financial year and it is my belief that it had been scrapped. The other Grants like in the Department of Health, these are grants that used to go to Russia the Ksh.369 million. I believe that was also done away with and they are no longer there. So the committee also needs to take note of that. With those few remarks, I would like to plead with the committee to interrogate the Department of Finance further to find out what ails the collection of Own Source Revenue so that proper measures are put in place to enable the County realize its goal. Thank you.

The Temporary Speaker (Hon. Inviolate): Thank you. Yes Majority Whip.

Chief Whip (Hon. Misachi): Thank you Madam Speaker. I believe the report is on the right track. I also want to say that it is better for the Department of Finance to put targets to each and every collector so that whoever does not meet his/her target is removed from revenue collection and redeployed to another department. That is what helped in the former Defunct Local Authorities. If they did meet their targets in three consecutive market days they are all removed to go and work in other places. We are not keen to protect our own source revenue since they have tried automation and they have left it. This trial and error form of collecting revenue makes the revenue collector to collect the revenue and pocket them. The report is good and the Implementation Department should suggest to them all the resolutions including giving a target to the revenue collectors. Thank you.

The Temporary Speaker (Hon. Inviolate): Thank you. Yes Hon. Olga.

Hon. Olga: Thank you Madam Speaker I beg to call the mover to reply.

The Temporary Speaker (Hon. Inviolate): Yes Hon. Otura.

Hon. Otura: Thank you Madam Speaker. Let me take this opportunity to thank the Members for their robust contributions towards this report. Hon. Ogutu had concerns that were true and if you check annex 1, I want to respond by saying that it is not only in the market fees that there was a deficit but not in several other vote heads. Thus amounting to the deficit that we are seeing for this period compared to the similar period in the last financial year where we had a total collection of Kshs. 1,248,063,000. As at the end of this trading period that we are reporting to they only had Kshs. 745,202,000.

Madam Speaker and Honourable Members. I also want to combine this to the concerns of Hon. Leader of Minority and state that, his concerns are true but we have given our recommendations. As a House we have our duties to do and actually our roles are as stated in the Constitution and the Standing Orders that bestowed this Standing Committee the power to recommend in part 5 that that the Select Committee on Implementation to do a follow up on the implementation of the recommendations of the previous quarterly financial reports in this House.

Madam Speaker and Honourable Members. History has now given us an opportunity to ventilate on this report and see the comparative analysis of what this report contains. Yes, there are gaps and that is the cause for coming up with these recommendations that the Select Committee on Implementation should move with haste to check if what we always recommend here is valid.

Madam Speaker, I want to say that I am very happy and thankful to the Members for ventilating on this report and plead further for the adoption of the same.

The Temporary Speaker (Hon. Inviolate): Thank you. A motion on the Adoption of the report of the Standing Committee of Corporative, Finance, Trade and Enterprise Development on its consideration of the Kisumu County Executive Quarterly Reports and Financial Statements for the

Quarter ended 31st March 2022 has been moved by Hon. Otura on behalf of the Chairman, seconded by Hon. Ogaga and debated by Hon. Members, I therefore want to put a question on the adoption of the same?

Honourable Members, as for those of the opinion that this House adopt the Report from the Standing Committee of Corporative, Finance, Trade and Enterprise Development on its consideration of the Kisumu County Executive Quarterly Reports and Financial Statements for the Quarter ended 31st March 2022?

(Question put and agreed to)

The Temporary Speaker (Hon. Inviolate): The Report from the Standing Committee of Corporative, Finance, Trade and Enterprise Development on its consideration of the Kisumu County Executive Quarterly Reports and Financial Statements for the Quarter ended 31st March 2022 is hereby adopted with the recommendation therein today Tuesday, 07th June 2022 at 03.46 p.m.

Further, I direct that the Hansard Report containing the resolutions of today's proceedings be prepared forthwith and forwarded to the Office of the Clerk for onward communication to the respective line department of the County Executive for appropriate action. Thank you.

The Temporary Speaker (Hon. Inviolate): Next Order!

ADJOURNMENT

The Temporary Speaker (Hon. Inviolate): Honourable Members, there being no any other business to transact, the House stands adjourned to Wednesday 08th June 2022 at 9.00 a.m.

(House arose at 03.50 p.m.)

Addendum

The Hansard Team

Zablon Otiende – Senior Hansard Reporter

Edward Odanga – Hansard Reporter

Fanuel Okode – Hansard Reporter

Patrick Okoyo – Hansard Reporter

Jacklyne Otieno – Hansard Reporter

Jesca Otieno – Hansard Reporter

Vallery Achieng' – Hansard Reporter