

COUNTY GOVERNMENT OF KISUMU



COUNTY ASSEMBLY OF KISUMU

THE HANSARD

Official Report

THIRD ASSEMBLY – THIRD SESSION

Tuesday 30th April, 2024

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

(The Temporary Speaker (Hon. Emily Oginga) in the Chair)

PRAYER

The Temporary Speaker (Hon. Oginga, Nominated Member): This is to the Serjeant-at-Arms, in line with our Standing Orders No. 32 (2), I want to request that you ring the quorum bell for the first five minutes.

(Quorum bell rang for five minutes)

The Temporary Speaker (Hon. Oginga, Nominated Member): May I request the Deputy Leader of Majority to confirm if we have quorum.

Deputy Leader of Majority (Hon. Owade, MCA, South East Nyakach): Madam Speaker, we have quorum.

The Temporary Speaker (Hon. Oginga, Nominated Member): Mr. Clerk, take us through the Order Paper of today.

The Temporary Speaker (Hon. Oginga, Nominated Member): Next order!!

PAPERS LAID

QUARTERLY REPORT AND FINANCIAL STATEMENTS OF THE KISUMU COUNTY
EDUCATION FUND FOR THE PERIOD ENDED 30TH SEPTEMBER, 2023

AND

QUARTERLY REPORT AND FINANCIAL STATEMENTS OF THE KISUMU COUNTY
EDUCATION FUND FOR THE PERIOD ENDED 30TH JUNE, 2023

BY

HON. VITALIS K'OMUDHO, MCA, MUHORONI/KORU

The Temporary Speaker (Hon. Oginga, Nominated Member): Hon. K'Omudho.

Hon. K'Omudho (MCA, Muhoroni Koru): Allow me to lay this Paper on behalf of Hon. Seth Okumu.

The Temporary Speaker (Hon. Oginga, Nominated Member): Proceed.

Hon. K'Omudho (MCA, Muhoroni Koru): Thank you Madam Speaker. Pursuant to provisions of Orders No. 182 (6) of the Standing Orders, I wish to table today Tuesday 30th April, 2024, a report of Education, Technical Training, Innovation and Social Services Committee on consideration of the Quarterly report and Financial Statements of the Kisumu County Education Fund for the period ended 30th September, 2023.

Again, pursuant to provisions of Orders No. 182 (6) of the Standing Orders, I wish to table today Tuesday 30th April, 2024, a report of Education, Technical Training, Innovation and Social Services Committee on consideration of the Quarterly report and Financial Statements of the Kisumu County Education Fund for the FY ended 30th June, 2023. Thank you.

(Hon. K'Omudho lays the reports before the House for consideration)

The Temporary Speaker (Hon. Oginga, Nominated Member): Honourable Members, I confirm the receipt of two reports, Education, Technical Training, Innovation and Social Services Committee on consideration of the Quarterly Report and Financial Statements of the Kisumu County Education Fund for the period ended 30th September, 2023 and period ended 30th June, 2023. Thank you.

The Temporary Speaker (Hon. Oginga, Nominated Member): Next order!!

NOTICES MOTION

QUARTERLY REPORT AND FINANCIAL STATEMENTS OF THE KISUMU COUNTY
EDUCATION FUND FOR THE PERIOD ENDED 30TH SEPTEMBER, 2023

AND

QUARTERLY REPORT AND FINANCIAL STATEMENTS OF THE KISUMU COUNTY
EDUCATION FUND FOR THE PERIOD ENDED 30TH JUNE, 2023

BY

HON. VITALIS K'OMUDHO

The Temporary Speaker (Hon. Emily): Hon. K'Omudho.

Hon. K'Omudho (MCA, Muhoroni Koru): Thank you Madam Speaker. Pursuant to provisions of Orders No. 45 (1) of the Standing Orders, I wish to give a Notice of Motion that this House adopts a report of Education, Technical Training, Innovation and Social Services Committee on consideration of the Quarterly Report and Financial Statements of the Kisumu County Education Fund for the period ended 30th September, 2023.

Again, pursuant to provisions of Orders No. 45 (1) of the Standing Orders, I wish to give a Notice of Motion that this House adopts a report of Education, Technical Training, Innovation and Social Services Committee on consideration of the Quarterly report and Financial Statements of the Kisumu County Education Fund for the period ended 30th June, 2023. Thank you.

STATEMENTS

The Temporary Speaker (Hon. Oginga, Nominated Member): Deputy Leader of Majority.

Deputy Leader of Majority Hon. Owade, MCA, South East Nyakach): Thank you Madam Speaker. Pursuant to Standing Order No. 42 (2) (c), which mandates me in my capacity as the County Assembly Deputy Leader of the Majority to present and lay on the table a Statement informing the Assembly on the business coming on the Floor of the House on the following week.

Madam Speaker, this is therefore to bring to attention of the Members and the County Assembly that for the week commencing Wednesday 1st May to Tuesday 7th May, 2024, the House Business Committee in its last sitting approved the following businesses to appear in Order Paper as follows;

On Wednesday that is 1st May, 2024 will be a Public Holiday.

On Thursday 02nd May, 2024 at 2:30 p.m.

PAPERS TO BE LAID

- i. PIC/PAC Committee Report on consideration of the Auditor General's Report and Financial Statements of Nyakach County (Level IV) Hospital for the year ended 30th June, 2022,
- ii. Lumumba Sub County Hospital for the year ended 30th June, 2022 and Kombewa sub County Hospital for the year ended 30th June, 2022.

NOTICES OF MOTIONS

- iii. PIC/PAC Committee report on consideration of the Auditor General's Report and Financial Statements of Nyakach County (Level IV) Hospital for the year ended 30th June, 2022,
- iv. Lumumba sub County Hospital for the year ended 30th June, 2022 and Kombewa sub County Hospital for the year ended 30th June, 2022.

STATEMENT TO BE SOUGHT

- i. Chairperson of Administration of Law, Justice, Constitutional Affairs, Good Governance and Security Hon. Moses Ochele will give a statement pursuant to Standing Order No. 41(2) (d) on the Status of Petition to the County Assembly by Mr. Benedicto Wasonga Onono of Nyayo Community social housing programmes CBO on the matter of compelling need of Volunteerism Policy/bill.

SUBSTATIVE BUSINESS OF THE DAY

- ii. Report of Education, Technical Training, Innovation and Social Services Committee on consideration of the Quarterly report and Financial Statements of the Kisumu County Education Fund for the period ended 30th September, 2023 by Hon. Seth Okumu.

On Tuesday 07th MAY, 2024 AT 02:30,P.M.

PAPERS TO BE LAID

- iii. The Chairperson of PIC/PAC will table a report on Kisumu County Education Fund for the year ended 30th June, 2021, Kisumu County Education Fund for the year ended 30th June, 2022, and Kisumu County Trade Fund for the year ended 30th June, 2021.

NOTICES OF MOTION

- iv. Reports on Kisumu County Education Fund for the year ended 30th June, 2021, Kisumu County Education Fund for the year ended 30th June, 2022, and Kisumu County Trade Fund for the year ended 30th June, 2021 by Hon. Kennedy Ouko.

STATEMENT TO BE SOUGHT

- v. Leader of Majority will give a statement pursuant to Standing Order No. 42 (2) (c), on the Business coming on the Floor of the House on the week commencing on 8th May, 2024.

SUBSTANTIVE BUSINESS OF THE DAY

- vi. Report of the Auditor General's Report and Financial Statements of Nyakach County (Level IV) Hospital for the year ended 30th June, 2022. Thank you.

The Temporary Speaker (Hon. Emily): Hon. Ngeta.

Hon. Ngeta (MCA, Awasi Onjiko): Thank you Madam Speaker. I rise under Standing order No. 41 (2) (b) to request for Statement from the Chairperson of Water, Environment, Natural Resources and Climate Change Committee on the matter of Pollution and Degrading of the Environment by Rai Cement Company Limited, Stonefield Company Limited, Rural Electrification Authority and Prime Steel.

Honourable Speaker, it is known to this Honourable House that all matters pertaining to quarrying and mining must adhere to Environmental Management and Coordination (air quality). The Regulations 2014 whose objects is to provide for the prevention, control and abatement of air pollution to ensure clean and healthy air. The said law further provide for the establishment of the emission standard for the various sources such as mobile sources like motor vehicles and stationary sources like industries as outlined in the Environment and Coordination Act 1999 also covers any other air pollution sources as may be determined by the cabinet Secretary in consultation with the NEMA.

Madam Speaker, I wish to further inform this Honourable House that the companies mentioned are authorized to conduct quarrying in Awasi/Onjiko, the negative environmental impact they so caused within the Ward by far out ways the economic impact the companies generate. They lack infrastructure to prevent air and water pollution within the ward. The quarrying has further resulted to damages of peoples properties and wanton degradation of unattended quarrying service. I therefore seek for a statement from Chairperson, Water, Environment, Natural Resources and Climate Change Committee to provide a response on the following;

- a) Whether the emission limit of the said companies are set as required by the law, extent of damages caused by the said companies on the environment and the payment for damages caused by the companies.

Thank you Madam Speaker.

The Temporary Speaker (Hon Oginga, Nominated Member): Honourable Members, a Statement has been raised by Hon Maurice Ngeta of Awasi Onjiko of a matter of quarrying and silt activities in Awasi Onjiko Ward. I would like to commit this Statement to the Standing Committee on Water, Environment, Climate Change and Natural Resources and I direct that they bring a report in two weeks.

(Ruling on this Statement was withdrawn and the Hon Ngeta directed to raise it in the Committee)

The Temporary Speaker (Hon Oginga): Yes, Hon Kennedy Ajwang' *Jege jege*

Hon Kennedy Ajwang' (Nominated): Thank you Madam Speaker. I rise to request for a Statement on the matter of implementation of the Kisumu County Women Youth and Disability Act, 2015. Madam Speaker, I rise pursuant to the Standing Order No. 41 (2) (b) to request for a Statement from the Chairperson, Committee on Sports, Culture, Gender and Youth Affairs on the matter of the management of the implementation of the Kisumu County Women Youth and People's with Disability Fund Regulation 2020/ 2022.

Madam Speaker, I wish to inform this Honourable House that on 17th November, 2020 the County Executive Committee Member for Finance and Economic Planning through the Regulation of the Kisumu County Women Youth and People's with Disability Fund Act, 2015 established the Kisumu County Women Youth and People with Disability Fund whose objective and purpose was to provide funds for the use of Grant Loans to assist Youth, Women and Persons with Disability in Kisumu County to promote their enterprises such as a cost affordable within the County.

Madam Speaker, the said Regulation was passed by the Assembly in 2020 and the same was forwarded to the County Executive for operationalization in accordance with the law. However, I have taken notice that four years down the line, the said Regulations have not been implemented. Madam Speaker, I therefore wish to seek for a Statement from the Chairperson of the Standing Committee on Sports, Culture, Gender and Youth Affairs to provide a response on the following matters:

1. Whether the corporate body established pursuant to Section 4 of the Kisumu County Women, Youth and Persons with Disability Act, 2015 is operational. And, if not, why has the same not been operationalized.

2. Status of the Disability Fund established pursuant to Section 10 of the Kisumu County Women, Youth and Persons with Disability Act, 2015.
3. Provide a report on the Status of Implementation of the Kisumu County Women , Youth and Persons with Disability Act, 2015.

Madam Speaker, that is the end of my Statement. Thank you.

The Temporary Speaker (Hon Oginga, Nominated Member): Honourable Members, we have received a Statement on the matter of implementation of the Kisumu County Women, Youth and PWDs Act, 2015. Order!! Hon Members. Order!! Hon Ngeta. I would like to commit this statement to the Standing Committee on Sports, Culture, Gender and Youth Affairs. We expect a response in two weeks' time.

Honourable Members, I would like to withdraw the ruling on the Statement by Hon Ngeta which I committed to the committee on Water, Environment, Climate Change and Natural Resources. Since he is a Member of this House Committee, I would like the Member (Hon. Ngeta) to raise this matter at the committee level so that we receive it as a report. Thank you.

The Temporary Speaker (Hon Oginga, Nominated Member): Hon Odari

Hon Odari (MCA, Chemelil Tamu): Thank you Madam Speaker. I would like to know the Standing Order under which you have withdrawn your ruling on the Statement raised by Hon Ngeta.

The Temporary Speaker (Hon Oginga, Nominated Member): Hon Adonijah, it is not procedural for a member to seek a Statement from the same House Committee that the Member belongs because the has Member has the opportunity to raise the issue in the said House Committee which he/she is a member.

Hon Odari (MCA, Chemelil Tamu): Thank you Madam Speaker.

The Temporary Speaker (Hon Oginga): Next Statement.

Hon Henrietta (Nominated Member): Thank you Madam Speaker. I rise pursuant to Standing Orders No. 41(2) (d) of the Kisumu Assembly Standing Orders to report on the Status of the following activities that were committed to the committee on Implementation.

Madam Speaker and Honourable Members, this Honourable House, during its sitting on Thursday 04th April 2024 resolved that the Select Committee on Implementation to submit the Implementation Status of the following reports and Statements before 24th April, 2024:

1. Reports by Health Committee on:
 - a) Status on Referral hospitals in Kisumu County
 - b) Status of Nyakach County Hospital, Pap Onditi.

- c) Status of Sub County Hospitals within Kisumu County
2. The statement by Hon Oiko Pete on the implementation status of the projects approved in the financial year 2022/2023

Madam Speaker and Honourable Members, the Select Committee on Implementation at its meeting held on 18th March, 2024 scrutinized the resolutions on the afore-mentioned reports by the Standing Committee of Medical Services, Public Health and Sanitation and wrote to the County Executive Committee Member for Medical Services, Public Health and Sanitation to furnish it with a detailed response on the Implementation Status of House resolutions on the said reports on or before 30th April, 2024. The committee is therefore yet to receive the responses.

Madam Speaker and Honourable Members, the Select Committee on Implementation subsequently, during its meeting held on 19th March 2024 deliberated on the issues raised in the Statement sought by Hon Oiko and further wrote letters to the relevant departments requesting them to furnish the House Committee with a detailed response on the same on the date not later than 23rd April, 2024. However, this House Committee has received responses from the departments, that is, the department of Health, Education, and Water. The committee has further written a reminder notice on the same to the seven remaining departments.

Madam Speaker and Honourable Members, this House Committee therefore requests this Honourable House to grant it a period of 21 days to conclude its recommendations on its considerations on the responses and bring a comprehensive report after the 21 days. Thank you Madam Speaker.

The Temporary Speaker (Hon Oginga, Nominated Member): Honourable Members, I will grant the permission to extend the report on the committee of Implementation to a further 21 days.

The Temporary Speaker (Hon Oginga): Next order!!

MOTION

REPORT OF THE SELECT COMMITTEE OF BUDGET AND APPROPRIATIONS
COMMITTEE ON ITS CONSIDERATION OF THE KISUMU COUNTY FISCAL
STRATEGY PAPER (CFSP) FY 2024/2025

BY

HON JOACHIM OKETCH, MCA, KONDELE

(CHAIRPERSON, BUDGTE AND APPROPRIATIONS)

The Temporary Speaker (Hon. Oginga, Nominated Member): Yes, Hon Joachim Oketch

Hon Joachim (MCA, Kondele): Thank you very much Madam Speaker. Madam Speaker, with us is the report of the Select committee of Budget and Appropriations on its consideration of the Kisumu County Fiscal Strategy Paper for the FY 2024/2025. Just before I present this report, I want to inform Honorable Members that what I have here is the Moving Notes. However, we did furnish Members with a soft copy of the full report though a few members who requested for hard copies which were duly supplied. The final report is a bit bigger. Therefore, sometimes we devise strategies by giving the document in advance. We normally read the Moving Notes where we highlight areas of concern but that does not stop any Member from going through the entire report.

Madam Speaker and Honourable Members, the 2024 Kisumu County Fiscal Strategy Paper for the FY 2024/2025 was submitted to the Assembly on 28th of February, 2024 in compliance with Section 117 (1) of the PFM Act, 2012 and was tabled on the Floor of the House on Wednesday 6th March, 2024, pursuant to Standing Order No. 221 (c).

Madam Speaker, the Kisumu County Fiscal Strategy Paper was committed to the County Budget and Appropriations committee as well as Sectoral Committees who had deliberated on the document in line with their respective mandates and have recommendations to the County Budget and Appropriations committee. This Policy document, Madam Speaker, serves as a comprehensive blue print outlining the County's strategic interventions as spelt out in the County Annual Development Plan 2024-2025, aligned with the National Government Budget Policy statement of 2024/2025.

Madam Speaker, the objective of this CFSP is to provide a framework for the preparation of the County Budget Estimate for the fiscal year 2024/ 2025 which I think should reach the Assembly before close of business today, in accordance with PFM Act, 2012. It outlines the guiding principles, physical parameters, strategic priorities and policy goals that will shape our budget process for the next financial year, that is 2024/2025 and the Medium Term.

Madam Speaker, as a procedure for processing this policy document, the Sectoral Committees held consultative engagements with the line departments on the 21st March, 2024 and 2nd April, 2024, to discuss and review the broad departmental policy priorities and the proposed sector ceilings in line with their mandate. Madam Speaker, the County Budget and Appropriations committee has conformed to the provisions of Article 196 and 185 of the Constitution of Kenya, 2010, Section 87 of the County Governments Act, 2012; Section 117 of the PFM Act, 2012 and Standing Orders No. 221 of the Kisumu Assembly on public participation, by seeking public views on the Kisumu CFSP for the FY 2024/2025 through public participation that was conducted in all the 35 Wards in Kisumu County, conducted from 22nd, 25th and 26th March 2024 in all the 35 Wards in Kisumu County. If you have the full report, it has been annexed under Annex 3 and Annex 4. Those are the feedback we got from the Wards.

Madam Speaker, further, the committee held consultative engagement with the CECM Finance Economic Planning and ICT on 13th April, 2023 to seek views and recommendations on the CFSP in line with the provision of Regulation 26 (3) of The PFM Regulations, 2015. The recommendations arising from all these deliberations including public hearings have been incorporated into this report and once approved by the House, the recommendations on the 2024 CFSP will form the basis for the finalization of the 2024/2025. The County Budget Estimates pursuant to section 117 (3) of the PFM Act, 2012, Regulation No. 26 (4) of the PFM Regulations, 2015 and the Kisumu County Assembly Standing Orders No. 221 (7) and (8).

It is now my pleasant honour and privilege to present the report of the committee on its consideration of the Kisumu CFSP for FY 2024/2025 consideration and approval Madam Speaker. Madam Speaker, the reason we are pushing it is because the Executive is waiting for whatever we shall have approved so that they finalize the document.

Madam Speaker, the key recommendations and if you have the full report, are contained from pages 5-9 of the report. Based on the deliberations and considering the fiscal responsibility principles, the committee recommends that this House, that is the revised total County revenue projection, that is of Kshs. 12, 570, 473, 991 be approved to finance department programmes in the FY 2024/2025. The total revenue comprises; when we say revenue projection, that is the money that we intend to get; both the equitable share, conditional grants and own source revenue. Therefore, the equitable share is money we expect from the National government of Kshs. 8, 485, 665, 357. Conditional grants, that is at Kshs. 1, 601, 963, 940, we adjusted it by Kshs. 72 million that is Kshs. 645, 985 from an initial figure of Kshs. 1, 529, 317,955. The CFSP had Kshs. 1.5 billion and because of some technical errors, the figure was revised to Kshs. 1.6 billion as a result of non-captured or change maker projects of Kshs. 15 million, KADP of Kshs. 21,918, 919 and a projected NAV CDP increase by Kshs. 35, 727, 066 from the initial figure of Kshs. 151, 515, 152.00.

Own source revenue projection at Kshs. 2, 482, 844, 694, that is what we intend to collect in the next Financial Year. We thought it would be Kshs. 3 billion and we hope shall discuss about it when we get the document.

Part Two, we recommended that County Executive Budget ceiling be approved at Kshs. 11, 643, 352, 633 with the proposed sector ceiling revised and set in line with international and national obligations Kenya has ratified such as Maputo and Malabo Declaration recommendation of 10 per cent of the total budget allocation to the Agriculture sector. And contribution to the GCP and Governors Manifesto and the Sector priorities spelt out in the 2nd CIDP, and CIDP III and County Annual Development Plan that we passed in this House.

Thirdly, that the County Assembly Recurrent Budget ceiling be approved at Kshs. 827, 121, 355 in line with the most current CARA of 2023 Madam Speaker. That the County Assembly be allocated additional, there is a correction on that Madam Speaker; the figure on the report is

reading Kshs. 100 million. However, it should read Kshs. 172 million - outside its ceiling to finance its development projects contained in the approved second CIDP and ADP for the FY 2024/2025. That is mostly money meant for construction of the new Assembly. We were supposed to have received our last disbursement from the Executive but we have not consumed the entire money. That is why you see the work is still going on. Therefore, this is the balance of what we were supposed to be given of the entire over Kshs. 500 million. This is why we have a balance of Kshs. 172 million. This should be clearly captured Madam Speaker.

Madam Speaker, recommendation five is that the CECM Economic Planning and ICT in consultation with CECM Agriculture to review, revise and set accurate ceilings towards personnel emoluments and operational maintenance for the department of Agriculture, Fisheries, Development and Irrigation. The revised ceiling should give adequate financial position for remuneration of the newly recruited 115 Extension staff and effectively facilitate the Extension services for effective service delivery to the farming community. And on this, we were worried that the newly recruited 115 Extension staff should be captured.

Madam Speaker, as I read the Maputo Declaration, Kisumu is considered the bread basket and we realized that the department is seriously underfunded. Therefore, the CECM was given a task to liaise with CECM Agriculture based on the recommendations that the committee gave when they did the Sectoral Committee engagements. We feel that the department of Agriculture should be given more money. We hope that this recommendation is going to be taken seriously and we hope that once we get the Estimates, we will be able to get a revised ceiling for the department of Agriculture.

That the County Treasury to review, revise and set realistic and accurate own source revenue target in line with the previous trends and the prevailing county micro-economic environment to reduce the fiscal deficit in the county budget. If you look at the report that we were given here, we are seriously underperforming when it comes to realization of our target. We normally perform slightly above 50 per cent from the document that we were given here. Therefore, we feel that if we continually budget and perform at 50 per cent, then the resultant effect of that deficit is accumulation of pending bills, and maybe projects that have not been done. Madam Speaker, that is a constant complaint in this House.

The seventh recommendation that the matter of accumulated stock of county pending bills was reported at Kshs. 5,105,504,762.23. That was a very worrying figure Madam Speaker and in our report, there is a breakdown of the Kshs 5 billion. You will see what development in nature is and what is recurrent. In the recurrent expenditure, you will be able to know the pending bills accrued out of litigation the county is going through. We have gratuities that have not been paid for a very long time. We also feel that we should keenly at the issue of pending bill because instead of it going down, it keeps on growing and therefore, we are calling for the intervention of this House so that we find a way of reducing the pending bill.

Part A of the issue of the pending bill, the CECM Finance and Economic Planning and ICT to appear before the Budget and Appropriations committee for a comprehensive review, examination and interrogation of pending bill within two weeks upon adoption of this report. On this, we are requesting this House to pass this report because we feel that the figure of Kshs. 5 billion is very high and urgent intervention is required.

In addition, Part One, we also need to know individual beneficiaries for all the composition of pending bills owed by they county. We want to know the law firms that are owed by this county, the amount of pending bill in each category accumulated every financial year so that we know when the rain started beating us in terms of pending bills. Justification for non-remittance/non-payment for the case of non-remitted statutory deductions and amounts owed to contractors of projects and suppliers of goods and services. You will see in the breakdown if you have the report, we even have pending bills for NHIF and NSSF. So, it is a serious case.

Pending Bill Repayment Plan outlining frameworks, strategies and structures for addressing the matter accumulated pending bills to offset the County fiscal imbalance.

Recommendation 8 Mr. Speaker, is that; the County Treasury to update the reported revenue streams for the Supplementary Estimates Column in the proposed CFSP in line with the approved County Supplementary Budget (1) FY 2023/2024 Resource Envelop for accurate comparative analysis of the proposed resource envelope.

If you look at the report, and check on the ceilings, there are comparative analysis of own source revenue of the County, so, the figure that we had was only up to the first half of the year. That is up to December, and that was not conclusive enough and therefore asking for more information for us to do a complete comparative analysis.

Change of Chair, (Hon. Emily Oginga (in the Chair))

FINANCIAL POLICY RECOMMENDATIONS

Madam Speaker, that the County Treasury to operationalize the Kisumu County Ward Development Fund Act, 2016 to enhance equal sharing of financial resources to the various wards in this County. This is also a very important one because the issue of somebody deciding for us and maybe we feel that the resource envelope of the County is growing, we need to operationalize the Ward development Fund Act, 2016, that is clearly outlined with parameters. This will prevent frequent visiting of the Second-Floor building at the Executive, trying to appear as if we are begging the County Executive to give us allocation for Ward Fund. Once we have a Law, and it is operationalized, we will be able to sort the issue of us knowing what we are getting every year.

Recommendation 10; that the County Assembly to domesticate and enact a County Agricultural Cess Act for proper management, administration and implementation of the Cess Revenue Stream. This will help us in our own source revenue.

Recommendation 11, Madam Speaker, is that the County Revenue Board to enforce and implement the following Revenue Raising Measures to reduce the Counties Fiscal Deficit.

- a) Enforce collection of Boda-Boda fees in line with the approved Finance Act, 2023
- b) Collect Land rates in conformity to the County Valuation roll.
- c) Ratify Debt Swap Policy with various institutions and agencies where applicable. Madam Speaker, remember, this was an issue raised by Hon. Oiko Pete, and as a committee, we are also recommending that so that we have a Debt swap Policy. This will prevent us from frequently wanting to know how we KIWASCO issue was handled. We need to develop a Debt Swap Policy with various institutions and agencies of the County, and where applicable. Debt Swap will also reduce the issue of pending bills that we have.
- d) Claim for payment of Contribution in Lieu of Rates (CILOR).
- e) Collaborate with the National Treasury and CRA to develop a model County Tariff and Pricing Policy.

Recommendation 12, Madam Speaker, is that the County Public Service Board and directorate of Human Resource to conduct staff rationalization and establish optimal staffing structure to ensure expenditure on personnel emoluments complies with Regulation 25 (1) (b) of the Public Finance Management Regulations, 2015. The Report on staff rationalization and establishment be submitted to the Assembly by July, 2023. We need this report because in our Budget, we usually do not comply and I am sure that the estimates that are coming, we haven't complied we have overemployed and we are spending more on personnel emoluments than what is stipulated in the Law.

Recommendation 13, Madam Speaker, is that the County Treasury to collaborate with Commission of Revenue Allocation (CRA) and National Treasury to train and capacity build the County Revenue Board, Economic Planners and the staff on fiscal policy making, Tax Analysis and Realistic Revenue Forecasting in conformity to the Government Finance Statistics 2014 manual for purpose of generating accurate revenue statistics and forecast. Madam Speaker, we feel that we should be able to accurately predict our revenue and even if we were to have a margin of error, it should be plus or minus one or two, but not performing at 51% and we keep on repeating the same mistake.

Recommendation 14, is that the Governor of Kisumu to negotiate with the National Government through the Intergovernmental Relations Technical Committee (IGRTC) for the transfer of Jaramogi Oginga Odinga Teaching and Referral Hospital (JOOTRH) to the National Government. The Hospital being a regional facility, it exploits County Budgetary resources, further undermining budgetary allocation to other critical sectors in the County. Madam Speaker,

Health is the biggest consumer of our Budget, with more than 30% of it, which is close to over Ksh. 3.5 billion. Remember, out of this Ksh. 3.5 billion, we are able to save close to Ksh. 2 billion if the National Government takes JOOTRH. This will sort the issue of pending bills, and all the projects that are done, we are able to pay for them. It can also increase our development outlay in the Budget. If the Governor is able to successfully negotiate this, and I know there was a cabinet Paper on the same, we are waiting for the feedback.

We also hope that we as an Assembly, we will ensure that JOOTRH goes to the National Government so that we are able to save that money, and that other Health sectors can be developed.

The 15th recommendation is that, the Governor of Kisumu County to collaborate with other City Governors and negotiate with the National Government for an additional budgetary allocation to City Counties to stimulate rapid growth and development of the Cities. Madam Speaker, sometimes it is sad that we are a County with a city, just like Nairobi, Nakuru and Mombasa, but you find other Counties getting more money than us. You know the complexities that the city comes with. So, we feel that in the formulation of the Revenue formula, there should be additional matrix that gives more money to Counties with cities. So, we are requesting the Governor to liaise with other Governors, because we know it is already an ongoing conversation in the Council of Governors. We also hope that other regions are getting money because they are underdeveloped. The fact that we have a city, should give us more money as a County. This will increase what we get as a County.

NON-FINANCIAL RECOMMENDATIONS

Madam Speaker, the Non-Financial Recommendations presented in this report are general recommendations made to address cross cutting issues emerging from Submissions made by the respective Sectoral Committees, Members of the Public and Stakeholders and a close review of various Sections of the Proposed KCFSP FY 2024/2025 by the Committee.

Recommendation 16 is that, the Sectoral Committees and the Implementation Committee to review, investigate and verify the implementation status of various development projects for the previous FY 2022/2023 and the 1st half of this Financial Year to validate the details reported in the CFSP and submit a report to this House. Madam Speaker, we feel that the absorption level is still not up to where we need it, and so many projects have not been implemented. We are therefore asking the committee on Implementation to help in that.

Recommendation 17 is that, the Department of Education, Technical Training, Innovation and Social Services to submit to the Assembly a detailed report on the management, effectiveness and sustainability of the school feeding program within two weeks of adoption of this report. The report shall form the basis of approval of the program in the next FY 2024/25. For those who were there, you can remember the issue of school feeding program. Is it achieving the desired goal? Are we getting fulfillment in terms of implementation? Are you sure we are feeding our

children, or we are creating a tender for somebody? Is the allocation enough to be able to feed our children or we only take rice and beans in schools for two days then we equate it to school feeding program? I think that we will leave to Members and to the Department of Education, to give us a report once we adopt this in two weeks' time. Members can then make a determination on the same.

Madam Speaker, recommendation 18 is that, the County Assembly to collaborate or partner with National Treasury to equip and capacity build MCAs on Public Finance Management for effective oversight on the management and administration of Public Finances in line with the Multi-Agency Task force recommendations to challenges faced by County Governments in management of Public Finances (BPS - 2024).

Training and capacity building is a continuous process, and we had started on a good note and started some, but as a committee we also feel that the entire House should be capacity built on Public Finance Management and on issues of oversight. This was also recommended by the Multi-Agency Task Force.

Recommendation 19 is that, the County Sectors or Departments to prioritize allocating financial resources to pending bills, ongoing projects and incomplete/stalled projects in the FY 2024/2025 Budget before embarking on new projects to put the County on stable fiscal balance. This is why we calling upon the Committee on Implementation to follow up. If you did budget for a project but it has not been done, why do you again budget for a new one? We feel that the Department should give priority to the projects that were budgeted for but have not been implemented. They should form the first line in our new Budget, and I hope the Members will be able to support that.

I remember there was a time the Governor promised that he would clear the pending bills within 3 years but we are now on the second term and still on the same issue of pending bills. We have a lot of incomplete and stalled projects, which are perennially in our Budgets for successive FYs, and I believe Hon. Pete Oiko can attest to it.

Recommendation 20, the Department of Infrastructure, Energy and Public works to conduct costing of development projects approved in the 2nd CIDP III and CADP FY 2024/2025 and present the report to the House by May, 2024 to eliminate the challenge of under or over costing of development projects leading to under absorption of the development budget.

We are behind schedule, and last year we agreed as we were passing the Budget that there were several recommendations that the Department to help us with the costing of the projects. We had an issue of projects being under costed, and were not able to be implemented. Therefore, we requested the Department to help us in costing the projects early enough. In fact, they should do costing of all the roads in the County, so, what remains if for people to pick which road to do every FY. If you go to Kabonyo-Kanyagwal Ward and they have 23 roads, we should be able to

have the cost of all these 23 roads. We have a lot of staff who sometimes idle and only start working when we implement projects. So, we need what can be done on all our roads.

Recommendation 21 is that, the CECM. for Public Service, County Administration & Participatory Development, Office of the Governor to submit to the House an updated County staff payroll to justify the projected Expenditure on Personnel Emoluments of Kshs. **5,423,502,362** within two weeks of approval of this report. We need to know where we are spending that amount on staff. Can we have a list of all the staff per Department so that we know consumption. The report should also tell us if we have ghost workers, how many people we are paying within and without IPPD.

Recommendation 22, is that the County Treasury in collaboration with Department of Lands, Physical Planning, and Housing and Urban Development to operationalize the County GIS Centre for proper analysis and interpretation of geographical data for enhanced equity, balanced resource distribution and to minimize duplication of development projects in future. The GIS was able to tell us what the exact project is and mapping our revenue centre. We are able to know how many businesses are paying for the trade licenses and where they are. We hope that if we operationalize this then we are able to get the information.

Recommendation 23 is that the County Treasury to submit MOUs, Work plans/Project Descriptions for all Donor funded conditional and non-conditional grants to the Assembly as mandatory supporting schedules accompanying the proposed Budget Estimates for the FY 2024/2025. We have been implementing so many donor projects but without the MOUs, which most of our Members do not have, we do not know the agreements. Just like we have KISIP in so many Wards and we do not know what is in the MOU. We know the National Government is trying to work on something and that is why we are also requesting as an Assembly, that we have the workplan and descriptions. We know that KUSP II is coming, which is over Ksh. 4 billion. So, we need to know where they are going to do the work in order for us as an Assembly be able to inform the public.

Recommendation 24 is that, the CECM. Finance, Economic Planning and ICT and the Counterpart for Lands, Physical Planning, Housing and Urban Development to prepare and submit to the Assembly the County Spatial Plan and Sector Plans in line with Section 109 & 110 of the County Government Act, 2012 and PFM Act, 2012 to address the existing gap between planning, Policy and Budgeting before August, 2024.

COMPLIANCE TO LEGAL FRAMEWORK UNDERPINNING THE PREPARATION OF THE CFSP FOR FY 2024-2025

Madam Speaker and Hon. Members, Recommendation 25, the Committee assessed the CFSP to ascertain compliance to the underpinning legal framework on its preparation pursuant to the provisions of Section 107 & 117 of the PFM Act, 2012, Regulation No. (25, 26, 27, 28 and 32)

of the PFM Regulation of 2015. A critical review reveals that most of the information have been provided. However, there are some requirements which have not been met which we have highlighted hereunder;

1. Fiscal Responsibility

a. The expenditure ceiling for P&E at 43% of the total County Budget contravenes the provisions of Regulation No. 25 (1) (b) of the PFM regulations of 2015. You know that our personnel emoluments should be at 35% but you see where we are at. So, we are spending Ksh. 43 in every Ksh. 100 we get to pay staff. Remember that is on P&E alone and we still have O&M as well as Development. Almost half of our Budget is going on staff payment.

b. The County's stock of Pending Bills reported at Kshs. 5,105,504,762.23 translates to 40.8% of the total projected County Revenue contravening the provisions of Regulation No. 25 (1) (d) of the PFM Regulations, 2015 setting the County on primary fiscal imbalance. If we were to pay all our debts in this FY, we would spend 40% of our Revenue. So, if you already spent 43% on P&E 40% on paying the entire pending bills, then we are only going to be left with 17%. So, the County is trading on very dangerous grounds.

c. Prudent Management of Risk

The County treasury has failed to implement mitigation measures in the previous DMSP to reduce County stock of pending bills.

The Temporary Speaker (Hon. Oginga): What is it Hon. Lumumba?

The Deputy Leader of Majority (Hon. Owade, MCA, South East Nyakach): Madam Speaker, I would just like to request the Chairperson that since he is reading the moving notes, he should also bring us to speed by quoting the page he is referring to because we have a document that is comprehensive and it will make it easier for us if you refer us to that page. Thank you, Madam Speaker.

The Temporary Speaker (Hon. Oginga, Nominated Member): Yes, Chairperson, you can continue but I would like to just make a point clear I do not know whether it is possible to quote pages from the moving notes because the document is very big.

Hon. Joachim (MCA, Kondele): Thank you, Madam Speaker, of course we are able to quote the page we are doing, and whatever I am reading are the recommendations at the tail end of the report just before the annexes. You are going to get the recommendations outlined there. We normally assume that Members have read the report and just give a brief. Otherwise, if I were to read the entire document, we would go up to 7p.m. We have a lot of sharp Members here who are able to comprehend this document easily. I am also attempting to explain further as I read so

that Members are able to understand. The recommendations outlined are the same as the ones I am reading in the moving notes. As I continue,

2. Contents of the Fiscal Framework contained in the CFSP (Regulation No. 27)

The CFSP does not provide an updated medium term forecast of revenues and expenditures for a further three years. Additionally, it does not give a detailed expenditure breakdown containing the following information as per the requirements of Regulation No. 27 (1) (a) (ii & iii) of PFM Regulation of 2015;

(i) Level of budgetary expenditures by economic and functional classifications;

(iii) Capital expenditures;

It does not give further breakdown, one of the projects that are going to incur a lot of money, that is what we mean by capital expenditures. These are expenditures with initial or big outlays.

3. Creditability of the Macroeconomic Framework (Regulation 26 (1))

The CFSP 2024 does not give a forecast of the GCP and the corresponding growth rate, Sectors' contribution to the GCP and the Per Capita Gross County Product for next Financial Year contravening the provisions of Regulation 26 (1) (a) of the PFM Regulations of 2015. It does not give the growth of our Per Capita Gross County Product that is the average of what we produce within Kisumu County. Kisumu County is not just a consumer economy, but we also have what we produce in Kisumu County, so it does not give that.

Essentially, proper assessment of the Macroeconomic Environment is primary for accurate Tax and Revenue forecasting, rationale for resource allocation to various sectors and determination of key priority objectives in the County. These are economics and we also needed to know the performance of the economy in Kisumu County in terms of how much is the GDP within Kisumu County, the inflation level. This will help us know that if you have Ksh. 100, how much are you losing in terms of inflation? We also need to know the performance, and so many other microeconomic variances that are not given in this, and we do not want to go into details. These alone are able to guide in terms of taxing. We call it revenue, but when you tell a trader to pay you Ksh. 10,000, did you look at the microeconomic performance and the impact of that money. Is the trader able to generate that money to be able to pay the Ksh. 10,000 in terms of tax?

LINKAGE OF THE CFSP TO INTERNATIONAL, REGIONAL, NATIONAL OBLIGATIONS AND LONG AND MEDIUM -TERM PLANS (Reference Pg. 15 of the Main Report)

Madam Speaker, recommendation 26, the Committee has equally evaluated the alignment of the CFSP to International, Regional and National obligations and the Long and Medium -term County Plans and observes as follows;

That, the County Fiscal Strategy Paper is closely linked to the Vision 2030, Sustainable Development Goals (SDGs), the Governor Manifesto, CIDP III FY 2023-2027, CADP FY 2024/2025. However, on the ADP, Madam Speaker, I think there was a problem when we were doing analysis of the Ward based projects. This I have to mention that most Members assumed all the projects that they had in the ADP, save for a few Members who tried to comply, were coming from Wards outside the city. I know I am affected, and most of the wards within the city did not comply with regards to ADP. They just created new projects entirely, Madam Speaker. Because Budget is a negotiated document, I was at pain to explain that some of these projects are as a result of the current happenings within the Country and natural calamities. We have a lot of roads that have been swept by the floods, and so many things that have happened. Most of the rural wards do not have the roads so, that is why we had to try and explain why some of the projects were not in the ADP. Again, most of the town wards; on the roads, some of them that we had proposed had already been done by KISIP and that one justified change of those particular projects. I know you are going to see that when the budget comes. Those were some of the issues that were raised and I hope the cabinet gave us leeway. I believe the cabinet sat yesterday so we are able to know their recommendations as we wait for the document.

Notwithstanding, we have noted that the CFSP does not conform to certain fundamental obligations and planning frameworks as highlighted hereunder;

a. Comprehensive Africa Agriculture Development Agenda (Malabo & Maputo Declaration)

The obligation requires that the Agriculture Sector be allocated a minimum budget of 10% of the Total County Revenue. So, if our revenue is Kshs 13 Billion, then we should be able to give Agriculture 10% of that. We should get to average of Kshs 1.3 Billion. However, the CFSP sets the Agriculture Departmental ceiling at 3.9% of the Total County Budget. So, we still have almost Kshs 6.1 Billion. And the Chairperson was reminding me on that. That is why you see our key recommendations of agriculture are highlighted in bold in nature so that the CECM Finance and CEC Agriculture can see to it and improve the development budget of Agriculture.

b. Lack of Spatial Plan and Sector Plan (Section 109 & 110 of the County Government Act, 2012)

The CFSP has outlined various Sector strategic priorities, objectives, policies, programs and projects to be implemented by the County in the next Financial Year without development guidelines and frameworks contained in the Spatial Plan and Sector Plans portraying a weak link between planning and budgeting. That is very true.

COUNTY FISCAL PERFORMANCE (Reference Pg. 15 to 18 of the Main Report)

A. ANALYSIS OF OWN SOURCE REVENUE PERFORMANCE TREND

Madam Speaker and Hon. Members, the matrix below presents data on County Own Source Revenue Performance trend for the last consecutive 7 years starting from the FY 2016/2017 to FY 2023/2024 and the 1st half of FY 2023/2024. This year just like I said earlier, we only have the results for the first half.

30. It compares the budget estimates of revenue projection against the actual collection within the period of our analysis. A quarter is three months and you Members you need to get that one clear.

Analysis of County Own Source Revenue Collection Trend (FY 2016/2017 to 2022/2023 and 2023/2024 (FIRST HALF))

FY	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Actual Collection (Kshs)	Total Budgetary OSR Projection	Unrealized	F.L
2023/2024	233,742,220.	192,544,112.			426,286,332.	2,282,844,694.	(1,856,558,362.00)	18.67
2022/2023	186,694,958.	233,381,806.	590,245,117.	143,142,424.	1,153,464,305.	1,762,226,587.	(608,762,282.00)	65.45
2021/2022	143,192,381	247,557,026.	247,557,026.	344,482,771.	982,789,204.	1,579,172,106.	(596,382,902.00)	62.23
2020/2021	138,562,499.	127,477,743.	533,586,218.	22,673,388.00	822,299,848.	1,579,172,106.	(756,872,258.00)	52.07
2019/2020	162,025,980.	199,638,909.	300,021,908.	142,701,141.	804,387,938.	1,438,478,604.	(634,090,666.00)	55.92
2018/2019	198,014,719.	166,030,377.	398,383,908.	250,260,634.	1,012,689,638.	1,382,567,120.	(369,877,482.00)	73.25
2017/2018	123,459,153.	120,240,443.	338,727,430.	292,462,025.	874,889,051.	1,148,656,296.	(273,767,245.00)	76.17

2016/2017	211,209,760.	241,557,388.	322,504,795.	206,311,009.	981,582,952.	1,770,530,445.	(788,947,493.00)	55.44
TOTALS	1,396,901,67	1,528,427,804.	2,731,026,402.	1,402,033,392.	7,058,389,268	12,943,647,958	5,885,258,690	54.53

COMMITTEE OBSERVATIONS

1. The County Treasury has continuously fallen short of its revenue target translating into pending bills. Remember, when we plan to collect Kshs 2 billion, we have also procured projects worth the same amount. So, when we do not have the money, then these files will go to pending Bill, Madam Speaker.

2. The County OSR performance for the 1st half of this current FY 2023/2024 is consistent with the dismal performance from the previous years despite the County having fully established County Revenue Board, operationalized the new valuation roll, recruited revenue-based staff and automated revenue collection to seal revenue leakages. Those are all things that we have done to the department of revenue for us to realize given that the board operationalize the new valuation role. We have recruited new revenue staffs and automated revenue collection to seal revenue leakages but, we are still not getting the results Madam Speaker.

B. COUNTY TOTAL EXPENDITURE PERFORMANCE TREND

This is now expenditure the other one was collection.

32. The table below shows data on total county expenditure performance trend for the last four (4) years and the 1st half of FY 2023/2024. Again, how we consume. Let me say the absorption rate of the County.

It compares the total County estimated expenditures against the actual expenditure performance within the period of our analysis.

FINANCIAL YEAR (FY)	APPROVED BUDGET	ACTUAL EXPENDITURE	VARIANCE	PERFORMANCE (%)
2023/2024	13,692,552,268.00	5,548,916,050.00	- 8,143,636,218.00	40.53
2022/2023	12,045,283,582.00	9,304,926,301.00	- 2,740,357,281.00	77.25

2021/2022	12,177,582,410.00	9,076,537,459.00	- 3,101,044,951.00	74.53
2020/2021	12,454,689,871.00	9,783,757,014.00	- 2,670,932,857.00	78.55
2019/2020	12,195,958,368.00	9,053,375,663.00	- 3,142,582,705.00	74.23
TOTALS (KSHS)	62,566,066,499	42,767,512,487	- 19,798,554,012	76.14

COMMITTEE OBSERVATIONS

1. The County average Expenditure performance for the last four consecutive Financial Years stands at 76.14.

2. That, the under absorption of the County Budgetary Expenditures is mainly attributed to delay in procurement processes, from the feedback we were getting. Late exchequer releases and unmet OSR target amongst many challenges.

SUBMISSION BY SECTORAL COMMITTEES (Reference Pg. 18 of the Main Report)

Madam Speaker, 32. Pursuant to the provisions of S.O No. 221 (3) of the County Assembly, the Committee has received submissions from various Sectoral Committees resulting from their consultative engagements with the respective Line Departments conducted on 21st March, 2024 and 2nd April, 2024. A comprehensive consolidated report of the observations and recommendations by the two Sectoral Committees are part of this report as (Annex I).

The Committee received requests from the Sectoral Committees to enhance the ceiling of various Departments/Sectors they are mandated to oversight. However, given the constrained fiscal space and the need to adhere to the fiscal consolidation principles, these requests though critical some could not be accommodated within the available resource envelopes. Most committees were requesting that the ceiling be increased. But, because the resource envelopes remain the same, if we were to increase the ceiling of another department meaning you have to reduce for a completely different department.

The ones approved for adjustment have been outlined in our Financial Recommendations.

PUBLIC PARTICIPATION (Reference Pg. 18 & 19 of the Main Report)

Madam Speaker, Pursuant to the provisions of Article 196 and 185 of the Constitution of Kenya 2010, Section 87 of the County Government Act, 2012 and Section 117 of the PFM Act, 2012 and Standing Order No. 221 of the County Assembly on Public Participation, the

Committee invited the public through an advert circulated on the Star and Nation Newspaper on 15th March, 2024 (see annex II) to attend Public Participation on the CFSP held on 22nd, 25th and 26th March, 2024 in all the 35 wards of Kisumu County.

Members of the Public honored and turned up for this exercise in most of the wards except the following;

DATE	SUB-COUNTY	WARD
21-03-2024	SEME	North Seme
	KISUMU WEST	Central Kisumu
25-03-2024	NYAKACH	North Nyakach
		West Nyakach
		Central Nyakach
26-03-2024	KISUMU EAST	Kajulu
	KISUMU CENTRAL	Kaloleni/Shaurimoyo
		Market/Milimani

The Committee has received a total of 13 Memoranda from the following stakeholders and Community based groups; Ponge Community from Awasi/Onjiko ward, Gerliech Community from Awasi/Onjiko ward, Angoro Farmers' Cooperative from Awasi/Onjiko ward, Nyando Human Rights Advocacy and Development Network, Angoro village in Boad II sub-location from Awasi/Onjiko ward, Pala Community from Awasi/Onjiko ward, Obuoro Child Caregivers and Environmentalist Self Help Group (OCCAE), St. Francis Oriang' Development Program CBO, Akwanya Village from Awasi/Onjiko ward, Ponge Community from Awasi/Onjiko ward, Kochogo/Kanyipola from Awasi/Onjiko ward, Nyalenda Community Members, Network for Adolescent and Youth of Africa (NAYA).

The Committee has considered submissions from the public engagements in its recommendations to this House and attached both the compiled oral submissions from each ward as (Annex III) and the Memoranda as (Annex IV)

STOCK OF COUNTY PENDING BILLS (Reference Pg. 19 & 20 of the Main Report)

Madam Speaker and Hon. Members, the County stock of accumulated pending bills stands at Kshs 5,105,504,762.23. This is a decrease of Kshs 245,304,163.71 from the amount of Kshs 5,350,808,925.94 reported in the 2022-2023 Debt Management Strategy Paper.

The Matrix below outlines the total County Pending Bills Portfolio. Members, you need to look keenly at this so that you look at the recurrent that is just the suppliers that have not been paid in the recurrent as seen below;

Description	(DMSP 2024)	% of Total debt	(DMSP 2023)	% of Total Debt
	Kshs		Kshs.	
Recurrent (Suppliers)	766,501,201.62	15.01%	447,941,874.73	8.37%
Development (Contractors)	1,271,780,351.81	24.91%	1,605,322,184.98	30.00%
NSSF	459,294,940.00	9.00%	459,294,940.00	8.58%
Gratuity	410,780,920.00	8.05%	630,092,577.00	11.78%
Medallion	0	0.00%	11,010,000.00	0.21%
LAPFUND	544,127,480.91	10.66%	544,127,480.91	10.17%
Legal fees and Court Decrees	317,259,897.00	6.21%	317,259,897.43	5.93%
LAPTRUST	135,759,970.89	2.66%	135,759,970.89	2.54%
National Housing and Corporation	1,200,000,000.00	23.50%	1,200,000,000.00	22.43%
Total	5,105,504,762.23	100.00%	5,350,808,925.94	100.00%

OBSERVATIONS AND FINDINGS

So, this is why we have problems with the executive concerning pending bills and you can look at this breakdown. Some of these things like gratuity and NSSF why are they not remitting? So those are the areas where the committee is requesting that we do summon them and we need to get comprehensive answer on the same.

1. That, the County treasury has failed to implement mitigation measures in the previous Dept Management Strategy Paper (DMSP) to effectively reduce County Debt Portfolio.
2. The County's stock of Pending Bills reported at Kshs. 5,105,504,762.23 translates to 40.8% of the total projected County Revenues contravening the provisions of Regulation No. 25 part (1)

(d) and 179 part (1) of the PFM Regulations of 2015 setting the County on primary fiscal imbalance.

3. The County does not have public debt as per the definition under section 214 (2) of the Constitution of Kenya 2010 which defines Public Debt as “*financial obligations attended to loans raised or guaranteed and securities issued or guaranteed by the National Government.*”

4. The Pending Bill categories reported/disclosed are not comprehensively supported with the following details for justification;

- a) Individual beneficiaries for all the composition of pending bills owed by the County.
- b) Category of Pending Bill accumulated for each and every financial year.
- c) Justification for non-remittance/non-payment for the case of non-remitted statutory deductions and amounts owed to contractors of projects and suppliers of goods and services respectively.
- d) Pending Bill Repayment Plan outlining the framework and formula for settling the accumulated pending bills to set the County on stable fiscal balance.

So, Madam Speaker that is why I highlighted the importance of the pending bills.

CONCLUSION

Hon. Speaker, It is therefore my pleasant undertaking on behalf of the County Budget and Appropriations Committee, to table this report in this House and recommend it for adoption. I therefore move the motion and call upon Hon. Pamela to second, thank you Madam Speaker.

The Temporary Speaker (Hon. Oginga, Nominated Member): Yes Hon. Pamela Oyoo.

Hon. Oyoo (MCA, Migosi Ward): Thank you, Madam Speaker, I stand to second the report which has been presented by the Chairperson select committee of Budget and Appropriations. It is a requirement that the CFSP report should be tabled to the Assembly by 30th of April which has been done accurately and I therefore stand to second. Once again, thank you Madam Speaker.

The Temporary Speaker (Hon. Oginga, Nominated Member): Honourable Members, now the report by the Select Committee of Budget and Appropriations on the report on its consideration of the Kisumu County Fiscal Strategy Paper for Financial Year 2024/2025 and the Medium Term has been presented and seconded as per our Standing Orders. I want to propose that the report by the Select Committee of Budget and Appropriations on its consideration of the Kisumu County Fiscal Strategy Paper for Financial Year 2024/2025 and the Medium Term is now open for debate.

The Temporary Speaker (Hon. Oginga, Nominated Member): Yes, Hon. Tom Nyaoke MCA, representing North Nyakach Ward.

Hon. Nyaoke (MCA, North Nyakach): Thank you Madam Speaker. I rise to support this motion but, I will address myself on a few issues that have been read on this document.

Madam Speaker, I wish to address myself particularly if you look at the Financial Recommendations which have been given, section No. 7. It is my belief that this one is something we need to worry about and that the solution to this problem will definitely with this Assembly. Madam Speaker, it is also in everyone's knowledge that Prof. Pete Anyang' Nyongó who is our current Governor is set to retire from politics in the year 2027. It is our concern that we do not let him go for retirement with some baggage on his back with the things such as Pending Bills. When we got to this Assembly, we found pending bills running but now the rate at which the pending bills are going is worrying. As we speak, we are talking we as a county have accumulated Pending bills to the tune of Kshs 5 Billion being Stock of Pending Bills. When is Kisumu County going to remain without pending bills? If it cannot be taken back to zero, it should be reduced to the level that is tolerable, not skyrocketing because I am sure if we leave it go like this, maybe by the end of the next financial year, it is going to be about Kshs 8 Billion. Do we want to shut this County down?

Madam Speaker, if it is a matter that some people have to go home, they have to do so if they cannot perform. We cannot have a Finance Minister who cannot control this kind of serious issues Madam Speaker. I am standing to support this motion because if we are able to address this number seven, and I can see they have classified in part that; (a) that the County Executive Committee Member for Finance and Economic Planning to appear before the Budget and Appropriations Committee for a comprehensive review, examination and interrogation of the reported Stock of Pending Bills. I therefore want to impress upon the Members that shall be sitting at that particular House Committee that the appearance of that the County Executive Committee Member for Finance and Economic Planning should be made serious. He is supposed to explain to this House as to why he cannot and why he is unable to stop this calamity. I dare call it a calamity because now the pending bills are becoming unmanageable.

Sometimes back, I believe we even discuss in this Assembly the things related to that pending bills. We wanted to know the breakdown of particular owners of these Pending Bills. But, I believe that all our questions fell on deaf ears and to date, they have never been answered. I therefore want to go on record that this period of time that has been given immediately after the adoption of this report we expect to see them sitting two weeks after this with County Executive Committee Member for Finance and Economic Planning to explain why such a thing is taking place.

Madam Speaker, the other thing that I wanted to address is the School Feeding Programme. These are some of the things that if we do not look at, are going to eat into our finances and yet we may not see the results. The Standing Committee on Education should explain to us the progress they have made because we do not see this school feeding programme. That is because

every time they come here, we allocate to this department funds but we do not see any of these programmes taking off. Where is this school feeding programme going on? They should come and inform this House the progress of this programme. In case they are unable to substantiate, we are ready to disband that issue of school feeding programme, if it is not helping us Madam Speaker.

Madam Speaker, it is high time that we consolidate our finances for the greater good of the people not just the things that we are unable to explain. I did hear the Chairman even asking, that is it because we are trying to make businesses for some other people, by supplying these food items but to nonexistence schools Madam Speaker, and then at the end of the day they will appear in what is known as the pending bills. Madam Speaker let these pending bills not be a cash-cow for some people. Madam Speaker, we are not going to allow anyone to interfere with the good plan of retirement of Prof. Peter Anyang' Nyongó. If you cannot work, you just step aside and let us give him his opportunity to retire well. Thank you, Madam Speaker and I beg to support.

The Temporary Speaker (Hon. Oginga): Yes Hon. Lumumba Owade, the Deputy Leader of Majority.

Deputy Leader of Majority (Hon. Owade, MCA, South East Nyakach): Thank you Madam Speaker. Foremost, allow me to congratulate the able Chairperson of the Select Committee of Budget and Appropriations for a well-researched report. In as much as I would wish to support the report, I have some reservations to make.

Madam Speaker, the Chairperson of the Select Committee of Budget and Appropriations has categorically highlighted some of the issues that are pertinent and for example the issues to do with the Wage Bill. This animal has been echoed in this House severally and even the recommendations provided. Time and again, even last year we had the same issue. What is it that these recommendations of ours cannot be implemented? That brings us to the functions and roles of our House Committees. It is actually at the committee level that we should ensure that all the recommendations that are made are adhered to otherwise; we will just be debating in this House with no action to follow. Madam Speaker, it is a very good recommendation and it is for these that I support this report but we must ensure that our recommendations are acted upon.

Madam Speaker, the issue of Absorption Rate by departments. The same goes back to the same House Committees. It is at the committee level that it is where the County Executive Committee Members appear to defend their departmental budgets. We still give them more money for example, someone did not absorb last year's finances allocated or maybe the department absorbed only 30% then the department comes back for a 100%, what is the justification for giving him more money? These departments should just be stagnated at that 30% because the department has not proven to us that they can absorb more. If these House Committees can ensure that that is done then we'll wake our sleeping CECs.

Madam Speaker, on the issues to do with Public Participation; this is a very good idea but I still have issues with public participation. The public participation lacks what is called capacity building and civic education because if you see the turnout and the representation, there is something like a very good idea. It is high time that we also think of how to inject some funds for civic education and capacity building in order for us to get quality reports from public participation. You will agree with me that from the report we got particularly my ward South East Nyakach if whatever is brought here is anything to go by, those reports were shallow, and some of them were repletion others were not even reflecting on what's actually on the ground. We may not blame them but I believe we should do something so that we walk this tall walk together.

Madam Speaker, in terms of development particularly in each ward, I envy what is actually happening in our county because most of the municipalities get double because they benefit from KISIP, City and Ward Development programmes. Just as the Speaker narrated here that we urge the National Government to take over JOOTRH to help release some of the pressures. On the same breath, I would ask that even Moi Stadium should be removed from County budget and transferred to the City budget to give us more room for some of our wards to develop sport facilities because it is taking a huge chunk of the sports or Culture Department money leaving the rural ward with very little to develop our sports activity in the rural wards.

Madam Speaker, this so called absorption rates, it is squarely to be blamed on our County Executive Committee Members and it is the same County Executive Committee Members (CECMs) who appear before the various Sectoral Committee to be explain but when they come to explain this, they keep on blaming the subordinate staff. We do not have access and we are not even allowed to question their staff by law. Madam Speaker, so the ball starts and stops with the County Executive Committee Members and therefore we should really up our game on how to handle the County Executive Committee Members who are responsible for the implementation of projects that are supposed to be executed so that we do away with this lack of proper absorption. Thank you Madam Speaker. Thank you.

The Temporary Speaker (Hon. Oginga, Nominated Member): Yes, Hon. Oiko of Kabonyo Kanyagwal.

Hon. Oiko (MCA, Kabonyo Kanyagwal): Thank you Madam Speaker, I have seen a trend of the Select Committee of Budget and Appropriations, which is applaudable from the report of last week on Kisumu County Budget Review and Outlook Paper FY 2022/2023 and today's report that the chairperson has laid. It is a very important report and very informative. The only problem we now have is that we don't have enough hard copies, if the elderly could get hard copies, they will be reading them easily and they will become Finance Officers and they will

understand a lot of finance matters involved in this reports and that is my request the number one request.

Madam Speaker, going through this report, it gives a true picture of the financial management of Kisumu County. The Kisumu County Budget Review and Outlook Paper FY 2022/2023 report and the report of the Kisumu County Fiscal Strategy Paper for the FY 2024/2025 which is our Budget Policy Paper for the FY 2024/2025 gives us a picture of the gloomy picture of our financial management. What do we do about this? The picture is that we need to hasten our oversight role on the County Executive. The performance seen here today, we are being informed that in FY 2022/2023 is 77%, In the Kisumu County Budget Review and Outlook Paper FY 2022/2023 report it was 66%. Because these are now records of this House which we should be making reference to but it still gives us the picture that all is not well in our performance as a County.

Madam Speaker, when we look at this report, Kisumu County needs to pull up its socks and when we also refer to another important record, the Audited Account of Kisumu County which gives us the true picture of what Kisumu County Budget Review and Outlook Paper FY 2022/2023 and County Fiscal Strategy Paper FY 2024/2025 gives us, which means the Office of the Controller of the Budget (OCOB), the Auditor General are giving us a true picture and then we fail when we come to PIC PAC committee who when they come here with their report, they also want to become the Auditors. They give the leeway that in 60 days 90 days, as if they are empowered to audit the books of account.

Madam Speaker, when a report has been formulated by the Office of the Auditor General, and we have found that they have raised red flags on a lot of matters, our work is just now to commit it to the Ethics and Anti-corruption Commission (EACC) or Director, Criminal Investigations Department; we don't need a lot of stories. I'm asking our colleagues who are in that Select Committee to take their time and read the Kisumu County Budget Review and Outlook Paper FY 2022/2023 report and that of the Kisumu County Fiscal Strategy Paper of today to guide them so that when the audited one come, we don't beat around the bush. Because when we want to oversight, what documents do we use to oversight the County Executive? These are the documents we use. We don't create our stories.

Madam Speaker, the Wage Bill in this county is a thorny issue. When Governor Nyongó took over office the wage bill was at 35% there are records to show that, go look at the Approved Kisumu County Budget Estimates FY 2017/2018. The technical staff has not been employed adequately in this government. So, we need to know whether it is the salary increase that has brought this about this problem? Or are they the political appointment on which other appointments has raised the wage bill that is being assumed to be reaching 50% and when it comes to the matters of staff audit, this had been done in the past and the result was zero. It was assumed there were no ghost workers and when the staff audit was done. The element of ghost

workers did not come up. Which means a lot is to be done to establish the sky rocketing wage bill in Kisumu County.

Madam Speaker, the matter of Pending Bill has also been a thorny issue. Most of the financial years, the Assembly has been approving one million plus for the pending bills. From the figure we are getting today, it is suspicious when the pending bill has been adequately funded, so that needs to be investigated.

Madam Speaker, on the pending bill, the Statutory Deductions, this matter of statutory deductions they have not been paid. They have not paid LAPTRUST. That is money deducted from staff and should be remitted so that when they retire, they get their gratuity. It is being deducted but not being submitted.

Madam Speaker, we are also seeing here that LAPTRUST, LAPFUND and Gratuity, gratuity is money that the country is deducted from the county budget and remitted on behalf of the staff. They also don't do remittances that and there are some deductions which are also not stated here like the pay as you earn (PAYE). Chances are very high that the PAYE are also not being remitted and we need to look at this to because when it comes to taxes, the President gave amnesty up to 31st December 2022 that the Interest and the Penalties were not to be paid only the Principal sum. If it happens that the county government has not paid these levies in full , the penalty and the interest will accumulate and the figure will be alarming.

Madam Speaker, on the Development Expenditure Component, we are seeing here that Kshs 1.6 Billion has been allocated for development that is for the Contractors and the Suppliers of Goods and Services for 2024. Madam Speaker is Kshs 1.2 billion for development and Kshs 766 million for Suppliers of Goods and Services. This idea of not paying the Contractors and the Suppliers in time has killed the entrepreneurs. The government brought a very good system, the LPO. Financing and Local Supply Orders (LSOs) financing where once a businessman has been given business by a county government, they'll go to the bank to get loan and after the work has been done, the county is expected to pay the contractor, pay the supplier and service the loan. Madam Speaker, the County Government of Kisumu has failed on this, where they take 3 to 5 years before settling debtors. The interest at the bank will go up to an alarming level where the contractor or the supplier will not be able to service. As someone sits in the office comfortably, not paying the contractors and the suppliers is doing a disservice or killing the economy of the county.

Madam Speaker, in the County Budget review and Outlook Paper a figure was calculated out of development that Kshs 1.2 billion was not spent and this is where we get the problem on poor procurement at large and the authority to incur expenditure. When there is poor Procurement Plan whereby a half of the financial year, procurement has not been completed, like we are now going to pass the budget, if by December this year all the projects have not been procured and the ones which are to be procured from January to February, will not be done. We must monitor

this because it has been hearsay here, it has been a song here that we should monitor the procurement plan, but we don't do it. That is where things go south or don't you succeed.

Madam Speaker, the Authority to Incurred Expenditure (AIE), this is got from the Finance Minister. At what time does he give this Authority to Incurred Expenditure and at what intervals and when he gives the Authority to Incurred Expenditure, what does it entail to make the workflow? Madam Speaker, these are matters which if we don't address, however much we talk here, we shall just be biting around the bush.

Madam Speaker We are now seeing the trend of Our Source Revenue Collection which is very poor but the Chair has given an encouragement that in the Third Quarter is where a lot of collection is expected. So, let us pray that in the Third and Fourth Quarter, the collect will be reasonable? So that the revenue target of Kshs 2.2billion is realized or a reasonable figure is realized. But, with establishment of Kisumu County Revenue Board if the Own Source Revenue collection still fails the way it has been failing, then the county government will be expected to go back to the drawing board.

Madam Speaker, it is my hope that when we shall be getting this kind of reports and we'll discuss them adequately. We shall be taking Kisumu County to the right direction.

Madam Speaker, the matter of JOOTRH has been echoed in this House from time to time. I hope good effort is being made but, let us not just be happy that we want to transfer JOOTRH to national government. There are a number of services being offered at JOOTRH which our people will still need so those services we must have alternative and the alternative is the Kisumu County Referral Hospital. So, as we released JOOTRH to the national government to become a parastatal, those resources we shall use to elevate Kisumu County Referral Hospital for those services that our people will not be able to assess.

Lastly, we must just be reasonable, that money should not just be left there we must develop our health facilities. I hope that will be taken positive. With those few remarks Madam Speaker, should I say I so contribute so that another colleague takes over.

The Temporary Speaker (Hon. Oginga, Nominated Member): Yes Hon. K'Omudho.

Hon. K'Omudho (MCA, Muhoroni Koru): Many thanks Madam Speaker and the Honourable Members. A big clap to the Select Committee of Budget and Appropriations through their able Chair and Members for comprehensive document.

Madam Speaker, I arise here today to support for the adoption of the report, a very good report, well captured but there are some shortcomings in a few areas and this is very normal under normal circumstances. Some areas specifically touch to what relates to my capacity in my ward

development portfolio. That says or talks of operationalization of monies which are supposed to flow to the wards uniformly or equitably, just on process and in the coming few days.

Honorable Madam Speaker we shall be having a very comprehensive motion tabled in the House that should actually make us depart from the tradition of beings favored following the number of stairs as I heard the Speaker of the budgets says that you have to follow the stairs many a times of the so called some prestigious buildings here. We learn to have a uniform building that is positively on process.

Secondly, this is equally coming from the background of the Education Committee. We are also on the process of finding the factual facts relating to the so called a School Feeding Programme and I say that in quotes because whoever is being fed is yet to be known properly. So we are also taking into task the department the County Executive Committee Member relating to these particular issues, so that we get the finer details on this. I would like to assure the Honorable Members of this House that the matter is also being attended to as concerns the sentiments raised in the report as well.

Finally, it is my belief that it is equally important that we get to get the volume, the big volume or the big chunk of the finances being flowed in to support JOOTRH so that we get the resources that should actually be pumped by the national government. I want to believe that is, if captured well and resourced to the relevant county resources, then we will be able to benefit big time. Let the national government take the responsibility. The hospital the facility is serving beyond far much beyond what is called Kisumu country and let the benefits of Kisumu County remain to the owners. Many Thanks. I support the adoption of the report.

The Temporary Speaker (Hon. Oginga, Nominated Member): Yes Hon. Alando.

Hon. Alandoh (Nominated MCA): Thank you Madam Speaker, I also rise to support the Motion presented by the able Chairperson, Budget and Appropriations Committee. I want to register my reservations that when I came to this House I was very much down as the Chairperson of Agriculture, Livestock and Fisheries Committee because the allocations that were given to the department was just a peanut. I am at least not very much happy but some light is showing at the end of the tunnel that the House Committee made the recommendation that the County Executive Committee Member need to consider the Department of Agriculture, Livestock and Fisheries Committee given that the allocation that was given, that they should considering the new staffs that we employed recently in the department and that the funds that was allocated for operation was low.

Madam Speaker, I want to encourage the Select Committee that you go by your recommendation and pin done the County Executive Committee Member for Finance to look into that because if we go by the Maputo Declaration which we are signatories that stated that all the department of

Agriculture or all the institutions to consider that the Department of Agriculture, Livestock and Fisheries and Irrigation be appropriated 10% of their total County Budgetary allocation. Our County is still lagging behind and most of our farmers are really complaining that there is no support that they are receiving from the County government. Our County cannot even empower our farmers by giving them the farm inputs. The neighbouring Counties are giving out farm inputs such as fertilizers and certified seeds and for us if the representatives of different wards have not allocated anything from the budget the County has nothing to give out because of the low funding that is being allocated to the Department of Agriculture, Livestock and Fisheries and Irrigation every now and again. Madam Speaker, moving forward, in light of their acknowledgment of the Maputo Declaration, the county has strived to take action by doubling the percentage allocation from 3% to 6%.

Madam Speaker, regarding the matter of the Wage Bill, I'm uncertain about the Counties' plans. It's concerning that despite continued hiring; some offices seem to have surplus staff engaged in non-essential activities, contributing to the steady rise in the wage bill. I am sure that even if you go into details which I want to request our Chairperson of Budget and Appropriations to do that we need to know all the staff of this County and whatever their roles are and this is because we might be making a lot of noise regarding this wage bill and yet we have some of the ghost workers who are consuming our money. Thank you.

The Temporary Speaker (Hon. Oginga Nominated MCA): Hon. Dede.

Hon. Dede (MCA, Kisumu North): Thank you Mr. Speaker, while my colleagues have covered much ground on the topics I intended to address, I'd like to ensure my perspective is on record. Firstly, there's the recurring issue of Pending Bills, which seem to escalate from Kshs 2 billion to Kshs 5 billion regularly. It's imperative to establish a categorization strategy for these bills, linking them to specific departments for clarity.

Madam Speaker, turning to Own-Source Revenue: the figures for the first two quarters of FY 2023/2024 are troubling. Collection stood at Kshs 233 million in the first quarter, dropping to Kshs 192 million in the second. Despite efforts to boost revenue, such as the recent establishment of the Kisumu county Revenue Board, the results are not promising. Comparing this fiscal year to FY 2022/2023, prior to the board's formation, reveals a decrease in collection from Kshs 233 million to Kshs 192 million in the second quarter. This trend warrants careful examination and action. This implies that despite any gains from Own Source Revenue, the employees of the Kisumu County Revenue Board seem to absorb the surplus, leaving the situation largely unchanged. While there may be a slight increase, the bulk of the funds appear to be consumed by the board members. I suggest we delve deeper into the operations of the Kisumu County Revenue Board to establish its effectiveness and determine whether it truly adds value compared to the previous system.

Madam Speaker, the matter of prioritizing unfinished projects warrants attention. What are the reasons behind their incompleteness? Take, for example, the Department of Infrastructure, Energy and Public Works. During the budgeting process, Honorable Members often allocate funds based on rough estimates, say, Kshs 2 million for a particular road stretch or road. It appears that these estimations are the basis for our planning. I propose that, prior to budget allocation; teams engage engineers to assess the actual requirements of each road project. This proactive approach can prevent the occurrence of incomplete projects.

Madam Speaker, with regards to the management of our Debt Portfolio, it was suggested that each department takes responsibility for its own debt. This approach would streamline operations, ensuring that Department of Infrastructure, Energy and Public Works to handle the debts associated specifically with their projects.

Madam Speaker, regarding the rising Pending Bills for Legal Fees, despite having members employed in the legal department, the total pending bills have exceeded Kshs 300 million. It raises the question: what tasks are being undertaken within this department? If we still have such a pending bill.

Madam Speaker, in the department of Agriculture, Livestock and Fisheries we proposed the recruitment of 115 Extension Officers, necessitating additional funds to cover their salaries. Before these new hires, there were retirees who had previously occupying these positions. It's essential that the department clearly outlines the need for additional funding specifically for the salaries and remuneration of the 115 newly recruited officers. We need to know the job groups the new recruits were employed in.

Madam Speaker, in the Department of Infrastructure, Energy and Public Works, there's a proposal to install additional Floodlights countywide. My concern with the plan for 14 new floodlights is how we'll they be maintained, especially if the current ones aren't functional. I suggested employing someone to monitor floodlights in different regions to ensure their upkeep. Additionally, the Department of Infrastructure, Energy and Public Works is requesting an additional Kshs 900 million for Operations and Maintenance (O&M), but the machine-based program has been unreliable. My suggestion is to adopt a hybrid system instead this is because this would mitigate the delays caused by funding issues for fuel in the machine-based approach. Madam Speaker, by transitioning to a hybrid system, where some opt for machine-based methods while others use alternative approaches, we can ensure smoother operations for all involved.

Madam Speaker, in the Department of Tourism, Culture, Arts and Sports, we've observed a trend of excessive funding directed towards stadiums, often resulting in reallocations of allocated funds. For instance, the initial allocation of Kshs 100 million to Moi Stadium was later redirected to the Governor's residence. This raises concerns about the value added by investments in sports and culture, particularly when considering existing facilities like Muhoroni and Moi stadium.

Madam Speaker, regarding the Public Service Board, there has been discussions about their lack of responsiveness to Assembly invitations. Given this situation, it's questionable whether additional funds should be directed to support their daily activities if they don't participate in Assembly proceedings.

Madam Speaker, on Conditional Grants are accompanied by their respective Memorandum of Understanding (MOU). It's crucial that these MOUs are provided alongside the grants themselves, as they outline the terms and conditions associated with the allocation of funds.

Madam Speaker, on the issue to do with transfer of JOOTRH to the National Government. It is wise to consider that if it were transferred to the National Government, many employees might relocate to our smaller healthcare facilities like hospitals and dispensaries. Currently, despite operating numerous dispensaries, we face challenges such as inadequate staffing and shortages of essential drugs. Much of the burden falls on JOOTRH to provide services. Transferring management to the National Government could redistribute staff to our dispensaries and sub-county hospitals, potentially improving services across the board.

Madam Speaker, on issues to do with Water Management, we have noted that the budget ceiling allocated to the Department of Water, Environment and Natural Resources is quite inadequate. Additionally, there are willing donors ready to support the department with donations. However, the department's ability to leverage these donations depends on the funds allocated by the Assembly. Typically, they match the Assembly's allocation; if the Assembly strives to allocate and provide Kshs 50 million, they match it with the same amount. Therefore, it's essential to increase the department's budget allocation to enhance the matching funds available for leveraging donations from donors. This would allow us to maximize the contributions from external sources.

Madam Speaker, in conclusion, the issue of the Wage Bill remains a significant concern, with many employees seemingly idle. During discussions with the County Public Service Board, we encountered hurdles. For instance, in the County Secretary's office, we have John Auma occupying the position of County Secretary, while there's also a current County Secretary serving in an acting capacity, resulting in a duplication of roles. This redundancy needs to be addressed. Thank you.

The Temporary Speaker (Hon. Oginga Nominated MCA): Hon. Ajwang'.

Hon. Kennedy Ajwang (Nominated MCA): Thank you Madam Speaker, I wish to call the mover to reply.

The Temporary Speaker (Hon. Oginga Nominated MCA): Hon. Joachim.

Hon. Joachim (MCA, Kondele): Thank you Madam Speaker. Hon. Ajwang' is absolutely on target, showing great attentiveness. Madam Speaker, Hon. Dede revisited issues already brought

up earlier, going through each department meticulously, and I concur with him. The reassurance I can offer is that our current discussions pertain to a policy document that merely sets the ceiling. When we receive the Budget Estimates, we'll have the opportunity for a comprehensive discussion on the budget. However, Hon. Dede has raised a crucial point, particularly regarding Department of Water and Environment, where they believe they have partners ready to match certain funds. This matter has been duly noted, and we will address it during Sectoral Committee discussions with line departments.

Madam Speaker, I fully concur with him regarding the concerns he raised about the Wage bill and other related matters. Just as Hon. Alandoh aptly termed it, the detailed staff and wage bill requires our attention. This is precisely why we compile these reports. While some members may mistakenly assume it falls under the purview of the Select Committee of Budget Appropriations, our task is to analyze the document at hand. However, the detailed report on staff matters seems to fall within the jurisdiction of the Standing Committee of Labour and Social Welfare.

Madam Speaker, Hon. Vitalis echoed similar sentiments regarding the Ward Development Fund, suggesting that the practice of negotiation is outdated. Instead, he proposed the establishment of a guiding law that clearly stipulates the allocation for each ward. Regarding the Feeding Program, I share the Member's concerns, particularly his question about the beneficiaries since our children are not being adequately fed in school. Therefore, I propose that the Standing Committee of Education be tasked with presenting a report on this matter.

Hon. Pete raised several pertinent issues, and I concur with his suggestion that individuals who prefer hard copies should make special requests in this digital age. However, for those who still rely on hard copies, accommodations are made upon request. He also drew attention to discrepancies in the documents provided, noting instances where figures for Own-Source Revenue in our reports, such as County Budget Review and Outlook Paper and those of the County Fiscal Strategy Paper differ or vary from those provided by the Controller of Budget. This inconsistency has been an ongoing issue. Additionally, the Member mentioned issues concerning the Wage Bill. Madam Speaker, as I previously addressed, and highlighted the impact of appointments on staffing levels, particularly regarding technical staff shortages, which contribute to the ballooning wage bill. I equally agree with the Member that the issue of late payment of Pending Bills has killed the Local Supply Order (LSO) Financing Model and that has discouraged a lot of our suppliers.

Madam Speaker, I echo the sentiments of the Deputy Leader of Majority regarding the allocation, which should indeed be based on the capacity to absorb. This is a valid point. Additionally, there's a need for Capacity Building and Civic Education among our members of the public in terms of public participation. It's clear that more training is required in this regard. However, the county alone may not be able to handle these entire tasks effectively. Collaboration with partners and networks will be crucial in achieving our goals in this area. Thank you.

The Temporary Speaker (Hon. Oginga, Nominated Member): Honourable Members, now that the report by select committee of Budget and Appropriations on its consideration of the Kisumu County Fiscal Strategy Paper for FY 2024/2025 and the Medium Term has been moved, seconded and debated upon, I therefore want to put a question on the adoption of the same.

(Question put and agreed to)

The Temporary Speaker (Hon. Oginga, Nominated Member): Honourable Members, the report by Budget and Appropriations Committee on its Consideration of the Kisumu County Fiscal Strategy Paper for FY 2024/2025 and the Medium Term is hereby adopted today Tuesday, 30th April, 2024 at 17:03 hours. I direct that the report together with the Hansard report be prepared and submitted to the relevant department for purposes of implementation.

The Temporary Speaker (Hon. Oginga Nominated Member): Next Order!!

ADJOURNMENT

The Temporary Speaker (Hon. Oginga Nominated MCA): There being no any other business to transact, the House stands adjourned to 2nd May, 2024 at 2.30 p.m.

(House rose at 5.04 p.m.)

Addendum

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