

## COUNTY GOVERNMENT OF KISUMU



### COUNTY ASSEMBLY OF KISUMU

#### **THE HANSARD**

##### *Official Report*

#### THIRD ASSEMBLY - THIRD SESSION

**Thursday 03<sup>rd</sup> October, 2024**

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

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

#### **PRAYER**

**The Speaker** (Hon. Oraro): Honourable Members, I direct the Serjeant-at-Arm to ring the quorum bell for the first five minutes.

*(Quorum bell be rang for five minutes)*

**The Speaker** (Hon. Oraro): Serjeant-at-Arm, kindly, ring the bell for further five minutes.

*(Quorum bell be rang for further five minutes)*

**The Speaker** (Hon. Oraro): Leader of Majority, do we have quorum?

**Leader of Majority** (Hon. Ooko, MCA, Ahero): Mr. Speaker, I can confirm that the House has got quorum.

**The Speaker** (Hon. Oraro): Thank you. Clerk, can you take us through the Order Paper of the day?

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

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## COMMUNICATION FROM THE CHAIR

**The Speaker** (Hon. Oraro): Honourable Members, I have two communications to make. One is that you are reminded by the Standing Committee on Culture on the training and preparation for the forthcoming CASA Games scheduled for this month. I am informed that the two weeks is almost elapsing and the record of attendance is being taken. So, if you find your name stuck off from what you chose as your area of interest, like Honourable Nereah Okombo and I chose to go with a discipline, and we have been finding ourselves alone during the training sessions. So, if you find your name is struck off from the list of participants, don't blame me. You are again reminded to please take your training seriously.

Your appearance in the training sessions is what will dictate whether you are retained in that discipline or not. So next week, the Clerk will be making payments for the disciplines, but it will only be based on the numbers that are in those various disciplines. We don't expect to have more people in football when only a few are the only ones attending these training sessions. So, Honourable Joachim Oketch, I know you chose tug-of-war as your area discipline. I didn't see you in the field in the morning. I hope that tomorrow you will be available unless you have change to another one discipline?

Number two, I have communicated in our WhatsApp page that immediately after the plenary, I would like us to have a *Kamukunji*. It will take a very short time. There are some updates and clarifications that I would like to give. So, please inform your other colleagues that we have a *Kamukunji*. I would like us to be as many as possible so that the information I want to pass will go to, if not all of us, then many of us. Thank you.

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

## STATEMENT

**The Speaker** (Hon. Oraro): Hon. Nereah Okombo, the Deputy Speaker.

**The Deputy Speaker** (Hon. Okombo, MCA, Manyatta “B”): Thank you, Mr. Speaker and Honourable Members. Mr. Speaker, I rise to seek a Statement from the Chairperson Finance ICT Committee on the implementation of the County Assembly's approved budgets supported by Standing Orders No. 189 (3) (a), and pursuant to the provisions of Sections 104 (1), 109 (4) (b) and 125 of the Public Finance Management Act, which requires the County Executive Committee Member for Finance and Economic Planning to ensure proper implementation of the County budget, including that one of the County Assembly.

The County Executive Committee Member Finance and Economic Planning has powers to implement the budget through the cushioning funds in line with the Annual Appropriations Act approved by the Assembly. A critical part of this duty includes signing requisitions for the County Assembly and ensuring that funds as approved by the Control of Budget for the

Assembly's salaries and operations are disbursed accordingly and in a timely manner. Honourable Speaker and Honourable Members, for the financial year 2023-2024, the approved recurrent budget for the Assembly was Ksh. 975,311,910.

However, by the close of the financial year that is by 30 June 2024 the Assembly had only received Kshs. 835,330,890, leaving a deficit of Kshs. 139,981,020. However, by August 2024, the National Treasury had disbursed all funds for the previous financial year to the County. To our surprise, County Treasury up to date has not disbursed Kshs. 57,1950 from the financial year which has ended to the Assembly.

This deficit remains unexplained, posing serious financial challenges to the Assembly. Moreover, for the current financial year 2024-2025, the National Treasury has disbursed the funds for July 2024. The County Assembly's approved budget for this financial year stands at Kshs. 1,08,619,656, meaning the exchequer for July should have amounted to Kenya Shillings' Kshs. 84,051,638.

However, the County Treasury has only released Kshs. 60,780,917, leaving a variance of Ksh. 23,282,721. These funds already disbursed by the National Treasury are essential to the functioning of the Assembly. As it stands, the Assembly only has sufficient funds to pay salaries for the two months for which we are already in arrears.

Furthermore, the County Executive owes the Assembly a total of Kshs. 80,284,671, funds that have been approved and disbursed by the National Treasury, but the Assembly is yet to receive. This withholding of funds leaves the Assembly unable to pay suppliers and cover essential utilities, and we are currently operating without basic supplies necessary for daily operations. Honourable Members and Mr. Speaker, in light of this, I kindly request the Chairperson for the Committee of Finance and ICT to seek response from the CECM Finance and Economic Planning on the following issues. Why has the County Treasury failed to disburse the full amount of Kenya shillings, Kshs. 82,979,070, for the year 2023-2024, particularly the Kshs. 57,1,950,000 that remains outstanding?

What is the reason for the Kshs. 23,282,721 variance between the Exchequer and the amount actually released to the Assembly for the current financial year? When can the Assembly expect to receive the outstanding Kshs. 80,284,671 owed to the Assembly by the Treasury, which has already been disbursed by the National Treasury?

What measures are being put in place to ensure that future disbursements are made in full and on time, as per the County Assembly's budget requirements? Thank you Mr. Speaker.

**The Speaker** (Hon. Oraro): Thank you Honourable Members. I received the said statement by the Deputy Speaker. Unless somebody has a comment and if none, I can see the Chairperson of

Finance and ICT. That statement is committed to Standing Committee on Finance and ICT and you are expected to report back to this House on Tuesday, 09<sup>th</sup> October, 2024.

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

## MOTION

KISUMU COUNTY FINANCE BILL 2024 (COUNTY ASSEMBLY BILL NO. 3 OF 2024)

BY

HON. JOACHIM OKETCH, MCA, KONDELE

(CHAIRPERSON, BUDGET AND APPROPRIATIONS COMMITTEE)

**The Speaker** (Hon. Oraro): Hon. Joachim Oketch, Chairperson, Budget and Appropriations Committee.

**Hon. Oketch** (MCA, Kondele): Thank you very much Mr. Speaker. Mr. Speaker, we have the report here of the Select Committee of Budget and Appropriations on its consideration of the Kisumu County Finance Bill 2024.

Mr. Speaker Sir and Honourable Members, this report contains proceedings of the Select Committee on County Budget and Appropriations on its consideration of the County Finance Bill (*Kisumu County Bills No. 3*) of 2024 published on 9<sup>th</sup> September, 2024.

The bill went through the first reading on Wednesday, 11<sup>th</sup> September, 2024 and was thereafter committed to the County Budget Appropriations Committee for consideration and reporting to the House under the provisions of Standing Orders No. 123 and 189 of the Kisumu County Assembly.

Mr. Speaker Sir, the Committee has duly undertaken the following activities in processing this bill;

- I. Held a meeting on Thursday, 12<sup>th</sup> September, 2024 to adopt its tentative program for processing Finance Bill, 2024.
- II. Placed an advertisement for public participation on the local dailies on 13<sup>th</sup> September, 2024(annex I).
- III. Held consultative Engagements with the respective Sectors/Departments on 19<sup>th</sup> and 20<sup>th</sup> September, 2024 in the County Assembly Boardroom in Mega Piazza to discuss the Departmental Revenue Enhancement Strategies.
- IV. Conducted public participation on 23<sup>rd</sup> and 24<sup>th</sup> September, 2024 across the eight sub-counties of Kisumu County.
- V. Held consultative engagement with the County Revenue Board and the County Treasury on 30<sup>th</sup> September, 2024 in compliance to the provisions of Standing Order

No. 227 (2) (f) & (4) of the Kisumu County Assembly.

VI. Held its report writing retreat from 27<sup>th</sup> September, 2024 to 2<sup>th</sup> October, 2024.

Hon. Speaker, the Bill has five parts and sixteen (16) clauses. The objective of the bill is to allow the County impose or vary various taxes, licenses, fees and charges that are payable to Kisumu County Government.

The proposed revenue streams set out in the schedules are intended to enhance the revenue payable to the County Government for the full realization of the approved Own Source Revenue Target of Kshs. 3,804,073,100 for the FY 2024/2025. The revenue raising measures pronounced in the Finance Bill represents a critical step towards reducing the county debt portfolio and achieving financial sufficiency to sustain essential public services and to finance its expenditures.

Following our consultative engagements with the various sectors, the Committee endorsed proposals to include some omissions and newly identified revenues streams in the bill. Amongst them include; Internship fee for Kisumu Museum at Kshs.3,000; Moi Stadium with charges retained as per the Kisumu Finance Act, 2023; Rents/Rates for various County Parks such as Sports Ground, Jamhuri Park, Uhuru Park, Victoria Park, Oile Park and Baby Pendo Park; Motor Vehicle Inspection fee and generation of Design/Building drawing under the Department of Infrastructure and many others.

Additionally, the Committee agreed with the proposal by Members of the Public to delete and reduction of certain charges such as hiring of County Machines and equipment"s listed under Code 136 (a - k), Pg. 374 having been vacated from lease under the provisions of the County Transport Act, 2020; Removal of Charges for viewing of Dead bodies at Kwe Funeral Home; Reduction of charges for BS for Malaria from Kshs. 100 to Kshs. 50 at JOOTRH; Reduction of Charges for photography Space and Stall at Jaramogi Oginga Odinga Sports Complex from Kshs. 7,500 to Kshs. 3,500 and Kshs. 15,000 to Kshs. 10,000 respectively amongst others.

Mr. Speaker Sir and Hon. Members, the Committee in considering this bill was guided by the overarching objective to alleviate the tax burden on ordinary citizens while simultaneously bolstering revenue mobilization. This approach aimed at fostering responsive policies enabling expansion of the tax base, mapping and streamlining of the key and untapped revenues streams.

Mr. Speaker Sir and Hon. Members, on behalf of the County Budget and Appropriations Committee, it is my distinct honor and privilege to present to this Honorable House the Committee's Report on the consideration of the Kisumu County Finance Bill (*Kisumu County Bills No. 3*) of 2024. The Committee extends its gratitude to the Office of the Speaker and the Clerk of the County Assembly for the logistical support provided during our sittings, the report writing retreat, and the public engagement period. We also wish to sincerely thank all stakeholders who contributed their valuable insights during the Public Participation Exercise.

I want to express special thanks to the various County Executive Sectors/Departments, the County Treasury, and the CRB for honoring our invitations and sharing their invaluable input. A special note of appreciation goes to the C.E.O of JOOTRH for seconding technical staff to support the Committee during the public engagement forums.

I also wish to extend my sincere appreciation to the Honorable Members of the Assembly and the staff who collaborated in coordinating and facilitating the public forums. Finally, I commend my fellow Committee Members and the Secretariat for their exemplary efforts in planning, programming, and coordinating all the exercises and for their significant contributions to the preparation and production of this report.

It is my humble pleasure to report that the Committee has considered the Kisumu County Finance Bill, 2024 (*Kisumu County Bills No. 3*) and has the honor to report back to the County Assembly with recommendations that the Bill be approved with amendments.

#### MANDATE AND ESTABLISHMENT OF THE COMMITTEE

1. The Select Committee on County Budget and Appropriations is established under Standing Order No. 189 and is charged with responsibility to;

- I. Investigate, inquire into and report on all matters related to coordination, control and monitoring of the County budget;*
- II. Discuss and review the estimates and make recommendations to the County Assembly;*
- III. Examine the County Budget Policy Statement presented to the County Assembly;*
- IV. Examine Bills related to the County Government budget, including Appropriations Bills; and*
- V. Evaluate tax estimates, economic and budgetary policies and programs with direct budget outlays.*

#### COMPOSITION OF THE COMMITTEE

The Budget and Appropriations Committee is composed as follows;

#### COMMITTEE MEMBERS

NO.	NAMES	WARD	POSITION	PARTY
1.	Hon. Joachim Oketch	Kondele	Chairperson	ODM
2.	Hon. Seth Okumu	East Seme	Vice. Chairperson	ODM
3.	Hon. Lumumba Owade	South East Nyakach	Member	ODM

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4.	Hon. Nereah Okombo	Manyatta “B”	Member	ODM
5.	Hon. Kennedy Ooko	Ahero	Member	ODM
6.	Hon. Seth Kanga	Market/Milimani	Member	ODM
7.	Hon. Vincent Jagongo	North West Kisumu	Member	ODM
8.	Hon. Ratib Boitone	Nyalenda “A”	Member	ODM
9.	Hon. Carren Odhiambo	Kaloleni/Shaurimoyo	Member	ODM
10.	Hon. Moses Ochele	East Kano Wawidhi	Member	ODM
11.	Hon. Pamela Oyoo	Migosi	Member	ODM
12.	Hon. Jennipher Obonyo	South West Kisumu	Member	ODM
13.	Hon. George Abaja	West Seme	Member	ODM
14.	Hon. Geoffrey Warindu	Miwani	Member	ODM
15.	Hon. Rueben Rakwach	Kolwa East	Member	ODM

## SECRETARIAT

- a) Adv. Owen Ojuok - Clerk of the Assembly
- b) CPA. Felix Owuor - Committee Clerk
- c) Mr. Omollo Isaac - Clerk Assistant
- d) Mr. Zablun Otiende - Senior Hansard Reporter
- e) Mr. Judith Akoth - Sergeant at Arms
- f) Mr. Denis Ogola - Public Relations

## OVERVIEW OF THE KISUMU COUNTY FINANCE BILL (*KISUMU COUNTY BILL NO. 3 OF 2024*)

### INTRODUCTION

A County Finance Bill is an annual legislative instrument designed primarily to enable own source revenue collection by the County Government. It is rooted in the framework established in the annual County Fiscal Strategy Paper and the Budget Estimates. The Bill outlines key revenue-raising measures for funding of the County Government expenditure initiatives outlined in the Approved Budget for Financial FY 2024/2025. Through this legislative process, the

County Government aims to ensure fiscal discipline, transparency, and accountability in the management of public finances.

The Kisumu County Finance Bill, 2024 has been presented to the County Assembly pursuant to the provisions of Section 132 (2) of the Public Finance Management Act, 2012 and the Kisumu County Assembly Standing Order No. 227.

The objective of the bill is to allow the County impose or vary various taxes, licenses, fees and charges that are payable to Kisumu County Government. The specific taxes are set out in the Schedules of the Bill and are valued in (Kshs). The proposed streams of revenue collection are intended to enhance revenues payable to the County Government so as to ensure better service delivery and also to enable the County Government to perform the functions bestowed on it in the Fourth Schedule of the Constitution of Kenya;

#### OVERVIEW OF THE BILL

Mr. Speaker Sir and Honourable Members, this Finance Bill has been structured as follows;

- a) Part I - provides for preliminary provisions
- b) Part II - provides for the power to charge license fees, rent and cess. This part further provides for powers to the CEC Finance to amend any of the Schedules through an Order published in a Gazette.
- c) Part III - provides for payments to be made to the County through authorized channels. It requires receipts to be issued to all payments made to the County and provides for offence for any person that contravenes the provisions of this Act. It also provides for appointment of agencies for the assistance in revenue collection and recovery and duties of the agents.
- d) Part IV - provides for general penalties for failure to comply with any provisions of this Act. It also provides for offences by the staff of the County including penalties for the offence. This provides recourse if a person is aggrieved by non-performance of the County officers.
- e) Part V - provides for savings of any of the fees, charges, permits, rents or cess that is currently being charged by the County until such fees, charges, permits, rent or cess is repealed or a law is enacted to provide for saving of direction, resolution or authorization that were issued by Municipal Councils, Town Councils and County Councils that were in the County, relating to financial management to ensure the financial base of the County is not affected by the enactment of this law. It further provides for the CECM responsible for Finance to make regulations for the better carrying out of the purposes and provisions of this Act.

Mr. Speaker Sir and Honourable Members, through our critical examination and interrogation of this Finance Bill, the Committee established the following categories of variations;

- a. Proposes some new taxes, licenses, fees and charges.

- b. Proposes an increment on certain taxes, licenses, fees and charges.
- c. Proposed a reduction of certain taxes, licenses, fees and charges.
- d. Proposes deletion/removal of some taxes, licenses, fees and charges
- e. Undetermined Charges, fees and Charges.
- f. That under JOOTRH, a column for special rates has been provided in the schedules setting charges for NHIF and other insurers.

It was observed that majority of the varied taxes, fees and charges in the Bill were domiciled under JOOTRH. The classification of normal rates and special rates were adequately justified as cash receipts and insurance payments respectively.

#### COMPLIANCE TO THE LEGAL FRAMEWORK UNDERPINNING THE PREPARATION AND PROCESSING OF THE COUNTY FINANCE BILL, 2024

The Committee has reviewed and examined the extent to which the County Treasury complied with the various relevant Legal Frameworks and Statutes guiding and regulating the preparation, submission and processing of the Finance Bill. Our findings however, reveals that the treasury has fulfilled most of the requirements.

The specific legal provisions relied upon includes;

- a. *Article 209 (3) and 210 of the Constitution of Kenya, 2010 ;-(Makes provisions for the category of taxes, rates and charges that may be imposed by a County Government and permission of waivers)*
- b. *Section 107 (g), 132 and 133 of the Public Finance Management Act, 2012.*
- c. *Standing Orders No. 123, 226 & 227 of the Kisumu County Assembly Standing Orders.*

#### COUNTY FISCAL FRAMEWORK FOR THE FY 2024/2025

Mr. Speaker Sir and Hon. Members, Section 107 (g) of the Public Finance Management Act, 2012 mandates the County Treasury to enforce fiscal responsibility principles by giving realistic Own Source Revenues forecast with respect to prevailing tax rates and tax bases and taking into account any tax reforms that may be made in the future.

The table below highlights the County OSR trend for the last three Financial Years;

FY	Budgeted Amount (Kshs)	Actual Realized (Kshs)	Deficit/Surplus (Kshs)	% Change
2023/2024	2, 282, 844, 694.00	1,510,104,106	772,740,588	66.15
2022/2023	1,518,837,525.00	731,449,033.00		48.16

			787,388,492.00	
2021/2022	1,984,000,003.00	982,789,204.00	1,001,210,799.00	49.54

### COMMITTEE OBSERVATION

Based on this past OSR trends, the County Treasury has continuously over-projected OSR collection causing revenue shortfalls hence budget holes/expenditure deficits which are demonstrated by the growth and accumulation of the huge of County pending bills.

To put the County on primary fiscal balance, the County Treasury must fully implement the raft of strategic interventions we've previously recommended including but not limited to formulations of the County based laws such as the County Valuation for Rating Act, County Trade License Bill, County Tariff Policy, County Agricultural Produce Cess Bill, Social Protection Bill.

Through this Finance Bill, 2024, the County Treasury endeavors to collect the approved OSR projected at Kshs. 3,804,073,100 in the FY 2024/2025 Budget Estimates.

### PUBLIC PARTICIPATION AND STAKEHOLDER ENGAGEMENT ON THE BILL

#### Legal Framework on Public Participation

Mr. Speaker Sir and Honourable Members, Article 196 (1) (b) and 201 (a) of the Constitution of Kenya, 2010 provides that:

*A County Assembly shall facilitate public participation and involvement in the legislative and other business of Assembly and its Committees, including openness and accountability in financial matters.*

Provisions of Regulation No. 6 of PFM regulations, 2015;

*The public shall be provided with full access to financial information in a timely manner for purposes of seeking public input.*

The Kisumu County Assembly Standing Order No. 123 (2) stipulates;

*The Committee to which a bill is committed shall facilitate public participation on the bill through an appropriate mechanism.*

### STAKEHOLDER ENGAGEMENT

In compliance to the above legal provisions, the Committee sought views of the public on the Finance Bill, 2024, through public participation exercises conducted across the

eight (8) sub-counties of Kisumu County on 23<sup>rd</sup> & 24<sup>th</sup> September, 2024. Members of the public were properly notified and invited to attend the public participation vide an advert (Annex II) circulated through the Star and Standard Newspaper on 13<sup>th</sup> September, 2024.

Members of the Public honored and turned up for this exercise except in Nyakach sub-county;

During the hearings, members of the public through oral presentations raised very pertinent issues highlighting specific concerns and suggestions for amendments. The Committee has equally received two (2) Memoranda from Kisumu East Community Members and St. Francis Oriang<sup>o</sup> Development Program (CBO).

Informed by these submissions, the Committee has proposed several amendments through its recommendations to this House for consideration. We have attached both the compiled oral submissions from each ward as (Annex III) and the Memoranda as (Annex IV) of this report.

#### CONSULTATIVE ENGAGEMENT WITH RELEVANT DEPARTMENTS MEETING WITH THE SECTORS/DEPARTMENTS

Hon. Speaker Sir, the Committee held consultative meetings with the respective County Sectors/Departments on the 19<sup>th</sup> and 20<sup>th</sup> September, 2024 at the County Assembly Boardroom in Mega Plaza. The objective of the Consultative Engagements was to critically discuss and seek justification on proposed variations to the Departmental Taxes, Fees, Charges and Rates, the extent of compliance with the law and the Departmental revenue mobilization strategies to attain the OSR Target.

The feedback received from these interactions, brought forth pertinent issues which has largely impacted our proposed adjustments to the bill and the policy reforms that we have recommended in this report. A detailed report on these consultative engagements are presented in (Annex V) of this report.

#### MEETING WITH THE COUNTY EXECUTIVE COMMITTEE MEMBER FOR FINANCE, ECONOMIC PLANNING AND ICT AND THE KISUMU COUNTY REVENUE BOARD

The provisions of Section 132 (4) of the PFM Act, 2012 and Standing Orders No. 227 (2) (f) & (4) stipulates that;

*A report made by the relevant Committee or adopted by the County Assembly on revenue matters shall take into account the recommendations of the CECM. Finance, Economic Planning and ICT.*

Mr. Speaker Sir and Hon. Members, in adherence to law, the Committee held consultative engagements with the County Treasury and County Revenue Board on 30<sup>th</sup> September, 2024 at Pride Hotel in Siaya County.

This engagement majorly encompassed the following critical areas;

- I. Public/Stakeholder Submissions on the proposed Kisumu County Finance Bill, 2024.
- II. Departmental/Sector proposals on the Finance Bill, 2024.
- III. Changes/Variations on Taxes, Fees and Charges (including categories of reduced, increased, removed, undetermined and new charges) and the impact on County's socioeconomic growth and development.
- IV. Pronouncement of the Revenue Raising Measures/reforms for achievement of the OSR target.
- V. Compliance issues and alignment of the proposed charges to International and National Policies/Obligations.
- VI. Explanation on how the Bill relates to the Fiscal Responsibility Principles and Financial Objectives.
- VII. Implementation status of the previous House Resolutions on Revenue enhancement measures/interventions.

#### STRUCTURAL REFORMS AND INTERVENTIONS BY THE COUNTY TREASURY TOWARDS ATTAINING THE KSHS. 3.8BILION OSR TARGET

- a. Mapping and valuation of all county houses to establish current ownership and rate. Engagement with the Department of Lands (Housing) to review all existing contracts and sign new contracts where there is none.
- b. Introduction of Unified Business Permit and 100% automation of SBP/ Trade license revenue collection. Tighten Compliance checks and mapping of businesses across the county.
- c. Introduction of E-Clamping in RMS for enhanced enforcement.
- d. Mapping of all markets in the county and converting some markets into Structured revenue and collection enforcement through RMS.
- e. Mapping of all ODA sites and Review of costings done in the current Finance Bill so as to make Kisumu competitive.
- f. GIS integration and E-Construction System development to support the department of Lands.
- g. Mapping all Social Halls in RMS for payment of Hiring charges, incorporated fees from registration of private VETs and ECDs into RMS revenue tally.
- h. Strengthening Debt Collection Unit to recover short- and medium-term debts (SBP Invoices, ODA Invoices, outstanding rates demand notices, etc)

#### COMMITTEE OBSERVATIONS, FINDINGS AND RECOMMENDATIONS

#### PROPOSED AMENDMENTS TO THE BILL

Mr. Speaker Sir and Honourable Members, resulting from these extensive consultations, the

Committee proposes the following amendments to the bill:

## PART 1 - PRELIMINARY

### 1. Clause 2

The clause be amended to include the following definitions, as applied to the schedules under Jaramogi Oginga Odinga Teaching and Referral Hospital user fees and charges;

Special Rate - Refers to user fees payable through (SHIF) or any other health insurance scheme.

PHC -stands for Primary Health Care.

## AMENDMENTS TO THE DEPARTMENTAL FEES, RATES AND CHARGES

### II. EDUCATION, TECHNICAL TRAINING, INNOVATION AND SOCIAL SERVICES

#### *Code 9, Pg. 12*

The bill be amended by deleting (code 9, Pg. 12) Charges on Alcohol Drink Control Directorate which is incorrectly listed under the Department of Education and be correctly placed under the Department of Trade, Tourism, Industry and Marketing as the responsible Department.

### III. JARAMOGI OGINGA ODINGA TEACHING AND REFERRAL HOSPITAL

The bill be amended by deleting the user fees and charges presented in the (*First Schedule*) of this report, domiciled under JOOTRH. These charges are proposed for deletion due to repetition, non-applicability, conflict with existing laws and policies, and consideration of public submissions, such as the controversial charges for viewing deceased bodies under Kwe Farewell Home (Code 12, Pg. 29) and Prime Care Kwe Funeral Services (Code 12, Pg. 86).

#### Laboratory

The Charges under *Code 19, Pg. 30* - BS for Malaria be reduced from Kshs. 100 to Kshs. 50, aiming to reduce malaria morbidity and mortality.

#### Renal Unit

That, (*Code 9. Pg.175*) be amended by deleting the words “*without NHIF*” to the phrase Dialysis Kit without NHIF (Package).

#### Rental Income

*Code 1, Pg. 176* - be amended by adding the words „*for Mortuary Canteen*“ after the phrase House Rent to give specification on what is exactly being charged.

## WARDS

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That, Code. 25 Pg. 284 be amended by deleting the word private after the phrase Vacuum Dressing.

#### IV. ALL COUNTY, SUB-COUNTY HOSPITAL CHARGES AND PHC

*Code. 25, Pg. 336*

The bill be amended to reduce the charges for ambulance transport outside the City from Kshs. 5,000 to Kshs. 1,500. This reduction aims to improve affordability of the services and promote access to health care.

#### V. WATER ENVIRONMENT AND NATURAL RESOURCES

*Code 48, Pg. 341*

The provision for Borehole drilling be expunged from the bill to prohibit hiring of the rig machine for personal/private use.

*Code 51, Pg. 344*

Be amended by inserting the Conservancy Fee at Kshs. 70,000

*Code 52, Pg. 344*

Be amended by inserting the charges for Solid waste management at Kshs. 6,000

*Code 54, Pg. 344*

Be amended by inserting Dumping Charges for private vehicles per trip at Kshs. 8000

*Code 55, Pg. 344*

Be amended by inserting charges for Noise Pollution per week per instance at Kshs. 2,200

#### VI. LANDS, PHYSICAL PLANNING, HOUSING & URBAN DEVELOPMENT

14. Code 102 (Pg. 362 & 263)

Be amended by deleting Charges for the following institutional houses due to duplication under Code 103;

KsmMun/B1 4/149 Bungalow (Kibuye Area-Mito Jura Road);

KsmMun/B1 8/258 3 Blocks (Milimani-Nzoia Road);

KsmMun/B1 8/259 Double Storey (Miliman-Nzoia Road).

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Code 103, Pg. 368

Be amended by introducing charges for the following unrated sections for the former fire station;

- a. Medium Hall at Kshs. 60,000 per month
- b. New Stalls at Kshs. 10,000 per month
- c. Toilets lease at Kshs. 10,000 per month

Further, the charges for former fire station be vacated under Department of Lands and Housing and be transferred to City of Kisumu for effective administration.

New Stream

Amend Code 103, Pg. 368 further, by introducing charges for the following Institutional Houses;

- a. Nyahera Health Centre Institutional Houses at Kshs. 4,000 per month
- b. Sigoti health Centers Institutional Houses at Kshs. 2,000 per month

## VII. INFRASTRUCTURE, ENERGY AND PUBLIC WORKS

Code 136, Pg. 374

Be amended by deleting the charges provided from (a to k). This is because the County Transport Act, 2020 vacated hiring of Machinery and Equipment.

New Stream

The Bill be amended to introduce a new code, Code 145, following Code 144, Pg. 377, for the following new revenue streams. Subsequently, the succeeding codes be revised appropriately;

- a. Inspection of Motor Vehicle (Annually) at Kshs. 5,000
- b. Design and building drawing generation at Kshs. 1000

## VIII. TRADE, TOURISM, INDUSTRY AND MARKETING

Code 151, Pg. 378

The bill be amended by revising the charges for Kibuye Toilets Lease per Ablution block per month from Kshs. 30,000 to Kshs. 50,000. This is based on the Committee's findings that average monthly collections at Kibuye amount to Kshs. 150,000.

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## IX. SPORTS, CULTURE, GENDER AND YOUTH AFFAIRS

The schedules be amended by adding a column for the Department of Sports, Culture, Gender and Youth Affairs immediately after Code 185, Pg. 390 for proper classification of charges domiciled in Department.

Hence, the bill be further amended by transferring the Charges for Kisumu Museum and Jomo Kenyatta International Stadium from the Department of Trade and Tourism to the Department of Sports and Culture as the responsible Sector.

### Moi Stadium

The Schedules be amended by incorporating charges for Moi Stadium in the bill retaining the Charges as per the previous Finance Bill, 2023 as presented in the (*Second Schedule*) of this report.

### Kisumu Museum

The bill be amended by including Internship fees for Kisumu Museum at Kshs.3,000, as the charges were erroneously omitted.

## X. CITY OF KISUMU

The bill be amended by introducing the following rates for leasing of County Parks, domiciled under City of Kisumu;

- a) Jamhuri Park - Kshs. 100,000
- b) Uhuru Park - Kshs. 10,000
- c) Victoria Park - Kshs. 10,000
- d) Oile Park - Kshs. 30,000
- e) Baby Pendo Park - Kshs. 30,000

The bill be amended by including charges for Jaramogi Oginga Odinga Sports complex retaining the charges as per the previous Finance Act, 2023 as presented in the (*Third Schedule of this report*), with the following reductions;

*Photography Space reduced from Kshs. 7,500 to Kshs. 3,500*

*Stalls reduced Kshs. 15,000 to Kshs. 10,000*

## RECOMMENDATIONS

- a) The County Treasury to assign relevant departments, such as the City of Kisumu, the responsibility of collecting revenues to complement the efforts of the County Revenue Board. This will expand the tax base, enhance revenue monitoring, and significantly boost revenue generation.

- b) The County Treasury and the County Revenue Board to prioritize formulation of key county-specific revenue laws, such as the County Valuation for Rating Act, County Trade License Bill, County Tariff Policy, County Agricultural Produce Cess Bill, and Social Protection Bill for significant improvement on Own Source Revenue (OSR) collection.
- c) The County Treasury to designate County Vocational Training Centers as procurement entities by December 2024. This will authorize them to operate as production units for goods and services, fostering increased revenue generation and financial sustainability.
- d) The Committee on Lands, Physical Planning, Housing and Urban Development to undertake a comprehensive investigation into the current status, occupation, and ownership of all County Institutional Houses. A report to be submitted to the County Assembly by December 2024.
- e) The Department of Education, Technical Training, Innovation and Social Services to urgently develop a standardized fee structure for additional fees charged by VTCs. This will ensure accountability, transparency, and proper utilization of funds.
- f) The Department of Education, Technical Training, Innovation and Social Services to introduce market-driven, user-friendly courses, such as driving, within VTCs to attract more students. This will increase enrollment and, consequently, enhance revenue generated for these institutions.
- g) The County to allocate funds in its succeeding budget for the establishment of a designated Tankers and Trailers Parking Zone to help tap into revenue from trailers parking along the Pipeline area.
- h) The County Assembly and the County Executive to collaborate on a comprehensive public awareness campaign to encourage the registration of citizens for the Social Health Insurance Fund. This initiative will improve health coverage for residents and increase revenue collection for County health facilities.
- i) The Committee having reviewed the Finance Bill (*Kisumu County Assembly Bills No. 3 of 2024*), recommends that the House approves the Bill with the proposed amendments contained in this report.

## CONCLUSION

Mr. Speaker Sir and Honourable Members, Pursuant to the provisions of section 133 of the PFM Act, 2012 and the Kisumu County Assembly Standing Orders No. 226. It my humble submission to this House to deliberate on this report and consider approving the Kisumu County Finance Bill, 2024 with amendments proposed herein. May I ask Hon Okumu, a Member of this committee to second? Thank you

**The Temporary Speaker** (Hon Oginga): Honourable Okumu.

**Hon Okumu** (MCA, East Seme): Thank you Madam Speaker. I rise to second the Motion on the consideration of Kisumu County Finance Bill, 2024. Madam Speaker, allow me to thank my

Chairperson for the robust consultation we had on this document. From the public participations conducted, we had two meetings with the Revenue Board that we inaugurated in this County to meeting a further with the Department of Finance, where this documented originated.

*(The Speaker vacates the Chair, Hon. Oginga Chairs)*

Madam Speaker, the main reason I am supporting its adoption is that when at this House Committee at the committee level, I had requested that we find a way of making malaria test affordable to our people. Finally, we have agreed to reduce the cost of testing malaria by half. It looks like a small thing but as it is said, a healthy nation is a wealthy nation. Malaria is one of the biggest killers in our County and if not detected early, we incur a lot of costs in managing malaria-related complications in our health institutions.

Therefore, by reducing this cost, it will allow our voters and our citizens to do the test so that they can detect this disease early enough and find early treatment. Madam Speaker, I also want to bring to the attention of Members that in the Proposed Kisumu County Finance Bill, 2024 there were Consultation Fees that were in the Bill. Honourable Members, this House Committee agree that because we pay the staff in all our facilities, especially the health facilities, we do not need people seeking medical services to pay for consultation fees. We agreed that these fees be expunged in totality.

Madam Speaker, if you look at the Proposed Kisumu County Finance Bill, 2024 there were some charges under absconders and it was agreed with consultation from JOOTRH that it did not make sense. We therefore deleted all charges that were under absconders. Mr. Speaker, out of the consultation that we have talked about, we had agreed to include other revenue streams that were not included in the Proposed Kisumu County Finance Bill, 2024 and Honourable Chairperson has mentioned most of them in his presentation. There is the issue of Jaramogi Oginga Odinga Sports Complex. Then you end up not getting anyone in a particular institution, a building, or grounds, and that is why we felt it necessary to reduce so that people can do business, have some income, and at the same time, pay for the services that we are providing at Jaramogi Sport Centre.

Madam Speaker, it is also worth noting that in our charges, especially for Jaramogi, under the Sub-County hospitals, we do get refunds from Insurance Companies. Our major insurance company that we have been using was National Health Insurance Fund (NHIF), which is changing to Social Health Insurance Fund (SHIF). When they are doing their payment, they have special rates, and they pay for some other things that ordinarily we would not charge our patients who visit our hospitals. They pay for all the charges for the specialists. For that matter, their rates are usually different from the rates that we would ordinarily charge our patients. However, because we did not have it in the Proposed Kisumu County Finance Bill, raising invoices to those institutions sometimes is hard because we did not have a basis on which we were charging them.

For that matter, it was important in this Proposed Kisumu County Finance Bill, 2024 to have special rates in our hospitals for charges that are sometimes covered with National Hospital Insurance Fund. Now the Social Health Insurance Fund.

Madam Speaker and Honourable Members, just the way the Honourable Chairperson has mentioned that we have Vocational Training Centres that we cushioned students in those places with Bursaries. We have monies that we send to those institutions in terms of transfers from the department. But we still make students to pay certain amounts of fees. Without approving this in the Proposed Kisumu County Finance Bill, 2024 then all the charges in our VTCs tend to be illegal. So, it was agreeable in this House Committee that we have school fees for our VTCs. After having school fees, so that we know how much a student that is going to do, for example, Food and Beverages at Rotary is supposed to pay. A student that is doing Mechanics is supposed to pay. So, when the student gets bursary, and then when we pay the transfers from other government institutions through the department, then whatever is left that the student needs to pay is known to the student based on the Fee Structure. And that matter, we need to pass that in the House as a way of cushioning proper usage of funds in our institution.

Madam Speaker, and Honourable Members, we have advocated for a Machine-based Programme, and if we allow these machines at the Public Works Department to be hired, then we might end up not doing or implementing the manifesto of the Governor, which was to use these machines to make roads in our County.

Madam Speaker, the intention was not to hire the machines, and for that matter, it was recommended that we delete all the charges for the machines that are being used by the Department of Roads and Public Works in implementing a Machine-based Programme. The Honourable Chairperson has talked about the Rig Machine, and I want to support that we remove the charges on the Rig Machine because our intention is not to hire the machine, our intention is to provide water for the people of Kisumu. And by making it commercial sometimes, we incur so much cost in repairing the machine.

Madam Speaker, and Honourable Members, missing in the list of Parks that we have in Kisumu is Taifa Park, which I also believe needs to be included as a revenue stream and be charged at the same rate with other Parks, which is Ksh.10,000.

Madam Speaker, and Honourable Members, we have Cess that are being paid by the Sugarcane Factories, and just the way the Honourable Chairperson has mentioned, we can have what I would call a Debt Swap with these companies, so that instead of collecting this money, we agree on certain roads that they use mostly in transportation of sugarcane, and they do maintenance, and they are being supervised by the Department of Public Works at the cost of the Cess that they are supposed to pay in the County. Madam Speaker, and Honourable Members, I think our

sugarcane factories will buy into this than if we make them pay for Cess, which is usually on the tonnage that they receive per day, and we lose a lot because if they do not declare the number of tonnage that goes into their companies, then you do not know what to charge. But when we give them the roads, and they know these roads are good for them in transportation of commodities that they use as raw materials, and also help them in minimising the cost of maintenance of the vehicles, and also reduces transportation time for these raw materials, I believe that they will really buy into idea of using these Cess to maintain certain roads as measured by our Public Works Department.

Honourable Members, I implore on all of us that this proposed Kisumu County Finance Bill, 2024 is of interest and is for services that we offer to the people of Kisumu, and let us adopt it so that our revenue streams and our revenue officers can have a tool in which they can use to collect revenue to implement services to the people of Kisumu. Thank you so much, Madam Speaker. I second.

**The Temporary Speaker** (Hon. Oginga, Nominated Member): Honourable Members, and now that the report on the consideration of the Proposed Kisumu County Finance Bill 2024, by the Select Committee of County Budget and Appropriation has been presented and seconded as per our Standing Orders, I want to propose a question. And I propose that the report of the Select Committee of Budget and Appropriations on the consideration of the Kisumu County Finance Bill, 2024 by the County Budget and Appropriation Committee is now open for debate.

**The Temporary Speaker** (Hon. Oginga, Nominated Member): Yes, Honourable Pamela Oyoo of Migosi Ward.

**Hon. Oyoo** (MCA, Migosi): Thank you, Madam Speaker for the report. The report was done through wide consultation. We had a number of things we reduced just to help the common wananchi. Many of the things that were included through Public Participation were captured. And it is my belief that the report is quite in order and I stand to support. Thank you.

**The Temporary Speaker** (Hon. Oginga, Nominated Member): Yes, Honourable Kennedy Ouko.

**Hon. Ouko** (MCA, West Kisumu): Thank you, Madam Speaker. Let me thank the Chairperson and the Committee Members for the good work presented to the House. I beg to support. This is the Finance Bill, and the exercise is very important for our people. Madam Speaker, this year the County is expected to collect Kshs 3.8 Billion. This is the parameter set for the County Revenue Board to go collect this money.

First, we have expanded the tax base; the streams which are required so that we collect the money. We have come up with an idea which actually is going in line with what is expected of our people. Madam Speaker, when you find the Malaria test is now going to cost Kshs 50, this is now affordable to the local man and local person. Our main functions are three whereas one is representing the interests of the people. You understand we are here and we are doing our work by the donated powers by the people. Now, when we pass issues and Bills which touch on the interests of the people, Madam Speaker that means we are doing our work. However, we have issues;

Madam Speaker, issue number one is that even the other FY 2023/2024, we had a Kisumu County Finance Bill which was explaining very clearly where we are going to get our revenues. And the tax base was very clear. But, we failed to get the money because we were expecting to collect Kshs 2.7 Billion to Kshs 3.2 Billion but, we only managed to collect Kshs 1.1 Billion. What is happening? Is it because we do not have structures to collect the revenues required? Since we already know where our money belongs and it is very clear we can get them from; hospitals, the buildings, we have houses and such kind of things plus markets. The rates are very clear. How comes we do not collect the money we are expecting to get from the people?

Madam Speaker, this House Committee is very extensive in terms of consultation and other matters. But the moment we come to the House and place a projection of Kshs 3.8 Billion to be collected and we do not collect even half of it, then, what happens? Madam Speaker, we have to look into these issues. We have to go through the structures and also conduct inter-department meetings so that we come up with a strategy of collecting the money from the people. Or, do we say that somebody is collecting money and the money is not reaching where it should be. There is a receiver of revenue. So this should be everybody's concern.

Madam Speaker, why do we estimate a projection of Kshs 3.8 Billion and we end up collecting only Kshs 1.1 Billion? What is happening? Yet, we have all the bases where we can collect the money. So Madam Speaker, as much as we support this, we must also be concerned about collection of revenue, which is very important. We need projections that are realistic, not projections which are just being said but cannot be actually delivered. Madam Speaker, I support. Thank you.

**The Temporary Speaker** (Hon. Oginga, Nominated): Yes, Honorable Millicent Omuya.

**Hon. Omuya** (MCA, North Seme): Madam Speaker, I want to take this opportunity to appreciate what this House Committee has done. I was listening to the report. They have talked well and they have a target. Therefore, who is responsible of conducting the collection? The County Revenue Board Members who were recruited and some revenue officers were recruited as well. The end result was revenues being stolen.

Madam Speaker, as we speak, what mechanisms are we going to put in place to ensure that we get our revenue so that our revenue does not go to individual pockets? They have talked of Institutional Houses. It is true we have them. What are their state? Are they dilapidated, you look at them and if you want to stay in those houses, you must spend some money to do the painting and even the floor. So I am also suggesting that the County should also be in a position to look at how to renovate our Institutional Houses. Thank you and I support.

**The Temporary Speaker** (Hon. Oginga, Nominated): Honourable Geoffrey Warindu.

**Hon. Warindu** (MCA, Miwani): Thank you so much, Madam Speaker. From the onset, let me take the opportunity to thank this House Committee and all the stakeholders that were involved in preparing this report. Indeed, it was so consultative. The report is very clear. Having known how emotive a Finance Bill is, we had to be very consultative and to consider the interest of the people first. That is why I want to thank this House Committee for considering all the concerns that were raised by the public during the public participation.

Madam Speaker, Indeed, most of the things that they requested for, for example; some of the clauses were either deleted and some were reduced. Then, the ones that are remaining are the ones that we have been using in the previous years. Madam Speaker, this report is all about our Own Source Revenue. In addition, it was proposing some new measures such as; Taxes, license, some increment and reduction, and deletion of some taxes, license fees, and rents. While we were considering all these, we had the best interest of the County at heart. But, we should also know that funds follow functions. Also, the citizens will only be happy if they are paying these taxes, rents, rates, and fees, when they are also getting the services from the County Government. Indeed you'll find it very difficult for the tax collection officers to go and collect some funds in areas where there are no services at all, for example the Land Rates. Some people will not pay, arguing that there's nothing they're seeing from the county government.

Madam Speaker, while we are putting the measures on how we can collect these taxes, we should also apply the same force in making sure that the development projects are implemented in good time. The public outcry or rejection of Finance Bills will only come about when responsible and law-abiding citizens are honouring their obligations of paying taxes and they're seeing nothing being done on the ground. And I want to believe, after using all these measures to collect the revenues, we should also find a way of making sure that the projects that are promised to them are given.

Madam Speaker, when we were going through these reports, we found out that there are so many potential revenue collection points which have not been on-boarded. And I want to believe that we are going to take note of that and we are going to map all the Institutional Houses, Stalls, and establish their current ownerships and the rates that are supposed to be paid in those houses. If

you go to the county markets, you realize that there are some markets, a case in point was given, Chiga and Muhoroni, where the traders are there and they're paying nothing to the county government, arguing that most of the essential things that they need are not being provided and we also need, I'll agree with what Honourable Seth stated, that we don't have to hire the Machine-based machines but I want to believe, if you go to the agriculture department, we had some tractors that were supposed to be hired on a subsidized cost. We also need to go and find out the status of those tractors and how much they are bringing to the county basket. Otherwise, let me take the opportunity to support this and I rest my case. Thank you.

**The Temporary Speaker** (Hon. Oginga, Nominated Member): Yes, Honourable Dede.

**Hon. Dede** (MCA, Kisumu North): Thank you, Madam Speaker. I also rise to air my sentiment concerning the Kisumu County Finance Bill, 2024 which has been brought to the Floor of this House. Foremost, I take the opportunity to appreciate this House Committee for doing well in regulation and to get the well-driven resources.

Madam Speaker, to begin with, we've been talking of the Institutional Houses. We find that, indeed, the institutional facilities like the houses at the hospitals within our areas, the doctors are just staying without paying rent. My worry is the rate at which they're being charged. We've talked of a facility like Nyahera Hospital and the Sigoti Complex Hospital. We are talking of different rates of which they would have captured the same rate for the facilities. In Nyahera they have talked of Kshs 4,000 and Sigoti complex they are talking of Kshs 2,000. I believe that it should have been prudent to charge them at the same rate for all those houses. This is because we found that in these facilities the doctor who attends to the patients at Nyahera resides from Kisumu Town and all those who went for transfer doesn't want to leave the houses. So, if the charges are being paid to them, it will add value to the county.

Secondly, Madam Speaker, concerning the issue of the city managing the Jaramogi Complex Sports Centre, it's good that this House Committee has seen it well, whereby it used to be a cumulative figure of Kshs 100,000 for the whole management of the facility. And this House Committee has observed it well that it should be separated and each and every facility be charged standalone. That will increase the revenue source.

Madam Speaker, to add on the other revenue sources like the Ablution Blocks which was mentioned. Madam Speaker, you've seen that there is a lot of looting money in these ablution facilities, like the ablution blocks at the Kibuye Market. It has been stated here that, there is been looting of money which brings a lot of chaos at each and every particular time. If structured well, the money raised from Kshs 30,000 per ablution block to Kshs 50,000 per ablution block will add value to the county whereby our people shall benefit much. We've talked of the fire point next to KCH.

Madam Speaker, it seems that there are plenty of houses there which have been constructed of late. If this House Committee goes deep and finds that there is no proper structure in bringing money, they should place something on them that will add a plus to the Revenue Sources within Kisumu County. Madam Speaker, with the recommendation made, whereby if all the revenue streams are being well structured and money gathered well, we'll be at par with the community.

Finally, Madam Speaker, concerning the Recreation Centers. We have talked of different parks within the county. We have even seen that a park goes for Kshs 100, others goes for Kshs 10,000. I believe that it would be prudent that they all be charged at flat rate. If around Kshs 50, let it be at a flat rate whereby all the collections can be gathered at the same point because they offer the same facilities. Otherwise, Madam Speaker, if all the stream measures are taken into consideration, everything will be done well and the development to our people. Being that through the Own Source Revenue, we gather more resources, then we'll get more to development than putting money into our pockets. Otherwise, I support Madam Speaker. Thank you.

**The Temporary Speaker** (Hon. Oginga Nominated Member): Yes, Honourable Peter Obaso.

**Hon. Obaso** (Nominated MCA): Thank you, Madam Speaker. Madam Speaker, going by the mood of the House, I call upon the mover to reply.

**The Temporary Speaker** (Hon. Emily Nominated MCA): Honourable Joachim Oketch, it is your time to reply.

**Hon. Joachim** (MCA, Kondele): Thank you very much Madam Speaker. Madam Speaker, from the contributions, it's very evident that most Members are in concurrence with this report and they feel that being the only legal tool among the very many that is required by the Revenue Board to be able to collect revenue on behalf of the County we should pass this Bill for them.

Madam Speaker, of course in the process of working on this report we did consider a lot of inputs that is both from the public and from the Members. Madam Speaker, I feel that we tried to be on the side of the common Mwananchi, in as much as we want the County to collect money so that they provide services to our people. Therefore, I also feel in the opinion of Honourable Ken Ouko that, of course we have a huge target and that I believe that is a very tall order, but in all our interactions with the County Revenue Board, they are still positive that they are able to make some significant improvements in their revenue collection but I am one of the people that have always raised concern over the target of Kshs 3.8 billion. But by then they are saying that the system they had was operating at 60% and they believe that this financial year they were going to probably they had migrated everything in the system and they were able to collect more they will be able to make improvements

But I also in your opinion that the target is a tall order and probably we will review and I believe you will receive the Statements so that we are able to look at their First Quarter Revenue Report and from the next Quarter so that when we feel that that the Revenue Board is not able to collect this then, probably in our Third Quarter we might propose a Supplementary Estimates but I am still of your opinion that they need to pull up their socks.

Again Honourable Millicent Omuya reiterated the issue of embezzlement of revenue collections. Madam speaker, of course there are rumors and for the Members that were present in our interactions with the Revenue Board together with the Department of Finance, I believe that there were a lot of heated debates because if you walk on the streets there are a lot of rumors that revenue is being stolen and it is in the public domain that some of the staffs were taken on a compulsory leave and I believe Madam Speaker, even on the Floor of this House there is a statement with regards to the same and therefore I will not want to mention so much on that so that we allow the Statement that was sought on this House to probably follow the due procedure up to the tail end.

On the institutional Houses, again this was raised by Honourable Millicent Omuya, most of them are not in good habitable condition and I believe the County should improve them so that staffs are able to occupy them. It is easier to deduct a staff as opposed to a private person because with staff you simply sanction their payroll deductions and it is easier to get the money, as opposed to a private individual in those houses that you have to employ the services of an agent who will actually charge a fee for them to be able to collect that money. Therefore I believe the County should do something on improvement of these houses.

Madam Speaker, I want to thank Honourable Warindu who is also a Member of the Budget Committee. He has been very active on this and I believe that the issue of these tractors which I think is also a key area because these tractors were supposed to help the farmers at a subsistence rate and we need to know the status of these tractors. I know the relevant House Committee is going to pick on this. But again as a House Committee mandated to check on their own source revenues, we are able also to ask, we will try and ask how much these tractors have contributed and above all what is their status so that we know whether in terms of depreciation they are still existing or some of them are not there.

Madam Speaker, I want to also thank Honourable Dede. The issue of Nyahera and Sigoti Institutional Houses should be charges at the same rate. It was an issue that was raised probably just a week towards the end of this report writing and the Revenue Board and their staff together the Department of Lands were sent back to do valuations of those houses and they were proposing that the one for Nyahera be Kshs 4,000 the other one be Kshs 2,000. But we have heard your concern, we will try and ask more why they are charging this Kshs 4,000 and why

they are charging this Kshs 2,000. But just because we did not want to leave this revenue stream because it was not there before. The department is proposing Kshs 4,000 for Nyahera and Kshs 2,000 for Sigoti. But of course this House Committee will try and establish what the status of these houses is and why is this one charging more and this one is not bringing the other one. So I think we will try and check on that.

Madam Speaker, again, the charges for the Parks and why they should be charges at flat rate. You are asking why we should charge them differently. They are facilities charged for different amenities and different facilities. If you go look at the one behind the Governor's Office, I think some of it is a little bit more developed as opposed to the others. It has even a swimming pool and all those facilities. So I believe it should attract more charges as opposed to the one just beside the Assembly that has nothing. Those is the reason why the Department of City was tasked to go around and try assess which one has been developed and which has not been. So based on the facilities that are in these parks is what occasion the different charges. That is why you will see a park attracting a different fee as opposed to the other one that probably has no development on it and that is why they are different rates. But I believe as we consult further and as the county also strive to develop these parks probably at some certain point we will try and level the fees.

Madam Speaker, I want to thank the Members of this Assembly for their positive contributions. I also want to thank the Members of this House Committee who walked the journey with us and also the leadership of the Assembly. Members, I know that there are so many questions that arise with regards to our revenue collection and I believe that most people are asking how comes we keep on giving them the tools we brought the Revenue Board, we have done several things but our revenue is not improving and therefore that is something that we should continue putting to task to be able to get answers day in day out. Because the biggest contributor to what we call the Pending Bills in this County is unmet target of revenue.

Madam Speaker, remember this year we have a projected revenue target of Kshs 3.8 and we did pass a Budget with that. Projects are going to be done with that in mind but when we go towards the end of the financial year, when we have a deficit that deficit is what is going to occasion what we call the Pending Bills. Therefore the journey of Own Source Revenue should be a journey for all of us not only the Select Committee of Budget and Appropriation, not only the Committee of Finance, but it should be something that all the departments should be questioned with regard to their contribution to the Own Source Revenue target. Otherwise I want to thank the Speaker for this opportunity and I request the Members that we pass this Report. Thank You Madam Speaker.

**The Temporary Speaker** (Hon. Oginga, Nominated Member): Honourable Members and now that the Report of the Select Committee of Budget and Appropriations on its consideration of the

Proposed Kisumu County Finance Bill 2024 has been presented, seconded and debated and I would like to put a question.

*(Question put and agreed to)*

**The Temporary Speaker** (Hon. Oginga, Nominated Member): Honourable Members, the Report of the Select Committee of Budget and Appropriations on its consideration of the Proposed Kisumu County Finance Bill 2024 has been adopted today Thursday 03<sup>rd</sup> October, 2024 at 16:02 hours. I direct that this report occasions the next phase of the bill making process, that is the Second and the Third Reading. Thank you.

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

### ADJOURNMENT

**The Temporary Speaker** (Hon. Oginga, Nominated Member): Honourable Members, there being no any other business to consider, this House stands adjourned until Tuesday 08<sup>th</sup> October, 2024 at 02.30 p.m.

*(The House rose at 04:06 p.m.)*

*Addendum*

**Hansard Team**

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