COUNTY GOVERNMENT OF KISUMU

COUNTY ASSEMBLY OF KISUMU

THE HANSARD

Official Report

THIRD ASSEMBLY – FOURTH SESSION

Tuesday, 13th May, 2025

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

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

PRAYERS

The Speaker (Hon. Oraro): Clerk, please take us through the order of the day.

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

COMMUNICATION FROM THE CHAIR

COMMUNICATION REGARDING PENDING ACTIVITIES FOR THE BUDGET ESTIMATES FY 2024/2025 (FIRST CHARGE)

RULING ON THE LEGIBILITY OF SECONDING OF MOTIONS BY NONE MEMBERS OF HOUSE COMMITTEES

The Speaker (Hon. Oraro): Honourable Members, I have the following communications to make. Number one is regards the issue of Kisumu County Budget Estimates FY 2025/2026. Honourable Members, as the Leader of Majority will be presenting the schedule for the coming week, you will realize that we have scheduled as the House Business Committee some days for Sectoral Committees consideration of the Budget Estimates with line sectors. As per the previous

resolutions of this House, especially the Budget Committee, I'm reminded to communicate the difference between Committees and the formula in which the next Budget Estimates shall be done. It shall be based on first charge for all the pending activities in the previous year. In that regard, for the Financial Year 2024-2025. So, this implies that, you must consider that all the pending activities for 2024-2025 become the first charge in the Budget Estimates for the fiscal year 2025-2026. If you belong to any Departmental Committee please ensure that that is the case.

Number two, I want to make communication in the matter of seconding of motions. Honourable Members, I rise to make a considered ruling on the positional issue that arose during the sitting of County Assembly on Wednesday 07th May 2025 at 2.30pm. Regarding the seconding of a motion to adopt the report of the Select Committee on Public Investment and Accounts (PIC&PAC). The issues specifically concerned the legibility and positional propriety of seconding a motion by Honourable James Omollo, a Member of this House Committee who had not signed the adoption schedule.

Conversely, the permissibility of Honourable Tom Nyaoke, a none member, seconding such a motion. Number one, I want to highlight about the purpose and legal basis for seconding a motion. Honorable Members, the provisions of Order No. 55 (1) of the Kisumu County Assembly Standing Orders provides in typical terms and I quote,

"*the question on any motion shall not be proposed unless it shall have been seconded and any motion that is not seconded shall be deemed to have been withdrawn and shall not be moved again in the same session"*

Honourable members, I hope I am clear up to there. By now I know every Member understands the difference of proposing a motion and putting a question. So, the Standing Orders provides that if it is not seconded, I mean there is no seconder of the same that same motion will die and cannot be moved again in the session, but in the next session. I proceed. This procedural requirement is further enforced by the Parliamentary Convention and Customs and is further elaborately discussed in the commentary on County Assembly procedures authored by one of our own Mr. Herman Njoga, which underscores that effect of requiring a seconder to a motion is to affirm that no business shall be presented for consideration in this Honourable House unless it is supported by at least two members. One to move and one to second.

An honourable member, secondment of motions is therefore not a mere formality. It serves the democratic purpose of confirming that the motion before this Honorable House warrants debate and is not frivolous.

It ensures that the Assembly's time is devoted only to the matter of shared interest or concern. Now the question we may ask ourselves is that who may second a motion and when? The provisions of Standing Order No. 92 clarifies that upon I'm quoting upon a motion

other than a motion by way of amendment, a Member may second by rising in his or her place and signifying acquaintance by bowing the head without speaking and such Member shall thereby reserve the same rights of speech as the Member would have had if some other member had seconded such motion.

In other words, you have seen the Honourable Members that you can second by just bowing and when you do that it means you reserve your time to speak just like any other member would has seconded and you are given your time to speak. I proceed. From the provision of Standing Order No. 92 it is clear that any Member of the Assembly and not necessarily a Member of the House Committee tabling a report may second a motion provided that the motion is seconded at the time of its formal introduction before debate is opened.

Honourable members, the provisions of our Standing Orders as at now is does not restrict the right to second a motion only to a committee member and we are yet to expressly adopt a contrary procedure. However, in spite of the reading of our Standing Orders, it is in our custom and practice that a member of a House Committee who has not signed the adoption of the House Committee report has consequently impeached his right to second the said motion. I hope I am clear up to that, that it is not in any of our Standing Orders that a Member who has not signed a report cannot second but by practice and traditions and what we have been doing is that a member who has not signed a report is like as impeached himself from the report and cannot therefore second. And by tradition and by practice and remember Assembly proceedings are as per the Standing Order traditions, practice and residence.

Number three, Secondment of House Committee reports are the question of signing the Adoption Schedule. In order to listen to that Honourable members while the provisions of Standing Order No. 184 and related provisions require that a House Committee report be signed by the Chairperson or Delegated Member and be adopted by majority of the House Committee before tabling, it is not a condition precedent in the Standing Orders that the seconder of a motion to adopt the report must be a signatory to the Adoption Schedule. Indeed, once a House Committee report is tabled and a motion to adopt it is moved in plenary, it becomes a Substantive Matter of the House as a whole. Therefore, any member of the Assembly may second the motion regardless of whether they served on that House committee or participated in the report's adoption.

Honourable members, I want now to give the application and final determination. Accordingly, based on our current Standing Orders and based on our customs and practice I find that it was procedural, I mean it was procedurally proper to disqualify Honourable James Omollo from seconding the motion merely because the member had not signed the Adoption Schedule of the report of the Public Investments and Accounts Committee, even though the member was a Member of that House Committee. Equally, I find that there was no procedural error in allowing

Honourable Tom Nyaoke, who was not a Member of that House Committee, to second the motion.

In view of the following, I rule as follows.

1. THAT, the requirement for the seconding in line with the provisions of Standing Order No. 55 (1) applies to all Substantive and Substantial Motions, including those for adoption of committee reports.
2. THAT, any Member of the County Assembly except the Member of that House Committee who has not signed the adoption of the motion may second a motion unless the motion's subject matter imposes specific restrictions.
3. THAT, membership in the House Committee tabling the report is not a prerequisite to second a motion for its adoption.
4. THAT, in accordance with our Standing Order, the act of seconding does not require that the member must have signed the House Committee report Adoption Schedule.

Honourable members, I therefore direct that in future, seconding of motions shall be guided strictly by these principles and by the Standing Orders. Any deviations may amount to procedural unfairness and undermine the integrity of the debate. And so I move.

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

PAPER LAID

SUB-LEASE OF LAND TO MED ADITUS FOR THE ESTABLISHMENT OF A PHARMACEUTICAL MANUFACTURING PLANT IN KISUMU COUNTY AND SUPPORT FOR CONVERSION TO A SPECIAL ECONOMIC ZONE.

BY

HON. RATIB BOITONE, MCA, NYALENDA "A"

(CHAIRPERSON, OF LANDS, PHYSICAL PLANNING, HOUSING AND URBAN DEVELOPMENT COMMITTEE)

The Speaker (Hon. Oraro): Honourable Ratib Boitone.

Hon. Boitone (MCA, Nyalenda "A"): Thank you Mr. Speaker. Pursuant to the provision of Orders No. 182 (6) of the Kisumu County Assembly Standing Orders, I wish the table today, Tuesday, 13th May 2025, report of the Departmental Committee on Lands, Physical Planning, Housing and Urban Development on the Proposed Sub-lease of Land to Med Aditus for Establishing Pharmaceutical Manufacturing plant in Kisumu and support for its conversion to Special Economic Zone. Thank you.

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

The Speaker (Hon. Oraro): Honourable Members, the Departmental Committee on Lands, Physical Planning, Housing and Urban Development Committee report on the Proposed Sub-lease of Land to Med Aditus for Establishing Pharmaceutical Manufacturing Plant in Kisumu and support for its conversion to Special Economic Zone is properly laid before the House and I direct that the House Business Committee considers scheduling this report for debate.

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

NOTICE OF MOTION

SUB-LEASE OF LAND TO MED ADITUS FOR THE ESTABLISHMENT OF A PHARMACEUTICAL MANUFACTURING PLANT IN KISUMU COUNTY AND SUPPORT FOR CONVERSION TO A SPECIAL ECONOMIC ZONE.

BY

HON. RATIB BOITONE, MCA, NYALENDA "A"

(CHAIRPERSON, OF LANDS, PHYSICAL PLANNING, HOUSING AND URBAN DEVELOPMENT COMMITTEE)

The Speaker (Hon. Oraro): Honourable Ratib Boitone.

Hon. Boitone (MCA, Nyalenda "A"): Thank you Mr. Speaker. Pursuant to the provision of Standing Orders No. 45 (1) of the Kisumu County Assembly Standing Orders. This House adopts the report of the Departmental Committee on Lands, Physical Planning, Housing and Urban Development on the Proposed Sub-lease of land to Med Aditus for Establishing Pharmaceutical Manufacturing Plant in Kisumu and support for its conversion to Special Economic Zone. Thank you.

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

STATEMENTS HOUR

The Speaker (Hon. Oraro): Yes, Leader of Majority.

Majority Leader (Hon. Ooko. MCA, Ahero): Honourable Speaker, I rise to inform the House that I am unable to give the statements of the schedule of programs for the coming week due to some unavailable circumstances from the Office of the Clerk. Nonetheless, I want to say that the statement will be posted in our official wall before the end of the day. And I want to apologize for any inconveniences caused. Thank you.

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

MOTION

REPORT OF THE SELECT COMMITTEE ON PUBLIC INVESTMENTS AND ACCOUNTS COMMITTEE ON THE EXAMINATION OF THE REPORT OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF KISUMU EMERGENCY FUNDS FOR THE FINANCIAL YEAR 2023/2024

BY

HON. KENNEDY OUKO, MCA, WEST KISUMU

(CHAIRPERSON, PUBLIC INVESTMENTS AND ACCOUNTS COMMITTEE)

(Moved by Hon. Were on behalf of Hon. Ouko)

The Speaker (Hon. Oraro): Honourable Members, I have a letter here from Honourable Kennedy Ouko, the Chairperson, Public Investments and Accounts delegating the motion to be moved by Honourable James Were on behalf of the House Committee. Proceed Honourable James Were.

(Hon. Speaker leaves the Chair, Hon. Ajwang' chairs)

Hon. Were (MCA, Nyalenda "B"): Thank you Madam Speaker, on behalf of the Select Committee on Public Investments and Accounts (PICPAC), and pursuant to Kisumu County Assembly Standing Orders No. 188, I am honored to present to this House the report on the examination of the Report of the Auditor General on the Financial Statements of the Kisumu County Emergency Fund for the Financial Year 2023/2024.

The County Assembly exercises oversight over County Government entities and their expenditure pursuant to Article 185(3) of the Constitution of Kenya, 2010, through the Public Accounts and Investments Committee. Article 229(8) further mandates the County Assembly to debate and consider the Auditor-General's reports and take appropriate action within three months of receipt. In fulfillment of this constitutional responsibility, the Committee held two sittings to examine the Auditor-General's report and received oral and written submissions from the Accounting Officer including a meeting with the Accounting Officer and the Office of the Auditor General.

Honourable Speaker, the Auditor-General issued an Adverse Opinion on the financial statements of the Kisumu County Emergency Fund for the year ended 30th June 2024. This opinion was based on significant audit findings which included unsupported trade and other payables, misclassification of transactions, irregular emergency expenditures without appropriate approvals, over-expenditure beyond the approved budget without justification, and unresolved

prior year issues. The Auditor General concluded that these issues constituted material misstatements and the financial statements therefore did not present a true and and fair financial position of the fund.

Honourable Speaker, from its interrogation of the report and management responses, meeting with the Accounting Officer and the Office of the Auditor General, the Committee made several key observations. First, it was established that trade and other payables amounting to Kshs.11,802,272 were not supported by essential procurement documents such as invoices, Local Purchase Orders (LPOs), signed contracts, and inspection and acceptance certificates. Second, the financial statements showed an amount of Kshs.12,309,171 as payment on behalf of Jaramogi Oginga Odinga Teaching and Referral Hospital, which the management later clarified to be receipts rather than expenditure indicating a misstatement in narration. Third, the Committee noted that emergency expenditures amounting to Kshs.105,000,000 were incurred without the requisite supporting documents, including an approved emergency response plan, procurement plans, needs assessments by the Technical Committee, and approval by the County Assembly as stipulated under the Kisumu County Emergency Fund Act, 2018. Furthermore, the Fund recorded an over-expenditure of Kshs.20,206,946, equivalent to 19.2% above the approved budget, without any evidence of lawful authorization. Lastly, the Committee found that several audit issues raised in the prior financial year remained unresolved as of 30th June 2024, showing poor implementation of previous audit recommendations.

In light of these findings, the Committee has recommended that the County Executive Committee Member for Finance, Economic Planning and ICT ensures strict adherence to the Public Finance Management Act, 2012 and the Kisumu County Emergency Fund Act, 2018. Disciplinary action should be taken against public officers who authorized or facilitated unlawful over-expenditure or failed to provide required documentation during the time of audit. The Committee further recommends that future budget allocations to the Emergency Fund be withheld until sufficient internal controls and compliance measures are put in place. The Office of the Auditor-General should also verify the authenticity of pending transactions in future audits, and the Accounting Officer should expedite the implementation of all prior year resolutions and recommendations to improve accountability.

Honourable Speaker, I wish to express my sincere appreciation to the Members of the Committee for their diligence and commitment in executing their mandate. I also acknowledge the support received from the Offices of the Speaker and the Clerk, the Committee Secretariat, and the technical guidance provided by the Office of the Auditor General during committee meetings with Accounting Officers. Their collective efforts made the production of this report possible.

Honourable Speaker, I now present to this House the report of the Public Accounts and Investments Committee on the Auditor-General's Report on the Financial Statements of Kisumu

County Emergency Fund for the financial year ended 30th June 2024 and urge this House to adopt it

Establishment and Mandate of the Public Accounts and Investments Committee

Honourable Speaker, the Public Accounts and Investments Committee is established under Standing Order No. 188 of the Kisumu County Assembly Standing Orders and is mandated to undertake the following functions;

i. Examination of the accounts showing the appropriations of the sum voted by the County Assembly to meet the public expenditure and of such other accounts laid before the House as the committee may think fit;
ii. Examination of the working of the Public Investments
iii. Examine the reports and accounts of the Public Investments and,
iv. Examine in the context of the autonomy and efficiency of the public investments, whether the affairs of the public investments are being managed in accordance with sound financial or business principles and prudent commercial practices.

Composition of the Public Accounts and Investments Committee
The Committee as currently constituted, comprises the following Honorable Members,

Table 1: Committee Membership as at April 2025

	NAME	POSITION
	MEMBERS	
1.	Hon. Ken Ouko	Chairperson
2.	Hon. Tom Onditi	Vice Chairperson
3.	Hon. Habil Nyasuna	Member
4.	Hon. Nancy Matara	Member
5.	Hon. Rueben Rakwach	Member
6.	Hon. James Were	Member
7.	Hon. James Omollo	Member
8.	Hon Mickey Ochieng	Member
9.	Hon. Seth Okumu	Member
	SECRETARIAT	
1.	Austine Ochieng’	Committee Clerk
2.	Chrispine Oguta	Clerk Assistant
3.	Patrick Okoyo	Hansard Officer
4.	Faith Judith	Sargent-at-arm
5.	Wycliffe Owade	Researcher
6.	CPA Naboth Odero	Internal Auditor

7.	CPA Mollen Achayo	Accountant
8.	CPA Charles Ageng'o	Internal Auditor

Legal Framework & Guiding Principles

Honourable Speaker, the Committee was guided by the following legal instruments;

1. Constitution of Kenya 2010: Article 229 (4) of the Constitution of Kenya, 2010 requires the Auditor General, within a period of six months after the end of each financial year, to audit and report, in respect of that financial year, on;
    i. The accounts of the National and County governments,
    ii. The accounts of all funds and authorities of the National and County governments,
    iii. Accounts of all courts,
    iv. The accounts of every commission and independent office established by this constitution,
    v. The accounts of National Assembly, the Senate and the county assemblies,
    vi. The accounts of the political parties funded from the public funds,
    vii. The public debt and
    viii. The accounts of any other entity that legislation requires the Auditor General to Audit

    Article 229(8) further states that "within three months after receiving an audit report, parliament or county assembly shall debate and consider the report and take appropriate action".
1. Direct Personal Liability: Article 226(5) of the Constitution is unequivocal that, if the holder of a Public Office or a political office, directs or approves the use of Public Funds contrary to the law or instruction, the person is liable for any loss arising from that use and shall make good, the loss, whether the person remains the office holder or not.

2. Public Audit Act 2015; Section 7 mandates the Auditor General to (i) Give assurance on the effectiveness of internal controls, risk management, and overall governance at National and County Governments; (ii) Undertake audit activities in state organs and public entities to confirm whether or not public money has been applied lawfully and in an effective way
3. Section 203(1) of the Public Finance Management Act, 2012 enacts that; a public officer is personally liable for any loss sustained by a County Government and is attributed to; (i) The fraudulent or corrupt conduct, or negligence of the officer or, (ii) The officer's having done any act prohibited by Sections 196, 197, and 198
4. Public Finance Management Act, 2012: Section 149 (1) of the Public Finance Management Act, 2012 which states that "An accounting officer is accountable to the County Assembly for ensuring that the resources of the entity for which the officer is

designated are used in a way that is –

a) Lawful and authorized; and
b) Effective, efficient, economical, and transparent"

Guiding Principles

Honourable Speaker, In the execution of its mandate, the Committee was guided by Constitutional and statutory principles on Public Finance Management.

These principles include the following;

Constitutional Principles on Public Finance: Article 201 of the Constitution of Kenya 2010 provides for fundamental principles aimed at guiding all aspects of Public Finance. It states that the principles are; inter alia;

i). Openness and Accountability including public participation in financial matters;
ii). Public money shall be used in a prudent and responsible way; and
iii). Financial management shall be responsible and fiscal reporting shall be clear.

The Committee considered these legal provisions and guiding principles as the basis for holding to account public officers directly and personally liable for any loss of Public Funds that may occur under their watch.

REPORT OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF KISUMU COUNTY EMERGENCY FUND FOR THE YEAR ENDED 30TH JUNE 2024

Hon. Speaker,

CPA Martin Okode appeared before the Committee on 14th March 2025 to adduce evidence on the Audited Financial Statements of Kisumu County Emergency Fund for the year ended 30th June 2024.

The following officer represented the Office of the Auditor General in the Committee meeting;

1. Mr. Kennedy Ong'oi - Deputy Director, OAG

BASIS FOR ADVERSE OPINION

Trade and other payables

Honourable Speaker, The Auditor General indicated in her report that the financial statements reflected a balance of Kshs.11,802,272 under trade and other payables as at 30 June 2024. The amount comprised Kshs.9,834,629 in respect of retention payables and Kshs.1,967,643 relating to trade payables for food and non-food items.

However, review of the supporting documentation revealed that these amounts were not supported by key procurement and payment documents including invoices, Local Purchase Orders (LPOs), notifications of award, letters of acceptance, signed contracts, certificates of completion, and inspection and acceptance certificates.

Management Response

The management have attached evidence of supporting documents invoices, LPO's, notification of award, acceptance letters, and signed contracts, certificates of completion and inspection and acceptance certificates for the payables amounting to Kshs 19,013,415

Committee Observations

1. That an amount of Kshs. 11,802,272 (Kshs. 9,834,629 for retention payables and Kshs. 1,967,643 for food and non-food trade payables) was not supported with invoices, LPOs, notifications of award, signed contracts, certificates of completion, and inspection and acceptance certificates.
2. That as at the time of committee deliberations, the management had provided the supporting documents except for three (3) contractors; Ambe General, Shuria Construction and Plainmount Ltd.

Committee Recommendations

1. That no payment be made to the three firms until the necessary documentation is verified by the Auditor General. The Auditor General to follow up and report in the subsequent audit.
2. That the County Executive Committee member, Finance, Economic Planning and ICT take disciplinary action against responsible officers who failed to provide documentation/supporting documents to the auditors during the time of audit as stipulated in Section 62(1)(b) and (c) of the Public Audit Act, 215
3. The matter is unresolved

Unsupported Payments on behalf of Jaramogi Oginga Odinga Teaching and Referral Hospital
The Auditor General indicated that the financial statements reflected an amount of Kshs.12,309,171 incurred by the County Government on behalf of Jaramogi Oginga Odinga Teaching and Referral Hospital (JOOTRH) during the year ended 30 June 2024.

However, review of the supporting documentation revealed that the expenditure was not supported by relevant accounting records such as ledger postings and official receipts from the referral hospital to confirm acknowledgment of the funds. Further, management did not provide justification or disclosure indicating the emergency nature of the expenditure, as would be required where standard procurement or transfer protocols are bypassed.

Management Response

Under Note 6 (transfer from County entities) in the financial statements, we reported a grammatical error that Payments by County on behalf of JOOTRH/KISIP of Kshs 12,309,171.00. The correct narration should be Receipts from County Entities to the Fund broken down as follows:-

1. Jaramogi Oginga Odinga Teaching & Referral Hospital (JOOTRH)

- 21/5/2024 Free Maternity & Covid-19 Funds - Kshs 3,431,911.00

2. Kenya Informal Settlement Infrastructure (KISIP)

- Interest on KISIP Account - Kshs 8,877,260.00

Total as per FS - Kshs 12,309,171.00

This is therefore to confirm that the amount of Kshs 84,809,171 reflected in the financial statements is accurate and complete. The management has since changed the narration to read Receipts rather than Payment as earlier reported under note 6 to the financial statements

Committee Observations

1. That the financial statements revealed an amount of Kshs. 12,309,171 as a payment by the County on behalf of JOOTRH, which lacked supporting documents such as ledgers or receipts.
2. That the Management clarified that this was a misstatement in the narration under and the correct interpretation was that the amount represents receipts by the Fund from County entities, not payments. Specifically:
    a) Kshs. 3,431,911 from JOOTRH for Free Maternity and Covid-19 funds.
    b) Kshs. 8,877,260 from KISIP as interest income.
    c) Totaling Kshs. 12,309,171 as disclosed.

Committee Recommendations

That the matter is resolved

Emergency Expenditures
The financial statements for the year ended 30 June 2024 reflect a total budgetary allocation of Kshs.105,000,000 for emergency response activities. However, review of the related expenditure documentation revealed significant gaps in compliance with the applicable legal and procedural requirements.

In particular, the following key documents were not provided for audit review:

a) An approved Emergency Response Plan detailing the planned interventions and response framework

b) Procurement plans outlining the acquisition process for goods and services related to the emergency interventions

c) Approvals by the County Assembly as required under Section 9 of the Kisumu County Emergency Fund Act, 2018 which provides as follows; (I) The County Executive Committee Member shall notify the County Assembly in writing within two months after payment is made out of the Fund. (2) If the County Assembly is not sitting during the period referred to in subsection (1) and the County Executive Committee Member has not sought the approval of the County Assembly before the end of that period, the County Executive Committee Member shall seek the approval of the County Assembly for the payment within fourteen days after it next sits. (3) As soon as practicable after the County Assembly has approved the payment, the County Executive Committee Member shall arrange for an Appropriation Bill to be introduced into the County Assembly for the appropriation of the money paid and for the replenishment of the Fund to the extent of the amount of the payment.

d) Formal requests for emergency assistance

e) Emergency needs assessments by the Technical Committee indicating the nature, extent of the emergency, and justification for the interventions undertaken.

Management Response

We acknowledge the audit observation regarding the absence of approval by the accounting officer for the emergency response expenditure. In the Financial Year 2023/2024 the fund received an appropriation of Kshs 105,000,000.00 in the approved budget by the County Assembly of Kisumu under code 2640201.

The expenditure was incurred during an emergency situation that required immediate action to mitigate risks and ensure the safety of lives, property and to support the evacuated persons in terms of food and non-food items. The urgency of the situation did not allow sufficient time to obtain formal approval from the accounting officer before incurring the cost.

Subsequent to the expenditure, detailed reports were prepared and submitted for retrospective approval by the accounting officer. Additionally, we have initiated a review of our emergency response protocols to ensure timely communication and documentation in such situation

Committee Observations

That supporting documents such as approval by the County Assembly, approved emergency response plan and emergency needs assessment by the technical committee was not provided.

Committee Recommendations

1. The Accounting Officer should ensure full compliance with the provisions of Section 9 of the Kisumu County Emergency Fund Act, 2018.
2. The County Executive Committee Member for Finance should ensure that all future emergency expenditures are fully supported with:
    a) An approved Emergency Response Plan
    b) Emergency needs assessments conducted by the Technical Committee
    c) Formal requests for emergency assistance and
    d) Comprehensive procurement plans aligned with the emergency interventions.
3. That the matter is resolved

Budgetary Control and Performance
Honourable Speaker, the report of the Auditor General revealed that there was budget underfunding of Kshs.20,190,829 or 19.2% of the budget.

Further, the Fund spent a total of Kshs.105,221,580 against an approved budget of Kshs.105,000,000 resulting to an over expenditure of Kshs.20,206,946 or 19.2% which was not been explained.

Management Response

It is true that the Fund overspent by Kshs 20,206,946 (19.2%). This includes all commitments payables which due to excess flooding experienced during the period under review. This will be considered in the FY 2024/2025. The management will henceforth seek approvals for overspending

Committee Observations

1. That the Fund incurred an over-expenditure of Kshs. 20,206,946, equivalent to 19.2% above the approved budget of Kshs. 105,000,000 during the financial year under review.
2. That this over-expenditure was incurred without approval

Committee Recommendations

1. That the County Executive Committee member for Finance, Economic Planning immediately takes disciplinary action against any officer(s), including the Fund Administrator or Accounting Officer, who authorized or facilitated the over-expenditure without lawful approval. This action should be taken in accordance with Section 196 of the PFM Act, 2012, which provides for personal responsibility for public officers who cause loss or misuse of public resources.
2. That this Assembly withholds approval of future budget allocations to the Fund until adequate measures are put in place to ensure strict compliance with the PFM Act and proper internal controls over expenditure management.
3. That the matter is not addressed

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on the Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. However, the Management had not resolved the issues as at 30 June, 2024.

Management Response

a) Failure to accrue amounts Payables - This has been addressed in this FY 2023/2024 financial statements forwarded for audit with an accrued payables of Kshs 26,115,215.00 in the statement of financial position and detailed in note 14. Attached please find Financial Statement for the FY 23/24 prepared under accrual basis.

b) Unsupported/Unauthorized Expenditure on Use of Goods and Services. It is true that the management did not present a list of approved emergency responses and procurement plan to support the expenditures; this is Unsupported/Unauthorized Expenditure on Use of Goods and Services. It is true that the management did not present a list of approved emergency responses and procurement plan to support the expenditures, this is because the fund being of emergency in nature wasn't possible to foresee the various types of calamities that would occur therefore it difficult to prepare a procurement plan. However all emergency requests arise from village administrators up to sub county administrators for approval then forwarded to director special program for action. The director special program sends a team to carry out assessment of the urgency at hand and to assess the nature of emergency and come up with a report which is forwarded to the director special program and finally to CECM finance for further action.

Committee Observations

In the audit report of the previous year, several issues were raised under the Report on the Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. However, the Management had not resolved the issues as at 30 June, 2024.

Committee Recommendations

1. That the Accounting Officer fast-track the implementation of all prior year resolutions/recommendations of the Assembly and the Auditor General. The Auditor General to follow up and report in the subsequent audit
2. That the matter is not resolved

Conclusion

Honourable Speaker, I hereby request that this House adopt this report of the Public Accounts and Investments Committee on the consideration of the Auditor General's Report on the Financial Statements of Kisumu County Emergency Fund for the year ended 30, June 2024. Madam Speaker, I would therefore request Honourable Rakwach to second. Thank you.

The Temporary Speaker (Hon. Ajwang' MCA, Kaloleni/Shaurimoyo): Yes, Honourable Rakwach.

Hon. Rakwach (MCA, Kolwa East): Thank you Honourable Speaker for giving me this chance to second this report of the Select Committee on Public Investments and Accounts on its consideration of the Examination of the Report of the Auditor General on the Financial Statements of Kisumu Emergency Funds for the Financial Year 2023/2024.

Madam Speaker, I wish to say that the Fund Administrator and all those officers who handle this fund, they should know that this is public money. It is not personal money. So, they have to follow the provisions of the PFM Act, 2012 while they are utilizing this fund.

Madam Speaker, there are procurement rules which are put in place and there is a need that they be followed. Where there is a need for Local Purchase Order, that one should be provided. All the documents that are required should be there, not that when the Auditor requests for the documentations, then you get that maybe only the invoice is there but these other documents which are required by the law are not being availed.

Madam Speaker, it is equally embarrassing, at this time, you know, devolution started in 2013. Now we are in 2025. 12 years down the line, we are still getting Adverse Opinion in Kisumu County.

Madam Speaker, what we also witnessed is that sometimes this is an Emergency Fund, and it should only be used on emergency projects. However, sometimes you realize, in cases where there are documents, you realize that an emergency project is initiated and then it is implemented maybe one or two months later. That timeline does not qualify that project to be an emergency. Emergency project is that project which needs immediate response, Honourable Chair. So, these are things that the Fund Administrators plus all the officers who are involved must take into account.

Madam Speaker, I also wish to encourage the Select Committee on Implementation to be conducting follow-up on these recommendations that are always being suggested by this House Committee. This is because several reports have been ratified in the House but we are yet to see any action being taken against these officers.

Honourable Speaker, there is also a recommendation in this report, that the County Executive Committee Member for Finance and Economic Planning should take a disciplinary action against the fund administrator, the accounting officer, and whoever authorised or facilitated the over-expenditure. Honourable Speaker, the entities are not supposed to spend more than it was budgeted for. Now we are crying that there is pending bill amounting to billions of shillings. Honourable Chair, if this money was not budgeted and it has been spent on Emergency Fund, then it means that there is another budget which is going to be killed somewhere which is not going to be paid. This is what is making the pending bill to continue to grow.

Madam Speaker, it is my considered opinion that, this one bypassed us because you realize that the County Executive Committee Member for Finance and Economic Planning is the one who authorizes the utilization of the Emergency Fund. So, how will the CEC Member take action against himself? So, it is my belief that we really need to revise that recommendation so that it will be a recommendation which can really be implemented. Otherwise, I second. Thank you, Madam Speaker.

The Temporary Speaker (Hon. Ajwang' MCA, Kaloleni/Shaurimoyo): Honourable Members, now that a motion on adoption of the report of the Select Committee on Public Investments and Accounts on the Examination of the report of the Auditor General on the Financial Statements of the Kisumu County Emergency Fund for the Financial year 2023-2024 has been presented and seconded. I want to propose a question and I propose that the motion on adoption of the report of the Select Committee on Public Investments and Accounts on the Examination of the report of the Auditor General on the Financial Statements of the Kisumu County Emergency Fund for the financial year 2023-2024 is open for debate.

The Temporary Speaker (Hon. Ajwang' MCA, Kaloleni/Shaurimoyo): Yes, Honourable Joachim Oketch member representing Kondele Ward.

Hon. Oketch (MCA, Kondele): Thank you, my sister. Madam Speaker, we are looking at a very important report and in many counties, the report on Emergency Fund is normally a very contested report and, just like Kisumu County, we are talking of an Adverse Opinion given to Kisumu County and this is based on the findings of the office of the Auditor General. So, it shows that there is a lot of poor management of this fund and, if you are very keen on what Honourable Were read here, you can see that, uh, as simple as just supporting documents are missing, from what the, the Auditor General raised and, there are no invoices. So, Madam Speaker, I believe that these are serious issues.

Yet again, Madam Speaker, I just wanted to concur on what was raised by my brother, Honourable Rakwach, about whether we are actually managing an Emergency Fund or it is an Emergency Fund being managed as a Disaster Fund. I want to say that as a House Committee on Budget and Appropriations, we are equally concerned on how the emergency projects are funded. So, I believe that this House Committee also needs to get deep so that we know how they manage their cash flows.

Are we having the money ready? Because if it is an emergency fund, then it requires that at any given time, we should always be having these monies ready for any activities as might arise. So, it is my belief that, this House Committee should interrogate this matter further so that we know the cash flow management of this particular fund. Are we really managing an Emergency Fund or we are managing a Disaster Fund? That is a very pertinent issue that I belive that we should look deeply into.

Madam Speaker, lastly, if you look at the graveness of issues raised here, I also have a feeling that there should be professional responsibility by the officers in charge. We have right now an emergency office and we have officers who are responsible for managing of this fund. So, if we are able to have a situation where we have spent more than what was approved and two, of course, an emergency fund they can spend and then the Assembly approves. But we are talking about a situation where the Assembly also did not approve the overspending or over expenditure of Kshs. 20 million. Madam Speaker, it is my opinion that, there is a lot of laxity in how this fund is managed and this time around we need to crack the whip. We do not just need to write it on a report here that these officers action taken against them. I believe that we should put the CEC Member for Economic Planning ad ICT to task so that these officers face what we call professional responsibility. Otherwise, we are throwing away money and these are very huge sums of money. Some of them are up to Kshs. 105 million. We are talking about expenditure of Kshs. 20 million. It is my belief that that somebody should be held responsible, Madam Speaker.

Madam Speaker, those are tough recommendations that I feel the Select Committee on Implementation should pick the up from here so that we know the responsibility that is taken.

Many times, we do pass these reports here, Madam Speaker, but nothing happens after we have validated these reports. Therefore, we should move forward and take action so that next time we do not have to report the same issue that we are reporting here of negligence of no documentation. So, Madam Speaker, as I resume my sit, I want to support this House Committee for doing a good job. Thank you.

The Temporary Speaker (Hon. Ajwang' MCA, Kaloleni/Shaurimoyo): Yes, Honourable Deputy Leader of Majority.

The Deputy Leader of Majority (Hon. Owade, MCA, South East Nyakach): Thank you, Madam Speaker. Madam Speaker, I would wish to ride on what my Honourable Member representing Kondele has just stated.

Madam Speaker, ever since I joined this House, we have been making recommendations every time a report is read in this House, but we have not gotten the feedback as to whether these recommendations have been implemented or not. I can see that we will go back home and leave these recommendations without being implemented. About the staff, especially the Department of Finance, it has been read over and over again that they have mismanaged. However, from the Select Committee on Implementation, they have not brought back the reports yet to say you recommended that changes be made to this officer or this department and they have been made. It is high time we put the said House Committee to bring us the results of the recommendations that have been made in this House, so that we know whether we you are moving or not.

Otherwise, Madam Speaker, we will just be stagnant. If you hear a report from this House Committee every now and again, lack of qualified staff, in 2023, 2024, and 2025, lack of qualified staff. Why can't they get the qualified staff? Why can't they inform this House that we have fired the wrong ones, so that the next time you are getting a report, we get an improved report in terms of performance? Madam Speaker, much as I support the report, it is my belief that we should act on the implementation of these recommendations. Thank you, Madam Speaker.

The Temporary Speaker (Hon. Ajwang' MCA, Kaloleni/Shaurimoyo): Honourable members on their feet. Please allow me to consider gender now.

The Temporary Speaker (Hon. Ajwang' MCA, Kaloleni/Shaurimoyo): Honourable Regina Kizito.

Hon. Kizito. (Nominated Member): Thank you Madam Speaker for considering gender. Madam Speaker, I want to say this in regards to this House Committee observation. Number one, that an amount of Ksh. 11 million in bracket, Kshs. 9 million for Retention payables and Kshs. 1 million

for Food and Non-food Trade payables was not supported with invoices, Local Purchase Orders, Notification of Award, Signed Contracts, Certificates of Completion and Inspection and Acceptance Certificates.

Madam Speaker, my worry is how can this amount of money be paid without any supporting document? I believe that there is more than meets the eye here, and I want to agree with the sentiments of the Deputy Leader of Majority that, the Select Committee on Implementation needs to do a lot. As I was seated here with my colleague talking, Honourable Nyaoke, the member is informing me that he is also a member of that House Committee. So, kindly, Honourable Nyaoke and your team, we need you to perform. If you people cannot perform, then it will force us through Mr. Speaker and the Leader of Majority, to do something concerning that House Committee. Thank you.

The Temporary Speaker (Hon. Ajwang' MCA, Kaloleni/Shaurimoyo): Yes, Honourable Nyaoke.

Hon. Nyaoke (MCA, North Nyakach): Thank you Madam Speaker. I want to first thank this House Committee for the report that they have given before us. I want to also agree with some of my colleagues who have just spoken on this particular report.

Madam Speaker, it is important to go to the records that I am one of the members who comes from disaster and emergency prone areas, one of it being North Nyakach Ward. If anything, my ward should be a beneficiary of this fund that we are talking about. Madam Speaker, if you look at the report, my colleague has just mentioned, I would agree with Honourable Lumumba Owade on what he actually picked up from the report. We are receiving quite a number of issues particularly that goes the same direction.

Madam Speaker, you look at this fund, which was about Kshs. 105 million, which we appropriated from this House, when it comes to disaster. It is important to say like from yesterday or some few weeks, or a few days ago, going forward, including this morning, Madam Speaker, I am receiving quite a number of calls from my Ward. People are already moving out of that area because of the flooding issue. This is the time that we need this Emergency Fund as much as possible. Madam Speaker, it pains me if we can appropriate like Kshs. 105 million to support this cause, and then you find that part of this money, like about Kshs. 11 million is used to purchase items that is not even substantiated, there is no invoice for it, there is no record, you cannot even find what was bought and what was sold. You cannot identify from the report that we are given.

Madam Speaker, going by the recommendations that have been given forth, and I believe that one of our members, the member of the Assembly who was actually seconding the motion, did mention something there which we should not take lightly. Particularly, recommendation number

one, that the County Executive Committee Member for Finance, and Economic Planning, immediately takes disciplinary action against any officer or officers, including the Fund Administrator or Accounting Officer who authorised or facilitated the over-expenditure without lawful approval. Madam Speaker, it is not lost to our memory that the said Chief Executive Officer is actually, this is the place where this fund is domiciled. That anybody spending this money must get direct authority from him. So, I wonder whether he will take action against himself. However, as had been mentioned by this House, Madam Speaker, and on behalf of the Implementation Committee, we will ensure that whoever will volunteer, even if it is himself going to volunteer to take action against himself, we will bring back that report here that action has been taken. Indeed, if it is not himself, then it is his prerogative to produce that person, because the relevant act, the PFM Act, 2012, must be followed to the latter.

Madam Speaker, the second recommendation is that this Assembly withholds approval of future budgetary allocations to this fund until adequate measures are put in place to ensure strict compliance with the PFM Act, 2012.

Madam Speaker, which also is going to affect us. Now, for example, if the Assembly is going to withhold this fund, going forward, Madam Speaker, which the Implementation Committee may consider making sure that it is done, then what is going to happen to our people, particularly now that they are suffering? Houses are being knocked down, plants and crops that we planted the other day is being swept away by flood. Madam Speaker, here is also another recommendation that because of the malpractice or the failure to run this fund properly is now going to force the Assembly, now even to hold any more fund that will be dedicated to these functions.

Madam Speaker, what am I going to tell my people back home? Because right now they are calling, I don't know, I don't know whether to spend my own salary, which cannot be enough to take care of these people. Madam Speaker, this is why I'm also very careful that the Implementation Committee, I'm sure, are going to take this matter so seriously, and as the Deputy Leader of Majority has mentioned that, we shall bring an appropriate and a well-established report regarding the same. Madam Speaker, I beg to support. Thank you.

The Temporary Speaker (Hon. Ajwang' MCA, Kaloleni/Shaurimoyo): Yes, Honourable Peter Obaso.

Hon. Obaso (Nominated Member): Thank you Madam Speaker, I stand to support the motion on the Floor. Madam Speaker, let me start by commending this House Committee for the job that they have done.

Secondly, Madam Speaker, I believe that, over a period of time we have been receiving reports from this House Committee, and those reports are just the same, non-supporting documents, non-

adherence to financial regulations, and such. As a county, if we keep moving towards this trend, then I believe that we still have a long way to go and it is upon those office bearers to own up to the variances that are being mentioned in these reports. This House Committee should also step up and work on their recommendations.

Madam Speaker, we have not seen anyone who has been put to account to answer to these variances and the differences that we see in these finances. So it is upon the relevant House Committee to do follow up. I also want to urge the entire county and the institutions to try and follow the financial regulations that are put in place so that we do not lose funds. Thank you, Madam Speaker. I support.

The Temporary Speaker (Hon. Ajwang' MCA, Kaloleni/Shaurimoyo): Yes, Honourable Oiko.

Hon. Oiko (MCA, Kabonyo/Kanyagwal): Thank you Madam Speaker. A report is today presented before this House on financial statement of Kisumu County regarding Emergency Fund. Madam Speaker, there is a trend of blaming the Implementation Committee...

(The Deputy Leader of Majority rises on a Point of Order)

The Temporary Speaker (Hon. Ajwang' MCA, Kaloleni/Shaurimoyo): Yes, Deputy Leader of Majority. What is your Point of Order?

The Deputy Leader of Majority (Hon. Owade, MCA, South East Nyakach): Thank you Madam Speaker, I am unable to hear the Member on the Floor. This is because the member has put the glasses all over his mouth and therefore I cannot hear him, Madam Speaker. I know I also wear glasses, but I put them underneath. So, I am having difficulty getting the mover, Madam Speaker. Thank you.

Hon. Oiko (MCA, Kabonyo/Kanyagwal): Madam Speaker, the glasses are not talking. It is my mouth that is talking. Madam Speaker, I was advised people who put glasses on their heads. That was the late Taita Towett, the intellectual. But if I find any other Tom, Dick and Harry who wants to copy Taita Towett, I want to become a common man with my specs, Honourable Owade.

So, Madam Speaker, what I am saying, a report is presented before this House. And there is a trend in this House that when this House Committee presents a report, the Select Committee on Implementation is being blamed for not taking action. And there is no clear action given to the Select Committee on Implementation to take action on. Like when you look at the content of this report, it is an Adverse Report. Money was poorly spent. Action is being asked to be taken. But,

when you look at the action that is being asked to be taken, it is not specific in this report, Madam Speaker.

Madam Speaker, when you look at the conclusion of this report, this House Committee requests that this House adopt this report of the Public Accounts and Investments Committee on the consideration of that intergenerational support on the financial statements of Kisumu County Emergency Fund for the year ended 30 June 2024. That is a conclusion. No specific instruction is given to the House to adopt. If this House Committee is unhappy with the report, they should inform the House, adopt this report so that action is taken and it is forwarded to Ethics and Anti-Corruption for further investigation. If you do not name those ones, who will know that, you wanted this report to be investigated further for action? No one will know.

And, when you blame the Implementation Committee and you are not specific, what is the Implementation Committee going to do? Nothing. And when Oiko says that this House Committee is keen on sweeping recommendations given in the report, the Chairman becomes annoyed. When it is being said that other recommendations for actions have been given in this House, I am telling you, my friends, nothing of the sort has been given.

Madam Speaker, It is only once that Honourable Owade tried. But you see, it was on the Floor of the House, the debate was going on, and he wanted the report to be amended for further action, which you will find that ought to have been done much before the debate. And the Office of the Speaker is notified. We have never done those. So, the problem lies with us. When we want action to be taken against a certain Department, let it be very specific from the report and Members are asked to adopt that specific recommendation from the report. If you don't do that, don't blame the Implementation Committee. I wanted to start from there, Madam Speaker.

(Hon. Rakwach rises on a Point of Order)

The Temporary Speaker (Hon. Ajwang' MCA, Kaloleni/Shaurimoyo): Yes, Honourable Rakwach.

Hon. Rakwach (MCA, Kolwa East): Thank you Speaker, I wish to inform the House that this is not the only report that the Select Committee on Public Investments and Accounts has brought to this Assembly. It is my belief that, like every week we are debating a report of this House Committee, and the Honourable Members are always here.

Madam Speaker, we have even made a report which recommended further investigations by the investigative institutions like the EACC, and we are yet to receive a report where the action was taken. So, blaming the members of Public Investments and Accounts, and then when a report comes to the Assembly, it is a report of the House, not a report of Public Investments and

Accounts Committee, Honourable Speaker. So, here we can even decide to amend the report and pass that one, which has got specific action to be taken against an officer. That is why that word amendment is there.

Madam Speaker, however, if we have passed it in one accord, that it is a good one, let it be implemented, and then we come back again and then start denying those reports that you, Public Investments and Accounts, did what. There was no specific word; It is my belief that, we are lying to ourselves. Or sometimes we just want to be seen that we are poking holes. Let us be true to ourselves that we have passed several reports.

Madam Speaker, I know members are saying that these reports are the same, simply because the queries are the same. And that one is not the problem, not the mistakes of the Public Investments and Accounts Committee. We scrutinize every case on its own account. If whoever steals a goat today is given one month imprisonment, then tomorrow if another one steals, it will still be one month imprisonment. You do not now change it because that one was given one month imprisonment. So that is the information that I wanted to give, Hon Speaker.

The Temporary Speaker (Hon. Ajwang' MCA, Kaloleni/Shaurimoyo): Thank you. Honourable Members, I want to direct that any report which has been brought before this Honourable House, any member can propose amendment. And, that is why the relevant House Committee cannot forward it directly to the relevant department. So it belongs to the whole House. Thank you.

Hon. Oiko (MCA, Kabonyo Kanyagwal): Madam Speaker, you have made a ruling but the true position will come out who is right.

Madam Speaker, what I have said will become an eye-opener to the House. Let us do further consultation. And if possible, those other reports Honourable Rakwach is referring to, if he could say them, we will find that Honourable Oiko is right.

Madam Speaker, the report we are given is an Adverse Report and the amount involved is about Kshs 1.05 million that was appropriated in the budget and there is slightly over Kshs 20 million that has been overspent. And the essence of the adverse report is because of the poor financial records. Now one asks, if Kshs 1.05 million alone in the budget cannot be properly managed by the department, what about the bulk of the billions that they have? And we know the adverse reports that have been coming here from that department. Things are taken casually in that department. That is a picture that one would depict.

Madam Speaker, why is this happening? They take things casually in the department because they don't feel threatened. They don't feel it is an offence. To manage the financial records in a very poor way. They do things for the sake of it because they know after all, the record will

come to the Assembly and it will just be passed. And, when you simply make a statement in the report, disciplinary action should be taken against public officers who authorized or facilitated unlawful over-expenditure or failed to provide required documentation during the time of audit. This is just a mere statement made. With the picture given in this report, this would have been the conclusion. Disciplinary action that should be taken. Considering the further investigation, that should be done. The seriousness would have been there. But when this kind of statement is made, merely the way it is made here, no one will take it seriously.

Madam Speaker, we know what is happening in this department. Most of the financial reports that come here are adverse, given very poor picture by the Office of the Auditor General, and there is no improvement. Why is this happening so? We know that we have the CEC Member for Finance and Economic Planning, and when it comes to the Office of the Chief Officer of Finance, there is no Substantive Chief Officer. People, who have been there, have been there on acting capacity. And this is also a matter that this House should address. Why the Kisumu County Government can't employ someone on the three-year contract, someone vetted by this Assembly, and is there with the approval of the Assembly?

Madam Speaker, when you look at the history of that office, you will find that, most of the chief officers were there, only one was vetted by this Assembly, and he consequently passed away. Those who have been there are on acting capacity….

(Hon. Dede rises on a Point of Order)

The Temporary Speaker (Hon. Ajwang' MCA, Kaloleni/Shaurimoyo): Yes, Honourable Samuel Dede, which Orders are you rising on?

Hon. Dede (MCA, Kisumu North): Madam Speaker, I am rising while citing the provisions of Standing Order No. 89 which touches on Statement of Facts

The Temporary Speaker (Hon. Ajwang' MCA, Kaloleni/Shaurimoyo): Please proceed.

Hon. Dede (MCA, Kisumu North): Thank you Madam Speaker. The Honourable Member is talking of not having a Substantive Chief Officer in the department of Finance. And in this House, we vetted a Chief Officer called Njenga. If the member is insinuating that we do not have a substantive chief officer in the department, even though there are others, but he should specify that at a particular time, we passed a chief officer in this House. Madam Speaker, thank you.

The Temporary Speaker (Hon. Ajwang' MCA, Kaloleni/Shaurimoyo): Honourable Oiko, can you explain further? Do you mean to imply that, the officer is not competent or what?

Hon. Oiko (MCA, Kabonyo/Kanyagwal): Madam Speaker, he has helped me. The one that was vetted and approved by this House, Madam Speaker, is no longer in the office. And there is one who is acting. It is good, he has helped me, and he has reinforced my argument. Thank you, Madam Speaker.

Madam Speaker, the matter of emergency activities in Kisumu County is serious. And we should take this matter very seriously. Now, there are floods in the rural areas. We are being informed that the money for emergency is poorly spent. And we know what it is.

The Temporary Speaker (Hon. Ajwang' MCA, Kaloleni/Shaurimoyo): Honourable Oiko, your time is up. l will accord you one more minute to conclude.

Hon. Oiko (MCA, Kabonyo/Kanyagwal): Madam Speaker, people of Kisumu are suffering because of the floods. And the money that is supposed to help them is poorly spent.

So, we are wondering, when shall the people of Kisumu County get the value for this money? When will they get the value for this money? This House must take this matter seriously so that the relevant department is taken to task. I am only afraid, Madam Speaker, to talk of the Disaster Management. So, those precautionary measures are taken before the floods. I end there, Madam Speaker. But this report should not be forgotten. This report should be used to take the department to task.

The Temporary Speaker (Hon. Ajwang' MCA, Kaloleni/Shaurimoyo): Yes, Honourable Okoyo.

Hon. Okoyo (MCA, Central Kisumu): Thank you, Madam Speaker. Madam Speaker, I do not know why I am having a feeling to stop supporting these good documents from this House Committee. Madam Speaker, this House Committee has been working tirelessly. The Select Committee on Public Investments and Account has been doing this from the time we got into this Honourable House.

Madam Speaker, if my memory serves me well, then this is not the first report of this House Committee (PIC/PAC) is bringing to this House on this Emergency Fund. And if my memory serves me well again, the reports, I believe, look the same. And I don't know why the recommendations have not been seen or come to pass.

Madam Speaker, I believe the House only delegates powers to these House Committees of the Honourable House. And if there is a House Committee which is not doing its job to the required expectations and perfection, then, Madam Speaker, this House should come up with a

recommendation on what to be done. This is because, Madam Speaker, this is one of the major roles we are supposed to do as an Assembly or as MCAs. That is the oversight.

Madam Speaker, it is true that the emergency or the disaster fund should be seen and should be also felt on the ground. And if indeed this fund does what is supposed to be done, then they should have the full documentations on what they did, how they did it, and we can be convinced that exactly what they are saying was done. It is all seasons that we always face the disasters which this fund is supposed to help. But why don't we get the full documentations of how the money is spent?

Madam Speaker, I start to believe that if over 100 million cannot be explained how it was spent, then there must be something very big which we are yet to know from this department.

Madam Speaker, allow me to agree with my fellow colleagues that, there must be somebody who is not doing his job and, if this is how we are going to handle our reports and nothing happens, then, Madam Speaker, we are the ones who are going to be blamed. Madam Speaker, like I said before, I feel like not standing to support this document. It is not because it is not properly brought to the House, but because I feel by supporting this document, it has not helped us and still is not going to help us. Thank you Madam Speaker.

The Temporary Speaker (Hon. Ajwang' MCA, Kaloleni/Shaurimoyo): Yes, Honourable Ochele, East Kano/Wawidhi Ward.

Hon. Ochele (MCA, East Kano Wawidhi): Thank you Madam Speaker, and once again, thank you for recognizing my ward—East Kano/Wawidhi—in its full strength.

Madam Speaker, I rise to contribute to the debate on the report of the Public Investments and Account Committee tabled before this House today. Foremost, I would like to commend this House Committee for the time and effort they have dedicated to compiling this report. They have made thoughtful observations and offered recommendations that, in their judgment, best address the matters at hand. That is commendable work, Madam Speaker. This report touches on two critical funds: the Disaster Fund and the Emergency Fund. I wish to briefly draw a distinction between the two.

(Hon. Oiko interjects with a Point of Order)

The Temporary Speaker (Hon. Ajwang' MCA, Kaloleni/Shaurimoyo): Yes, Honourable Oiko Pete.

Hon. Oiko (MCA, Kabonyo/Kanyagwal): Madam Speaker, it is important to clarify that the Disaster Fund is domiciled under the Department of Public Administration and Public Participation. That is accurate—it falls within that department's mandate. On the other hand, the Emergency Fund, as established by the Emergency Fund Act, is domiciled under the Department of Finance.

Therefore, I urge Honourable Ochele to clearly distinguish between the two. The report currently under discussion pertains specifically to the Emergency Fund, which falls under the jurisdiction of the Finance Department.

Hon. Ochele (MCA, East Kano/Wawidhi): Honourable Oiko Pete, I believe you're simply eager to assist me in making my contribution—perhaps a bit too early—because I mentioned I was addressing two funds, and I had only begun with the first. I hadn't even reached the second one yet, so kindly hold your horses. While you were contributing earlier, I listened quietly and respectfully, as you shared a number of important facts. Now, allow me the same courtesy to also share some facts as I understand them.

(The Deputy Leader of majority similarly interjects with a Point of Order)

The Temporary Speaker (Hon. Ajwang' MCA, Kaloleni/Shaurimoyo): Honourable Owade, are you rising on a point of order?

The Deputy Leader of Majority (Hon. Owade, MCA, South East Nyakach): Yes, Madam Speaker. Madam Speaker, it is important to clarify that the mover of the report was presenting a report on the Emergency Fund, not the Disaster Fund. I would therefore urge Honourable Ochele to focus on the subject at hand—the Emergency Fund, as captured in the report before us.

We all understand that the two funds are distinct, and today's discussion is specifically on the emergency report. Thank you, Madam Speaker.

Hon. Ochele (MCA, East Kano/Wawidhi): The Deputy Leader of Majority, sometimes you amuse me. Why are you in a hurry? Why are you rushing? Be patient and allow me to debate. Should I leave the microphone for you? Why do you want to intimidate me?

The Temporary Speaker (Hon. Ajwang' MCA, Kaloleni/Shaurimoyo): Honourable Ochele, proceed.
The Temporary Speaker (Hon. Ajwang' MCA, Kaloleni/Shaurimoyo): What is it Honourable Nyaoke?

Hon. Nyaoke (MCA, North Nyakach): Madam Speaker, the point of fact here is that, as already stated, the fund Honourable Ochele is trying to explain is not the subject of the report currently

before the House. There is no report concerning that particular fund on the floor today. So, Honourable Ochele, there's really no need to explain yourself on a matter that is not under consideration at this moment.

The Temporary Speaker (Hon. Ajwang' MCA, Kaloleni/Shaurimoyo): Honourable Ochele, I'm about to rule. Just be patient.

Hon. Nyaoke (MCA, North Nyakach): Madam Speaker, as I was saying before my senior rose to speak again, it is indeed a fact that the motion before us concerns the Emergency Fund. It would not be appropriate, Madam Speaker, to introduce discussion about a different fund that is not currently under consideration on the floor.

The Temporary Speaker (Hon. Ajwang' MCA, Kaloleni/Shaurimoyo): Honourable Nyaoke, I rule you out of order because that has been said by Deputy Majority Leader. Allow Honourable Ochele to proceed. Thank you.

Hon. Ochele (MCA, East Kano Wawidhi): Thank you, Madam Speaker. You truly lead this House with wisdom, and you understand how debate is meant to flow.

Madam Speaker, I made it clear from the beginning that I intended to address both the Disaster Fund and the Emergency Fund because during earlier contributions, several members seemed to conflict the two. The terms "disaster" and "emergency" were being used interchangeably, which can lead to confusion. My intention was purely to clarify the distinction between the two.

If making such a clarification unsettles anyone, then I genuinely question why we are here—why we are referred to as Honourable Members—if not to engage in meaningful debate based on facts. Debate must be grounded in truth and understanding. For example, my colleague Honourable Okoyo, though junior in this House, referred extensively to disasters throughout his contribution. Therefore, it became necessary for me to clarify before proceeding with my remarks on the Emergency Fund.

Unless some members are uncomfortable with others debating or perhaps unwilling to acknowledge what they don't know, I would suggest they relax, listen, and learn. There's no harm in gaining better understanding. And thank you to those who support the pursuit of clarity—Honourable Members like Ochele are right to speak up.

Now, to finalize my point: the Disaster Fund is the one we often see in action—responding when disasters strike, such as fires or floods. On the other hand, the fund we are currently discussing in this House is the Emergency Fund, which is indeed managed under the Department of Finance. These are two distinct funds, Madam Speaker.

Speaking from my own experience over the past three years, my ward is highly prone to emergencies—especially due to floods that destroy farms and structures. Yet, I must honestly say, I have not seen any tangible benefit or intervention from the Emergency Fund.

To illustrate, Madam Speaker, this House once debated an emergency that occurred in Honourable Nyaoke's ward. Our Blue Zone market was gutted by fire. Despite expectations that funds would be released to help cover losses or respond to the situation, not a single cent was allocated. Honourable Nyaoke can attest to that. And now, members defend the fund knowing full well it failed to deliver in times of need.

When our Otonglo market was also destroyed by fire, again nothing was done. So, I ask again: where is the Emergency Fund when we need it most? Madam Speaker, members of this House Committee…

The Temporary Speaker (Hon. Ajwang' MCA, Kaloleni/Shaurimoyo): Honourable Nyaoke are you up again?

Hon. Nyaoke (MCA, North Nyakach): Yes, Madam Speaker. I rise to offer some clarity regarding the issue that has just been mentioned — specifically the incident where the Adobe Blossom was destroyed by fire.

Madam Speaker, I would like it to go on record that I did, in fact, bring a formal statement to this House concerning that incident. In that statement, I requested and tasked the Emergency Department to step in and provide assistance. The statement was duly read and debated on this floor. It specifically sought support from the Emergency Fund to those affected.

However, Madam Speaker, I can confirm today that despite the matter being brought before the House, and despite the urgency of the situation, no action whatsoever was taken by the department.

The Temporary Speaker (Hon. Ajwang' MCA, Kaloleni/Shaurimoyo): Your point is well noted. Kindly allow the member to proceed.

Hon. Ochele (MCA, East Kano Wawidhi): Madam Speaker, thank you once again. I believe I may have stirred your awareness — it's becoming clear that this fund has not been impactful.

Madam Speaker, we had a similar case at the Otonglo Market, which was razed by fire. The Departmental Committees on Trade and that of Justice and Legal Affairs were assigned a fact-finding mission. We visited the site, prepared a comprehensive report with recommendations, and this House passed a resolution that the Emergency Fund be used to partially compensate the victims and rebuild the destroyed structures. To date, not a single cent has been spent.

Madam Speaker, I am left wondering, out of the 35 wards in this county, which one has tangibly benefited from this Emergency Fund? And yet, every financial year, this fund is allocated in the budget, we approve and appropriate it. So, in reality, where is this money going? What exactly is it being used for?

Madam Speaker, as we discuss these reports, we must stop approaching these issues casually. Let's pause and reflect: what has this fund done in your own ward? If your people have not benefitted from it, then why support this report simply for the sake of political alignment or committee loyalty? Let us remember who elected us. Our loyalty must be to our constituents, not committees.

Madam Speaker, I want to make it clear: I'm not here to endorse any House Committee that is not delivering. Even for my own House Committee — PIC/PAC — I often refrain from debating its reports because I know some members feel uncomfortable when the truth is spoken, as they do now when Hon. Pete shares hard truths.

Madam Speaker, this House Committee was trained and inducted. I want to question the content of that induction. It seems they were given a rigid template for writing reports, and they've stuck to it religiously — no variation, no critical thought, just ticking boxes.

They list observations without depth. They make recommendations without weight, no reference to the Ethics and Anti-Corruption Commission (EACC), no mention of the Directorate of Criminal Investigations (DCI). They simply follow the format. But that's not the purpose of our education. We were not educated to follow a script to the last full stop, we were taught to think critically and do more than the bare minimum.

Look at our peers in the National Assembly or the Senate. Their House Committee recommendations lead to real accountability — people are arrested, investigated, and prosecuted. Why can't we do the same? If this House Committee report is shallow, what is the Implementation Committee supposed to work with? You cannot implement a vague observation.

We must go beyond templates and do substantive work. Especially with this Emergency Fund, a fund that touches the lives of everyone in this county. If you haven't felt its impact, I urge you to open your eyes.

Let us return this report to this House Committee. Let them review it thoroughly and provide actionable, meaningful recommendations. Just today, someone told me over the phone, "You're discussing the Emergency Fund, but everyone knows the Assembly will pass the report anyway." And that's the sad truth. If we pass this report without strong recommendations, it will go straight back into the hands of those mismanaging the funds.

But if we name names and forward the report to EACC, it will trigger a formal investigation. The Clerk will be compelled to send a direct copy to EACC, not just to the Executive. That is how we create change.

Madam Speaker, I oppose this report, not out of spite, but out of a genuine desire to protect the people's resources and demand accountability for the people of Kisumu County. Thank you.

The The Temporary Speaker (Hon. Ajwang' MCA, Kaloleni/Shaurimoyo): Yes, Honourable Pamela Oyoo representing Migosi Ward.

Hon. Oyoo (MCA, Migosi): Thank you, Madam Speaker. I wish to call the mover to reply.

The Temporary Speaker (Hon. Ajwang' MCA, Kaloleni/Shaurimoyo): Honourable Were.

Hon. Were (MCA, Nyalenda "B"): Thank you Madam Speaker. I wish to take this opportunity to sincerely thank Honourable Members for their robust engagement and thoughtful contributions during the debate on this report. I deeply appreciate both the positive and critical recommendations made by colleagues. This is a demonstration of the collective responsibility we all share as members of this Honourable House.

Madam Speaker, once a report is tabled before this House, it becomes a matter for the House as a whole. It becomes our document, and every member has the right to propose adjustments or amendments as they see fit. That is how a vibrant legislative process should operate.

Honourable Obaso rightly raised concerns that several reports have been brought to this House without resulting in visible action. Madam Speaker, I want to clarify that our work as the Public Investments and Accounts Committee (PIC/PAC) is guided by the findings and flags raised by the Office of the Auditor General. Our investigations are based on those audit queries.

It's true that some recommendations tend to repeat across different reports. This is not by choice but a reflection of recurring issues flagged by the Auditor General. We cannot take up matters that are outside the scope of what the Auditor General has pointed out. If similar concerns arise year after year, then those are the issues we are mandated to address until they are fully resolved.

Madam Speaker, I want to thank the committee members for their time, diligence, and dedication in compiling this report. I also wish to appreciate the Office of the Auditor General for their continued collaboration with the Kisumu County Assembly in ensuring transparency and accountability across our departments.

Equally, I am grateful to this Honourable House for the robust debate and for raising critical concerns that will guide the committee's future work. We take those concerns seriously and will strive to incorporate all the recommendations that serve the best interests of our people.

Madam Speaker, Honourable Pete made a valid point regarding the need for more targeted and impactful recommendations. I want to assure this House that, in this particular report, this House Committee has recommended actions be taken against specific officers responsible for the issues flagged out. It is now upon us, as a House, to ensure these recommendations are implemented with the seriousness they deserve.

Let us not underestimate the authority of this House. The resolutions we pass here carry the weight of law, and we must stand firm in demanding accountability and service from the officers entrusted with public resources.

To Honourable Pete's concern about repeated recommendations and lack of visible impact — I reiterate that we can only act on what is raised by the Auditor General. When wrongdoing is flagged out, we take it up. When no anomaly is found, we cannot fabricate one. Still, we recognize the need for more action-oriented outcomes, and we will continue improving our approach.

Madam Speaker, this county belongs to all of us. It is our responsibility to ensure that those entrusted with leadership in various departments serve the public diligently, in line with existing laws and regulations. This House has the power and duty to ensure that happens. With that, Madam Speaker, I beg to reply. Thank you.

The Temporary Speaker (Hon. Ajwang' MCA, Kaloleni/Shaurimoyo): Honourable Members, now that the motion on adoption of the report of the Public Investments and Accounts Committee on the examination of the reports of the Auditor General on the financial statement of Kisumu County Emergency Fund for the financial year 2023-2024 has been presented, seconded and debated, I want to put a question on the adoption of the same.

(Question put and agreed to)

The Temporary Speaker (Hon. Ajwang' MCA, Kaloleni/Shaurimoyo): Honourable Members, the Public Investments and Accounts Committee on the examination of the reports of the Auditor General on the financial statement of Kisumu County Emergency Fund for the Financial Year 2023-2024 has been adopted today, Tuesday 13th May 2025 at 16.04 hours.

I direct that the recommendation of this report and that of the House debate be forwarded to the relevant department for action and that the Select Committee on Implementation to conduct follow-up on the implementation of the same.

The Temporary Speaker (Hon. Ajwang' MCA, Kaloleni/Shaurimoyo): Next order!!

ADJOURNMENT

The Temporary Speaker (Hon. Carren (MCA, Kaloleni Shaurimoyo): Honourable Members, there being no any other business to transact, the House stands adjourned until tomorrow Wednesday 14th May 2025 at 09.00 a.m.

(House rose at 4.05 p.m.)

Addendum

The Hansard Team

Zablon Otiende – Assistant Director, Hansard Services

Hansard Reporters

Fanuel Okode - Chief Hansard Reporter

Edward Odanga - Senior Hansard Reporter

Patrick Okoyo - Senior Hansard Reporter

Jackline Otieno - Senior Hansard Reporter

Jesca Otieno - Senior Hansard Reporter

Vallery Achieng' - Senior Hansard Reporter

Emanuel Omondi – Intern

Stella Ogada – Intern

Melissa Hellen – Intern