

COUNTY ASSEMBLIES FORUM

Newsletter

March Edition



REPUBLIC OF KENYA



HARAMBEE
COUNTY ASSEMBLIES
FORUM

Enhancing Own Source Revenue (OSR) in County Governments.

As part of its vision, CAF works to strengthen the devolved system. Among its main strategies is, to support Local Economic Development (LED) in all the 47 Counties through a unified policy as well as capacity development of the devolved legislatures. This is essential to enable county governments to deliver services effectively.

CAF acknowledges that Revenue collection in counties has remained low since the advent of devolution owing to challenges stemming from the shortcomings of systems inherited from the defunct local governments, gaps in law and differing capacities to implement existing laws.



Figure 1: Chief Executive Officer County Assemblies Forum, Ms. Judy Oduma making her presentation during the National Assembly Committee on Finance and Planning

The Forum's memorandum which consolidated the views of the devolved legislatures highlighted the need to **review national laws to ensure they are consistent with devolution**, and the need to **preserve the autonomy of County Governments**. Among the major inputs by CAF included:

- i). The requirement for approval of new taxes, fees and charges by National Treasury will undermine the mandate of the County governments. CAF proposed that the views/advisory of the National Treasury could be sought but the ultimate decision must remain within the County legislatures.
- ii). Support to the proposal to amend the Tourism Act will provide clarity on

In an effort to address these challenges and streamline revenue collections in counties, the National Treasury has developed a ***Draft National Policy to Support Enhancement of County Governments' Own-Source Revenue***, which was tabled before the National Assembly for approval. CAF represented the 47 County Assemblies and made submissions to the National Assembly's Committee on Finance during the committee's public participation/hearing and stakeholder engagement on 13th March, 2020 in Nairobi.



Figure 2: The Governor, Laikipia County, H.E Governor Ndiritu Muriithi. making his submissions during the National Assembly Departmental Committee on Finance and Planning.

- the roles of each level of government and define local tourism, hence allowing county governments to raise sufficient revenue while effectively developing the tourism sector.
- iii). The requirement for Counties to enact Tariffs and Pricing Policies as required by section 120 of the County Governments Act will further enhance Own Source revenue Collection.
 - iv). The proposal for assessment of county level workload and skills gap to facilitate training and recruitment to address the capacity challenges occasioned by employment of non-qualified personnel.
 - v). Improving revenue forecasts and incentivising fiscal effort will ensure counties are able to make realistic projections, anchored under Section

121 of the County Governments Act which allows for support to county vi).

governments to enable them perform their functions

The Sustainable Urban Economic Development (SUED) Program.

The County Assemblies Forum hosted a team of Coffey International Development Ltd, which is the implementing agency of the Sustainable Urban Economic Development (SUED) programme. SUED is a £70 million 5-year programme funded by the British Government through UK AID providing overall programme management, technical oversight and coordination functions to a range of subcontractors. SUED supports 12 fast growing municipalities to develop Sustainable Urban Economic plans and attract investment for critical climate resilient infrastructure and value chain projects.



Figure 3: Ms. Judy Oduma, Chief Executive Officer, meeting a team from Coffey International to discuss the Sustainable Urban Economic Development (SUED) programme and how County Assemblies could participate in the programme.

Some of the objectives of the project is to strengthen the municipality's capacity to plan, deliver and manage urban economic development and also support policy & legislative changes for greater private sector led growth. Unemployment is the biggest hinderance to development in Kenya but

through the SUED programme counties will be able to create climate resilient jobs to its people.

Urban Planning:

SUED is working with selected municipalities to design and implement urban economic development plans. The Urban Economic Plan is an advisory document that builds on existing work and priorities identified under vision 2030, CIDP, ISUDP and other documents.

The programmes brings together Stakeholders on deciding the economic future of the municipalities and implementing it with an aim to prioritize VC and Climate Resilient Projects that can maximise benefits and support the development of a sustainable economic future for the municipality

Opportunities for County Assemblies:

The SUED programme works in phases in order to achieve its objectives: The development Phase where MCAs participate in identification of value chains and climate resilient projects /participatory planning, followed by implementation phase where approvals of budgets for SUED value chain opportunities that might not be funded by the programme takes place. At the legislation phase which falls on the mandate of the MCAs, members will approve spatial plans, regulatory frameworks and laws required to design urban areas. The Members of the County Assembly will participate in identification of constraints for doing business in SUED municipalities.

The First Stakeholders Workshop on the 5th Legislative Summit, 2020.

The Legislative Summit is an annual Flagship event of the County Assemblies Forum that brings together all Senators and Members of the forty-seven County Assemblies across the country including their staff, Development Partners, the Private Sector, International Organizations and other stakeholders in the field of Devolution. The planning of the 5th Annual Legislative Summit 2020 began in October, 2019 with the Secretariat developing a draft concept note with clear objectives to guide the development of the Summit budget, program and the resource mobilization strategy.



Figure 4: Figure 6: Ms. Sharon Makena, Programme Coordinator County Assemblies Forum taking stakeholders through the 5th Annual legislative Summit 2020 Concept note in Nairobi County.

For the Summit to be a success, different planning Committees are constituted to spearhead the planning process which includes a Technical working committee, The Steering Committee and the Technical Organizing Committee. The Technical Organizing Committee (TOC) comprises of Technical staff from County Assemblies Forum & the Senate. For purposes of effective planning and execution, the TOC works in four sub-committees (technical working groups); The Steering committee comprises of members drawn from the CAF Executive Committee and the Senate.

Its main role is to provide guidance and advice in terms of content and overall planning and steering/execution of the summit. The planning also includes multi-agency planning meetings which hold its meetings bi-monthly. This working group contribute to the technical expertise in the development of summit content and programmes.

5th Annual Legislative Summit Multi-Agency Planning Meeting

The first Multi-agency planning meeting was held on Friday, 13th March, 2020 in Nairobi.



Figure 5: MS. Caroline Iagat and Ms. Elizabeth Roimen from Kenya Revenue Authority attending the first Multi-agency planning meeting for the 5th Annual Legislative Summit in Nairobi

The main agenda of the meeting was to firstly review the progress of the implementation of the 4th Annual Legislative Summit 2019 Resolutions and secondly, to provide technical input to the draft concept note for the Legislative Summit, 2020. Progress reports were received on the implementation of the Summit resolutions. The 2020 Summit program will **focus on the following key areas;**

- a) Audit of previous Summit Resolutions and Pre-summit conferences
- b) SDGS and the role of Legislatures
- c) Enhancement of County Own Source Revenue and Local Economic Development
- d) Regional Integration and its effect on devolution; East African Community (EAC) Common Market for Eastern and Southern Africa (COMESA) and Intergovernmental Authority on Development IGAD
- e) Human Rights Based Approach and Gender Equality
- f) Harmonized Approach to Policy Formulation and Legislation

CAF memorandum on The Public Finance Management (amendment) Bill, National Assembly Bills No. 51 of 2017.

On 11th March 2020, CAF was invited to submit its views on the Public Finance Management (Amendment) Bill, (National Assembly Bills No. 51 of 2017) before the Senate Standing Committee on Finance and Budget. The principal object of the Bill was to comprehensively amend the Public Finance Management Act (No. 18 of 2012) so as to ensure smooth implementation of the Act.



Figure 6: Senate Finance Committee Chairperson Hon. Mohamed Mahmud during the committee meeting

The bill also amends Section 109 of the PFM ACT under Clause 31 to provide that a County Executive Committee Member for Finance shall not withhold or refuse to submit a requisition for a County Assembly to the Controller of Budget. If a CEC does this, s/he commits an offence under the PFM Act. This



Figure 7 County Assemblies Forum Chairperson Hon. Ndegwa Wahome, makes his submissions on the Public Finance Management (Amendment) Bill, (National Assembly Bills No. 51 of 2017.

CAF appreciated that the bill addressed partially the issue of Financial Autonomy of the County Assemblies by amending section 119 of the PFM Act, under Clause 35 to state- "The County Treasury is responsible for authorizing the opening, operating and closing of bank accounts for the county government and its entities, except those of the County Assembly or as otherwise provided by other legislation and in accordance with regulations made under this Act."

clause will ensure the conflict between the County Executive and County Assemblies on flow of funds will be adequately resolved.

Although this was a positive indicator from Parliament to address the issues facing the financial autonomy of County Assemblies, the

amendments did not grant full financial autonomy to County Assemblies.

CAF in an effort to lobby for full financial autonomy for County Assemblies, represented the 47 County Assemblies in discussions with the Senate's Standing Committee on Finance and Budget during the committee's public participation and stakeholder engagement. The Forum in its input, rejected the amendment requiring a County Assembly to submit its Budget

Estimates to the County Executive Committee Member for Finance for approval. The Public Finance Management Act provides that it is the duty of the Clerk of the County Assembly to prepare the estimates of the assembly to be approved by the County Assembly Service Board and submit the same to the county assembly for approval. The proposed amendment would allow the County Executive to infringe the independence of County Assemblies under the principle of "Separation of Powers". [Read More](#)

The Leading Young Fellowship Program for Members of County Assemblies.

From the 28th February to 1st March 2020, 45 Young members of county assemblies attended the inaugural leading young fellowship program. The members who are representatives of different counties were selected through a competitive application process conducted by the leading young secretariat team which was targeting 47 participants each from the 47 counties in Kenya.

equip young MCAs with value based leadership skills and transform their mindset to become more committed to tackling emerging issues in their communities. This will be achieved through trainings, coaching sessions and supporting projects that are aimed at making the participants better leaders.



Figure 8: Part of the first cohort of the Leading Young fellowship program in Nairobi County.

The one-year program which is being implemented by Kenya Young parliamentarian's association (KYPA), International Christian Centre (ICC Nairobi) and the Kenya Young members of county assemblies association (KYMCA) seeks to

On 14th March, 2020 KYMCA had a session with the Institute of Economic Affairs (IEA) in Alps Hotel, Nakuru. The National Democratic Institute (NDI) and Inter Party Youth Forum (IPYF) were also present. The purpose of the validation meeting was majorly for IEA to present their gap analyses findings on the earlier identified youth policy priority issues – youth and employment; poverty and economic challenges; youth and education; political leadership and governance; and ethnicity and ethnic politics. The present young MCAs had a chance to interrogate the findings and provide their input which will inform the final papers. After drafting the final papers, IEA and KYMCA will develop advocacy plans to ensure that the recommendations are acted upon by the relevant stakeholders.

Cancellation of Events:

In light of the increasing threat of the Corona-Virus (COVID-19) across the world and most recently in the country, and in compliance with the Government's directive and protocols on prevention of the spread of the virus, the County Assemblies Forum wishes to inform all members, partners and stakeholders of the cancellation of the following events that had been scheduled for the months of March & April, 2020:

- 1. The Validation Workshop for The County Assemblies Forum Strategic Plan 2020-2024 - Wednesday, 18th March, 2020.**
- 2. The Annual General Meeting (AGM)- April 17, 2020.**
- 3. The Consultative Meeting Between Chairpersons & Secretaries of the County Assembly Service Boards (CASBs) - Thursday 19th & Friday 20th March, 2020.**
- 4. Governing Council Meeting – April 16, 2020.**
- 5. The Meeting of The Chairpersons of County Assemblies Women Caucus - March 27, 2020.**

Members with any urgent matters are highly advised to channel/liaise with the Secretariat during this period through the following address:

communication@countyassembliesforum.org
or Telephone: 0704664663

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