



Salaries & Remuneration  
Commission

Rewarding productivity

Ref. No.: SRC/TS/COG/3/61/48 VOL. II (113)

9<sup>th</sup> February, 2021

**H.E. Hon. Martin Wambora E.G.H.**

Chairman, Council of Governors

P.O. Box 40401-00100

**NAIROBI**

Dear *Hon. Wambora,*

**REVIEW OF THE CAR LOAN FOR THE SPEAKER AND MEMBER OF COUNTY ASSEMBLY**

Reference is made to your letter Ref. No. COG/6/1/1A Vol. 2 (62) dated 3<sup>rd</sup> February, 2021.

The SRC has deliberated on the matter taking into consideration the constitutional principles of affordability and fiscal sustainability, and fairness and transparency when reviewing, setting and issuing advice on remuneration and benefits for State officers and other public officers as outlined in Article 230(5) of Constitution of Kenya 2010. Further, the SRC has taken into account Section 12(1) of the SRC Act of 2011, which outlines the principle of equity in remuneration and benefits.

The SRC would like to provide guidance on the matter raised by the Council of Governors (COG) on conversion of the existing Car Loan for the Speaker and Member of County Assembly to a Car Grant as follows:

**a) Equity and Fairness:**

In your submission, the COG has articulated the similarity in the representation and legislative role of the Speaker and Member of the County Assembly at the ward level with their counterparts at the National Assembly, who have a "Car Grant" facility. In this regard, the COG asserts that it is only fair to extend the same benefit to the Speaker and Member of the County Assembly.

The SRC takes cognisance of the similarity of the roles of the legislators at the county and national levels. It should be noted that the category of benefits to the legislators at the county and national levels are similar, with the exception of Transport Facilitation Benefit "Car Grant" that is provided to the legislators at the national level.

**b) Affordability and Fiscal Sustainability:**

In your submission, the COG has stated that the Car Loan facility for the Speaker and Member of County Assembly has already been budgeted in the current financial year. Further, the COG has indicated that conversion of the Car Loan to a Car Grant for the Speaker and the member of County Assembly will not affect expenditure ceiling as provided by the Commission on Revenue Allocation (CRA).

The SRC has taken into account the COG's confirmation of availability of Kshs. 4.5 Billion to convert the Car Loan facility to a Car Grant and that no additional funds will be required for the conversion.

**c) The SRC's Review:**

Taking into account the principles of equity and fairness, and affordability and fiscal sustainability, the SRC hereby reviews the Car Loan benefit as set earlier, to a Transport Facilitation Benefit in the form of a Car Grant subject to the following implementation guidelines:

- (i) The Car Grant is a Transport Facilitation Benefit payable to the the Speaker and Member of County Assembly;
- (ii) Conversion of the Car Loan facility to a Car Grant will be undertaken within the available Car Loan facility funds of KShs. 4.5 Billion and will not affect the expenditure ceiling as provided by the CRA;
- (iii) Upon conversion, the existing Car Loan shall cease and the Speakers and Members of the County Assembly who have already benefited on the existing car loan shall convert their Car Loan to Transport Facilitation Benefit in form of a Car Grant;
- (iv) In view of the ongoing remuneration review process to inform the 2021/22-2024/25 remuneration review cycle, the conversion of this benefit is only applicable to the current Speakers and Members of the County Assembly; and
- (v) The operationalisation of conversion of the Car Loan for the Speaker and Member of the County Assembly to Transport Facilitation Benefit in form of a Car Grant be undertaken administratively by the respective county governments.

The purpose of this letter therefore, is to convey the Commission's review of the Car Loan benefit to a Transport Facilitation Benefit in the form of a Car Grant.

Yours sincerely



**Mrs. Lyn C. Mengich**  
**CHAIRPERSON**

**Copy to:**

**Hon. (Amb.) Ukur Yatani, E.G.H.**  
Cabinet Secretary  
The National Treasury and Planning  
**NAIROBI**

**Dr. Jane Kiringai, E.B.S.**  
Chairperson  
Commission on Revenue Allocation  
14 Riverside Drive, Grosvenor Suite 2nd Floor  
**NAIROBI**

**Dr. Margaret N. Nyakango**  
Controller of Budget  
Office of the Controller of Budget  
Bima House, Harambee Avenue  
**NAIROBI**

**All Governors**  
**All Speakers of County Assemblies**  
**All Secretaries, County Assemblies Service Boards (CASB)**

