

Q & A on payroll & salary payments at state and county level

From what resources are staff at state and county level paid?

- The majority of staff in Ministries of Education, Health, Water (Sanitation), Agriculture & Forestry, Livestock & Fisheries, Employees Justice Chamber at state and county level (including their service delivery units) and the state organised forces (the Fire Brigade, Police and Prisons Service and Wildlife Conservation) are paid from conditional salary transfers;
- Staff in other state ministries and county administrations are paid from states' and counties' discretionary resources. These include the block transfers, STAG for states and local revenues. The governors of the new states have been shared monthly breakdowns of these discretionary resources.
- Constitutional post-holders and their support staff at the state level are also paid from these discretionary resources. States and counties can furthermore budget for unclassified staff in ministries receiving conditional salary transfers. If this is the case, these funds are not earmarked to pay for specific staff on the payroll.

Why are resources for line ministry staff being sent to 'former' state headquarters?

- Conditional salary transfers for the majority of Ministries (particularly the larger Ministries of Health and Education) are still being sent to the bank accounts of the 'former' states. This is because the national government would like to be aware of which staff on the 'former' state payroll are with which 'new' state, in order for the conditional salary transfers to be accountable.
- The Ministries of Health and Education have therefore requested new states to split State payrolls across new states by mutual agreement between the states. This advice is provided in consultation with MoFEP – copies of the relevant letters can be requested from any of the three national ministries.
- Note that splitting does **not** refer to producing 'new paysheets' for every state. State administrations are required to reflect the workstation, county and payam of every employee on already existing SSEPS paysheet.
- Until such time as these payrolls are split, MoFEP will continue to execute conditional salary transfers to the 'former' states.

Why did February transfers not increase as a result of the salaries increase?

- As the state and county block transfers are not designated to pay for specific salaries, block grants will not be increased for the remainder of the 2015/16 Fiscal Year. The Ministry of Public Service at the State level is responsible for implementing the salaries increase independently of the national Ministry of Labour, Public Service & Human Resource Development.
- Conditional salaries transfers for line ministries can only be increased on the basis of current, detailed paysheets showing the staffing structure of the states. Therefore, conditional salaries transfers for Health, Education and others will be increased once the process of splitting the payrolls is completed. This might only be in time for the 2016/17 Fiscal Year.
- However, conditional salaries transfers for the organised forces were increased in line with the new Council-approved payscale issued in Circular No1./2016.

How can payrolls be split?

- National Ministries are aware that splitting these payrolls is sensitive, and should be a consultative process between the states and the relevant Line Ministries at national level.
- Only staff in state ministries should be split across new states. Staff working in service delivery units at state and county level should remain in their former post and be reflected accordingly in new states' payrolls.
- States can indicate on the most recent SSEPS paysheets next to each member of staff which state they are seconded to. **At a minimum, Line Ministries need to know the following details of any staff to be paid from conditional salary transfers: name, job title, grade, workstation, and location (county and payam).**
- , This process should be completed in time for the 2016/17 national budget process in order for both the new split of conditional salary transfers and the salaries increase to be included in next Fiscal Year's budget. Please submit updated paysheets to the National Line Ministries.