KENYATTA NATIONAL HOSPITAL

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The General Secretary,
Kenya National Union of Nurse and Midwives
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NAIROBI

The National Chairman,
KUDHEIHA Workers Union
P.O.BOX 41763-00100
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The General Secretary
Kenya Union of Clinical Officers
P.O.Box 10387-00100
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The Conciliator,
Ministry of Labour and Social Protection,
P.O.Box 40326-00100
NAIROBI

REPORT ON THE STATUS OF THIRD PARTY REMITTANCES

The Hospital continues experiencing liquidity and cash flow constrains, impacting on its ability to meet its recurrent financial obligations and sustain service delivery.

As a result, the Hospital has not been able to meet the pay roll related obligations as they fall due. Below is the status of the affected obligations;

1. Kenya Revenue Authority - PAYE

The Hospital has not paid this statutory deduction from March to July 2026 and October 2026 at a total of Kshs. 1,291million. The Kshs. 307 million for the month of October will be paid by 30th November 2026.

2. Employer and employee pension contribution

The Hospital is yet to submit the pension contributions from July to October 2026 at a total of Kshs. 450Million. The Hospital will process Kshs. 112 million for the month of July by end of 30th November 2026.

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3. DB Scheme Remedial Plan

The Hospital has not paid Kshs. 355 million for the remedial plan. A total of Kshs. 202 million will be paid by 30th November 2026, being the partial payment for August and September 2026.

4. DB Scheme – Retirees recalculation

The Hospital Management was directed by the RBA tribunal to process the recalculated pension for 115 retirees who had complained to the Tribunal of erroneous calculation of their benefits. A total of Kshs. 133 million representing 79.1 % of the total cost of Kshs. 168million. The payment was to be paid within ninety days of the decision. The Hospital will process this payment by 7th January 2027 as agreed between the Management and the union.

5. Saccos and welfares

A total of Kshs. 265 million for the months of August, September and October 2026 has not been remitted to the Saccos, while Kshs. 31 million for the welfare is pending. This represents deductions for the months of August, September and October 2026.

For the Saccos, a total of 149 Million for the months of August and September will be remitted by 30th November 2026, while Kshs. 107Million will be processed and remitted by 30th December 2026.

The balance for the welfares of Kshs. 31 million will be paid by 30th November 2026

6. Union deductions

The union deductions for the months of September and October 2026, totaling to Kshs. 9 million will be remitted by 30th November 2026.

7. Medical Cover

The Hospital procured a medical cover for staff effective 1stAugust 2026. The Hospital committed to pay the premium in three instalments and the final instalment of Kshs. 248 million will be paid by 30th November 2026.

8. Bank Loans and Insurances

Due to delay in remitting the remittances, some banks have been withholding staff net salaries to cater for the outstanding loan payments. In October, management was able to engage banks and staff net salaries for the month of October were released. Nevertheless, withheld net salaries for the month of September have todate not been released by some banks. The Hospital Management continues to follow up on case by case basis.

The following banks were written commitment letters for them to release staff net salaries for the month of October, 2026 even as the effort continues to ensure the remittances are paid in a timely manner. The table below shows the staff that are affected.

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BANK NAME	NO. OF STAFF AFFECTED
a) Kenya Commercial Bank	786
b) Co-operative Bank of Kenya	610
c) Equity Bank	203
d) NCBA	38
e) I&M	119
f) ABSA	137
g) Housing Finance	18
h) Standard Chartered	46
i) Kingdom Bank	138
j) ECO Bank	11

A total of Kshs. 267 million has not been remitted to the banks. These are remittances for September and October. The September remittances of Kshs. 141 million will be paid by 30th November, while the October remittances of Kshs. 139 million will be paid by 31st December 2026. The balance of Kshs. 13 million for the insurances will be paid by 30th November 2026.

Below is a summary of the total unpaid remittances to the banks, Insurances, Saccos, welfare and Unions;

INSTITUTION	NO. OF STAFF	AUGUST	SEPTEMBER	OCTOBER	TOTAL
NCBA BANK	38	-	2,019,184.55	2,022,984.55	**4,042,169.10**
I&M BANK	119	-	7,064,350.45	6,631,608.45	**13,695,958.90**
FAMILY BANK	45	-	1,788,562.00	1,822,660.00	**3,611,222.00**
ABSA BANK	137	-	6,650,221.10	6,365,489.10	**13,015,710.20**
PLATINUM CREDIT	179	-	1,833,754.00	1,886,848.15	**3,720,602.15**
EQUITY BANK	203	-	8,244,362.10	8,450,463.80	**16,694,825.90**
NATIONAL BANK	509	-	26,998,345.85	26,989,860.25	**53,988,206.10**
KCB BANK	786	-	39,369,404.70	39,329,590.65	**78,698,995.35**
COOPERATIVE BANK	610	-	26,715,598.25	26,579,125.25	**53,294,723.50**
STANDARD CHARTERED BANK	46	-	4,154,517.00	2,904,045.00	**7,058,562.00**
KINGDOM BANK	138	-	4,824,980.25	4,850,025.50	**9,675,005.75**
AFRICAN CAPITAL	12	-	108,097.00	141,565.00	**249,662.00**
ECO BANK	11	-	826,204.30	827,304.30	**1,653,508.60**
FAULU BANK	44	-	631,562.45	625,876.45	**1,257,438.90**
MOLYN CREDIT	1	-	1,926.00	2,026.00	**3,952.00**
SELECT MANAGEMENT	1	-	8,400.00	8,500.00	**16,900.00**
LETSHEGO KENYA LTD	36	-	185,513.10	189,480.10	**374,993.20**
IZWE LOANS	8		40,179.00		**81,158.00**

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		-		40,979.00	
PREMIER KENYA LTD	56	-	379,520.75	322,498.75	702,019.50
MWANANCHI CREDIT	16	-	80,603.45	175,616.00	256,219.45
HELA CAPITAL	13	-	66,203.00	58,764.00	124,967.00
PROGRESSIVE CREDIT	35	-	257,010.45	273,998.45	531,008.90
MY CREDIT	30	-	258,247.05	278,418.05	536,665.10
CARITAS MICROFINANCE	8	-	66,140.00	66,840.00	132,980.00
JAFARI CREDIT	32	-	272,490.60	292,066.60	564,557.20
MFS TECHNOLOGIES LIMITED	22	-	269,841.00	175,980.00	445,821.00
MOMENTUM CREDIT LIMITED	8	-	13,768.00	63,424.00	77,192.00
HOUSING FINANCE	18	0	1,232,231.25	1,554,126.00	2,786,357.25
WOODVENTURE	1	0	-	500.00	500.00
SAYE	3	0	32,940.00	32,940.00	65,880.00
Sub Total _ Banks		-	**134,394,157.65**	**132,963,603.40**	**267,357,761.05**
INSURANCES					
JUBILEE INSURANCE	32	249,733.00	238,010.50	245,371.00	733,114.50
APA	18	53,374.30	53,374.30	50,025.00	156,773.60
LIBERTY	37	182,889.75	181,773.25	187,394.00	552,057.00
SANLAM	107	664,200.20	662,982.85	674,064.00	2,001,247.05
KENINDIA	16	69,787.95	70,094.50	72,262.00	212,144.45
BRITAM	381	2,934,778.85	2,868,094.30	2,975,377.50	8,778,250.65
CORPORATE	2	3,479.40	3,479.40	3,587.00	10,545.80
MADISON	97	616,005.50	611,155.50	618,957.00	1,846,118.00
CIC	20	84,539.45	84,539.45	87,154.00	256,232.90
KENYA ALLIANCE	1	6,305.00	6,305.00	6,500.00	19,110.00
ICEA LION	192	1,413,152.50	1,398,618.95	1,450,481.00	4,262,252.45
GEMINIA	1	1,940.00	1,940.00	2,000.00	5,880.00
UAP	8	53,350.00	53,350.00	55,000.00	161,700.00
METROPOLITAN	2	4,423.20	4,423.20	3,560.00	12,406.40
OLD MUTUAL	34	185,013.00	177,253.00	182,735.00	545,001.00
PRUDENTIAL	24	163,004.85	163,004.85	168,046.00	494,055.70
EGLET	1	1,386.15	1,386.15	1,429.00	4,201.30
KENYA ORIENT	3		7,847.30		23,784.60

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		7,847.30		8,090.00	
PIONEER	10	0	26,902.05	27,734.00	54,636.05
Sub Total - Insurance Companies		**6,695,210.40**	**6,614,534.55**	**6,819,766.50**	**20,129,511.45**
AFYA SACCO	1743	12,839,679.80	12,618,354.40	12,445,649.00	37,903,683.20
UKAGUZI SACCO	788	10,913,605.05	10,898,277.10	11,023,516.15	32,835,398.30
KENYATTA MATIBABU SACCO	5440	-	57,328,652.95	56,362,810.45	113,691,463.40
HAZINA SACCO	827	9,242,373.25	9,387,342.25	8,975,860.70	27,605,576.20
UNAITAS SACCO	71	1,952,794.00	2,444,500.00	2,487,866.65	6,885,160.65
SHIRIKA SACCO	322	4,155,777.15	4,238,102.25	4,250,316.45	12,644,195.85
TOWER SACCO	323	4,047,459.45	4,078,083.00	4,087,566.15	12,213,108.60
WANA-ANGA SACCO	99	958,753.10	961,875.50	949,727.20	2,870,355.80
OTHER SACCOS	68	4,639,209.55	4,745,525.35	6,425,922.30	15,810,657.20
Sub Total-SACCOS		**48,749,651.35**	**106,700,712.80**	**107,009,235.05**	**262,459,599.20**
COTU	4996	-	-	581,550.00	581,550.00
KUDHEIHA	3440	-	1,651,500.00	1,675,800.00	3,327,300.00
KMPDU	497	-	1,416,800.00	1,421,100.00	2,837,900.00
KENYA NATIONAL UNION OF NURSES	1419	-	1,208,340.00	1,319,000.00	2,527,340.00
Sub Total - Unions		-	**4,276,640.00**	**4,997,450.00**	**9,274,090.00**
HUMAN RESOURCE WELFARE	562	3,217,653.40	3,179,871.35	3,191,840.35	9,589,365.10
MEDICAL RECORDS WELFARE	240	1,085,775.15	1,099,579.75	1,093,983.15	3,279,338.05
PRIME CARE WELFARE	337	244,753.70	-	249,787.70	494,541.40
FINANCE WELFARE	286	-	1,159,685.20	1,159,122.95	2,318,808.15
OTHER WELFARE & ASSOCIATIONS	1387	6,184,421.00	5,357,156.95	4,555,874.85	16,097,452.80
Sub Total - Welfare		**10,732,603.25**	**10,796,293.25**	**10,250,609.00**	**31,779,505.50**
TOTAL LIABILITY		**66,177,465.00**	**262,782,338.25**	**262,040,663.95**	**591,000,467.20**

OBERVATION

The Hospital has struggled with timely remittances for most part of year 2026. Delay of remittances for over two months attracts penalties and also one may be listed in credit Reference Bureau for not meeting their financial obligations.

PROPOSED WAY FORWARD

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To alleviate suffering of staff in instances where banks withhold their monies and insurance premiums lapse, the Management is engaging the National Government for additional funds to ensure that the remittances and other statutory obligations are met as they fall due.

The Hospital Management has also committed to ensure that the pending August and September remittances are paid by 30th November 2026, while the October remittances will be paid by 8th December 2026. The Management is committed to ensure that the pending obligations are met as indicated.

Dr. Joel Lessan
Ag. CHIEF EXECUTIVE OFFICER

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OUTSTANDING OBLIGATIONS - PRESSING Nov-26						Payment done
	JULY	AUGUST	SEPTEMBER	OCTOBER	Total	26.11.2026
KRA	304,777,192			307,093,627	**1,290,611,333**	-
Pension - Employer & employee Cont.		112,881,216	112,783,305	112,361,810	**338,026,331**	111,882,066
DB Scheme - Remedial Plan		50,202,764		152,202,764	**202,405,528**	152,202,764
DB Scheme - Retirees reculculation			133,020,025		**133,020,025**	
Banks	-			132,712,620	**132,712,620**	134,394,158
Insurances		-		6,615,183	**6,615,183**	6,614,535
SACCOS				106,856,483	**106,856,483**	158,538,514
Unions					-	9,070,910
Welfares					-	30,619,820
Jubilee - medical cover- final instalment				248,000,000	**248,000,000**	
TOTAL	**304,777,192**	**163,083,980**	**245,803,331**	**1,065,842,487**	**2,458,247,504**	**603,322,766**

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