UGANDA MANAGEMENT INSTITUTE

EFFECTS OF LOCAL REVENUE MANAGEMENT ON SERVICE DELIVERY IN BUKOMERO TOWN COUNCIL, UGANDA

By

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A DISSERTATION SUBMITTED TO THE SCHOOL OF CIVIL SERVICE PUBLIC ADMINISTRATION AND GOVERNANCE IN PARTIAL FULLFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF THE MASTERS' DEGREE IN MANAGEMENT STUDIES PUBLIC ADMINISTRATION AND MANAGEMENTOF UGANDA MANAGEMENT INSTITUTE

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DECLARATION

I do hereby declare that this dissertation titled, Effects of Local Revenue Management on Service Delivery in Bukomero Town Council, Uganda has been done as a result of my own efforts except instances where scholarly literature has cited and has never been submitted to any other Institution of Learning for any award

Signed:…………………………………………..**Date**:…………………………………….

Mr. Francis Matovu

APPROVAL

This Dissertation titled, "Effects of Local Revenue Management on Service Delivery in Bukomero Town Council, Uganda has been submitted for examination with our approval as Institute supervisors.

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Mr. Paddy Mugambe

DEDICATION

This research is dedicated to my family my wife Grace Matovu, my children, Leaticia, Lincoln and Leon who sacrificed their precious time during my study may the almighty God reward you.

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TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

LIST OF ABBREVIATIONS

BTC   -   Bukomero Town Council

CAO   -   Chief Administrative Officer

DV   -   Dependent Variable

FY   -   Financial Year

GoU   -   Government of Uganda

HIV/AIDS   -   Human Immune Virus /Acquired Immune Deficiency Syndrome

IV   -   Independent Variable

LGFAR   -   Local Government Financial and Accounting Regulation

LGMSD   -   Local Government

LGs   -   Local Governments

OECD   -   Organisation for Economic Cooperation for Development

SPSS   -   Statistical Package for Social Sciences

TC   -   Town Council

UMI   -   Uganda Management Institute

USA   -   United States of America

ABSTRACT

The study investigated the effect of local revenue management on service delivery in Bukomero Town Council, Uganda. Its objectives included investigating the effect of revenue enhancement planning on service delivery; investigating the implementation of the revenue enhancement plan on service delivery and investigating the effect of revenue expenditure control on service delivery. The study adopted a cross sectional and correlation survey design complemented with a qualitative and quantitative approach. The study population was 176 and 124 formed the sample size selected using the purposive and simple random sampling. Information was elicited using questionnaire, interview and documentary review checklist. A response rate of 63% was obtained as recommended by Amin (2005). Key findings suggested a positive significant relationship between revenue enhancement planning (.530**), implementation of the revenue enhancement plan (.342**) and revenue expenditure control (.472**) on service delivery. The study concluded that untimely revenue enhancement planning and fewer local revenue sources negatively affects revenue management however, fair tax assessment and timely deployment of tax enforcement team improve revenue collection. On the issue of implementation of revenue enhancement plans, it is concluded that local community had less knowledge about revenue management and needed sensitization; de-motivated TC staffs underperformed assignments and recruitment at the TC was influenced. Further to note, revenue expenditure controls gaps negatively affect service delivery while misallocation of funds was common and quarterly audits and review reports were delayed. The following were recommendations made namely conduct more on the job trainings; provide logistical support to the revenue assessment team; budget and clearly identify un tapped revenue sources; conduct more community dialogue meetings and the need for a more autonomous hiring process. In addition, engaging more actors in budget revenue meetings or conferences; avoid late submission of reports and benchmarking.

CHAPTER ONE

INTRODUCTION

1.1 Introduction

The study focused on local revenue management as the independent variable and service delivery as dependent variable in Bukomero Town Council (BTC), Uganda. Revenue in Local Government is the heart which determines its functionality just like the body of a human being. Its effective and efficient collection and utilization takes a central position in ensuring the success of any local government in service delivery. In Uganda many urban councils are assumed to have many revenue sources like trading license, market dues, local service tax, produce loading fees, market dues, fines and charges, among others, with no or little positive impact on service delivery. In this study local revenue management is the independent variable (IV) and Service delivery the dependent variable (DV).The chapter comprises of an introduction, background to the study, statement problem and purpose of the study, objectives, research questions, hypotheses, significance as well as justification of the study, scope of the study and finally definition of key concepts or variables.

1.2 Background to the study

The background to the study entails the historical, theoretical, conceptual and contextual backgrounds as explained in the sub sections below.

1.2.1 Historical background

Revenue management as far as public institutions are concerned is traceable in early 18th and later 19th when Great Britain initiated some of its projects that required continuous flow of resources from the subjects in form of taxes (Rose, 1950). The need for public revenues required that more taxes become imminent and many people got concerned on how public

revenues realized from taxes was planned for and eventually spent to cater for public demands (Agrawal & Ferguson, 2007).To further note, revenue management in public department is as old as when public institutions started to offer public services to the people without charging for them. For the case of the United States of America, public revenue management can be traced during the deregulation of the USA airline industry in the early '70s (Rose, 1950). The variable of revenue management is tied to numerous Governments and has evolved as one of the best ways of boasting revenue bases and be able to fund budgets which are intended to benefit citizens in form of roads, markets, health centers, safe water among others to the citizens (Ssenjala, 2017).

For the case of Uganda, local revenue management is still a very sensitive and has stemmed from the time when Uganda had independence in 1962 under Britain as its colonial rulers. It is during this period time that Uganda structured into districts with each district segmented to manageable departments was tasked to administratively manage their routine operations supported with locally generated local revenue (Ugandan Constitution, 1995).

To date, the issue of local revenue management is a tasked that is closely executed by government departments specifically the Local Government. These LGs see revenue management as a very sensitive role that has been provided and guided by the Local Governments Act of 1997 and enshrined in Chapter XI of the constitution (Local Governments Act of 1997). The structure of BTC is based on a five-tier structure of the LG including sub-counties and town councils. It is at these entities that local revenue management needs to be closely managed through ensuring that planning, coordination, staffing are well managed and therefore be able to improve revenue collections, not forgetting using it to provide better service to taxpayers (Organisation for Economic Co-operation and Development, 2006).

For the case of the study area, BTC is situated approximately 80 km North West of Kampala along Kampala-Hoima road. Bukomero Town Council is an established Lower Local Government having been declared a Town Council by the District effective 1st July 2010. The newly established town council is entirely responsible for its operations including its social economic status. The major revenue sources for the TC are mainly; permits, trading licenses, taxi park fees, cyclist fees, urban authority permits, property tax, local service tax and market dues. However it is envisaged that more revenue will be realized through property tax, local service tax, and land premium as the Town develops (BTC Budget Reports, 2013/2014/2015/2016). To supplement on this revenue calls for effort to strive towards meeting the minimum conditions as provided for in the local government manual so as to be able to access LGMSD funds (LGFAR, 2004). Additionally, its other main source of funding is central government transfers advanced to the town council through the district including conditional grants like LGDP, Funds for urban roads, CDD funds and others.

To realize all its council plans, the council has closely engaged in budgeting and management of financial resources. The exercise of revenue management involves preparation for a period of between June/July of each year where key budget activities are well documented in the budget reflecting how resources of the council were obtained (planned, mobilizes/collected and utilized over a specified period of time (Uganda LG Act of 1997).

More to note, local revenue management at the town council has focused on key priority activities. These have ranged from preparing budget estimates and revenue enhancement plan, carrying out a comprehensive tax assessment and registration of new business, Additional registration, mobilization and sensitization of revenue sources has been done and organizing as well as conducting sensitization meetings on different taxes for effective revenue collection among others have been frequently done to better revenue management

(BTC Budget Reports, 2013/2014/2015/2016).

BTC, provides a number of required urban services namely proper planning of infrastructure, provision of safe water, improvement in primary education, maintenance of community urban roads, garbage collection & disposal as well as addressing other cross-cutting issues like environment, HIV/AIDS, gender, and human rights concerns. The study was therefore based on the historical information provided above.

1.2.2 Theoretical background

The study was guided by the administrative management theory. The administrative management theory as propounded by Fayol (1976) provides find a balanced way to manage an organization as a whole. The theory calls for a formalized administrative structure, a clear division of labor and delegation of power and authority to administrators relevant to their areas of responsibilities (Fayol, 1976). The fact that to realize better revenue, designated town council entities need to execute management functions of which planning, controlling, organizing, and leading among others constitute some of the functions in practice to improve revenue management.

The theory explains how local revenue is managed to ensure the timely delivery of public services within the town council. The theory fully explains how BTC personnel engage in the revenue enhancement planning in terms of revenue strategies and objectives to determine the stages of the plan, assessment and enforcement. In addition, the theory provides a detailed account on how BTC personnel organize and provide the resources necessary to realize local revenue for instance raw materials, tools and human resources. Finally, revenue control another aspect of the proposed theory entails BTC staff comparing the revenue activities of writing reports and performing reviews hence key components that are required to control

revenue expenditure. It is upon this theory that the study provided a sound reasoning or arguments about the study.

1.2.3 Conceptual background

The conceptual background provides an insight of two key study variables that have been selected to be studied that is local revenue management as the independent variable and service delivery as the dependent variable. The presentation of the variables is in line with a number of scholars for instance Ansaldo and Marcotte (2007) stressed that local revenue management from a public context is the process of planning, mobilization & collection, staffing, coordinating and expenditure (controlling) of public funds that are generated by the Government to provide public services for instance education, water, road and sanitation to the general public nationally while Kimes (2003) asserts that local revenue management is the application of information systems and pricing strategies to allocate the right capacity to the right customer at the right price at the right time. To the scholar, the concept of revenue management encompasses setting fair prices according to predicted demand levels so that price-sensitive customers willing to purchase at off-peak times can do so at favorable prices, whereas price-insensitive customers.

Finally, Wirtz (2002) acknowledges that local revenue management is an operation that has demand that is variable and uncertain, a high fixed cost structure, and varying customer price sensitivity. Further to note, Anderfuhren-Biget et al., (2014) coincides service delivery as a means through which a service which is provided by either a private or public entity. The scholars further argue that for a as far as a public service is concerned, government provides public goods to its people living within its dominion or offers by financing provision of such services.

1.2.4 Contextual background

Bukomero Town Council (BTC) is situated approximately 80 km North West of Kampala along Kampala-Hoima road. It is surrounded by Bukomero Sub-County from which it was curved, Ddwaniro and Muwanga (BTC Profile, 2010). The Town Council is an established Lower Local Government having been declared a Town Council by the District effective 1st July 2010. One parish (Kateera) was curved out of Bukomero Sub-County to form the current Bukomero Town Council. The Town Council Vision is to transform the people of BTC from a peasantry society to a modern and prosperous society by 2040. Its goal is to improve the socio-economic status of all people of BTC through improved income for poverty eradication and finally its mission is: to achieve sustainable social-economic development, through efficient provision of services to the people of BTC, in line with the national policies and local priorities (BTC Profile, 2010).

The task of local revenue management as far as government parameters are concerned has been given to its entities specially districts and town councils and the role is executed guided by Section 35 of the Local Government Act Cap 243, Amendment 2010. The act grants administrative powers to government authorities to ensure that they properly manage all local revenue which has been planned and documented in their budgets and three-five strategic plan development. This practice has remain operational when within town councils including Bukomero Town Council (BTC Strategic Development Plan, 2015/2016-2019/2020).The LG, statue No.15 of section 44 of 1993 and the 1995 constitution of the republic of Uganda provide a decentralization system of governance with the districts at the top of the administrative units. These are governed by the 1995 Constitution of the Republic of Uganda and Local Government Act of 1997.

BTC has time and again operated in accordance with schedule 2 of the LG Act 1997 which gives mandate to LGs including BTC to collect local revenues from their own local sources.

Such local revenue has been obtained from a number of sources namely property tax, licenses, permits, fines and penalties, market dues, parking fees among others. It is based on such a financial base that financial decisions are undertaken by the town council authorities to provide required services to the communities within the town council while adhering to the prevailing financial and accounting regulations 1998 (LFGAR, 1998).

Additionally, to sustain its social economic status, the TC's major sources of local revenue are mainly; permits, trading licenses and market dues. However it is envisaged that more revenue will be realized through property tax, local service tax, and land premium as the town develops. To supplement on this local revenue calls for effort to strive towards meeting the minimum conditions as provided for in the local government manual so as to be able to access LGMSD funds (BTC FY Reports, 2014/2015/2016).

Similar to the above, the same financial regulations guide all financial operations and are in line with the decentralization policies, rules and regulations. Therefore, Local Governments (LGs) are empowered to carry out proper planning decisions at budget level, do complete enumeration and assessment of taxes for financial decentralization to succeed in improving local revenue collection or management which is instrumental in realizing more required revenue for the town councils to accomplish the objectives of the government which is to majorly provides a number of required urban services namely proper planning of infrastructure, provision of safe water, improvement in primary education, maintenance of community urban roads, garbage collection & disposal as well as addressing other cross-cutting issues like environment, HIV/AIDS, gender, and human rights concerns. It is therefore based on the above contextual issues that the study examined the effect of revenue management on service delivery of BTC, Uganda.

1.3 Problem statement

Bukomero Town Council (BTC), a newly established local government is tasked to deliver

public services for instance safe water, roads, education, health facilities among others to its citizens. To realize the above services, BTC council needs sufficient financial support or funding where it is mandated to use all powers vested to plan for revenue enhancement, implementing the revenue plan, and finally controlling its expenditure because tax payers will continuously keep on demanding for services after they have paid taxes (Section 35 of the Local Government Act Cap 243, Amendment 2010). At the Council, strategies have been made to improve the town council revenue with an intention to extend public service delivery such strategies include, revenue enhancement plan, implementation of the revenue plan and appraisal, sensitization of politicians, tax payers and staff, recruiting of competent staff and training, staff motivation, quarterly audits, reports and reviews among others.

Despite efforts made, local revenue management for instance parking fees, local service tax, market dues, loading fees, charcoal loading fees, trading licenses, hotel fees among others have remain low hence hampering the provision of safe water, supply of farm inputs, construction of schools blocks, maintenance of community urban roads, garbage collection and disposal among others (Bukomero Town Council Five-Year Development Plan, 2015/2016-2019/2020). More to note, local revenue discrepancies have been registered for instance; in FY 2015/2016, BTC budgeted to collect 83,500,300 from local revenue and collected 55,109,300/= leading to a short fall of 28,391,000/= while in FY 2014/2015, BTC budgeted to collect 65,450,000 from local revenue, but realized 43,899,685/= with short fall of 21,550,315/= (BTC Auditor Reports for FY 2014/15 and FY 2015/16). Based on this, increased piles of garbage and wastes at market and residential areas are evident, many roads have remained dusty, health centers are not fully supported and effectively operational and damaged public schools roofs are many while bore holes are located in distant localities, all causing inconveniences to communities not forgetting public distrust. It has been realized that

services in Bukomero Town Council have remained poor attributed to low local revenue management. The study focused on investigating the effect of local revenue management on service delivery in Bukomero Town Council, Uganda.

1.4 Purpose of the study

The study investigated the effect of local revenue management on service delivery in BTC, Uganda.

1.5 Objectives of the study

The study was guided by three objectives namely:

i. To investigate the effect of revenue enhancement planning on service delivery in BTC, Uganda

ii. To investigate the implementation of the revenue enhancement plan on service delivery in BTC, Uganda

iii. To investigate the effect of revenue expenditure control on service delivery in BTC, Uganda

1.6 Research questions

The study provides answers to the following research questions namely:

i. What is the effect of revenue enhancement planning on service delivery in BTC, Uganda?

ii. What is the effect of implementing the revenue enhancement plan on service delivery in BTC, Uganda?

iii. What is the effect of revenue expenditure control on service delivery in BTC, Uganda?

1.7 Hypothesis

The following hypotheses statements were proven right or wrong namely:

i. Revenue enhancement planning significantly affects service delivery

ii. Implementing the revenue enhancement plan significantly affects service delivery

iii.   Revenue expenditure control significantly affects service delivery

1.8 Conceptual framework

The conceptual frame work provided below gives a diagrammatic insight of the proposed study. On the right hand side is the independent variable (local revenue management) and on the right is the dependent variable (service delivery).

LOCAL REVENUE MANAGEMENT (IV)

Revenue Enhancement Planning
o   Identification of revenue sources
o   Assessment
o   Enforcement

Implementing the Revenue Enhancement Plan
o   Motivating staff
o   Capacity building
o   Recruitment of skilled staff

Revenue Expenditure Control
o   Budget implementation reviews
o   Quarterly audit reports
o   Quarterly progress performance reports

SERVICE DELIVERY (DV)

o   Maintenance of community urban tarmac roads
o   Provision of safe water
o   Continuous collection of garbage & wastes
o   Construction of school blocks

Figure 1: Presents a conceptual framework showing the relationship between local revenue management and service delivery

Source: Adopted and modified from Ansaldo and Marcotte (2007) by the researcher

The illustration presented above in 1.8 shows the relationship between local revenue management and service delivery as a dependent variable. Local revenue management is

treated as a multidimensional variable constituting three components namely revenue enhancement planning, the implementing of the revenue enhancement plan and revenue expenditure control. It is planned that the first variable which is revenue planning constitutes three indicators namely identification of revenue sources, assessment and enforcement, these are expected to yield more revenue and improve service delivery (Ansaldo & Marcotte, 2007).

In addition, implementing the revenue enhancement plan forms the second independent variable dimension and constitutes three indicators namely motivating staff, capacity building and recruiting of skilled staff. The third, IV variable dimension is revenue expenditure control which entails budget implementation reviews, quarterly audit reports and quarterly progress performance reports. Based on the figure, it can be seen that political factors forms the moderating variable whereby it is seen to indirectly affect the relationship between revenue management and service delivery. Finally From the above figure, it can be noted that revenue enhancement plan, implementing the plan and revenue expenditure control are instrumental in realizing improved service delivery namely maintenance of community urban tarmac roads, provision of safe water, continuous collection of garbage & wastes hence indicators for the dependent variable.

1.9 Significance of the study

The study is significant in the following ways namely:

The collection of local revenue indicates highlights several local revenue gaps that many town councils including BTC have encountered. Such revenue gaps have hampered the timely provision of public services to key beneficiaries. Therefore in order to mitigate possible revenue management gaps, there is need to improve the collection of more revenue

which could in turn fund priority activities within the town council and not only BTC therefore, it is important that the study be conducted.

The study may improve on local revenue management in BTC therefore the study findings may enhance the understanding of council and its staff by providing them with vital information regarding the relevancy of proper revenue management. This may improve on all possible threats that may occur when it comes to the management of local revenue. The tax payers may benefit from the study as they may be aware of how BTC apportions the local revenue that has been contributed by tax payers to extend more services to them hence the study will enable the tax payers to demand for services that have been prioritized but not provided.

Conclusively, the study conclusions aims at researchers and scholars, it is expected that findings may immediately applicable to council or town council leadership in BTC. Additionally, it is planned that BTC leadership may directly use proper local revenue management strategies to embrace development and avoid corrupt tendencies that have marred a numerous government departments.

1.10 Justification of the study

The following statements provide the justification of the study namely

First, given that the issue of local revenue management is a global concern by a number of governments both in the developing and developed World given it is to do with tax payers or public funds. In addition, it was important to conduct the study as BTC was initially part of Kiboga district and now that it is autonomous therefore the need to see how it had been able to fare with revenue management.

Through adding to the existing body of knowledge, the research benefits the academicians and researchers to learn and acquire more knowledge on local revenue management and service delivery and particularly in the Urban Council parameters in Uganda.

Lastly, it is anticipated that this study greatly contributes to the academic World in addition to the various studies and researches that have been carried out globally, regionally and nationally in regards to revenue management. It should be noted however that most studies carried out bring tend to bring out fewer challenging issues that policy makers base on to review policies therefore, the study enriches policy makers with more local revenue management and service delivery gaps upon which they could base to review the prevailing polices.

1.11 Scope of the study

The scope of the study provides the geographical time and content scope as explained below.

1.11.1 Geographical scope

The study was conducted at Bukomero Town Council (BTC) headquarter situated approximately 80 km North West of Kampala along Kampala – Hoima road. The town council stems from Ddwaniro and Muwanga (BTC Profile, 2010).

1.11.2 Time scope

The study focused on a period of 2 years FY 2013/2014-2014/2015. The choice for this period of time is that since BTC establishment in 2010, the TC had struggled to realize more local revenue as documented in a number of its records and therefore the availability of reliable revenue information about the town council (BTC Auditor reports for FY 2013/2014/2014/2015).

1.11.3 Content scope

The content of the study was elicited from a number both primary and secondary sources of data and specifically on revenue management (independent variable) thus on revenue enhancement planning, implementing the revenue plan, revenue expenditure control and service delivery (dependent variable).

1.12 Operational definition and key concepts

Local revenue management: The concept referred to how local revenue is closely monitored at BTC in terms of how its accounted for affect collection, how revenue is planned, how revenue records are kept and whether the revenue collected has been put to good use hence internal auditing.

Revenue enhancement planning: The concept of revenue planning referred to how BTC forecasts for the local revenue. The concept entailed identification of revenue sources, assessment and enforcement.

Implementing the revenue plan: This concept entailed facts on how BTC managed its local revenue, its personnel in terms of its structure, motivation levels, capacity building and recruitment of its skilled staff.

Revenue expenditure control: The concept of revenue control referred to the efforts that BTC deployed to determine and compare revenue performance to defined standards, plans and objectives. In addition, the concept was used to determine whether revenue performance is in line with these standards or else a required action is undertaken.

Service delivery: In the context of this study was refer to component of support that explains the relationship between providers seen as BTC for this study and clients seen as tax payers where the provider offers a service. The services identified for the study included

maintenance of roads, provision of safe water, and building of school blocks, garbage and waste collection.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

Literature review in an attempt to present what other researchers and scholars have written, experienced and reflected on local revenue management and service delivery. The researcher reviews existing literature on the concept of revenue management and service delivery. The chapter comprises of an introduction, theoretical review, actual literature and ends with a summary of the literature review.

2.2 Theoretical review

The study was guided by the administrative management theory. The administrative management theory as propounded by Henri Fayol attempts to find a balanced way to manage an organization as a whole. The theory calls for a formalized administrative structure, a clear division of labor and delegation of power and authority to administrators relevant to their areas of responsibilities (Fayol, 1976). The fact that to realize better revenue, designated town council entities need to execute management functions of which planning, controlling, organizing, and leading among others constitute some of the functions in practice to improve revenue management.

The theory explains how local revenue is managed to ensure the timely delivery of public services within the town council. The theory explains how BTC personnel engage in the planning of revenue in terms of revenue strategies and objectives to determine the stages of the plan, assessment and enforcement. In addition, the theory provides a detailed account on how BTC personnel organize and provide the resources necessary to realize local revenue for instance raw materials, tools and human resources.

Finally, revenue control another aspect of the theory entail BTC staff comparing the revenue activities of writing reports and performing reviews hence key components that are required to control revenue. The theory is important as it guided the study in eliciting facts, exploring new knowledge bases and explaining the investigations on how revenue is managed and how it fosters service delivery. It is upon this theory that the study provides sound reasoning or arguments about the study.

2.3 Review of related literature

2.3.1 Revenue enhancement planning and service delivery

Revenue enhancement planning can be categorized into identification of revenue sources, assessment and enforcement. These indicators have been explained in line with service delivery for instance the Article 191 section 2 of the constitution of the Republic of Uganda clearly stipulates that the fees and taxes to be levied, charged, collected and appropriated to include rent, rates, royalties, stamp duties, fees on registration and licensing and any other fees and taxes that parliament may prescribe whereas Pradeep (2011) argues that LGs derive revenue from fines and penalties among others. The scholar adds that tax is the most important source of local government revenue; it is noteworthy that tax revenue can hardly finance a big fraction of the district LG to ensure service delivery to the people.

Mbufu (2011) argues that revenue enhancement planning includes identification of revenue sources, assessment of revenue and collection of revenue, debt and credit management. On the contrary, USAID (2007) highlights that a large portion of municipal customers are indigent and therefore cannot afford to pay for services this has to be factored into financial planning and strategy development. In addition, the ACODE Report (2009) the local governments get revenue from market dues, court fines, parking fees, local service tax, hotel

service tax, trading license and donations from either central government and outside countries.

Additionally, Byrnes (2006) acknowledges that to curb and reverse the declining local revenue, many LGs come up with revenue enhancement plans that entail identifying revenue sources among others to increase the revenue base. The scholar adds that the actual collections could be less than the budgeted. This shows negative performance in revenue collection and it is not desirable if the Local Government is to deliver quality and sufficient services to its people (Tregilgas, 2006). The challenge with the above scholarly works is that LG are time and again affected by the prevailing sources of local revenue which are fewer and therefore negatively affecting their revenue target which marked an area of interest for the study.

According to Fjeldstad et al., (2010) while referring to a study in Tanzania found out that LGs needed to meet certain minimum conditions in order to access development funds. The scholar goes ahead and argues that such conditions are intended to reinforce good governance for instance approved annual plan and budget; submission of final audits on time; no adverse opinion audit certificate awarded to latest accounts of the council; and submission of quarterly financial reports. Such requirements are seen as minimum safeguards for handling funds, and aim to entrench accountability on the part of the staff and leaders of the councils. Furthermore, Tregilgas (2006) stresses that LG fail to avoid unrealistic increases from revenue enhancement activities, which make the realization of revenue and service delivery to be more of a dream than a reality.

Norton and Kaplan (2012) argue that LGs improve their local revenue collection when they deploy a team of enforcers to oversee its collection. The scholars argue that to ensure a smooth financial health of an organization, a number of interrelated factors need to be

considered; they argue that using strategic plans enforcement inclusive fulfills objectives of an organization. This task requires setting of goals, which has to do with the quality of service with other drivers directed at attaining organization goals.

Conclusively, Vazquez, Smoke and Slack (2015) stress that well deigned revenue assessment strategies improve the efficiency of revenue collection, win public support, incentivize economic activity, and improve urban affordability for the poor. More still, budgetary improvements can allow municipalities to make strategic investments in their cities, stimulating a virtuous cycle of growth, revenue generation, and prosperity. On the other hand, Odd-Helge (2012) coincides that the local government 'own revenue' systems across Anglophone Africa are often characterized by a huge number of revenue instruments. However, the main sources of 'own revenues' are usually property rates in urban councils, business licenses, market fees and various uses charges, often in the form of surcharges for services provided by or on behalf of the local government authority.

2.3.2 Implementation of revenue plan and service delivery

Implementation of revenue plan entails three indicators namely motivating staff, capacity building and recruitment of skilled staff. The indicators are explained below in line with service delivery by several scholars for instance Abelson (2006) stressed that LGs are capable of providing public services, mobilizing community resources, stimulating private investments, expanding rural-urban linkages, adopting national development to local conditions and investing in local infrastructure based on the collected low revenue. This was found to be true of BTC has it had failed in its attempt to successfully hit the revenue threshold therefore negatively affecting the delivery of local services to its communities.

Additionally, Mbufu (2011) argues that most LGs produce optimistic and thus unrealistic revenue budgets, which in turn create frustration amongst the implementers who have to slow

down or put on hold on-going and planned activities. This frustration could however be avoided if the principle of producing sound revenue budgets was taken seriously by the politicians and technocrats which is always difficult to adhere to due to political interests as well as lack of well trained personnel to formulate sound revenue budgets (Robert, 2011). Similarly, Onwe (2009) reveals that the manpower capacity of the LG composition of the staff of the local government will not yield the desired result. And that there is also a skill gap among the few senior staff of the local government. The revenue forecast issue has since remained complex even with LG that have the technical capacity to mobilize for local revenue since what they actually plan does not conform the actual collected hence a revenue gap. This study therefore proved that this was right with BTC which therefore negatively affected the delivery of local services.

Finally, Odd-Helge (2006) while referring to a study on revenue mobilization argues that three dimensions of trust seem to affect citizens' compliance; trust in the LG to use local revenues to provide expected services; trust in LGs to establish fair procedures for revenue collection, and trust in other citizens to pay their share. The above scholarly findings highlight the situation in BTC where it local revenue plans are implemented but fewer local services are had been extended to the local communities.

2.3.3 Revenue expenditure control and service delivery

Revenue expenditure control entails three indicators namely budget implementation reviews, quarterly audit reports and quarterly progress performance reports. The indicators are explained below in line with service delivery by several scholars for instance Todd (2009) argues that accountability as a revenue control is often best strengthened by working through a multi-stakeholder approach involving citizens, government and service providers. The scholar argues that it is important to recognize and strengthen systems of mutual

accountability and partnership at local level inclusive of LGs. The ability to ensure joint responsibility for service delivery runs the risk of everyone's responsibility becoming no-one's responsibility. In addition, Mbufu (2011) further argues that formalizing revenue enhancement plan, budget priority allocations and effectively implementing the plan are issues that can better service delivery. On the contrary, Namanya (2003) recommends that in order to enhance local government revenue, accountability of such revenue would be seen in terms of the quality and quantity of public services extended to the local communities. The scholar further notes accessing such services would drive more people to pay tax that are allocated to the provision of such services however LGs would register more taxes if it strengthened enforcement of laws and adherence to revenue controls. In this study, it was found out that BTC collected more local revenue base whenever its staff observed the LG local revenue controls.

Further to note, Miller and Svars (2009) argue that budgetary expenditures controls within LGs improved local revenue availability, decreased misappropriation of public funds, decreased unnecessary spending and improved the delivery of services. Additionally, Kadiresan (2009) the creation of new districts has put more expenditure pressures on the local governments, reducing and in some cases taking away completely resources that would have been used in increasing and improving service delivery. The study therefore found out that BTC staff adhered to the prevailing controls and despite gaps this ensured the timely delivery of quality local services to its communities.

Luzige (2008) receipts that sources of revenue for instance parking fees, rent, licenses, and permits among others are instrumental in realizing service delivery in LGs including expenditure on health, education, sports and technical services, roads and community and welfare. To the scholar, any increase in local revenue collection improved service delivery

thus a significant relationship between local revenue performance and service delivery. Efozie (2010) coincides that management of any company should be acquitted with internal control procedures that will ensure effective service delivery and the desired revenue generation.

Pradeep (2011) classified reports in LG as being financial reports, council reports, and performance reports among others. He further explains that financial reports are formal records of a business' or organizations financial activities while Mbufu (2013), argues that records are used by the management for decision making as they are used for future references to know which period had a decline in revenue collection and which one had the highest collections. The scholar adds that records and reports are used for audit purposes and as supporting documents in case a LG is to request for funds from the Central Government and donors (Okotie, 2010).

Ibeogu and Ulo (2015) based on their recommendations on how to improve internally generated revenue argued that the power to raise revenue and incur expenditure as appropriate, independent of the close supervision and control of another body is paramount in any democratic system. LGs should, therefore, be allowed not just to collect revenues from their assigned source but should also prepare, discuss and approve their annual budgets however, Miller and Svars (2009) argue that local governments experience budgetary expenditures increases attributed to the reduced self-funded local unemployment funds. The scholars add that together, these factors force local governments to increase taxes, decrease expenditures, or both increase taxes and decrease spending. In this study, it was found out that BTC prepared, discussed and appropriately approved its annual budgets and it was based on such a budget that more local services were provided within the Town Council.

Uguru (2011) holds that the sub-national governments, specifically LG are always well placed to render welfare services to their people and make them participate in the decisions that affect them if fiscal powers are completely transferred to them by the central government. Furthermore, Ibeogu and Ulo (2015) stressed that the success or finance of any organization, LG inclusive largely rests on financial relationship between her and other tiers of government; the extent of viability and unquestionable locality which suggests that LGs need more reliable, lucrative and elastic revenue sources. The scholars add that if LGs cannot finance the service allotted to them due to insufficient fund, they should then rely on the state or federal government for assistance.

Lastly, Norton and Kaplan (2012), stress that finance focus is not enough to effectively handle the diverse types of revenue to be collected. Even though the financial health of an organization is essential, there are other interrelated factors which are necessary for success. Strategic plans aimed at achieving organization goals should consider the satisfaction of everyone that is connected to achieving the revenue collection goal. Hence improving the approach to the task requires setting of goals, which has to do with the quality of service, income generation mix along with other drivers directed at attaining organization goals.

2.4 Summary of literature review

In a nutshell, local revenue management is treated as a multidimensional variable that constitutes components namely revenue planning, revenue mobilization and revenue control for the case of this study. Revenue enhancement planning is categorized as identification of revenue sources, assessment and enforcement where local revenue if well collected can be realized through timely enforcement while implementation of revenue plan entails motivating staff, capacity building and recruitment of skilled staff. Further to note, revenue expenditure control entails budget implementation reviews, quarterly audit reports and quarterly progress

performance reports. LGs are capable of providing public services, mobilizing community resources, stimulating private investments, expanding rural-urban linkages, adopting national development to local conditions and investing in local infrastructure based on the collected low revenue. Local revenue, can be improved and strengthened through accountability to enable tax payer appropriately relate tax paid to service delivery couple with the strengthening enforcement of laws governing the administration and collection of taxes. Gaps identified include declining local revenue sources, political interference, unfair procedures for revenue collection, planning which cause mistrust enhance causing tax invasion.

CHAPTER THREE

METHODOLOGY

3.1 Introduction

This chapter presents methodological approaches that were used to elicit reliable data or information for this study. It presents the research design, study population, sample size, sampling techniques and procedures, data collection methods and instruments, quality control (validity and reliability), procedure for data collection, data analysis, measurement of variables and ethical consideration are discussed in this chapter.

3.2 Research design

This study used the cross sectional and correlation survey design to gather information from a sample of beneficiaries for the purposes of constructing quantitative descriptors of the attributes of the larger population of which the entities are members' (Groves et al., 2004). In addition, the mixed method triangulation involving both qualitative and quantitative approaches was used where the qualitative approach was used to elicit non numeric information about key events in the research settings and the quantitative approach helped the researcher to obtain numeric facts about the study hence helping the researcher to numerically provide conclusive study findings.

3.3 Study population

The population was 176 respondents and comprised of (1) town clerk (1), senior assistant town clerk (1), physical planner, (1) chief finance officer and (1) community development officers and (1) assistant community development officers and (170) local community members.

3.4 Determining sample size

A sample size is a subset of a population. The sample size for the study was calculated using Krejcie & Morgan (1970) Table (see Appendix IV) as cited in Amin (2005:454) and a population of 176 a sample size of 124 respondents.

Table 1: Accessible population, sample size and sampling technique

Category of respondents	Accessible Population	Sample size	Sampling Technique
Town Clerk	1	1	Purposive
Senior Assistant Town Clerk	1	1	Purposive
Physical Planner	1	1	Purposive
Chief Finance Officer	1	1	Purposive
Community Development Officers	2	2	Purposive
Local Community Members	170	118	Simple random
Total	**176**	**124**	

Source: Bukomero Town Council Records (2015) and determined using Krejcie & Morgan (1970) as cited in Amin (2005)

3.5 Sampling techniques and procedures

3.5.1 Purposive sampling technique

A purposive sample was used to select respondents who possessed similar characteristics to form a sample. The technique allowed the selection of certain units or cases based on a specific purpose rather than randomly (Tashakkori & Teddlie, 2003). Purposive sampling was used to identify respondents who were used to provide non-numeric information through interviews. The technique was used to select town clerk, senior assistant town clerk, physical planner, chief finance officer and community development officers.

3.5.2 Simple random technique

Simple random sampling is a technique that is used to select respondents where each respondent was equally chanced to be selected to form a sample. The technique is unbiased and allows the generalizations of findings. This technique was used to select the local community members.

3.6 Data collection methods

The study used three methods namely questionnaire, interview and documentary review method to aid data collection. Below are details for each method.

3.6.1 Questionnaire survey method

The questionnaire method was used to collect quantified data and covered a big area over a short period of time (Kothari, 2009). The method was used as it will be standardized to avoid falsifications of responses. The questionnaire method was short, concise, and precise. The method was used to capture information from a large group of respondents, its convenient and cheaper in terms of costs involved.

3.6.2 Interview method

This method involved the use of semi structure interviews approach to collect qualitative data. The method helps to collect sensitive information about the study which is not possible to get using a questionnaire (Mugenda & Mugenda, 1999). The method was used to collect qualitative data that cannot be obtained using any other instrument, it helps to obtain more detailed information about the study, however its time consuming as information is captured from highly designated respondents and takes more resources to execute as schedules, meetings are always fixed and reschedules time and again.

3.6.3 Documentary method

This method was used to elicit secondary information about local revenue management and service delivery. This method supported the eliciting of information from BTC revenue reports, peer reviewed report on financial reports, Section 35 of the Local Government Act Cap 243, Amendment (2010), Bukomero Town Council Five-Year Development Plan and BTC Auditor reports for FY 2014/15 and FY 2015/16. The method provides more factual and reliable secondary or already documented information that can be used to enrich the study.

3.7 Data collection instruments

The study used three instrument namely questionnaire, interview guide and documentary review checklist. Details are provided below.

3.7.1 Questionnaires

This instrument aids the collection of quantified data from the field of study. This questions designed in this instrument were quantified ones on local revenue management and service delivery. These questions were designed based on five-point Likert-type scale to measure variables. The five-point Likert-type scale provides less bias in mean, variance, covariance, correlation coefficient and the reliability of scores (Krieg, 1999). This instrument was used to obtain information from the local community members (see Appendix I). In addition, using questionnaires helps to elicit primary information; respondents provide their opinions from alternative answers and also express their feelings about the study.

3.7.2 Interview guide

This instrument was used to collect qualitative primary information. The instrument was designed with open ended questions on local revenue management and service delivery. The instrument guided the researcher where questions were orally read to key respondents where

feed-back could be obtained and recorded in a note book. This instrument was used on chief administrative officer, chief finance officer and local tax officers (see Appendix II).

3.7.3 Documentary review checklists

This instrument was designed in form of a list of secondary data sources that were reviewed to get information about local revenue management and service delivery. The following documents were reviewed namely BTC revenue reports, peer reviewed report on financial reports, Section 35 of the Local Government Act Cap 243, Amendment (2010), Bukomero Town Council Five-Year Development Plan and BTC Auditor reports for FY 2014/15 and FY 2015/16 (see Appendix III).

3.8 Reliability and validity

3.8.1 Reliability

To ensure that the instrument measures what is supposed to be measured, a test for reliability of instrument will be done. Reliability entailed identifying a group of ten respondents who will be requested to answer the sampled questionnaire. To ensure the effectiveness of the questionnaire, reliability was computed using Alpha Cronbach. The reliability score of 0.5 suggests that the instrument is reliable (Amin, 2005).

Table 2: Reliability outcome

Variable names	Reliability outcome	Number of questions asked
Local revenue enhancement plan	.940	5
Implementing the enhancement plan	.891	7
Revenue expenditure control	.983	6
Service delivery	.902	8

Source: Field data

The reliability outcomes represented in the above table were over 0.5 as recommended by Amin (2005) therefore the instrument was considered reliable

3.8.2 Validity

Validity another quality assurance technique was used to determine that an instrument maximizes truth, factual and worthiness of instrument presents the outcome (Golafshani, 2005). Validity was obtained by seeking for expertise rating from one revenue expert, one service delivery expert and one supervisor. The results were computed using content validity index (CVI) to control the relevance of the questions in measuring the variables. The validity score of 0.7 and above suggests that the instrument was valid as supported by Amin (2005).

Table 3: Validity outcomes

Expert	Expert rating	Validity outcome
Revenue expert	26/30	0.86
Service delivery expert	25/30	0.83
Supervisor	26/30	0.86

Source: Field data

The results as presented in Table 3 above reveal the validity score of 0.7 which suggests that the instrument was valid as supported by Amin (2005).

3.9 Procedures for data collection

After approval of research proposal by the School of Civil Service Public Administration and Governance, the researcher were served with an introductory letter to go for data collection in the field which was presented to BTC, office of the CAO for permission. Upon being granted permission, two research assistants were identified and trained to assist in data collection process. Before actual data collection; one day of training was conducted for research assistants. The research assistants distributed and collected all the questionnaires after they are completely filled while the researcher fixed appointments from which he directly read and

recorded responses in a note book. All interviews were face to face. The exercise lasted two months.

3.10 Data analysis

Analyzing of data was done both qualitatively and quantitatively as indicated below

3.10.1 Qualitative analysis

Data from all interviews was collected, analysed and presented qualitatively. The information was presented narratively using quotes and themes (Teddlie & Tashakkori, 2009). The qualitative findings were used to supplement the data from the questionnaires.

3.10.2 Quantitative data analysis

Fully filled questionnaires were collected, sorted, coded and entered into SPSS a statistical package. The quantified data collected was checked for incompleteness and inconsistence and thereafter descriptive statistics were made namely frequencies, mean and standard deviation scores and percentages. Additionally, inferential statistics namely Pearson's correlation of coefficient was used to establish the relationships between local revenue management and service delivery. The correlation results fall between -1 and 1 where score falling between 0 and -1 reveal negative relationship and the scores between 0 – 1 reveals a positive relationship. The results were used to determine strength and direction of the relationship between revenue management and service delivery. The regression technique was used to determine the variance between the variables under study. The formula presented below was used to compute the Pearson correlation:

$$r = \frac{n\sum xy - \left(\sum x\right)\left(\sum y\right)}{\sqrt{n\left(\sum x^2\right)-\left(\sum x\right)^2}\sqrt{n\left(\sum y^2\right)-\left(\sum y\right)^2}}$$

Where variables x and y represents specific variable scores in the study.

3.11 Measurement of variables

This study used both the ordinal and nominal scales to measure the variables. The ordinal scale was used to measure local revenue management and service delivery. These variables were measured as they are closed questions since these were designed measured based on five-point Likert-type scale namely SA (5) = strongly agree, A (4)=agree, NS(3)= not sure, D(2)=disagree and SD(1)= strongly disagree. On the other hand, nominal scale was to measure bio-data variables namely age, gender among others

3.12 Ethical consideration

The ethical issues to be considered for the study included respondents' informed consent where a formal note was attached to questionnaires and interviews and this guided the study. The issue of biasness was avoided where opinions of respondents were respected hence objectivity. Privacy and confidentiality was observed whereby hence all information provided and anonymity of respondents was respected where by their identity was not be disclosed.

CHAPTER FOUR

PRESENTATION, ANAYLSIS AND INTEPRETATION OF RESULTS

4.0 Introduction

The previous chapter details the methodology that was used for the study. This chapter constitutes the presentation, analysis and interpretation of results. The chapter is arranged starting with the response rate, bio-data of the respondents and finding based on the study objectives.

4.1 Response rate

Out of 118 questionnaires administered, only 72 were returned fully completed constituting a response rate of 61.1% however, all interviews (6) were held constituting a 100% response rate. The score therefore suggest an overall response rate of 63% which according to Amin (2005) is a good representation of a survey population in a given study as its above a response rate of 50%.

4.2 Bio-data of Bukemro Town Council respondents

BTC respondents were availed with questionnaire and asked to provide their most appropriate answers to the bio-data questions that were asked about their age, gender, education status, engagement level among other bio data variables. They responded and provided their responses as indicated below.

4.2.1 Age category of respondents

The BTC respondents in this study were categorised based on their age. This was done to establish whether age as a bio-data variable had a bearing on local revenue management and the delivery of local services within the town council. Below is Table 5 presenting the computed statistics.

Table 4: The Age category of BTC respondents

Age of the BTC respondents	Frequency (n)	Percentage (%)
20 – 30 years	36	50
31 – 40 years	23	32
41 – 50 years	4	7
Above 51 years	9	13
Total	**72**	**100%**

Source: Field data

Out of the 72 questionnaires returned, findings reveal that majority 82% (59) fell below 40 years of age and 18% (13) respondents were above 41 years of age. The results suggest the age representativeness of BTC staff and local community who engaged in the study. Secondly, it can be argued that the respondents were mature enough to provide their views or opinions about revenue management and service delivery within the content of BTC.

4.2.2 Gender of the respondents

On the issue of providing their responses on gender, respondents were requested to indicate their gender. The findings are presented in the Table 5 below.

Table 5: Gender of the respondents

Gender of the respondents	Frequency	Percentage
Female	40	56
Male	32	44
Total	72	100%

Source: Field data

Of the 72 BTC participants who engaged in the study 56% were male and 44% female. The results suggest gender representativeness of respondents who participated in the study on revenue management and delivery of services hence a reflection of gender balanced within the Town Council.

4.2.3 Level of education of the respondents

The respondents involved in revenue management and delivery of services were believed to have attained some responsible education levels. The computed results are provided in Table 6 below.

Table 6: Education level of the BTC respondents

Education level	Frequency	Percentage
PGD	1	1
Degree	17	24
Diploma	16	22
Certificate	13	18
Others	25	35
Total	**72**	**100%**

 Source: Field data

Results as presented in Table 6 above reveal that all respondents had attained some responsible level of education for instance it was found out that 25% had attained a degree and above while 75% had a diploma and below. The findings suggest education level representativeness of BTC. Secondly, it can be argued that the respondents provided their opinions about revenue management and delivery of services and therefore a fairly good and reliable information for the study.

4.2.4 Respondents involvement in the management of local revenue

The respondents were asked to indicate whether they were directly engaged in the management of local revenue or not. Below are the numeric findings computed to provide an insight about the question.
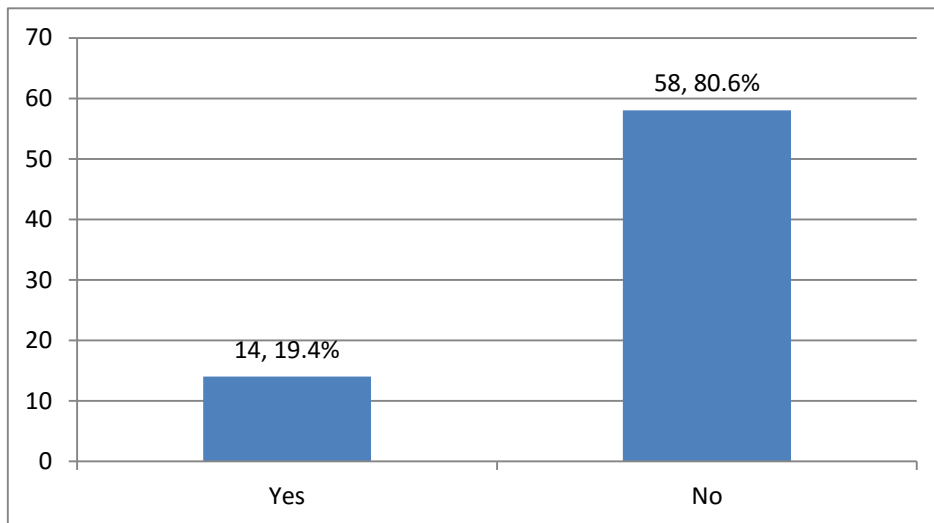
Figure 2: Involvement in the management of local revenue

Results as presented in the Figure 2 above reveal that majority 80.6% respondents were not directly involved in the management of local revenue and 19.4% were directly involved. The findings suggest representativeness of respondents who are directly involved in ensuring timely local revenue management and delivery of services in BTC.

4.2.5 Does BTC provide service delivery to the local community

Opinions were elicited on whether BTC provided service delivery to the local community and presented in Table 7 below were the results obtained.

Table 7: Service delivery to the Local community

Service delivery to the local community	Freq (n)	percent %
Yes	67	93
No	5	7
Total	**72**	**100%**

Source: Field data

Findings on whether BTC provided service delivery to the local community reveal that 93% said yes and only 7% said no which suggests that BTC is still mandated to provide public services for instance health centres, roads, markets, sanitation and waste management among others on behalf of Government to the local community (s) within the Town Council.

4.3 Revenue enhancement planning and service delivery in BTC

Revenue enhancement planning formed dimension one of revenue management. This dimension was categorized into three indicators namely identification of revenue sources, assessment and enforcement that were used to design questions that were asked on revenue enhancement planning. For interpretation purposes scores, mean score above three (> 3.00) reveals agree and the score below three (< 3.00) reveals disagree. The standard deviation score of less than one (<1.00) reveals commonalities and above one (>1.00) reveals divergences in opinions. The respective responses are provided in the Table 8 below.

Table 8: Statements about revenue enhancement planning

Statements about revenue enhancement planning	SD 1	D 2	UD 3	A 4	SA 5	Mean	Std Dev
Revenue enhancement planning is a key component used to ensure timely revenue management	17% (12)	1% (1)	6% (4)	32% (23)	44% (32)	3.08	1.110
Identifying revenue sources helps BTC to realize more local revenue	14% (10)	1% (1)	29% (21)	47% (34)	8% (6)	3.35	1.128
The revenue planning process entails assessment of how much tax that the local community should pay	18% (13)	6% (4)	4% (3)	24% (17)	49% (35)	3.90	1.090
Tax assessment is fairly done to enable the local community commit itself to paying the tax	25% (18)	8% (6)	42% (30)	22% (16)	2.8% (2)	2.85	1.158
There is enforcement deployed by BTC to ensure timely revenue collection	19% (14)	5% (7)	49% (35)	19% (14)	6% (4)	3.85	1.122

Source: Field data

Statistical findings presented in the Table 8 above that revenue enhancement planning is a key component used to ensure timely revenue management with 76% agreement score, mean = 3.08, 6% were undecided and 17% disagreed which suggest that timely planning in terms of revenue objectives, setting revenue goals and courses of actions on how such revenue would be collected among others would increase BTC's revenue base to support the delivery of public services within the Town Council. To affirm the findings, one interviewee revealed that: "*There is no way a local council can realize local revenue without frequently engaging in its planning that is revenue enhancement planning is a critical activity under budgeting*"

Relative to the above scores, 55% agreed that identifying revenue sources helped BTC to realize more local revenue. This can further be supported by a mean score of 3.35 and standard deviation score of 1.128 that were computed however up to a tune of 29% were undecided and 15% disagreed. The findings highlight local sources for instance parking and construction fees, license fees among others as BTC's sources of revenue which to a great extent contribute to local its revenue base that supports the delivery of local services. "*As a*

local council, we are obliged to collect local taxes that we use as local taxes to support service delivery however such collection is based on the number of identified local sources"

Statistics representing 73% (mean=3.90) suggest that revenue planning process entails assessment of how much tax that the local community should pay while 6% respondents were unaware of assessment and 24% respondents disagreed respectively. In addition, 64% respondents agreed that tax assessment was fairly done to enable the local community commit itself to paying the tax however, 25% disagreed and 8% were undecided which suggests that BTC local agents elicit information on local businesses, gauge or do assessments on how much local tax that business operators are due. This increases local revenue collection which is used to facilitate service delivery. To complement on the above findings was a TC official who voiced out that:

"*The issue of assessment as a component of revenue enhancement planning, helps the TC ensure that it properly identifies local revenue sources, provide timely assessment of revenue and its collection and ensure debt and credit managements. These when well handled result in improved local revenue bases*"

Lastly, under revenue planning mean score = 3.85 and 68% respondents agreed that enforcement is deployed by BTC to ensure timely revenue collection, 19% disagreed and 5% were undecided. The findings reveal how Bukomero Town Council considers local revenue as a main source of local revenue and therefore the need to improve its collection done through deploying enforcements. In one of the related interviews held, an interviewee observed that: "*The situation is not always good as the local community is time and again made aware to clear their tax obligations on time however, some have failed an action that portrays intent to invade taxes hence were deploy enforcers*".

Another interviewee said, "*Local revenue collection is not an easy task, to realize local revenue, enforcements must be done and are therefore inevitable yet the town council needs local revenue to foster service delivery*".

4.3.1 Correlation results for revenue enhancement planning and service delivery

The correlation in this study was determined using the Pearson correlation technique and results are provided below.

Table 9: Correlation results for revenue enhancement planning

		Revenue enhancement Plan	Service delivery
Revenue enhancement plan Pearson Correlation		1	.530**
	Sig. (2-tailed)		.000
	N	72	72
Service delivery	Pearson Correlation	.512**	
	Sig. (2-tailed)	.000	
	N	72	

**. Correlation is significant at the 0.05 level (2-tailed).

Based on Table 6 above, the study found out that a significant positive relationship existed between revenue enhancement plan and service delivery (.512**) in BTC which suggests that identifying more revenue sources, providing fair assessment and timely enforcement would provide local revenue to improve service delivery.

4.3.2 Regression results for revenue enhancement planning and service delivery

The regression analysis was used to determine the variance that revenue enhancement planning had on service delivery at BTC. Below are details that were computed

Table 10: Regression results for revenue enhancement planning

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.51	.281	.270	.86105

a. Predictors: (Constant), revenue enhancement planning

Results presented include R as .530, R squared as .281, adjusted R square as .270 and standard error of the estimate as .86105 using the predictor; revenue enhancement planning. The R^2 value of .281 suggests a 28.1% variance that revenue enhancement planning had on service delivery in BTC while the remaining percentage of 71.9% could be attributed to other factors not studied. Lastly, revenue enhancement planning was found to have a significant positive effect of on service delivery, it can be said that revenue enhancement planning significantly affects service delivery therefore the hypothesis was accepted (h1) and the null (h0) rejected.

4.4 Implementing the revenue enhancement plan and service delivery in BTC

Implementing the revenue enhancement plan formed dimension two of revenue management and was categorized into three indicators namely motivating staff, capacity building and recruitment of skilled staff from which questions were asked. Table 11 below provides the computations.

Table 11: Statements about implementing the revenue enhancement plan

Statements about Implementing the revenue enhancement plan	SD 1	D 2	UD 3	A 4	SA 5	Mean	Std Dev
I am well versed with the issues of implementing the revenue enhancement plan within the Town Council	44% (32)	21% (15)	24% (17)	7% (5)	4% (3)	2.06	1.161
As a Town Council staff I am well motivated to engage in the implementing of the revenue enhancement plan	47% (34)	21% (15)	28% (20)	3% (2)	1% (1)	1.90	.955
Implementing the revenue enhancement plan is an easy task for me as a Town Council staff	47% (34)	22% (16)	25% (18)	4% (3)	1% (1)	1.90	1.009
BTC ensures capacity building for its staff intended to better the implementation of the revenue plan	49% (35)	19% (14)	25% (18)	6% (4)	1% (1)	1.92	1.045
The capacity building process is fairly done and is transparently managed across all BTC staff	43% (31)	24% (17)	26% (19)	6% (4)	1% (1)	1.99	1.028
BTC ensures the timely recruitment of skilled staff to support revenue mobilization within the Town Council	26% (19)	21% (15)	37% (27)	14% (10)	1% (1)	2.43	1.072
The exercise is fairly managed to hire the skilled staff	28% (20)	17% (12)	42% (30)	14% (10)	0% (0)	2.42	1.045

Source: Field data

A fraction of 63% (47) and mean = 2.06 indicate that many respondents disagreed that they were versed with the issues of implementing the revenue enhancement plan within the Town Council compared with 11% (8) agreed and 24% (17) were not sure which implies that the local community within the town council lacked awareness on how local revenue was mobilized with fewer actually understanding the concept which negatively affected the delivery of local services.

"*BTC still faces several challenges with ensuring that the developed or designed revenue plans are well implemented which has affected the collection of local revenue that is used to support service delivery. The implementation has remained poor despite all efforts made*" said a BTC official.

As a Town Council staff I feel well motivated to engage in the implementation of the revenue enhancement plan was another question asked. Responses obtained included standard deviation score of .955; mean score of 1.90, 68% (49) who disagreed, 28% (20) were undecided and only 4% (3) disagreed. The findings reveal weaknesses in motivating BTC staff who are directly involved in the implementation of the revenue plan hence a source of frustration and a demoralizing factor to realization of both local revenue and extension of local services. "*The remunerations provided to the TC staff who are directly responsible for ensuring the implementation of the local revenue plans have remained low which had derailed them from fully executing their tasks. This has negatively affected service delivery in the long run*"

Many respondents 67% (50) disagreed that implementing the revenue enhancement plan is an easy task for them as a Town Council staff while 25% (18) were undecided and 5% (4). The findings indicate that implementing the revenue enhancement plan was still a difficult

challenge for TC staff and therefore a local revenue loophole which affects the delivery of services within the Town Council.

A fraction of 68% respondents, mean score of 1.92 and standard deviation=1.045 disagreed that BTC ensured capacity building for its staff in order to better the implementation of the revenue enhancement plan compared with only 7% disagreement and 25% neutrality. Additionally, 66% respondents disagreed that the capacity building process is fairly done and is transparently managed across all BTC staff however, 26% were neutral and 7% agreed respectively. The result suggests unfairness in TC staff capacity building opportunities and hence a possible gap in the implementation of the revenue enhancement plan which affects both local revenue management and service delivery. "*The issue of capacity building is applicable to all staff however, some staff are more frequently engaged in trainings than others which raises an eye bow*" said a BTC official

Finally, a mean score of 2.43 and 47% (34) disagreed that BTC ensures the timely recruitment of skilled staff to support the implementation of the revenue enhancement plan within the Town Council however, 37% (27) were undecided and 15% (11) agreed. In addition, a standard deviation of 1.045 and 35% respondents disagreed that the exercise is fairly managed to hire the skilled staff, 42% were undecided and 14% agreed. The findings reveal skills gaps lacking among some BTC staff and weaknesses in BTCs' hiring process which explains the failure in the successful implementation of the revenue enhancement plan. This is in accordance with a qualitative response that was provided by an interviewee who observed that: "*The TC still has vacancies that have not been filled which has created more personnel gaps which has a direct effect on implementing the revenue enhancement plan*"

4.4.1 Correlation results for implementing the revenue enhancement plan and service delivery

The correlation in this study was determined using the Pearson correlation technique and results are provided below.

Table 12: Correlation results for implementation of the revenue plan

		Implementation revenue plan	Service delivery
Implementing the plan	Pearson Correlation	1	.342**
	Sig. (2-tailed)		.003
	N	72	72
Service delivery	Pearson Correlation	.342**	1
	Sig. (2-tailed)	.003	
	N	72	72

The study found out that a significant positive relationship existed between implementation of the revenue enhancement plan and service delivery (.342**) in BTC which suggests that motivating TC staff, encouraging capacity building and recruitment of skilled staff would provide a stable local revenue base to support service delivery.

4.4.2 Regression results for implementation of the revenue enhancement plan and service delivery

The regression analysis was used to determine whether implementation of the revenue enhancement plan had a variance on service delivery at BTC. Below are details that were computed

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.342[a]	.117	.104	.90398

a. Predictors: (Constant), revenue enhancement planning

Results presented include R as .342, R squared as .117, adjusted R square as .104 and standard error 3of the estimate as .90398 using the predictor; implementation of the revenue enhancement plan.

The R^2 value of .104 suggests a 10.4% variance that implementation of the revenue enhancement plan had on service delivery in BTC while the remaining percentage of 89.6% could be attributed to other factors not studied.

To conclude, hypothesis two that implementing the revenue enhancement plan significantly affects service delivery was accepted (h1) and the null (h0) rejected based on the inferential results presented that suggest a significant positive effect of revenue enhancement plan on service delivery.

4.5 Revenue expenditure control and service delivery in BTC

Revenue expenditure control constituted the finally or third independent variable dimension and was categorized into three indicators namely entails budget implementation reviews, quarterly audit reports and quarterly progress performance reports. From these, questions were asked and responses obtained see Table 10 below.

Table 13: Statements about revenue expenditure control

Statements about revenue expenditure control	SD 1	D 2	UD 3	A 4	SA 5	Mean	Std Dev
BTC has a number of measures in place to ensure revenue expenditure control	17% (12)	8% (6)	21% (15)	50% (36)	1% (1)	3.85	1.030
All funds allocated to cater for key priority activities within the Town Council are in line with controls	15% (11)	7% (5)	21% (15)	54% (39)	3% (2)	3.89	1.001
As a way of ensuring revenue expenditure control, routine quarterly audits are conducted which has positively contributed to more local revenue realized	15% (11)	8% (6)	19% (14)	54% (39)	3% (2)	3.86	.997
The conducted audits have helped in controlling revenue expenditure gaps	18% (13)	7% (5)	17% (12)	57% (41)	1% (1)	3.76	.986
Quarterly review reports are routinely done within the Town Council	15% (11)	7% (5)	19% (14)	56% (40)	3% (2)	3.88	.992
The quarterly review reports are intended to better the management of revenue	15% (11)	7% (5)	19% (14)	57% (41)	1% (1)	3.85	.959

Source: Field data

Findings revealed that nearly half of the respondents (mean=3.85) that participated in the study agreed that BTC had measures in place to ensure revenue expenditure control however 21% were neutral and 25% disagreed meaning that the measures were in place but hopefully they were not adhered to which suggests allocation of local revenue to other less demanding activities other than service delivery.

Equally, many respondents mean = 3.89; standard deviation of 1.001; 57% agreed, 21% undecided and 22% disagreed respectively that all funds allocated to cater for key priority activities within the Town Council are in line with controls meaning that public funds were allocated to specific TC activities in the budget and accountability was mandatory hence service delivery.

Many respondents 57% (41) agreed that as a way of ensuring revenue expenditure control, routine quarterly audits are conducted which positively contributed to more local revenue realized, 19% (14) were neutral and 23% (17) disagreed. Similarly, 58% (42) agreed that they audits have helped in controlling, revenue expenditure gaps however, 25% (18) disagreed and 17% (12) reserved their opinions thus the results reveal that checks were made against what had been advanced and what was spent entirely on an activity to establish whether there was value for money as well as services extended to the TC. In one of the documents reviewed, it was highlighted that many TC officials have been advanced public funds however accountability is still a widening administrative problem (Bukomero Town Council Auditor reports for Financial Year, 2014/15).

Finally, a mean score of 3.88 and 59% revealed that majority respondents agreed that quarterly review reports are routinely done within the Town Council however, 19% were reserved and 24% disagreed. In addition, standard deviation score of .959 and 58% of respondents agreed that quarterly review reports are intended to better the management of

revenue, 22% disagreed and 19% neither agreed nor disagreed. The BTC quarterly reports were intended to formally show how BTC has progressed in times of revenue management and how such revenue has been spent on the delivery of local services. To further add, a respondent observed that, "*These reports are demanded at every end of financial year by the Office of the Auditor general. Yes delays are encountered every financial year due to poor preparations. We have identified this gap and closely working on it*"

4.5.1 Correlation results for revenue expenditure control and service delivery

The correlation in this study was determined using the Pearson correlation technique and results are provided below.

		Revenue expenditure Control	Service delivery
Revenue exp. control	Pearson Correlation	1	.472**
	Sig. (2-tailed)		.000
	N	72	72
Service delivery	Pearson Correlation	.427**	1
	Sig. (2-tailed)	.000	
	N	72	72

**. Correlation is significant at the 0.05 level (2-tailed).

The study found out that a significant positive relationship existed between revenue expenditure control and service delivery (.472**) in BTC which suggests that conducting budget implementation reviews, producing quarterly audit ad well as progress performance reports would provide a sounding local revenue base to support service delivery.

4.5.2 Regression results for revenue expenditure control and service delivery

The regression analysis was used to determine whether revenue expenditure control had a variance on service delivery at BTC. Below are details that were computed

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.427[a]	.183	.171	.86961

a. Predictors: (Constant), revenue expenditure control

Results presented include R as .427, R squared as .1873 adjusted R square as .171 and standard error of the estimate as .86961 using the predictor; revenue expenditure control. The R^2 value of .183 suggests a 18.3% variance revenue expenditure control had on service delivery in BTC while the remaining percentage of 81.7% could be attributed to other factors not studied.

Finally, correlation and regression results suggest a significant positive effect of revenue expenditure on service delivery therefore hypothesis three that revenue expenditure control significantly affects service delivery was accepted (h1) and the null (h0) rejected.

CHAPTER FIVE

SUMMARY, DISCUSSION, CONCLUSION AND RECOMMENDATIONS

5.0 Introduction

This chapter presents the summary, discussion, conclusion and recommendation of the study based on the objectives. The chapter continues to present the limitations of the study and areas for further study.

5.1 Summary of the study

This section presents the summary of the findings in accordance with the objectives

5.1.1 Revenue enhancement planning and service delivery in BTC

The study established a significant positive relationship between revenue enhancement plan and service delivery (.512**) in BTC therefore identifying more local revenue sources, conducting a fair assessment and timely enforcement of agents would increase local revenue and improve service delivery. Further to note, revenue enhancement planning was found to have a 28.1% variance on service delivery in BTC. Finally, the hypothesis statement that revenue enhancement planning significantly affects service delivery was accepted.

5.1.2 Implementing revenue enhancement planning and service delivery in BTC

The study established a significant positive relationship between implementation of the revenue enhancement plan and service delivery (.342**) in BTC therefore motivating designated Town Council staff, encouraging capacity building and recruiting skilled staff is a good arrangement for the collection of local revenue hence supporting service delivery. The study found a 10.4% variance that implementation of the revenue enhancement plan had on service delivery. Finally, hypothesis two that implementing the revenue enhancement plan significantly affects service delivery was accepted (h1).

5.1.3 Revenue expenditure control and service delivery in BTC

The study found out a significant positive relationship between revenue expenditure control and service delivery (.472**) in BTC therefore conducting budget implementation reviews, producing quarterly audit ad well as progress performance reports would provide a sounding local revenue base to support service delivery. In addition, revenue expenditure control was found to have an 18.3% variance on service delivery. Lastly, hypothesis three that revenue expenditure control significantly affects service delivery was accepted (h1).

5.2 Discussion of the study

This section presents a detailed account about the study based on the objectives

5.2.1 Revenue enhancement planning and service delivery in BTC

From the study, it was found out that 63% agreed that revenue planning process entails assessment of how much tax that the local community should pay. The findings confirm with Article 191 section 2 of the constitution of the Republic of Uganda of 1995 which stipulates that the fees and taxes to be levied, charged, collected and appropriated to include rent, rates, royalties, stamp duties, fees on registration and licensing and any other fees and taxes that parliament may prescribe. Similarly, Byrnes (2006) acknowledges that to curb and reverse the declining local revenue, many LGs need to come up with revenue enhancement plans that entail identifying revenue sources among others to increase the revenue base. The issue of conducting tax assessment enables any tax authority (TC inclusive) to come up with the correct tax proportions for any businesses operating locally. In addition, assessments help in determining the expected revenue which can be used to determine the extent of services that can be provided however a fraction of respondents disagreed to the statement which explains tax assessment gaps in terms of skills, competence and abilities. These need to be addressed as fast as possible.

Secondly, respondents agreed to the fact that is enforcement deployed by BTC to ensure timely revenue collection. This quantified statement links with findings as were presented by Norton and Kaplan (2012) who argue that LGs should ensure that local revenue is well collected through timely enforcement. The scholars argue that to ensure a smooth financial health of an organization, a number of interrelated factors need to be considered; they argue that using strategic plans enforcement inclusive fulfills objectives of an organization. This task requires setting of goals, which has to do with the quality of service with other drivers directed at attaining organization goals. The issue of deploying tax assessment teams to oversee the collection of local taxes is one of the key paths that can be followed in order to improve tax collections in localities including town councils nonetheless, much as respondents agreed to that effect, some disagreed or were undecided which signals a loophole in the revenue enhancement planning. The loophole could be linked to the untimely assessment and logistical support that is required to motivate the local revenue assessment team that is mandated to conduct the assessment. This is a widening gap that needs attention.

5.2.2 Implementing revenue enhancement plan and service delivery in BTC

The study found out that implementation of revenue plan specifically motivating staff, capacity building and recruitment of skilled staff were instrumental in realising the timely delivery of required services within the TC. In addition, statistical findings revealed that implementing the revenue enhancement plan is an easy task for me as a Town Council staff To cement that findings is Mbufu (2011) who argues that most LGs produce optimistic and thus unrealistic revenue budgets, which in turn create frustration amongst the implementers who have to slow down or put on hold on-going and planned activities. This frustration could however be avoided if the principle of producing sound revenue budgets was taken seriously by the politicians and technocrats which is always difficult to adhere to due to political

interests as well as lack of well trained personnel to formulate sound revenue budgets (Robert, 2011). The task of ensuring that revenue enhancement plan is well implemented is a complex one to any TC. This is so because a series of procedures have to be carefully followed to realize a good plan. However, as can be noted, BTC still has unexploited or untapped revenue base that need to be considered. Secondly, the local communities still have a knowledge gap where they are unaware of the need to pay for taxes which are used to extend or deliver required services to them.

Further to note, respondents agreed that the implementing the revenue enhancement plan exercise was fairly managed to hire the skilled staff. The findings concur with Onwe (2009) who argue that manpower capacity of the LG composition of the staff of the local government will not yield the desired result. And that there is also a skill gap among the few senior staff of the local government. There is no debate that hiring skilled staff does not yield positive results as far as revenue management is concerned. The combination of capabilities, abilities and knowledge in line with skills are critical in ensuring technical expertise that is required to improve revenue collection that is used to foster effective service delivery. In addition, the inability of the TC to fill the vacant posts has widened the implementation of the revenue enhancement plan. This gaps requires immediate closing.

5.2.3 Revenue expenditure control and service delivery in BTC

Inferential findings reveal that revenue expenditure control namely budget implementation reviews, quarterly audit reports and quarterly progress performance reports revealed the extent of local revenue available to cater for the delivery of services. To further evidence the findings majority respondents agreed that BTC had a number of measures in place to ensure revenue expenditure control and many respondents agreed that all funds were allocated to cater for key priority activities within the Town Council are in line with controls. The

findings are in accordance with Todd (2009) who argues that accountability as a revenue control is often best strengthened by working through a multi-stakeholder approach involving citizens, government and service providers. The scholar argues that it is important to recognize and strengthen systems of mutual accountability and partnership at local level inclusive of LGs. The ability to ensure joint responsibility for service delivery runs the risk of everyone's responsibility becoming no-one's responsibility. In addition, Mbufu (2013) further argues that formalizing revenue enhancement plan, budget priority allocations and effectively implementing the plan are issues that can better service delivery. The issue of a audit checks being sanctioned explains the urgency that is required to close public fund misuse including BTC. The presence of controls in form of audits and quarterly reports highlight expenditure gaps and the need to curb against such financial gaps.

Lastly, key findings show agreement for the fact that quarterly review and performance reports are routinely done within the Town Council for better the management of revenue. These revelations in the forth chapter are supported by Pradeep (2011) who coincides that reports can include financial reports, council reports, and performance reports among others. Financial reports are formal records of a business' or organizations financial activities while Mbufu (2011) argues that records are used by the management for decision making as they are used for future references to know which period had a decline in revenue collection and which one had the highest collections. The scholar adds that records and reports are used for audit purposes and as supporting documents in case a LG is to request for funds from the Central Government and donors (Okotie, 2010). The essence behind writing reports in any organization is to ensure that meaningful and useful information is provided to the decision makers to ensure that it aids decision making however, pockets of delay were rampant and more frequent as far as the provision of such quarterly and performance reports were

concerned. This kind of irregularity explains gaps in revenue management as well as the delivery of local services and therefore need to swiftly attend to them.

5.3 Conclusions of the study

This section of the study provides the conclusions based on the study objectives

5.3.1 Revenue enhancement planning and service delivery in BTC

From the study its concluded that fewer local revenue sources negatively affect revenue management however, fair tax assessment lead to more tax payments and the timely deployment of tax enforcement team improves revenue collection.

5.3.2 Implementing revenue enhancement plan and service delivery in BTC

From the discussion held on revenue enhancement plan and service delivery, it was learnt that more Town councils need to sensitize more local community members as these are inadequately equipment with knowledge about implementing the revenue enhancement plan. In addition, de-motivated staffs underperformed assignments and autonomous recruitment of competent staff was nowhere within the TC.

5.3.3 Revenue expenditure control and service delivery in BTC

From the study, it was learnt that revenue expenditure controls gaps negatively affect service delivery while misallocation of funds was common and delays to produce quarterly audits and review reports were common which explains misappropriation of public funds.

5.4 Recommendations of the study

The recommendations provided below are linked to the objectives of the study

5.4.1 Revenue enhancement planning and service delivery in BTC

On revenue planning and service delivery, the following are recommended namely:

- The study recommends that BT Council in line with its finance department consider conducting on the job training to key actors tasked to provide assessment for instance parish chiefs and ward agents. The training will equip the actors with tax assessment skills which could be translated in ensuring effective service delivery

- Secondly, on the issue of untimely tax assessment as a result of logistical support to revenue assessment team. The researcher recommends that BTC consider reviewing its logistical remunerations for all TC staff assessors inclusive. This will motivate them to professionally execute their role.

5.4.2 Implementing revenue enhancement plan and service delivery in BTC

On revenue mobilization and service delivery, the following are recommended namely:

- The researcher recommends that Bukomero Town Council (BTC) works closely with its planning and finance units need to budget and clearly identify un tapped local revenue sources for instance cattle loading sites and produce fees. These will provide sources of local revenue that will be used to finance the delivery of local services.

- It is recommended that Bukomero Town Council (BTC) in line with its Local Council leaders consider using community sensitization or community dialogue meetings to elicit information about all available sources of revenue specifically the untapped or silent sources identified in the first recommendations.

- Finally, Bukomero Town Council (BTC) works closely with its personnel office need to ensure an autonomous hiring process where only qualified skilled staff are identified to fill vacant posts for instance., enforcement officers, ward agents among others. The process will avail equal opportunities to potential candidates capable of fill the job. It will improve local revenue collection as well as the delivery of services

5.4.3 Revenue expenditure control and service delivery in BTC

On revenue control and service delivery, the following are recommended namely:

- The study recommends that Bukomero Town Council (BTC) through its finance department focuses on engaging more actors in budget revenue meetings or conferences. The timely conduction of budget revenue meetings. This will close any possible expenditure gaps

- The researcher also recommends that Bukomero Town Council (BTC) through its finance and administration department find mechanisms of ensuring that late submission of reports that cause audit queries is minimised. This would call for earlier preparation and discussion of such reports before final submission to required authorities. This is likely to close any expenditure gaps.

- The researcher recommends that Bukomero Town Council (BTC) through its finance and planning units consider undertaking benchmarking to Town Councils for instance Wakiso and Busungu that have been able to improve their revenue bases. This will create a financial base to facilitate timely service delivery within the Town Council.

5.5 Limitations of the study

The study encountered some limitations that affected the generalisation of the overall findings. Some of the limitations included:

It can be noted that service deliver in Town Councils differs because of their sizes, population and revenue bases among other factors therefore it would not be fair to conclude that local revenue management and service delivery as provided by BTC is similar to other TCs therefore the results could not generalised.

Secondly, the study encountered a response rate short fall of 37% despite being over 50% as recommended by Amin (2005). Given the level of short fall, it can be argued that not all information sources had be exhausted therefore the study findings could be generalised based on the response rate

Finally, revenue management is a wide concept that entails a number of dimensions besides the ones selected for the study that focused on revenue enhancement planning, implementation of enhancement plans and revenue expenditure control therefore the study could not be generalised on the only selected dimensions.

5.6 Areas for further study

The following areas highlighted below are the areas for further study namely:

The effect of audits on the delivery of services in Uganda

The capacity building on the delivery of services within Uganda's Town councils

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Appendices

Appendix I: Questionnaire

I am Francis Matovu a participant undertaking a Masters degree in Management studies specializing in the area of public administration and management. I am conducting an academic study or research on: "*The effect of local revenue management on service delivery in Bukomero Town Council, Uganda*".

Please avail me few of your minutes and kindly fill the questionnaire. Tick the most appropriate answers as provided below. Note that all information provided will be kept with utmost confidentiality and only used for academic purposes.

Section A: Respondents' background information (Please tick as appropriate)

1.   **Please indicate your age group**

 20- 30 years   ☐

 31 – 40 years   ☐

 41- 50 years   ☐

 Above 50 years   ☐

2. Gender of the Respondents

Male ☐   Female ☐

3. What is your education level?

Masters ☐

PGD ☐

Degree ☐

Diploma ☐

Certificate ☐

Others please specify…………………………………………………

4. `Are you directly engaged in the management of local revenue?

Yes ☐   No ☐

5. Does BTC provide service delivery to the local community?

Yes ☐   No ☐

Section B: Effects of Local Revenue Management on Service Delivery

Please note that this section provides questions about local revenue management and service delivery based on a five item likert scales as indicated in the mini-table below

1	2	3	4	5
Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree

Local Revenue Management (Independent Variable)					
Statements about revenue enhancement **planning**	**SD 1**	**D 2**	**UD 3**	**A 4**	**SA 5**
Revenue enhancement planning is a key component used to ensure timely revenue management					
Identifying revenue sources helps BTC to realize more local revenue					
The revenue enhancement planning process entails assessment of how much tax that the local community should pay					
Tax assessment is fairly done to enable the local community commit itself to paying the tax					

There is enforcement deployed by BTC to ensure timely revenue collection					

Statements about implementing the revenue plan	SD 1	D 2	UD 3	A 4	SA 5
I am well versed with the issues of implementing the revenue plan within the town council					
As a town council staff I am well motivated to engage in implementing the revenue plan					
Implementing the revenue plan is an easy task for me as a town council staff					
BTC ensuring capacity building for its staff in order to better the implementing the revenue plan					
The capacity building process is fairly done and transparently managed to ensure that all BTC staff					
BTC ensures the timely recruitment of skilled staff to support implementing the revenue plan within the town council					
The exercise is fairly managed to hire the skilled staff					

Statements about revenue expenditure control	SD 1	D 2	UD 3	A 4	SA 5
BTC has a number of measures in place to ensure revenue expenditure control					
All funds allocated to cater for key priority activities within the town council are in line with controls					
As a way of ensuring revenue expenditure control, budget implementation reviews are conducted which has positively contributed to more revenue realized					
The conducted audits have helped in controlling revenue expenditure gaps					
Quarterly audit reports are routinely done within the town council					
The quarterly progress performance reports are intended to better the management of revenue					

Statements about service delivery	SD 1	D 2	UD 3	A 4	SA 5
BTC is mandated to provide timely services to the local					

community has a number of measures in place to ensure revenue control					
There is routine maintenance of community roads within BTC					
The routine maintenance of community roads within BTC has improved the delivery of services					
BTC has ensured that bore holes are constructed to ensure the provision of safe water for the local communities within the town council					
The local community within the town council generates garbage and wastes more frequently					
BTC has ensured the timely collection of garbage and wastes from within the town council					
The town council has supported the education systems for the local community					
The town council has constantly engaged in the construction of school blocks within the town council					

Appendix II: Interview guide

Interview guide for BTC council management

1) How does BTC ensure timely revenue enhancement planning?

2) Elaborate on the entire revenue enhancement planning process as executed by the town council

3) Do you think revenue management affects the delivery of services in BTC?

4) If yes/No. Explain

5) What are some of the administrative challenges do BTC staff encounter while ensuring local revenue management?

6) How have such challenges been mitigated?

7) State some of the issues encountered by the BTC during the implementation of revenue plan

8) How have staffs been motivated to ensure the implementation of revenue plan?

9) How has BTC ensured capacity building as a way to ensure the implementation of revenue plan?

10) Do you see any more possibilities in the recruitment of training?

11) Comment about the prevailing controls on key priority budget activities

12) How have the audits conducted by BTC been effective in mitigating revenue expenditure gaps?

13) How do you ensure quarterly audit and progress performance reports at the town council?

14) Is there timely service delivery within the town council? If yes/No elaborate

Appendix III: Documentary review checklist

The following documents were reviewed including

1) LG Act: Section 35 of the Local Government Act Cap 243, Amendment (2010),

2) Bukomero Town Council Auditor reports for Financial Year (2014/15).

3) Bukomero Town Council Auditor reports for Financial Year (2015/16).

4) Bukomero Town Council Strategic Development Plan (2015/2016-2019/2020)

5) Constitution of the Republic of Uganda (1995)

6) Local Government Finance Accounting Regulations (1998)

Appendix IV: Krejcie & Morgan Mathematic 1970

N	S	N	S	N	S	N	S	N	S
10	10	100	80	280	162	800	260	2800	338
15	14	110	86	290	165	850	265	3000	341
20	19	120	92	300	169	900	269	3500	246
25	24	130	97	320	175	950	274	4000	351
30	28	140	103	340	181	1000	278	4500	351
35	32	150	108	360	186	1100	285	5000	357
40	36	160	113	380	181	1200	291	6000	361
45	40	180	118	400	196	1300	297	7000	364
50	44	190	123	420	201	1400	302	8000	367
55	48	200	127	440	205	1500	306	9000	368

N	S	N	S	N	S	N	S	N	S
60	52	210	132	460	210	1600	310	10000	373
65	56	220	136	480	214	1700	313	15000	375
70	59	230	140	500	217	1800	317	20000	377
75	63	240	144	550	225	1900	320	30000	379
80	66	250	148	600	234	2000	322	40000	380
85	70	260	152	650	242	2200	327	50000	381
90	73	270	155	700	248	2400	331	75000	382
95	76	270	159	750	256	2600	335	100000	384

N= population

S=Sample size