

# Vote: 122 Kampala Capital City Authority

## Vote Summary

### VI: Vote Overview

This section sets out the Vote Mission, Strategic Objectives, and provides a description of the vote's services

#### (i) Snapshot of Medium Term Budget Allocations

Table V1 below summarises the Medium Term Budget allocations for the Vote:

**Table V1.1: Overview of Vote Expenditures (US\$ Billion)**

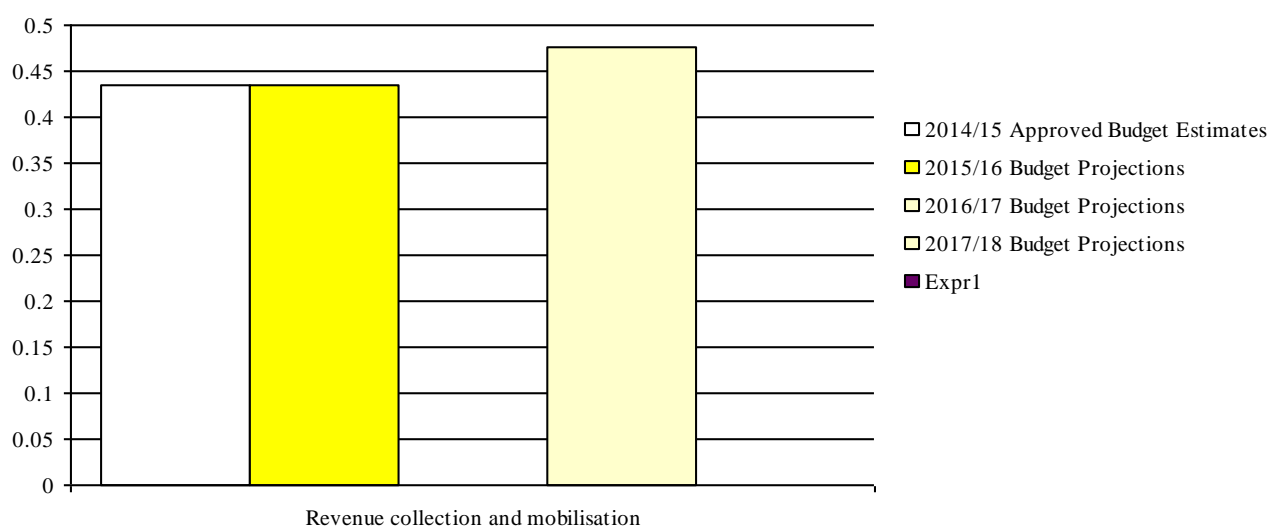
	2013/14 Outturn	2014/15		MTEF Budget Projections		
		Approved Budget	Spent by End Sept	2015/16	2016/17	2017/18
<i>(i) Excluding Arrears, Taxes</i>						
Recurrent Wage	0.000	0.000	0.000	0.000	0.000	0.000
Recurrent Non Wage	0.402	0.434	0.009	0.434	0.436	0.475
Development GoU	0.000	0.000	0.000	0.000	0.000	0.000
Development Ext.Fin	0.000	0.000	0.000	0.000	0.000	0.000
<b>GoU Total</b>	<b>0.402</b>	<b>0.434</b>	<b>0.009</b>	<b>0.434</b>	<b>0.436</b>	<b>0.475</b>
<b>Total GoU+Donor (MTEF)</b>	<b>0.402</b>	<b>0.434</b>	<b>0.009</b>	<b>0.434</b>	<b>0.436</b>	<b>0.475</b>
<i>(ii) Arrears and Taxes</i>						
Arrears	0.000	0.000	0.000	0.000	N/A	N/A
Taxes**	0.000	0.000	0.000	0.000	N/A	N/A
<b>Total Budget</b>	<b>0.402</b>	<b>0.434</b>	<b>0.009</b>	<b>0.434</b>	<b>N/A</b>	<b>N/A</b>
<i>(iii) Non Tax Revenue</i>						
	0.000	3.310	0.012	3.510	4.005	9.400
<b>Grand Total</b>	<b>0.402</b>	<b>3.744</b>	<b>0.021</b>	<b>3.944</b>	<b>N/A</b>	<b>N/A</b>
Excluding Taxes, Arrears	0.402	3.744	0.021	3.944	4.441	9.875

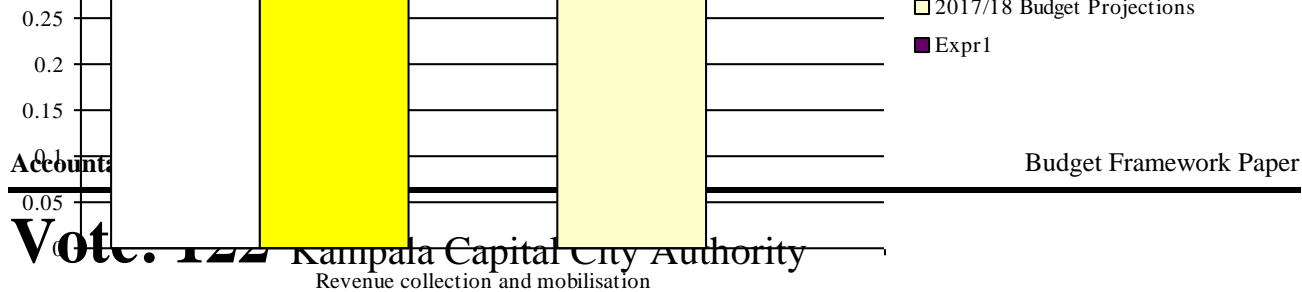
\* Donor expenditure data unavailable

\*\* Non VAT taxes on capital expenditure

The chart below shows total funding allocations to the Vote by Vote Function over the medium term:

**Chart V1.1: Medium Term Budget Projections by Vote Function (US\$ Bn, Excluding Taxes, Arrears)**





## Vote Summary

### (ii) Vote Mission Statement

The Vote's Mission Statement is:

*Vision: To be a, Vibrant, Attractive and sustainable city. the city. mandate*

*Mission: To Deliver quality services to KCCA*

*To Administer the Mobilization of Local Revenue and provide Public Services in the City.  
To promote and control Physical Development in the City  
To promote Socio-economic Development in the City  
To provide Infrastructure Services to the city*

*Revenue Mandate: To administer the collection of all taxes and fees in the City.*

### (iii) Vote Outputs which Contribute to Priority Sector Outcomes

The table below sets out the vote functions and outputs delivered by the vote which the sector considers as contributing most to priority sector outcomes.

**Table V1.2: Sector Outcomes, Vote Functions and Key Outputs**

Sector Outcome 1:	Sector Outcome 2:	Sector Outcome 3:
<i>Efficient service delivery through formulation and monitoring of credible budgets.</i>	<i>Compliance to accountability policies, service delivery standards and regulations.</i>	<i>Accountability Sector's contribution to economic growth and development enhanced</i>
<b>Vote Function: 14 09 Revenue collection and mobilisation</b>		
<i>Outputs Contributing to Outcome 1:</i>	<i>Outputs Contributing to Outcome 2:</i>	<i>Outputs Contributing to Outcome 3:</i>
None	None	<i>Outputs Provided</i> 140901 Registers for various revenue sources developed 140902 Revenue generating contracts reviewed

## V2: Past Vote Performance and Medium Term Plans

*This section describes past and future vote performance, in terms of key vote outputs and plans to address sector policy implementation issues.*

### (i) Past and Future Planned Vote Outputs

#### 2013/14 Performance

UGX.70.02 was collected in the financial year 2013\14 as compared to UGX 68.146 which was the total target for the quarters. This was a performance of 103%.

47 sensitizations were conducted in the five Divisions of the city. These were to enlighten taxpayers and staff on the different sources of revenue. Participants included Revenue officers, Market leaders, Hotel managers and employers; teachers in Rubaga Division, Supervisors and team leaders in the Directorate of Revenue collection; residents of Kawempe Division together with their local leaders and Trade links (u) Ltd.

UGX 240millions was spent on procuring of specialized revenue stationary including BAFs. The funds were as well spent on purchase of seals and tags used in the enforcement of Trading License requirements.

The Revenue Management System (RMS) Development Project registered significant which are: orientation/ training of staff in the use of the system; piloting of the system at Rubaga division; registration and Payment modules went live; sensitization of Division and Authority councillors, ecitie (8) Business Processes for the system were reviewed, documented and approved and all the revenue collecting agents

## Vote: 122 Kampala Capital City Authority

### Vote Summary

(banks and telecoms) were individually engaged and the necessary interfaces on their side developed in the case of some of the agents. The eCitie web portal functionalities and its layout design were developed/implemented

19 tax audits were concluded, some of which were for hotels. The audited hotels include Ivy's, Sojovalo, College Inn, Hotel Ruch, Nob View Hotel, Emerald Hotel, Silver springs, Fang Fang, Capital palace hotel and Mosa courts apartments. Other two audits were concluded.

Reviewed and made contribution to the amendment of the Local Government rating Act 2005, the Trade Licensing Act, and development of the Street parking, Property Standards and Commercial Road Users regulations. The following developments have been registered; the Trade Licensing Amendment Bill was presented to parliament, the draft Statutory instrument for street parking was forwarded to the Minister for Kampala, the Commercial Road users and Property Standards instruments were forwarded to Directorate of Legal Affairs for further review, the Trade Licensing Amendment Bill was presented to parliament while the draft Statutory Instrument for street parking was forwarded to the Minister for Kampala. Further to that Under the review of laws and by laws the following proposals were presented to the Authority Councillors' Revenue Working Group seeking their approval on; these are; Extension of the validity period of the current property rates valuation roll; Introduction of operational fees for boda – bodas, buses, special hire vehicles, lorries and other commercial vehicles and Increasing the rates of selected sources of revenue

Revenue Clients/ Tax payer Registers relating to the six (6) major revenue sources i.e. Trading Licenses, Property rates, Taxis User fees, Ground rent, Local Service Tax and, Local Hotel Tax were continuously updated. However, in the third quarter all revenue sources data bases were updated.

#### Preliminary 2014/15 Performance

UGX 18,148,641,121 was collected against a target of UGX 21,917,057,458, a performance of 82.8%. Compared to the same period of the FY 2013/14, collections increased by 21%.

The Revenue Management System code named as e-Citie was launched and taxi operators within the city are currently using the system to register and pay monthly user fees.

All registers of the major revenue sources (10) are continuously updated meanwhile the proposed Commercial Road Users Statutory instrument was reviewed during the quarter.

5 sensitizations were conducted during the reference quarter. Stakeholders included schools and employers. Sensitisation meetings were held in form of workshops, talk shows and barazas.

13 revenue external audits and 5 internal inspections were conducted. The majority of the external audits were done in the banking, telecom and hotel industry, UGX 707,782,924, was realised as collectable.

**Table V2.1: Past and 2015/16 Key Vote Outputs\***

<i>Vote, Vote Function Key Output</i>	<b>Approved Budget and Planned outputs</b>	<b>2014/15 Spending and Outputs Achieved by End Sept</b>	<b>2015/16 Proposed Budget and Planned Outputs</b>
<b>Vote: 122 Kampala Capital City Authority</b>			
<i>Vote Function: 1409 Revenue collection and mobilisation</i>			
<b>Output: 140901</b>	<b>Registers for various revenue sources developed</b>		
<i>Description of Outputs:</i>	NA	10 major revenue sources registers are continuously updated	N/A
<i>Output Cost: UShs Bn:</i>	0.000	<i>UShs Bn:</i> 0.000	<i>UShs Bn:</i> 0.210

# Vote: 122 Kampala Capital City Authority

## Vote Summary

<i>Vote, Vote Function Key Output</i>	<b>Approved Budget and Planned outputs</b>	<b>2014/15 Spending and Outputs Achieved by End Sept</b>	<b>2015/16 Proposed Budget and Planned Outputs</b>
<b>Output: 140902</b>	<b>Local Revenue Collections</b>		
<i>Description of Outputs:</i>	94.47Bn mobilised and collected as NTR	UGX 18,148,641,121 mobilised and collected as NTR.	111Bn mobilised and collected as NTR
<i>Performance Indicators:</i>			
Proportion of targeted revenue collected	94.47	0.838	111.0
<i>Output Cost: UShs Bn:</i>	3.744	<i>UShs Bn:</i> 0.009	<i>UShs Bn:</i> 3.734
<b>Vote Function Cost</b>	<b><i>UShs Bn:</i> 3.744</b>	<b><i>UShs Bn:</i> 0.009</b>	<b><i>UShs Bn:</i> 3.944</b>
<b>Cost of Vote Services:</b>	<b><i>UShs Bn:</i> 3.744</b>	<b><i>UShs Bn:</i> 0.009</b>	<b><i>UShs Bn:</i> 3.944</b>

\* Excluding Taxes and Arrears

### 2015/16 Planned Outputs

UGX. 111Bn of NTR mobilised and collected

Other revenue portfolios (trade license) integrated in the Revenue Management system module.

Engaged in intensive tax awareness campaigns stressing KCCA achievements.

Enhanced the participation of Division leaders in revenue mobilization.

Expanded the tax base through identification and registration of new taxpayers.

Strengthen further the revenue enforcement activities.

**Table V2.2: Past and Medum Term Key Vote Output Indicators\***

<i>Vote Function Key Output Indicators and Costs:</i>	2013/14 Outturn	2014/15		MTEF Projections		
		Approved Plan	Outturn by End Sept	2015/16	2016/17	2017/18
<b>Vote: 122 Kampala Capital City Authority</b>						
<b>Vote Function: 1409 Revenue collection and mobilisation</b>						
Proportion of targeted revenue collected		94.47	0.838	111.0	153.02	195.87
<b>Vote Function Cost (UShs bn)</b>	<b>0.402</b>	<b>3.744</b>	<b>0.009</b>	<b>3.944</b>		<b>9.875</b>
<b>Cost of Vote Services (UShs Bn)</b>	<b>0.402</b>	<b>3.744</b>	<b>0.009</b>	<b>3.944</b>		<b>9.875</b>

### Medium Term Plans

Revenues management processes re-engineered and automated.

Properties in the city revalued.

NTR legislation reviewed and improved.

Quality of revenue services improved.

Staff competences enhanced in revenue mobilisation and collection.

Revenue staff motivation improved.

Internal and external communication improved.

### (ii) Efficiency of Vote Budget Allocations

Efficiency is expected to be achieved through Computerisation of the revenue management function which will limit staff interface with the actual revenues funds and enhance prudence in reporting and accounting for revenues.

**Table V2.3: Allocations to Key Sector and Service Delivery Outputs over the Medium Term**

<i>Billion Uganda Shillings</i>	<i>(i) Allocation (Shs Bn)</i>				<i>(ii) % Vote Budget</i>			
	2014/15	2015/16	2016/17	2017/18	2014/15	2015/16	2016/17	2017/18
Key Sector	3.7	3.9	4.4	9.9	100.0%	100.0%	100.0%	100.0%

About UGX, 400millions is allocated to sensitisation, mobilisation and advertising. These expenditures are

# Vote: 122 Kampala Capital City Authority

## Vote Summary

important since they enhance tax payment awareness and also help the public to know why paying taxes is important. Funds will go to meet expenses including workshops and trainings, adverts in the media.

**Table V2.4: Key Unit Costs of Services Provided and Services Funded (Shs '000)**

Unit Cost Description	Actual 2013/14	Planned 2014/15	Actual by Sept	Proposed 2015/16	Costing Assumptions and Reasons for any Changes and Variations from Plan
<i>Vote Function: 1409 Revenue collection and mobilisation</i>					
Revenue software					software will capture data base for all local revenue sources.
Revenue register					Various revenue sources identified and corresponding registers updated
Revenue mobilisation					Field revenue staff facilitated and equipped
reevaluation of a rating zone.					All properties in CBD, commercial and owner occupied properties.

### (iii) Vote Investment Plans

KCCA will invest heavily in developing and procuring revenue enhancement software. UGX. 2.8Bn is allocated in 2015/16 for procurements related to expanding the eCitie.

**Table V2.5: Allocations to Capital Investment over the Medium Term**

Billion Uganda Shillings	(i) Allocation (Shs Bn)				(ii) % Vote Budget			
	2014/15	2015/16	2016/17	2017/18	2014/15	2015/16	2016/17	2017/18
Consumption Expenditure(Outputs Provided)	3.7	3.9	4.4	9.9	100.0%	100.0%	100.0%	100.0%
<b>Grand Total</b>	<b>3.7</b>	<b>3.9</b>	<b>4.4</b>	<b>9.9</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

KCCA will continue to invest in Revenue Management system by integrating other revenue portfolios in the system.

### Table V2.6: Major Capital Investments

#### (iv) Vote Actions to improve Priority Sector Outcomes

Prepare proposals for reviews to existing laws, bye-laws and policies to support improvements in KCCA Revenue Administration.

**Table V2.7: Priority Vote Actions to Improve Sector Performance**

2014/15 Planned Actions:	2014/15 Actions by Sept:	2015/16 Planned Actions:	MT Strategy:
<b>Sector Outcome 0:</b>			
Vote Function: 14 09 Revenue collection and mobilisation			
<i>VF Performance Issue: Inadequate Automated Revenue Management Systems</i>			
Integrate the Business Licence portfolio on the revenue management system	The Revenue Management System code named as e-Citie was launched and taxi operators within the city	Integrating other revenue portfolios in the Revenue Management System.	Acquire a revenue management IT system & the supporting IT hardware Update the tax payers database Integrate GIS in revenue Management
<i>VF Performance Issue: Non Integrated Processes</i>			
	Business processes recorded	Capacity building for revenue mobilisation and collection staff.	Capacity building for revenue mobilisation and collection staff.
<b>Sector Outcome 2: Compliance to accountability policies, service delivery standards and regulations.</b>			
Vote Function: 14 09 Revenue collection and mobilisation			
<i>VF Performance Issue: Incomplete and inaccurate taxpayer register</i>			

# Vote: 122 Kampala Capital City Authority

## Vote Summary

2014/15 Planned Actions:	2014/15 Actions by Sept:	2015/16 Planned Actions:	MT Strategy:
	10 major revenue sources were reviewed and updated.	Carry out property revaluation in the whole city.	Training and recruitment of staff to manage the database for revenue management  Tax education for compliance to pay NTR. Carry out property revaluation in the whole city.

## V3 Proposed Budget Allocations for 2015/16 and the Medium Term

This section sets out the proposed vote budget allocations for 2015/16 and the medium term, including major areas of expenditures and any notable changes in allocations.

**Table V3.1: Past Outturns and Medium Term Projections by Vote Function\***

	2013/14 Outturn	2014/15		MTEF Budget Projections		
		Appr. Budget	Spent by End Sept	2015/16	2016/17	2017/18
<b>Vote: 122 Kampala Capital City Authority</b>						
1409 Revenue collection and mobilisation	0.402	3.744	0.009	3.944	4.441	9.875
<b>Total for Vote:</b>	<b>0.402</b>	<b>3.744</b>	<b>0.009</b>	<b>3.944</b>	<b>4.441</b>	<b>9.875</b>

### (i) The Total Budget over the Medium Term

The Revenue Directorate is foreseen to spend UGX. 4.94, 4.441, and 9.875 for each of the years 2015/16, 2016/17 and 2017/18 respectively. In each of the years of the medium term about UGX. 0.45 will be central government allocation and the rest will be NTR.

### (ii) The major expenditure allocations in the Vote for 2015/16

Investment in software development, acquisition and information Technology and paying the 2nd instalment for the revenue management system i.e. UGX. 2.7 Billions in F/Y will consume the bigger share of the Revenue directorate budget. All these will be geared toward better data bases and hence enhance revenue mobilization and collection.

### (iii) The major planned changes in resource allocations within the Vote for 2015/16

There are no major resource allocation in the directorate. However, UGX. 210million has been set aside enhance boda - boda operations, which will bring in more NTR.

**Table V3.2: Key Changes in Vote Resource Allocation**

Changes in Budget Allocations and Outputs from 2014/15 Planned Levels:			Justification for proposed Changes in Expenditure and Outputs
2015/16	2016/17	2017/18	
<i>Vote Function: 1401 Revenue collection and mobilisation</i>			
<b>Output: 1409 01 Registers for various revenue sources developed</b>			
<b>US\$ Bn:</b> 0.210	<b>US\$ Bn:</b> 0.000	<b>US\$ Bn:</b> 0.475	Enhancing of boda- boda operations will lead to collection of revenue from the portfolio and bring better order in road transport in the city

## V4: Vote Challenges for 2015/16 and the Medium Term

This section sets out the major challenges the vote faces in 2015/16 and the medium term which the vote has been unable to address in its spending plans.

Revaluation of all properties in the city has remained an unfunded priority, given the limited resources and the high cost for the activity.

# Vote: 122 Kampala Capital City Authority

## Vote Summary

**Table V4.1: Additional Output Funding Requests**

Additional Requirements for Funding and Outputs in 2015/16:	Justification of Requirement for Additional Outputs and Funding
<i>Vote Function: 1402 Revenue collection and mobilisation</i>	
<b>Output: 1409 02 Local Revenue Collections</b>	
<i>UShs Bn: 0.000</i>	
This Funding will increase NTR from UGX. 94.47Bn. to UGX. 111Bn.	<i>Increased NTR would lead to increased services and infrastructure contributing to growth.</i>

*This section discusses how the vote's plans will address and respond to the cross-cutting policy, issues of gender and equity; HIV/AIDS; and the Environment, and other budgetary issues such as Arrears and NTR..*

### (i) Cross-cutting Policy Issues

*(i) Gender and Equity*

*(ii) HIV/AIDS*

*(iii) Environment*

### (ii) Payment Arrears

The table below shows all the payment arrears outstanding for the Vote:

### (ii) Non Tax Revenue Collections

The table below shows Non-Tax Revenues that will be collected under the Vote:

Source of NTR	UShs Bn	2013/15 Actual	2014/15 Budget	2014/15 Actual by Sept	2015/16 Projected
Miscellaneous receipts/income		0.000	94.473		111.000
	<b>Total:</b>	<b>0.000</b>	<b>94.473</b>		<b>111.000</b>