

Vote: 147 Local Government Finance Comm

QUARTER 1: Highlights of Vote Performance

V1: Summary of Issues in Budget Execution

This section provides an overview of Vote expenditure

(i) Snapshot of Vote Releases and Expenditures

Table V1.1 below summarises cumulative releases and expenditures by the end of the quarter:

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

<i>(i) Excluding Arrears, Taxes</i>		Approved Budget	Cashlimits by End	Released by End	Spent by End Sept	% Budget Released	% Budget Spent	% Releases Spent
Recurrent	Wage	1.119	0.280	0.280	0.278	25.0%	24.8%	99.4%
	Non Wage	3.139	0.785	0.793	0.707	25.3%	22.5%	89.2%
Development	GoU	0.272	0.068	0.068	0.012	25.0%	4.4%	17.7%
	Donor*	0.000	N/A	0.000	0.000	N/A	N/A	N/A
GoU Total		4.529	1.132	1.141	0.997	25.2%	22.0%	87.4%
Total GoU+Donor (MTEF)		4.529	N/A	1.141	0.997	25.2%	22.0%	87.4%
<i>(ii) Arrears and Taxes</i>	Arrears	0.000	N/A	0.000	0.000	N/A	N/A	N/A
	Taxes**	0.039	N/A	0.000	0.000	0.0%	0.0%	N/A
Total Budget		4.569	1.132	1.141	0.997	25.0%	21.8%	87.4%

* Donor expenditure data available

** Non VAT on capital expenditure

The table below shows cumulative releases and expenditures to the Vote by Vote Function :

Table V1.2: Releases and Expenditure by Vote Function*

Billion Uganda Shillings	Approved Budget	Released	Spent	% Budget Released	% Budget Spent	% Releases Spent
VF:1353 Coordination of Local Government Financing	4.53	1.14	1.00	25.2%	22.0%	87.4%
Total For Vote	4.53	1.14	1.00	25.2%	22.0%	87.4%

* Excluding Taxes and Arrears

(ii) Matters to note in budget execution

Accumulation of funds for gratuity cause variation in budget execution

Insufficient funds to meet operation costs for the commission like providing feed back to local governments on budget analysis

Table V1.3: High Unspent Balances and Over-Expenditure in the Domestic Budget (Ushs Bn)

<i>(i) Major unspent balances</i>
<i>(ii) Expenditures in excess of the original approved budget</i>
* Excluding Taxes and Arrears

V2: Performance Highlights

This section provides highlights of output performance, focusing on key outputs and actions implemented to improve section performance.

Table V2.1: Key Vote Output Indicators and Expenditures*

Vote, Vote Function Key Output	Approved Budget and Planned outputs	Cumulative Expenditure and Performance	Status and Reasons for any Variation from Plans
Vote Function: 1353 Coordination of Local Government Financing			
Output: 135302	LGs Budget Analysis		
<i>Description of Performance:</i>	Analyze 133 LG Budgets for compliance with legal requirements. Provide feed bank on findings from analysis of LG	Analytical Report for 133 Votes produced and shared within the Commission 23 LGs out of the 133 expected	Capturing data in the fiscal database is planned to carried out in Q2 and Q3 FY 2014/2015 LGs approved budgets for FY 2014/2015 have not been

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<i>Vote, Vote Function Key Output</i>	Approved Budget and Planned outputs	Cumulative Expenditure and Performance	Status and Reasons for any Variation from Plans
	budgets to 133 LGs Provide technical support in identified areas of weakness in the process of budget formulation in 20 LGs Collect, process and capture data in the fiscal data bank from LG approved final accounts	budgets have submitted Provided technical support to 20 LGs in identified areas of weakness in the process of budget formulation based on FY 2013/14 budget analysis report Analyzing data from the LGs Budgets and Final Accounts will be done in Q2 and Q3	received hence analysis was done for the few received
<i>Performance Indicators:</i>			
No. of Local Governments provided with skills in Budget Formulation	20	5	
No. of Local Governments complying with budgeting legal requirement	40	10	
Average length of time taken to provide feedback on analyzed budgets (Days)	60	0	
<i>Output Cost:</i>	US\$ Bn: 0.299	US\$ Bn: 0.071	% Budget Spent: 23.6%
Output: 135303	Enhancement of LG Revenue Mobilisation and Generation		
<i>Description of Performance:</i>	Provide support to 30 LGs with skills and approaches to establish fiscal databases. Support 30 LGs to improve methods of collecting property rates Hold 2 regional meetings to share experiences on the implementation of best practices and disseminate updates on local revenue enhancement practices Hold 2 LRECC meetings will be held to discuss the challenges in local revenue mobilization and generation by LGs Develop a concept on mechanisms on how to utilize LED initiative to increase local revenues for service delivery in LGs	Provided support to 16 LGs with skills and approaches to establish fiscal databases. Supported 8 LGs to improve methods of collecting property rates Held one Local revenue enhancement coordination committee meeting and discussed the legal challenges local revenue mobilization and generation by Local government Developed a concept on mechanisms on how to utilize LED initiative to increase local revenues for service delivery in LGs	The regional meetings to share experiences on the implementation of best practices and disseminate updates on local revenue enhancement practices will be held in the subsequent quarters
<i>Performance Indicators:</i>			
Percentage change in annual local revenue performance (MC)	20.6	0	
Percentage change in annual local revenue performance (Districts)	2.1	0	
No. of LGs provided with skills to establish local revenue databases	36	16	
No. of LGs provided with skills in the collection of property rates	22	8	
No. of LGs applying Best Practices in Local revenue collection	58	0	

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<i>Vote, Vote Function Key Output</i>	Approved Budget and Planned outputs	Cumulative Expenditure and Performance	Status and Reasons for any Variation from Plans
<i>Output Cost:</i>	US\$ Bn: 0.804	US\$ Bn: 0.186	% Budget Spent: 23.1%
Output: 135304	Equitable Distribution of Grants to LGs		
<i>Description of Performance:</i>	Organize and Facilitate negotiations between LGs and sector Ministries and disseminate the agreements on conditions for utilization of conditional grants and implement relevant recommendations	Local government negotiations were carried out between Local Governments and 7 sector Ministries and agreements on are being finalized. One meeting of the Local government budget committee was held to discuss Terms of reference on Equalization grants and benefits of extending grants to Lower Local governments	No variations
	Provide support to 3 LGBC meetings	Terms of reference for assessment of the extent of implementation of extension of grants to LLGs were developed and the questioner is being finalized	
	Assess the extent of implementation of extension of grants to LLGs and document lessons learnt		
<i>Performance Indicators:</i>			
Proportion of unconditional grant compared to total transfers to LGs	4.5	4.5	
Number of negotiation forums held		0	
Number of agreements between UNAT and Sectors implemented	7	7	
<i>Output Cost:</i>	US\$ Bn: 0.703	US\$ Bn: 0.134	% Budget Spent: 19.1%
Vote Function Cost	US\$ Bn: 4.529	US\$ Bn: 0.997	% Budget Spent: 22.0%
Cost of Vote Services:	US\$ Bn: 4.529	US\$ Bn: 0.997	% Budget Spent: 22.0%

* Excluding Taxes and Arrears

An over view of the funds for quarter one shows that development funds have low absorption capacity because of long procurement process.

Table V2.2: Implementing Actions to Improve Vote Performance

Planned Actions:	Actual Actions:	Reasons for Variation
Vote: 147 Local Government Finance Comm		
Vote Function: 13 53 Coordination of Local Government Financing		
Hold midterm review with 7 sectors on the implementation of agreements on the conditions for utilization of conditional grants	Held midterm review with 7 sectors on the implementation of agreements on the conditions for utilization of conditional grants	No Variations
Hold stakeholders meeting on LG budgets and transfers.	1 stakeholders meeting on LG budgets and transfers was held	
Assess the benefits of extension of grants to LLGs	Concept note on effectiveness of Equalization Grants and benefits of extending grants to lower local governments was developed	
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Vote Function: 13 53 Coordination of Local Government Financing		
Support 30 LGs on establishing fiscal database management systems	16 LGs were supported to establish local revenue databases	No Variations
Continue with provision of technical support on the process of collection of property rates	8 LGs were supported in the process of collection of property rates One Local Revenue Enhancement Coordinating Committee was held to	

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Planned Actions:	Actual Actions:	Reasons for Variation
	discuss the proposed review of the legal provisions for local revenue collection	

V3: Details of Releases and Expenditure

This section provides a comprehensive summary of the outputs delivered by the Vote and further details of Vote expenditures by Vote Function and Expenditure Item.

Table V3.1: GoU Releases and Expenditure by Output*

Billion Uganda Shillings	Approved Budget	Released	Spent	% GoU Budget Released	% GoU Budget Spent	% GoU Releases Spent
VF:1353 Coordination of Local Government Financing	4.53	1.14	1.00	25.2%	22.0%	87.4%
<i>Class: Outputs Provided</i>	4.26	1.07	0.99	25.2%	23.1%	91.8%
135301 Human Resource Management	1.27	0.32	0.31	25.1%	24.4%	97.3%
135302 LGs Budget Analysis	0.30	0.08	0.07	26.0%	23.6%	91.1%
135303 Enhancement of LG Revenue Mobilisation and Generation	0.80	0.20	0.19	24.6%	23.1%	93.8%
135304 Equitable Distribution of Grants to LGs	0.70	0.18	0.13	25.6%	19.1%	74.6%
135305 Institutional Capacity Maintenance and Enhancement	1.19	0.30	0.29	25.3%	24.1%	95.2%
<i>Class: Capital Purchases</i>	0.27	0.07	0.01	25.0%	4.4%	17.7%
135375 Purchase of Motor Vehicles and Other Transport Equipment	0.27	0.07	0.01	25.0%	4.4%	17.7%
Total For Vote	4.53	1.14	1.00	25.2%	22.0%	87.4%

* Excluding Taxes and Arrears

Table V3.2: 2015/16 GoU Expenditure by Item

Billion Uganda Shillings	Approved Budget	Releases	Expenditure	% Budget Released	% Budget Spent	% Releases Spent
Output Class:	0.00	0.00	0.00	N/A	N/A	N/A
321204	0.00	0.00	0.00	N/A	N/A	N/A
Output Class: Outputs Provided	4.26	1.07	0.99	25.2%	23.1%	91.8%
211101 General Staff Salaries	1.12	0.28	0.28	25.0%	24.8%	99.4%
211103 Allowances	0.34	0.08	0.08	25.0%	25.0%	100.0%
212101 Social Security Contributions	0.09	0.02	0.01	25.0%	15.9%	63.8%
213001 Medical expenses (To employees)	0.01	0.00	0.00	25.0%	12.8%	51.2%
213002 Incapacity, death benefits and funeral expenses	0.01	0.00	0.00	25.0%	24.4%	97.7%
213004 Gratuity Expenses	0.28	0.07	0.06	25.0%	21.4%	85.7%
221001 Advertising and Public Relations	0.01	0.00	0.00	25.0%	25.0%	100.0%
221002 Workshops and Seminars	0.22	0.05	0.04	25.0%	19.9%	79.8%
221003 Staff Training	0.05	0.01	0.01	25.0%	24.9%	99.7%
221004 Recruitment Expenses	0.01	0.00	0.00	38.2%	24.2%	63.3%
221006 Commissions and related charges	0.34	0.09	0.08	25.0%	22.6%	90.4%
221007 Books, Periodicals & Newspapers	0.01	0.00	0.00	25.0%	18.7%	74.7%
221008 Computer supplies and Information Technology (IT)	0.01	0.00	0.00	25.0%	1.0%	4.1%
221009 Welfare and Entertainment	0.02	0.01	0.01	25.0%	25.0%	100.0%
221011 Printing, Stationery, Photocopying and Binding	0.01	0.00	0.00	25.0%	0.0%	0.0%
221012 Small Office Equipment	0.00	0.00	0.00	25.0%	0.0%	0.0%
221016 IFMS Recurrent costs	0.00	0.00	0.00	25.0%	1.3%	5.1%
221017 Subscriptions	0.00	0.00	0.00	25.0%	25.0%	100.0%
222001 Telecommunications	0.04	0.01	0.01	25.0%	25.0%	100.0%
222003 Information and communications technology (ICT)	0.00	0.00	0.00	25.0%	0.0%	0.0%
223003 Rent – (Produced Assets) to private entities	0.19	0.05	0.05	25.0%	25.0%	100.0%
223005 Electricity	0.01	0.00	0.00	25.0%	0.0%	0.0%
223006 Water	0.00	0.00	0.00	25.0%	25.0%	100.0%
223901 Rent – (Produced Assets) to other govt. units	0.20	0.05	0.05	25.0%	25.0%	100.0%
224004 Cleaning and Sanitation	0.02	0.01	0.01	38.0%	26.4%	69.4%
225001 Consultancy Services- Short term	0.38	0.09	0.07	25.0%	17.9%	71.8%
225002 Consultancy Services- Long-term	0.14	0.03	0.03	25.0%	23.4%	93.5%
227001 Travel inland	0.62	0.16	0.16	25.0%	25.0%	100.0%
227002 Travel abroad	0.04	0.01	0.01	25.0%	24.1%	96.3%
227004 Fuel, Lubricants and Oils	0.05	0.01	0.01	25.0%	25.0%	100.0%
228002 Maintenance - Vehicles	0.06	0.02	0.02	33.0%	24.5%	74.2%
Output Class: Capital Purchases	0.31	0.07	0.01	21.8%	3.9%	17.7%

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<i>Billion Uganda Shillings</i>	Approved Budget	Releases	Expend-iture	% Budget Released	% Budget Spent	%Releases Spent
231004 Transport equipment	0.27	0.07	0.01	25.0%	4.4%	17.7%
312204 Taxes on Machinery, Furniture & Vehicles	0.04	0.00	0.00	0.0%	0.0%	N/A
Grand Total:	4.57	1.14	1.00	25.0%	21.8%	87.4%
Total Excluding Taxes and Arrears:	4.53	1.14	1.00	25.2%	22.0%	87.4%

Table V3.3: GoU Releases and Expenditure by Project and Programme*

<i>Billion Uganda Shillings</i>	Approved Budget	Released	Spent	% GoU Budget Released	% GoU Budget Spent	% GoU Releases Spent
VF:1353 Coordination of Local Government Financing	4.53	1.14	1.00	25.2%	22.0%	87.4%
<i>Recurrent Programmes</i>						
01 Headquarters	4.26	1.07	0.99	25.2%	23.1%	91.8%
<i>Development Projects</i>						
0389 Support LGFC	0.27	0.07	0.01	25.0%	4.4%	17.7%
Total For Vote	4.53	1.14	1.00	25.2%	22.0%	87.4%

* Excluding Taxes and Arrears

Table V3.4: Donor Releases and Expenditure by Project and Programme*