

Vote: 788 Lugazi Municipal Council

Structure of Performance Contract

PART A: PERFORMANCE REQUIREMENTS OF ACCOUNTING OFFICERS

PART B: SUMMARY OF DEPARTMENT PERFORMANCE AND WORKPLANS

Pursuant to the Public Financial Management Act of 2015, Part VII – Accounting and Audit, Section 45 (3), the Accounting Officer shall enter into an annual budget performance contract with the Permanent Secretary/Secretary to the Treasury.

The performance contract consists of two parts – Part A and Part B. Part A outlines the core performance requirements which my performance as an Accounting Officer will be assessed, in two areas:

1. Budgeting, Financial Management and Accountability, which are common for all Votes; and
2. Achieving Results in five Priority Programmes and Projects identified for the specific Vote

I understand that Central Government Accounting Officers will communicate their 5 priorities of the vote within the start of the Financial Year and the priorities for local governments will be established centrally.

Part B sets out the key results that a Vote plans to achieve in 2017/18. These take the form of summaries of Ministerial Statements (MPS) for central government AOs and budget narrative summaries for Local government AOs.

I hereby undertake, as the Accounting Officer, to achieve the performance requirements set out in Part A of this performance contract and to deliver on the outputs and activities specified in the work plan of the Vote for FY 2017/18 subject to the available budgeted resources set out in Part B.

I, as the Accounting Officer, shall be responsible and personally accountable to Parliament for the activities of this Vote. I shall also be personally accountable for a function or responsibility that is delegated, inclusive of all work performed or controlled by me that I have authority and control over.

I understand that my performance will be assessed to ascertain whether I have met the requirements specified under the performance contract.

I also undertake to prepare and submit quarterly financial and physical performance progress reports to the Minister of Planning and Economic Development on the outputs set out in the workplans, and to provide quarterly workplan progress reports by the specified deadlines (PFM Act of 2015, Section 16(1) and 21(3)). I understand that the Ministry of Planning and Economic Development will not disburse funds unless it has received complete submissions of the annual performance reports.

I commit to adhering to the responsibilities laid out in the letter appointing me as an Accounting Officer from the Permanent Secretary/Secretary to the Treasury for FY 2017/18.

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I understand that failure to comply with these requirements will result in my appointment as an Accounting Officer

Name and Signature:

Name and Signature:

Town Clerk/Accounting Officer

Permanent Secretary / Secretary to

Lugazi Municipal Council

MoFPED

Signed on Date: _____

Signed on Date: _____

PART A: PERFORMANCE REQUIREMENTS OF ACCOUNTING OFFICERS

Part A outlines the core performance requirements against which my performance as an Accounting Officer will be assessed

1. Budgeting, Financial Management and Accountability, which are common for all Votes; and
2. Achieving Results in five Priority Programmes and Projects identified for the specific Vote

PERFORMANCE AREA #1: Budgeting, Financial Management and Accountability

Preamble: All Accounting Officers are expected to perform their job responsibilities in accordance with the Public Finance (PFM) Act 2015 and the Public Procurement and Disposal Act (PPDA) 2003 along with the Constitution and other laws of the Republic of Uganda.

Accounting officers will be required to perform and their performance will be assessed annually in the following areas:

1.1 Adherence to Budget Requirements: Adherence to key budget requirements specified by MoFPED in the various CIPs for budget preparation. For local governments, this also includes adherence to budget requirements agreed between local governments and ministries responsible for sector conditional and unconditional grants and the Discretionary Development Equalisation Grants.

1.2 Complete and timely submission of budget documents: Sector Budget Framework Paper, Ministerial Policy Statement, detailed budget estimates, annual cashflow plan, annual recruitment plan, annual procurement plans, accounting warrants and procurement plans that are submitted on time in accordance with the designated due date

1.3 Open and Transparent Procurement: Annual procurement plans and required information on tender prepared and posted on procurement portal.

1.4 Prompt Processing of Payments: Monthly salaries, wages, invoices, certificates and pensions on time in accordance with the due date.

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Public Accounts Committee.

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PERFORMANCE AREA #2: Achieving Results in Priority Projects and Programs

Preamble: Accounting Officers are held accountable and are expected to oversee the implementation and delivery of physical projects and programs regardless of their stage and/or status. An Accounting Officer's performance in the planning and implementation of five priority Programmes and projects will be assessed

Central Government Accounting Officers must identify and specify five priority programmes (recurrent) or major infrastructure (capital development) for their individual Votes and list them at the beginning of this Performance Contract. The top 5 projects or programs, should be the ones that contribute significantly to the achievement of sectoral or national goals. They will be selected on the basis of their size and/or policy priority.

It is critically important for AOs to track the performance of these Projects/programmes and ensure they are managed effectively.

For each priority Programme or Project, Accounting Officers will be assessed on performance in the following areas:

2.1 Alignment of plans with Policy: The alignment of priority Programmes and Projects workplans with vote, sectoral and national strategies (NDP).

2.2 Achievement of planned results: The extent to which annual key performance indicators and targets are achieved for key programs

2.3 Timely and Predictable Implementation: The consistency of actual expenditures with budgeted cash flow and procurement degree to which results are achieved within budget and without cost overruns

2.4 Procurement and Project Management: Adherence to all aspects of the PPDA Act and Regulations for procurements and Programme/Project expenditure.

2.5 Monitoring & Follow Up: The adequacy and timeliness of information on priority Programmes and Projects in vote quarterly and evaluation reports; follow up on performance issues identified relating to the Programme/Project identified via monitoring, audit and feedback processes.

NOTE:

Accounting Officers' performance will be assessed annually. MoFPED will distribute compliance and assessment tools to Accounting Officers within three months of the start of the financial year. These tools will set out how Accounting Officers can comply with requirements and how they will be assessed.

National priorities for Local Governments will be identified centrally in consultation with the Local Government Association, Prime Minister, National Planning Authority and Ministry of Local Government.

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PART B: SUMMARY OF DEPARTMENT PERFORMANCE AND WORKPLANS

Executive Summary

Revenue Performance and Plans

US\$ 000's	2016/17		2017/18 Approved Budget
	Approved Budget	Receipts by End March	
1. Locally Raised Revenues	1,345,496	589,591	1,345,496
2a. Discretionary Government Transfers	1,202,194	1,008,692	1,202,194
2b. Conditional Government Transfers	3,715,014	2,983,785	3,715,014
2c. Other Government Transfers		0	
Total Revenues	6,262,704	4,582,068	6,262,704

Planned Revenues for 2017/18

In Financial Year 2017/18, the Local Government expects to receive a total of 7,155,364,000 shillings which is more than the expected revenues for the Financial Year 2016/17. The increase is mainly attributed to the Uganda Vendors' Entrepreneurship Program and Youths Livelihood Program funds which had not been planned for but have now been budgeted for next Financial Year.

Expenditure Performance and Plans

US\$ 000's	2016/17		2017/18 Approved Budget
	Approved Budget	Actual Expenditure by end of March	
1a Administration	1,388,058	650,335	1,324,650
2 Finance	434,555	230,591	360,492
3 Statutory Bodies	227,129	162,133	361,737
4 Production and Marketing	47,726	43,332	183,225
5 Health	410,792	255,829	329,463
6 Education	3,022,212	2,448,652	3,701,819
7a Roads and Engineering	452,014	334,247	411,466
7b Water	0	0	0
8 Natural Resources	20,415	17,612	21,739
9 Community Based Services	181,534	47,130	369,135
10 Planning	47,199	10,742	59,887
11 Internal Audit	31,069	16,451	31,750

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Executive Summary

This is mainly because of the planned increase in Revenues and hence planned expenditure on Women Entrepreneurship and Youth Livelihood Programs. The biggest proportion of planned expenditure will be on followed by Non-wage recurrent.

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A. Revenue Performance and Plans

Conditional, Discretionary Transfers and other Revenues to the Local Government

UShs 000's	2016/17		2017/18
	Approved Budget	Receipts by End March	Approved Budget
1. Locally Raised Revenues	1,345,496	589,591	
Other Fees and Charges	38,960	23,209	
Advertisements/Billboards	15,610	13,590	
Agency Fees		0	
Business licences	307,197	167,195	
Fees from appeals	3,602	0	
Liquor licences	3,461	2,903	
Local Government Hotel Tax	5,000	3,722	
Local Service Tax	249,458	115,443	
Market/Gate Charges	65,700	27,513	
Other licences	51,913	14,684	
Park Fees	224,338	54,238	
Sale of non-produced government Properties/assets	4,014	1,000	
Public Health Licences	12,500	3,394	
Registration (e.g. Births, Deaths, Marriages, etc.) Fees	8,000	13,013	
Rent & Rates from other Gov't Units	28,410	18,629	
Rent & Rates from private entities	254,445	97,721	
Property related Duties/Fees	41,808	33,337	
Lock-up Fees	31,082	0	
2a. Discretionary Government Transfers	1,202,194	1,008,692	
Urban Unconditional Grant (Wage)	390,417	292,813	
Urban Discretionary Development Equalization Grant	428,186	428,186	
Urban Unconditional Grant (Non-Wage)	383,591	287,693	
2b. Conditional Government Transfers	3,715,014	2,983,785	
Development Grant	116,826	116,826	
Gratuity for Local Governments		0	
Transitional Development Grant	150,000	150,000	
Sector Conditional Grant (Wage)	2,533,571	2,146,380	
Sector Conditional Grant (Non-Wage)	914,618	570,579	

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A. Revenue Performance and Plans

be collected in the approved budget of FY 2016/17. This slight reduction in expected locally raised revenue is attributed to a decrease in some specific sources as informed by forecasts from the recent revenue mapping exercise that led to the new revenue register.

(ii) Central Government Transfers

Overall, Central Government Transfers planned for FY 2017/18 are expected to increase by 18 percent from the plan for FY 2016/17 Budget. The increase is attributed to some additional revenues like Pension arrears and gratuity for local governments, among others. However, Other Government Transfers are expected to reduce mainly due to a reduction in Indicative Planning Figures issued by Central Government.

(iii) Donor Funding

None; but UNICEF promised to give us money for birth registration for children under five years but the IPF is not allocated to Municipal Council

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Summary: Department Performance and Plans by Workplan

Workplan 1a: Administration

(i) Overview of Workplan Revenue and Expenditures

<i>US\$ Thousand</i>	2016/17	2017/18
	Approved Budget	Approved Budget
A: Breakdown of Workplan Revenues:		
<i>Recurrent Revenues</i>	<i>1,009,679</i>	<i>1,172,433</i>
Gratuity for Local Governments	0	47,939
Locally Raised Revenues	127,502	125,015
Multi-Sectoral Transfers to LLGs	665,990	608,867
Urban Unconditional Grant (Non-Wage)	25,791	79,526
Urban Unconditional Grant (Wage)	190,396	311,088
<i>Development Revenues</i>	<i>378,379</i>	<i>152,217</i>
Multi-Sectoral Transfers to LLGs	190,321	152,217
Transitional Development Grant	150,000	
Urban Discretionary Development Equalization Grant	38,058	
Total Revenues	1,388,058	1,324,650
B: Breakdown of Workplan Expenditures:		
<i>Recurrent Expenditure</i>	<i>1,009,679</i>	<i>1,172,433</i>
Wage	190,396	311,088
Non Wage	819,283	861,346
<i>Development Expenditure</i>	<i>378,379</i>	<i>152,217</i>
Domestic Development	378,379	152,217
Donor Development	0	0
Total Expenditure	1,388,058	1,324,650

2016/17 Revenue and Expenditure Performance up to March

Cumulatively, the department has so far received 61 percent of the total planned revenues in the annual approved budget of Financial Year 2016/17 which is lower than the expected 75 percent by end of Quarter three. This performance in revenue is attributed mainly to many revenue sources underperforming. Notably, Multisectoral Transfers to Lower Local Governments (LLGs) where many LLGs allocated less funds to administration department than what had been planned in the approved budget. However, some revenue sources performed at more than 100 percent level like Urban Unconditional Grant - Wage where some staff were paid arrears which had not been planned for. It should be noted that the department received 75% of the planned funds

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Workplan 1a: Administration

phased construction of administration block were planned for under Roads and Engineering.

The department expects to spend all the funds received and the biggest proportion will be spent on Non Wa expenditures. Planned expenditure is lower than the level of Financial Year 2016/17 due to the reasons given

(ii) Summary of Past and Planned Workplan Outputs

Function, Indicator	2016/17		2017/18
	Approved Budget and Planned outputs	Expenditure and Performance by End March	Approved and Planned outputs
Function: 1381 District and Urban Administration			
%age of LG establish posts filled	50	43	75
%age of staff appraised	50	98	99
%age of staff whose salaries are paid by 28th of every month	2	99	99
%age of pensioners paid by 28th of every month		0	99
No. (and type) of capacity building sessions undertaken	2	3	3
Availability and implementation of LG capacity building policy and plan	yes	no	yes
No. of monitoring visits conducted	3	3	4
No. of monitoring reports generated	3	2	4
%age of staff trained in Records Management		5	50
No. of computers, printers and sets of office furniture purchased	40	0	15
No. of existing administrative buildings rehabilitated	1	0	0
No. of administrative buildings constructed		0	1
Function Cost (US\$ '000)	1,388,058	650,335	1,324,000
Cost of Workplan (US\$ '000):	1,388,058	650,335	1,324,000

2016/17 Physical Performance up to March

Salaries were paid on time. Monitoring was done and multi sector transfers to lower local governments were made. Staff skills enhancement was done under Capacity Building and revenue raised.

Planned Outputs for 2017/18

Administration as a department intends to ensure salaries and Pension/Gratuity are paid to all eligible staff, and to monitor and supervise decentralized services.

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Workplan 1a: Administration

refused to sit in council meetings. Several Court cases will emerge and the Municipality is paying court awards which affects service delivery.

2. Inadequate Office Space

The Municipality is housed by Mr. Kulubya under lease arrangements. Several staff share the offices despite the different schedule of duties however this has been budgeted for and construction will begin any time FY 2018.

3. Limited funds to run the department

Most funds have been used to pay council activities leaving the department with limited funds and hence hindering service delivery.

Workplan 2: Finance

(i) Overview of Workplan Revenue and Expenditures

<i>US\$ Thousand</i>	2016/17	2017/18
	Approved Budget	Approved Budget
A: Breakdown of Workplan Revenues:		
<i>Recurrent Revenues</i>	350,026	211,636
Locally Raised Revenues	103,144	102,377
Multi-Sectoral Transfers to LLGs	73,826	
Urban Unconditional Grant (Non-Wage)	49,126	30,000
Urban Unconditional Grant (Wage)	123,930	79,258
<i>Development Revenues</i>	84,530	148,857
Multi-Sectoral Transfers to LLGs	73,826	137,136
Urban Discretionary Development Equalization Grant	10,704	11,721
Total Revenues	434,555	360,492
B: Breakdown of Workplan Expenditures:		
<i>Recurrent Expenditure</i>	350,026	211,636
Wage	123,930	79,258
Non Wage	226,096	132,377
<i>Development Expenditure</i>	84,530	148,857
Domestic Development	84,530	148,857
Donor Development	0	0
Total Expenditure	434,555	360,492

2016/17 Revenue and Expenditure Performance up to March

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Workplan 2: Finance

Department Revenue and Expenditure Allocations Plans for 2017/18

The department expects to receive shillings 360,492,000 which is less than than the revenues in the planned for the Financial Year 2016/17 . This is partly because of Urban Unconditional Grant (wage) where the muni planning staff have been planned for separately (not under finance).

All the department's expected revenues will be spent on various planned activities aimed at achieving the over targets already set. The biggest portion of expenditure will be on non Wage recurrent. The development expenditure in the department will be done by Lower Local Governments.

(ii) Summary of Past and Planned Workplan Outputs

Function, Indicator	2016/17		2017/18
	Approved Budget and Planned outputs	Expenditure and Performance by End March	Approved and Planned outputs
Function: 1481 Financial Management and Accountability(LG)			
Date for presenting draft Budget and Annual workplan to the Council	31/05/2017	31/03/2017	30/03/2017
Date for submitting annual LG final accounts to Auditor General	31/08/2016	31/08/2016	31/08/2016
Date for submitting the Annual Performance Report	30/08/2016	30/03/2017	30/08/2016
Value of LG service tax collection	249457528	22490000	262371000
Value of Hotel Tax Collected	400000	800000	12500000
Value of Other Local Revenue Collections	5000000	1000000	14556070
Date of Approval of the Annual Workplan to the Council	31/05/2016	31/05/2016	30/05/2016
Function Cost (US\$ '000)	434,556	230,591	360,492
Cost of Workplan (US\$ '000):	434,556	230,591	360,492

2016/17 Physical Performance up to March

Production of Financial statements for Financial Year 2016/17 and submitted to office of the Auditor General

Annual and monthly financial Reports made and submitted to various relevant stakeholders.

Distributed copies of the approved estimates for 2016/17 to all stakeholders.

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Workplan 2: Finance

None known at the moment.

(iv) The three biggest challenges faced by the department in improving local government services

1. Inadequate Office Space

The department and generally the Municipality lacks enough space.

2. Lack of Transport means for the department.

The Department does not have a functional motor vehicle hence making it difficult for local revenue mobilization the entire Municipality.

3. Inadequate Funding

The funds allocated to the department are not adequate enough to carry out all the expected activities.

Workplan 3: Statutory Bodies

(i) Overview of Workplan Revenue and Expenditures

<i>US\$ Thousand</i>	2016/17	2017/18
	Approved Budget	Approved Budget
	Outturn by end March	
A: Breakdown of Workplan Revenues:		
<i>Recurrent Revenues</i>	227,129	162,133
Locally Raised Revenues	58,395	40,971
Multi-Sectoral Transfers to LLGs		0
Urban Unconditional Grant (Non-Wage)	163,643	106,339
Urban Unconditional Grant (Wage)	5,091	14,822
Total Revenues	227,129	162,133
B: Breakdown of Workplan Expenditures:		
<i>Recurrent Expenditure</i>	227,129	162,133
Wage	5,091	14,822
Non Wage	222,038	147,310
<i>Development Expenditure</i>	0	0
Domestic Development	0	0
Donor Development	0	0
Total Expenditure	227,129	162,133

2016/17 Revenue and Expenditure Performance up to March

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Workplan 3: Statutory Bodies

Department Revenue and Expenditure Allocations Plans for 2017/18

The department's expects to receive shs. 361,737,000/= from varous revenue sources in Financial Year 2017/18 is more than that of financial year 2016/2017 because funds for support services (Salaries for elected leaders, t gratuity and council general operations) have been increased as per the Indicative Planninmg Figures (IPFs) Finance ministry.

(ii) Summary of Past and Planned Workplan Outputs

Function, Indicator	2016/17		2017/18
	Approved Budget and Planned outputs	Expenditure and Performance by End March	Approved and Planned outputs
Function: 1382 Local Statutory Bodies			
No.of Auditor Generals queries reviewed per LG	4	1	2
No. of LG PAC reports discussed by Council	16	1	4
No of minutes of Council meetings with relevant resolutions	6	3	6
No. of Land board meetings	4	2	0
No. of land applications (registration, renewal, lease extensions) cleared	4	1	0
Function Cost (UShs '000)	227,129	162,133	361,737
Cost of Workplan (UShs '000):	227,129	162,133	361,737

2016/17 Physical Performance up to March

Municipal contracts committee held meeting to approve the pending works in the unit. MEC meetings have been held, council and committee meetings too and monitoring by MEC to council project - Biyinzika drainage

Planned Outputs for 2017/18

The department plans to recruit staff as guided by Town Clerks office, Fullfill contracts committee and Land Meetings to e held, Council sittings and sector committee meetings to be held.

(iii) Details of Off-Budget Activities carried out by NGOs, Central Government, the Private Sector and

No off-budget activties known to the department by now.

(iv) The three biggest challenges faced by the department in improving local government services

1. Underfunding

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Workplan 3: Statutory Bodies

Due to limited office space when council businesses will be conducted some office are displaced and this affects delivery and yet urban authorities demand more services compared to lower local Governments.

Workplan 4: Production and Marketing

(i) Overview of Workplan Revenue and Expenditures

<i>UShs Thousand</i>	2016/17		2017/18
	Approved Budget	Outturn by end March	Approved Budget
A: Breakdown of Workplan Revenues:			
<i>Recurrent Revenues</i>	47,726	43,332	109,783
Locally Raised Revenues	3,377	3,908	56,309
Sector Conditional Grant (Non-Wage)	18,611	13,959	19,520
Sector Conditional Grant (Wage)	25,000	25,466	33,954
Urban Unconditional Grant (Non-Wage)	738	0	
<i>Development Revenues</i>		0	73,442
Urban Discretionary Development Equalization Grant		0	73,442
Total Revenues	47,726	43,332	183,225
B: Breakdown of Workplan Expenditures:			
<i>Recurrent Expenditure</i>	47,726	43,332	109,783
Wage	25,000	25,466	33,954
Non Wage	22,726	17,866	75,829
<i>Development Expenditure</i>	0	0	73,442
Domestic Development	0	0	73,442
Donor Development	0	0	0
Total Expenditure	47,726	43,332	183,225

2016/17 Revenue and Expenditure Performance up to March

The department cumulatively received 91 percent of the annual planned revenues in the approved budget of the financial Year. This is higher than the would be expected 75 percent and is mainly attributed to wages for staff which had erroneously been underbudgeted for yet staff actually received more than what had been budgeted for. Furthermore, there was more locally raised revenue allocated to the sector and this was because the local government wanted to respond to emergencies like the Army war.

All funds received by the department were spent with wages taking the largest proportion of the department's expenditure.

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Workplan 4: Production and Marketing

Function, Indicator	2016/17		2017/18
	Approved Budget and Planned outputs	Expenditure and Performance by End March	Approved Budget and Planned outputs
Function: 0181 Agricultural Extension Services			
Function Cost (US\$ '000)	0	0	35,000
Function: 0182 District Production Services			
No. of Plant marketing facilities constructed	1	1	1
No. of livestock vaccinated	15000	4500	15000
No. of livestock by types using dips constructed		0	3
No. of livestock by type undertaken in the slaughter slabs		0	3
No. of fish ponds constructed and maintained	1	0	3
No. of fish ponds stocked		0	3
Quantity of fish harvested		0	1500
Number of anti vermin operations executed quarterly		0	2
No. of parishes receiving anti-vermin services		0	20
No. of tsetse traps deployed and maintained		0	4
Function Cost (US\$ '000)	40,000	38,252	73,000
Function: 0183 District Commercial Services			
No. of businesses inspected for compliance to the law		0	300
No. of businesses assisted in business registration process		0	100
No. of market information reports disseminated		0	12
No. of cooperatives assisted in registration	10	0	5
No. of tourism promotion activities mainstreamed in district development plans		0	4
No. of producer groups identified for collective value addition support		0	2
A report on the nature of value addition support existing and needed	no	no	
No. of Tourism Action Plans and regulations developed		0	1
Function Cost (US\$ '000)	7,726	5,080	73,000
Cost of Workplan (US\$ '000):	47,726	43,332	183,000

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Workplan 4: Production and Marketing

Planned Outputs for 2017/18

The department plans to procure equipment for storing and distributing semen to address the problem of livebreed improvement. We also intend to procure equipment and machinery for enabling improved livestock feeding and pest and disease control. The Municipal intends to address the knowledge and skill gaps in agro-husbandry practices at farm level through upscaling extension services under all sub-sectors. Efforts will also be directed towards control of pests and diseases, facilitating farmers access to improved inputs, planting and storage materials through the Operation Wealth Creation intervention. The Municipal intends to have four capacity building sessions to address performance gaps within the staff body, most of whom are newly recruited. Under the commercial services department, promotion of value addition, mobilisation of producer groups for bulk marketing and mobilisation for agri-business are going to be enhanced. Lastly, the district production office will also be supported to operate and execute its coordination and management role.

(iii) Details of Off-Budget Activities carried out by NGOs, Central Government, the Private Sector and other stakeholders

Under the Operation Wealth Creation intervention, the Central Government through the Municipal will support assorted improved technologies to farmers in the Municipal to spur increased production and productivity of enterprises like legumes and cereals, coffee, bananas, Horticulture, piggery, dairy and poultry, among others.

(iv) The three biggest challenges faced by the department in improving local government services

1. Understaffing

The department still lacks Officers at Principal level to man the Sub-sectors at Municipal level, a Senior Agricultural Engineer, an Entomologist, Veterinary Officers, Animal Husbandry Officer, and Assistant Agricultural Officer.

2. Lack of facilitation for field staff

There is no facilitation for the existing Division staffs. Facilitation for staff at Municipality level is also inadequate.

3. Lack of equipment and transport.

The department lacks both office and field equipment plus transport to implement agricultural extension services.

Workplan 5: Health

(i) Overview of Workplan Revenue and Expenditures

UShs Thousand		2016/17	2017/18
	Approved Budget	Outturn by end March	Approved Budget
A: Breakdown of Workplan Revenues:			

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Workplan 5: Health

Total Revenues	410,792	255,829	329,463
B: Breakdown of Workplan Expenditures:			
<i>Recurrent Expenditure</i>	<i>410,792</i>	<i>255,829</i>	<i>329,463</i>
Wage	248,481	193,750	258,333
Non Wage	162,312	62,079	71,130
<i>Development Expenditure</i>	<i>0</i>	<i>0</i>	<i>0</i>
Domestic Development	0	0	0
Donor Development	0	0	0
Total Expenditure	410,792	255,829	329,463

2016/17 Revenue and Expenditure Performance up to March

The department cumulatively received total revenues worth 62 percent of the planned revenues in the annual budget of financial year 2016/17, which is slightly less than the expected 75 percent level. This low revenue performance was mainly due to Lower local governments allocating less funds to activities under the Health than what was planned for due to prioritization of activities in other departments. However, it should be noted that the Urban Unconditional Grant (Non-Wage) performed at more than expected level due to emerging priorities in the department.

The department spent all the funds received and hence remained with no unspent balances. The biggest proportion of expenditure was on wages.

Department Revenue and Expenditure Allocations Plans for 2017/18

In financial Year 2017/18, the department expects to receive a total of shillings 329,463,000 which is lower than the revenues for FY 2016/2017 which is mainly attributed to a reduction in sector conditional Grant non wage from the Government as per the final Indicative planning figures. Further, this financial year; the ministry of Health plans to scrap off Development grant to Local Governments thereby affecting all development projects and hence the revenues expected.

The biggest proportion of the department expenditure will be on wages.

(ii) Summary of Past and Planned Workplan Outputs

<i>Function, Indicator</i>	2016/17		2017/18
	Approved Budget and Planned outputs	Expenditure and Performance by End March	Approved Budget and Planned outputs

Function: 0881 Primary Healthcare

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Workplan 5: Health

Function, Indicator	2016/17		2017/18
	Approved Budget and Planned outputs	Expenditure and Performance by End March	Approved Budget and Planned outputs
Value of essential medicines and health supplies delivered to health facilities by NMS	370000000	185000000	370000000
Value of health supplies and medicines delivered to health facilities by NMS	220000000	110000000	220000000
Number of outpatients that visited the NGO Basic health facilities	2000	1400	2000
Number of children immunized with Pentavalent vaccine in the NGO Basic health facilities	1800	1521	1800
Number of inpatients that visited the NGO Basic health facilities	600	860	600
No. and proportion of deliveries conducted in the NGO Basic health facilities	900	540	900
Number of trained health workers in health centers	85	50	85
No of trained health related training sessions held.	4	3	4
Number of outpatients that visited the Govt. health facilities.	11000	632	11000
Number of inpatients that visited the Govt. health facilities.	2000	541	2000
No and proportion of deliveries conducted in the Govt. health facilities	1700	541	1700
% age of approved posts filled with qualified health workers	85	40	85
% age of Villages with functional (existing, trained, and reporting quarterly) VHTs.	90	85	99
No of children immunized with Pentavalent vaccine	3000	1810	3000
No of new standard pit latrines constructed in a village	2	0	2
No of villages which have been declared Open Defecation Free(ODF)		0	120
No of standard hand washing facilities (tippy tap) installed next to the pit latrines	15	0	15

Vote: 788 Lugazi Municipal Council

Workplan 5: Health

2016/17 Physical Performance up to March

Routine immunization done in all 3 divisions, OPD services and public health sensitization; essential medical health supplies delivered to, health facilities by NMS; washing facilities (tippy tap) installed next to the pit

Planned Outputs for 2017/18

In 2017/2018, the following outputs have been planned. Community sensitization meetings held, Support supervision carried out, Salary to staff promptly paid, HIV/AIDS Activities carried out,

(iii) **Details of Off-Budget Activities carried out by NGOs, Central Government, the Private Sector and others:**
none

(iv) **The three biggest challenges faced by the department in improving local government services**

1. Cut off of the Development grant

The grant which the centre used to send to lower local Governments for Capital Developments in the health sector has since been scrapped off affecting development in the Health sector

2. Inadequate human resource

The department has only one staff at the headquarter thereby affecting performance;

3. Lack of transport facilities

The department is highly constrained in terms of transport facilities to facilitate movement within the municipality

Workplan 6: Education

(i) **Overview of Workplan Revenue and Expenditures**

<i>US\$ Thousand</i>	2016/17	2017/18
	Approved Budget	Approved Budget
	Outturn by end March	
A: Breakdown of Workplan Revenues:		
<i>Recurrent Revenues</i>	2,897,386	3,571,781
Locally Raised Revenues	5,510	39,478
Sector Conditional Grant (Non-Wage)	628,832	962,750
Sector Conditional Grant (Wage)	2,260,091	2,569,553
Urban Unconditional Grant (Non-Wage)	2,953	
<i>Development Revenues</i>	124,826	130,038
Development Grant	116,826	130,038

Vote: 788 Lugazi Municipal Council

Workplan 6: Education

Total Revenues	3,022,212	2,543,484	3,701,819
B: Breakdown of Workplan Expenditures:			
<i>Recurrent Expenditure</i>	2,897,386	2,426,650	3,571,781
Wage	2,260,091	1,927,156	2,569,553
Non Wage	637,295	499,494	1,002,228
<i>Development Expenditure</i>	124,826	22,002	130,038
Domestic Development	124,826	22,002	130,038
Donor Development	0	0	0
Total Expenditure	3,022,212	2,448,652	3,701,819

2016/17 Revenue and Expenditure Performance up to March

The Department cumulatively received a total worth 84 percent of the planned revenues in the annual approval of the current financial Year. This is higher than the expected 75 percent at the end of quarter three due to over performance in some revenue sources like Sector Conditional Grant (Wage) to cater for extra wages incurred erroneously not been considered at planning stage; local revenue funding at 85 percent to cater for facilitation activities which was done in quarter two; Development Grant at 100 percent which is due to Government policy to release all development grants by end of Quarter Three so that projects are completed by end of the Financial Year. Further, it is worth noting that funds under Education sector are released on term basis not just quarterly basis hence, more activities were allocated funds.

The department has cumulatively so far spent 81 percent of the annual planned expenditure in the annual approved budget. The remaining funds were to be spent on construction of classrooms whose and a few other development projects which are still ongoing.

The Department remained with unspent balance of shs. 94,832,000 which accounts for 3 percent of the annual planned expenditure.

Department Revenue and Expenditure Allocations Plans for 2017/18

Revenues will constitute conditional grants i.e UPE, USE, Salaries, SFG and local revenue plus unconditional grants and funds for capacity building development funds and expenditures will include on salaries, construction of classrooms, payment of teachers' salaries, school inspections, furniture, toilet construction .

The biggest proportion of planned expenditure will be on wages followed by non wage expenditure and donor development, respectively.

(ii) Summary of Past and Planned Workplan Outputs

Vote: 788 Lugazi Municipal Council

Workplan 6: Education

<i>Function, Indicator</i>	2016/17		2017/18
	Approved Budget and Planned outputs	Expenditure and Performance by End March	Approved Budget and Planned outputs
No. of textbooks distributed	150	0	100
No. of teachers paid salaries	413	413	413
No. of qualified primary teachers	413	413	413
No. of pupils enrolled in UPE	15450	15000	15450
No. of student drop-outs	113	24	20
No. of Students passing in grade one	140	140	200
No. of pupils sitting PLE	2604	2604	2604
No. of classrooms rehabilitated in UPE	2	0	4
No. of classrooms constructed in UPE		0	2
No. of latrine stances constructed	2	2	4
No. of latrine stances rehabilitated		0	4
No. of teacher houses constructed	1	0	2
No. of teacher houses rehabilitated		0	2
No. of primary schools receiving furniture	53	0	5
Function Cost (UShs '000)	2,384,182	1,901,840	3,002,000
Function: 0782 Secondary Education			
No. of students enrolled in USE	5537	500	5105
No. of teaching and non teaching staff paid	03	110	24
No. of students passing O level	1	0	200
No. of students sitting O level		0	600
Function Cost (UShs '000)	617,883	542,927	639,000
Function: 0784 Education & Sports Management and Inspection			
No. of primary schools inspected in quarter	44	36	44
No. of secondary schools inspected in quarter	9	5	9
No. of tertiary institutions inspected in quarter	4	0	0
No. of inspection reports provided to Council	1	1	4
Function Cost (UShs '000)	20,147	3,885	60,000

Vote: 788 Lugazi Municipal Council

Workplan 6: Education

5. PLE Exams successfully conducted

Planned Outputs for 2017/18

355 primary teachers to get salaries, 4 classrooms to be constructed, 5 stances to be constructed, schools to receive furniture, 25 secondary teachers to receive salaries.

(iii) Details of Off-Budget Activities carried out by NGOs, Central Government, the Private Sector and other stakeholders
provision of free midday meals to a few selected schools to work as prototypes and lobbying for more funding from the Government

(iv) The three biggest challenges faced by the department in improving local government services

1. *lack of transport facilities*

A big divergence between the actual and budgeted cost.

2. *High cost of service delivery*

Delivering services to the outlying islands is very expensive due to the high costs associated with it; allowance for fuel

3. *Inadequate textbooks*

The ratio of textbooks to pupils is 1:5

Workplan 7a: Roads and Engineering

(i) Overview of Workplan Revenue and Expenditures

<i>US\$ Thousands</i>	2016/17	2017/18
	Approved Budget	Approved Budget
A: Breakdown of Workplan Revenues:		
<i>Recurrent Revenues</i>	255,131	341,124
Locally Raised Revenues		82,638
Sector Conditional Grant (Non-Wage)	184,785	197,441
Urban Unconditional Grant (Non-Wage)	41,465	34,000
Urban Unconditional Grant (Wage)	28,881	27,045
<i>Development Revenues</i>	196,883	70,342
Locally Raised Revenues	50,000	
Urban Discretionary Development Equalization Grant	146,883	70,342

Vote: 788 Lugazi Municipal Council

Workplan 7a: Roads and Engineering

Total Revenues	452,014	601,593	411,466
B: Breakdown of Workplan Expenditures:			
<i>Recurrent Expenditure</i>	<i>255,131</i>	<i>43,247</i>	<i>341,124</i>
Wage	28,881	12,792	27,045
Non Wage	226,250	30,454	314,079
<i>Development Expenditure</i>	<i>196,883</i>	<i>291,000</i>	<i>70,342</i>
Domestic Development	196,883	291,000	70,342
Donor Development	0	0	0
Total Expenditure	452,014	334,247	411,466

2016/17 Revenue and Expenditure Performance up to March

The Department cumulatively received 133 percent of the planned revenues in the annual approved budget for year 2016/17 which is more than 75 percent expected by end of Quarter three. This high performance in revenue is attributed to the funds meant for installation of streetlights which had erroneously been planned for under other departments.

The department has so far cumulatively spent only 74 percent of the annual planned expenditure with expenditure on development taking the largest proportion. The unspent funds are waiting for completion of projects since payment has not been done completion.

Department Revenue and Expenditure Allocations Plans for 2017/18

In Financial Year 2017/18, department expects to receive a total revenue slightly less than the one planned for Financial Year 2016/17. The decrease is mainly as a result of change priorities yet the priorities now fall under other departments. For Urban Discretionary Development equalization Grant the scope of works planned for has decreased and hence the decrease in expected revenues.

Planned expenditure will mainly be on non wage recurrent followed by domestic development.

(ii) Summary of Past and Planned Workplan Outputs

<i>Function, Indicator</i>	2016/17		2017/18
	Approved Budget and Planned outputs	Expenditure and Performance by End March	Approved Budget and Planned outputs

Function: 0481 District, Urban and Community Access Roads

Vote: 788 Lugazi Municipal Council

Workplan 7a: Roads and Engineering

Function, Indicator	2016/17		2017/18
	Approved Budget and Planned outputs	Expenditure and Performance by End March	Approved Budget and Planned outputs
Length in Km of urban roads resealed		3	10
Length in Km. of urban roads upgraded to bitumen standard		0	10
Length in Km of Urban paved roads routinely maintained	500	0	500
Length in Km of Urban paved roads periodically maintained		0	20
Length in Km of urban unpaved roads rehabilitated	27	0	10
Length in Km of Urban unpaved roads routinely maintained	60	35	15
Length in Km of Urban unpaved roads periodically maintained		20	20
No. of bottlenecks cleared on community Access Roads		0	5
Function Cost (US\$ '000)	305,131	43,247	296,000
Function: 0483 Municipal Services			
No of streetlights installed	20	20	10
Function Cost (US\$ '000)	146,883	291,000	115,000
Cost of Workplan (US\$ '000):	452,014	334,247	411,000

2016/17 Physical Performance up to March

Urban paved roads routinely maintained, Urban unpaved roads routinely maintained, urban unpaved roads rehabilitated, streetlights installed.

Planned Outputs for 2017/18

Maintenance of roads in the Municipality, Opening of roads in some areas, supervise construction of works on projects in the Municipality, and maintenance of the Municipal half road unit.

(iii) Details of Off-Budget Activities carried out by NGOs, Central Government, the Private Sector and

Maintenance of some municipality roads by Central Government's UNRA.

(iv) The three biggest challenges faced by the department in improving local government services

1. Inadequate funding

Vote: 788

Lugazi Municipal Council

Workplan 7a: Roads and Engineering

The current staffing structure caters for only the Senior Engineer, and engineering assistant (mechanical) yet several other staff required. Currently, it is only the Senior Engineer who is substantively appointed.

Workplan 7b: Water

(i) Overview of Workplan Revenue and Expenditures

2016/17 Revenue and Expenditure Performance up to March

Not Applicable

Department Revenue and Expenditure Allocations Plans for 2017/18

(ii) Summary of Past and Planned Workplan Outputs

2016/17 Physical Performance up to March

Not Applicable

Planned Outputs for 2017/18

(iii) Details of Off-Budget Activities carried out by NGOs, Central Government, the Private Sector and

(iv) The three biggest challenges faced by the department in improving local government services

1.

2.

3.

Workplan 8: Natural Resources

(i) Overview of Workplan Revenue and Expenditures

<i>UShs Thousand</i>		2016/17	2017/18
	Approved	Outturn by end	Approved

Vote: 788 Lugazi Municipal Council

Workplan 8: Natural Resources

Total Revenues	20,415	17,612	21,739
B: Breakdown of Workplan Expenditures:			
<i>Recurrent Expenditure</i>	3,528	9,622	21,739
Wage		0	0
Non Wage	3,528	9,622	21,739
<i>Development Expenditure</i>	16,887	7,990	0
Domestic Development	16,887	7,990	0
Donor Development	0	0	0
Total Expenditure	20,415	17,612	21,739

2016/17 Revenue and Expenditure Performance up to March

The department cumulatively received a total sum of shs 17,612,000/= which is 86 percent of the planned revenue in the approved budget which is more than the expected 75 percent by end of quarter three. This is mainly due to more of Urban Unconditional Grant (Non-Wage) was allocated to the department than what was planned for implementation and completion of activities in the sector in time. This forms part of the sector annual plans.

All funds received were spent and the biggest proportion of the department expenditure was on non wage.

Department Revenue and Expenditure Allocations Plans for 2017/18

In FY 2017/18, the department expects to receive a total revenue slightly higher than the level planned for in Financial Year 2016/17. The increase is due to allocation of more local revenue to address the identified priorities of the department. Overall, planned expenditure will mainly be on non wage expenditure. The department has substantively appointed staff and therefore no wage planned for.

(ii) Summary of Past and Planned Workplan Outputs

<i>Function, Indicator</i>	2016/17		2017/18
	Approved Budget and Planned outputs	Expenditure and Performance by End March	Approved Budget and Planned outputs

Function: 0983 Natural Resources Management

Vote: 788 Lugazi Municipal Council

Workplan 8: Natural Resources

Function, Indicator	2016/17		2017/18
	Approved Budget and Planned outputs	Expenditure and Performance by End March	Approved Budget and Planned outputs
No. of Wetland Action Plans and regulations developed		0	1
No. of community women and men trained in ENR monitoring	10	0	40
No. of monitoring and compliance surveys undertaken		0	4
Area (Ha) of trees established (planted and surviving)	1	0	1
Number of people (Men and Women) participating in tree planting days	20	0	20
No. of Agro forestry Demonstrations	1	0	1
No. of community members trained (Men and Women) in forestry management		0	10
No. of monitoring and compliance surveys/inspections undertaken		0	4
No. of Water Shed Management Committees formulated		0	2
Area (Ha) of Wetlands demarcated and restored		0	2
Function Cost (US\$ '000)	20,415	17,612	21,612
Cost of Workplan (US\$ '000):	20,415	17,612	21,612

2016/17 Physical Performance up to March

Sensitization on Forest Management Systems was done at Mabira Forest Reserve in Najjembe Division.

Training in ENR monitoring conducted

Trees planted

Tree planting days observed.

Planned Outputs for 2017/18

The planned outputs for the department are: well demarcated boundaries, environmental compliance monitoring, environmental sensitization and preserved environment, street furniture

(iii) Details of Off-Budget Activities carried out by NGOs, Central Government, the Private Sector and

preservation of wildlife in the entire municipality

(iv) The three biggest challenges faced by the department in improving local government services

Vote: 788 Lugazi Municipal Council

Workplan 8: Natural Resources

3. Understaffing

The department lacks enough staff members to assist in service delivery

Workplan 9: Community Based Services

(i) Overview of Workplan Revenue and Expenditures

<i>UShs Thousand</i>	2016/17	2017/18
	Approved Budget	Approved Budget
	Outturn by end March	
A: Breakdown of Workplan Revenues:		
<i>Recurrent Revenues</i>	132,483	55,297
Locally Raised Revenues	9,000	9,924
Multi-Sectoral Transfers to LLGs	68,712	560
Sector Conditional Grant (Non-Wage)	20,567	15,426
Urban Unconditional Grant (Non-Wage)	4,430	17,841
Urban Unconditional Grant (Wage)	29,774	11,546
<i>Development Revenues</i>	49,051	0
Locally Raised Revenues	25,265	0
Other Transfers from Central Government		0
Urban Discretionary Development Equalization Grant	23,786	0
Total Revenues	181,534	55,297
B: Breakdown of Workplan Expenditures:		
<i>Recurrent Expenditure</i>	132,483	47,130
Wage	29,774	11,546
Non Wage	102,709	35,584
<i>Development Expenditure</i>	49,051	0
Domestic Development	49,051	0
Donor Development	0	0
Total Expenditure	181,534	47,130

2016/17 Revenue and Expenditure Performance up to March

The department cumulatively received a total of shillings 55,297,000/= from various revenue sources making 30.4 percent (instead of 75 %) of the planned revenues in the annual approved budget of the current financial Year. The poor performance is because some individual revenue sources performed poorly. For instance wages for quarter one were erroneously paid for under administration but have now been rightly paid for under the department, hence a low cumulative performance. Lower Local Governments allocated very less funds to the community development than what had been planned for. Youth Livelihood program (YLP) and Uganda Women Empowerment Program (UWEP) are also underfunded.

Vote: 788 Lugazi Municipal Council

Workplan 9: Community Based Services

For FY 2017/18, the department expects to receive a total revenue that is 103 percent more than the planned for FY 2016/17. The increase in expected revenue is mainly because of Youths Livelihood Program (YLP) youths and UWEP grant to women since the local government received indicative planning figures this time unlike in the previous financial year. Expenditure will majorly be done on development development project Wage expenditure making the smallest proportion.

(ii) Summary of Past and Planned Workplan Outputs

Function, Indicator	2016/17		2017/18
	Approved Budget and Planned outputs	Expenditure and Performance by End March	Approved and Planned outputs
Function: 1081 Community Mobilisation and Empowerment			
No. of children settled		0	05
No. of Active Community Development Workers	1	3	6
No. FAL Learners Trained	150	0	250
No. of children cases (Juveniles) handled and settled	15	5	3
No. of Youth councils supported	4	0	01
No. of assisted aids supplied to disabled and elderly community	07	2	0
No. of women councils supported	04	0	2
Function Cost (US\$ '000)	181,534	47,130	369,000
Cost of Workplan (US\$ '000):	181,534	47,130	369,000

2016/17 Physical Performance up to March

FAL Learners Trained, children cases (Juveniles) handled and settled, Youth councils supported, women councils supported.

Planned Outputs for 2017/18

Implement the Youth Livelihood Project activities, support FAL classes, implement OVC and PWD related activities and mobilize communities for development activities.

(iii) Details of Off-Budget Activities carried out by NGOs, Central Government, the Private Sector and other donors

Non so far known.

(iv) The three biggest challenges faced by the department in improving local government services

Vote: 788 Lugazi Municipal Council

Workplan 9: Community Based Services

The department gets very little Locally raised revenue which hinders implementation of some planned activities.

Workplan 10: Planning

(i) Overview of Workplan Revenue and Expenditures

<i>US\$ Thousand</i>	2016/17	2017/18
	Approved Budget	Approved Budget
	Outturn by end March	
A: Breakdown of Workplan Revenues:		
<i>Recurrent Revenues</i>	32,333	52,855
Locally Raised Revenues	21,323	19,739
Urban Unconditional Grant (Non-Wage)	11,010	20,559
Urban Unconditional Grant (Wage)	0	12,557
<i>Development Revenues</i>	14,866	7,033
Urban Discretionary Development Equalization Grant	14,866	7,033
Total Revenues	47,199	59,887
B: Breakdown of Workplan Expenditures:		
<i>Recurrent Expenditure</i>	32,333	52,855
Wage	0	12,558
Non Wage	32,333	40,297
<i>Development Expenditure</i>	14,866	7,033
Domestic Development	14,866	7,033
Donor Development	0	0
Total Expenditure	47,199	59,887

2016/17 Revenue and Expenditure Performance up to March

The Department has so far received a total of shillings 10,742,000/= from the various revenue sources, which is 23 percent of the annual planned revenue of 47,199,000 in the approved budget. This performance is much lower than the expected 75 percent level at end of quarter three. This is because for revenues like Urban Discretionary Development Equalization Grant, it was agreed by executive committee that funds for quarter one and quarter two were prioritized in Roads and engineering sector first to complete street lights. The department would later receive funds for the whole financial year in quarter four.

The department spent all the funds received. As explained above, there was no development expenditure since the three quarters were prioritized in Roads department.

Department Revenue and Expenditure Allocations Plans for 2017/18

Vote: 788 Lugazi Municipal Council

Workplan 10: Planning

Function, Indicator	2016/17		2017/18
	Approved Budget and Planned outputs	Expenditure and Performance by End March	Approved Budget and Planned outputs
Function: 1383 Local Government Planning Services			
No of qualified staff in the Unit	01	0	2
No of Minutes of TPC meetings	3	3	12
Function Cost (UShs '000)	47,199	10,742	59,000
Cost of Workplan (UShs '000):	47,199	10,742	59,000

2016/17 Physical Performance up to March

1. Compiled OBT Report for first quarter (using the LGOBT) and Submitted to Ministry of Finance, Planning and Economic Development, OPM and Ministry of local Government.

2. Projects monitored by TC's Office, Planning and Finance departments.

3. MTPC carried and minutes in place

Planned Outputs for 2017/18

Reviewing 5 year Development plans, develop cell plans, Develop ward plans, Develop Division plans, develop BFPs, Contract form Bs, and quarterly report,, carrying out data collection, analysis and dissemination, carrying out monitoring and evaluation of projects, Holding budget conferences at Division level and Municipality level.

(iii) Details of Off-Budget Activities carried out by NGOs, Central Government, the Private Sector and other

The department does not expect any off-budget activities except monitoring and evaluation which is planned by the Administration

(iv) The three biggest challenges faced by the department in improving local government services

1. Understaffing

No inpost staff in the department.

2. Inadequate office space

The Office is overcrowded

3. Lack of transport facilities

The department does not have a vehicle for transport of staff and equipment to various locations of the municipality.

Vote: 788 Lugazi Municipal Council

Workplan 11: Internal Audit

<i>Recurrent Revenues</i>	27,501	16,451	27,061
Locally Raised Revenues	11,679	5,629	13,159
Urban Unconditional Grant (Non-Wage)	3,477	4,685	2,015
Urban Unconditional Grant (Wage)	12,345	6,137	11,887
<i>Development Revenues</i>	3,568	0	4,688
Urban Discretionary Development Equalization Grant	3,568	0	4,688
Total Revenues	31,069	16,451	31,750
B: Breakdown of Workplan Expenditures:			
<i>Recurrent Expenditure</i>	27,501	16,451	27,061
Wage	12,345	6,137	11,887
Non Wage	15,156	10,314	15,174
<i>Development Expenditure</i>	3,568	0	4,688
Domestic Development	3,568	0	4,688
Donor Development	0	0	0
Total Expenditure	31,069	16,451	31,750

2016/17 Revenue and Expenditure Performance up to March

The department has so far cumulatively received 53 percent of the Total planned revenues in the annual approved budget of the current financial year. The low performance is attributed to the fact that some grants like Urban Discretionary Development Equalization Grant for the first two quarters were prioritized in other sectors like health and technical services to take care of street lights but the funds for the entire financial year would be remitted to the department in subsequent quarters.

The department spent all the funds received and the biggest proportion of expenditure is on non wage recurrent expenditure.

Department Revenue and Expenditure Allocations Plans for 2017/18

The department's overall expected revenues for FY 2017/18 will be almost as much as what was planned for FY 2016/17, although there are a few adjustments in the individual revenue sources. Expenditure will include development from DDEG to purchase laptop for the department.

(ii) Summary of Past and Planned Workplan Outputs

<i>Function, Indicator</i>	2016/17		2017/18
	Approved Budget and Planned outputs	Expenditure and Performance by End March	Approved Budget and Planned outputs

Function: 1482 Internal Audit Services

Vote: 788 Lugazi Municipal Council

Workplan 11: Internal Audit

Planned Outputs for 2017/18

Carryout and produce Quarterly Internal Audit reports for both the Municipal and 3 Divisions and submit them to relevant authorities.

(iii) Details of Off-Budget Activities carried out by NGOs, Central Government, the Private Sector and

Non so far known

(iv) The three biggest challenges faced by the department in improving local government services

1. Inadequate Funding

The department is one of the least funded. Locally Raised revenue is always not remitted to the department and being planned for.

2. inadequate Transport Means

The office does not have sound transport means to reach all the cost centres while carrying out routine audits

3. Understaffing

The department currently has only one staff doing all the work.