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In any correspondence on  
This subject please quote No. BPD 86/107/04

2<sup>nd</sup> December 2020

The Internal Auditor General  
Ministry of Finance, Planning and Economic Development  
**KAMPALA**

## **NON REMITTANCE OF LOCAL REVENUE ADVANCES FOR QUARTER ONE FY 2020/21 AND FY 2019/20**

Section 30(1) of the Public Finance Management Act (PFM), 2015, stipulates that "All revenue or other monies raised or received for the purpose of the Government, shall be paid into and shall form part of the Consolidated Fund except the revenue specified in section 29(2) (b) and (3)"

Accordingly, locally raised revenue projections for FY 2020/21 and FY 2019/20 were part of the Appropriation by Parliament. Thus in July 2019 and July 2020, we issued Quarter one expenditure limits for FY 2019/20 and FY 2020/21 for this budget category as an advance to enable Local Governments undertake planned activities in their respective Local Governments as per the Circulars dated 10<sup>th</sup> July 2019 and 9<sup>th</sup> July 2020 communicating the Quarter One Expenditure Limits for FY 2019/20 and FY 2019/20 respectively.

However, this Ministry has analyzed the status of Local Revenue remittances to the Consolidated Fund as of 12<sup>th</sup> November 2020 and noted the following;

- (i) For the period ending 30<sup>th</sup> June 2020, 11 Local Governments did not remit any funds for Local Revenue to the Consolidated Fund for the entire FY 2019/20 (**copy attached**);
- (ii) Further analysis for the 11 Votes that did not remit any funds to the Consolidated Fund in FY 2019/20, shows that 5 of the 11 Local Governments that failed to Remit funds in FY 2019/20 have still not remitted to the Consolidated Fund, their Local Revenue advance for the FY 2020/21; and
- (iii) For advances issued in Quarter One FY 2020/21, 41 Local Governments have not remitted any funds for Local Revenue advanced to them in Quarter One FY 2020/21 to the Consolidated Fund (**copy attached**).

The purpose of this letter therefore, is to inform you as above and to request your office to undertake an Audit on the Local Governments that did not remit their Local Revenue collections to the consolidated fund in FY 2019/20 and Quarter One advances for FY

Mission

"To formulate sound economic policies, maximize revenue mobilization, ensure efficient allocation and accountability for public resources so as to achieve the most rapid and sustainable economic growth and development"

2020/21, with a view of establishing whether these Local Governments are not using the funds at source. **(Copy attached)**

By copy of this letter, all Accounting Officers of Local Government votes that did not remit any revenue to the Consolidated Fund in FY 2019/20 and have still not remitted their Q1 advance for FY 2020/21 to the holding account, are informed that they shall have no projections in their draft budget estimates to be submitted to Parliament by 1<sup>st</sup> April 2021.

Patrick Ocailap

**FOR: PERMANENT SECRETARY/SECRETARY TO THE TREASURY**

Copy to:     The Head of Public Service and Secretary to Cabinet  
                  The Hon. Minister of Finance, Planning and Economic Development  
                  The Hon. Minister of Local Government  
                  The Hon. Minister of State for Local Government  
                  The Permanent Secretary, Ministry of Local Government  
                  The Secretary, Local Government Finance Commission  
                  The District Chairpersons  
                  The District Resident Commissioners

Uganda  
Vision 2040

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*Mission*

*"To formulate sound economic policies, maximize revenue mobilization, ensure efficient allocation and accountability for public resources so as to achieve the most rapid and sustainable economic growth and development"*

**LOCAL REVENUE REMITTANCE PERFORMANCE FOR FY 2019/20**

Vote	Local Government	Revised Budget	Issued C/(Q1-Q4)	Amount	Local Revenue	LR Spent at	RECOVERED LR	%Recovered	Balance	%Unrecovered
566	Manafwa District	513,988,605	128,497,151	-	-	-	-	0%	128,497,151	100%
598	Kalungu District	793,366,224	198,341,556	-	-	-	-	0%	198,341,556	100%
600	Bukomansimbi District	163,977,787	45,203,391	-	-	-	-	0%	45,203,391	100%
614	Kakumiro District	5,339,137,568	115,375,986	-	-	-	-	0%	115,375,986	100%
615	Omoro District	1,957,839,917	105,757,000	-	-	-	-	0%	105,757,000	100%
617	Namisindwa District	7,255,236,271	62,500,000	-	-	-	-	0%	62,500,000	100%
619	Butebo District	3,295,879,898	35,000,000	-	-	-	-	0%	35,000,000	100%
623	Nabiatuk District	534,557,690	20,037,500	-	-	-	-	0%	20,037,500	100%
624	Bugweri District	1,213,415,761	34,321,279	-	-	-	-	0%	34,321,279	100%
628	Kikube District	4,721,877,072	276,211,201	-	-	-	-	0%	276,211,201	100%
629	Obongi District	796,821,801	199,205,450	-	-	-	-	0%	199,205,450	100%
632	Kitagwenda District	1,397,607,001	349,401,750	<b>29,990,000</b>	-	-	29,990,000	9%	319,411,750	91%
622	Bunyangabu District	5,157,385,179	119,865,149	-	-	14,621,035	14,621,035	12%	105,244,114	88%
634	Karanga District	928,132,882	232,449,888	<b>39,990,000</b>	-	-	39,990,000	17%	192,459,888	83%
522	Katakwi District	834,621,381	211,988,678	<b>47,970,000</b>	41,830	-	48,011,830	23%	163,976,848	77%
631	Rwampara District	734,212,704	383,106,352	<b>103,708,278</b>	-	-	103,708,278	27%	279,398,074	73%
626	Kwanja District	516,876,361	129,219,090	<b>37,257,000</b>	-	-	37,257,000	29%	91,962,090	71%
570	Amuru District	1,832,049,669	458,012,417	<b>149,590,000</b>	5,371,724	-	154,961,724	34%	303,050,693	66%
790	Kaphorwa Municipal Council	831,082,828	51,750,000	<b>17,689,000</b>	1,236	-	17,690,236	34%	34,059,764	66%
579	Bududa District	426,405,465	108,851,366	-	-	37,771,189	37,771,189	35%	71,080,177	65%
535	Mayuge District	774,321,519	484,367,616	<b>191,070,380</b>	65,571	-	191,135,951	39%	293,231,665	61%
594	Namayingo District	304,458,844	190,424,497	<b>79,333,731</b>	-	-	79,333,731	42%	111,090,766	58%
527	Kitgun District	415,693,851	259,808,657	<b>105,723,200</b>	5,066,034	-	110,789,234	43%	149,019,423	57%
618	Pakwach District	2,080,898,513	1,040,449,256	<b>396,049,931</b>	-	71,533,841	467,583,772	45%	572,865,484	55%
771	Holma Municipal Council	2,117,315,000	768,000,555	<b>317,910,000</b>	36,898,093	-	354,808,093	46%	413,192,462	54%
504	Bugiri District	662,117,561	226,323,476	<b>106,669,750</b>	4,577	-	106,674,327	47%	119,649,149	53%
556	Yumbe District	663,493,097	414,683,186	<b>194,680,000</b>	2,355,104	-	197,035,104	48%	217,648,082	52%
510	Iganga District	633,831,008	396,144,380	<b>188,280,650</b>	217,715	-	188,498,365	48%	207,646,015	52%
553	Soroti District	866,482,846	433,241,423	<b>206,200,000</b>	855,278	-	207,055,278	48%	226,186,145	52%
757	Kabale Municipal Council	9,547,089,120	2,535,996,030	<b>1,194,105,000</b>	30,830,418	-	1,224,935,418	48%	1,311,060,612	52%
777	Bushenyi- Ishaka Municipal Council	766,372,075	194,729,144	<b>96,700,000</b>	304,991	-	97,004,991	50%	97,724,153	50%
560	Ishingiro District	1,307,999,823	817,499,890	<b>408,040,000</b>	4,042,753	-	412,082,753	50%	405,417,137	50%
761	Mbarara Municipal Council	6,416,620,836	3,837,945,590	<b>1,918,880,000</b>	17,912,050	-	1,936,802,050	50%	1,901,143,540	50%
		<b>65,501,166,157</b>	<b>14,864,708,904</b>	<b>5,829,886,920</b>	<b>103,967,374</b>	<b>123,926,065</b>	<b>6,057,740,359</b>	<b>41%</b>	<b>8,806,968,545</b>	<b>59%</b>

**SUMMARY ANALYSIS OF LOCAL REVENUE PERFORMANCE FOR LOCAL GOVERNMENTS FY2020-21**

Vote	Local Government	Revised Budget	Issued Q1 CL	Remitted LR Q1	Q1 LR Remitted - Issued Q1 CL	Local revenue recovered as % of Expenditure
508	Gulu District	1,702,835,040	340,567,008	-	340,567,008	0%
520	Kapchorwa District	384,000,000	76,800,000	-	76,800,000	0%
522	Katakwi District	1,008,565,212	201,713,042	-	201,713,042	0%
530	Kyenjojo District	248,399,462	49,679,892	-	49,679,892	0%
531	Lira District	679,253,437	135,850,687	-	135,850,687	0%
556	Yumbe District	663,494,100	132,698,820	-	132,698,820	0%
560	Isingiro District	1,029,300,000	205,860,000	-	205,860,000	0%
564	Amolatar District	391,482,000	78,296,400	-	78,296,400	0%
567	Bukwo District	343,288,000	68,657,600	-	68,657,600	0%
568	Mityana District	767,913,864	153,582,773	-	153,582,773	0%
575	Dokolo District	408,851,879	81,770,376	-	81,770,376	0%
578	Bukedea District	1,002,366,000	200,473,200	-	200,473,200	0%
579	Bududa District	265,252,705	53,050,541	-	53,050,541	0%
581	Amudat District	72,810,000	14,562,000	-	14,562,000	0%
582	Buikwe District	1,335,227,000	267,045,400	-	267,045,400	0%
588	Alebtong District	348,117,116	69,623,423	-	69,623,423	0%
592	Kiryandongo District	831,082,459	166,216,492	-	166,216,492	0%
599	Lwengo District	858,443,000	171,688,600	-	171,688,600	0%
603	Ngora District	856,169,164	171,233,833	-	171,233,833	0%
604	Napak District	180,000,000	36,000,000	-	36,000,000	0%
606	Nwoya District	1,001,749,589	200,349,918	-	200,349,918	0%
610	Buhweju District	155,201,000	31,040,200	-	31,040,200	0%
613	Kagadi District	897,200,000	179,440,000	-	179,440,000	0%
615	Omoro District	476,976,000	95,395,200	-	95,395,200	0%
617	Namisindwa District	350,000,000	70,000,000	-	70,000,000	0%
619	Butebo District	608,579,000	121,715,800	-	121,715,800	0%
623	Nabitaluk District	86,551,000	17,310,200	-	17,310,200	0%
624	Bugweri District	108,285,116	21,657,023	-	21,657,023	0%
625	Kasanda District	538,145,572	107,629,114	-	107,629,114	0%
626	Kwania District	516,876,000	103,375,200	-	103,375,200	0%
629	Obongi District	320,630,000	64,126,000	-	64,126,000	0%

632	Kitagwenda District	242,996,273	48,599,255	-	-	48,599,255	0%
633	Madi-Okollo District	322,622,500	64,524,500	-	-	64,524,500	0%
634	Karenga District	362,009,667	72,401,933	-	-	72,401,933	0%
751	Arua Municipal Council	3,238,187,500	647,637,500	-	-	647,637,500	0%
754	Gulu Municipal Council	4,745,528,000	949,105,600	-	-	949,105,600	0%
762	Moroto Municipal Council	535,155,000	107,031,000	-	-	107,031,000	0%
764	Tororo Municipal Council	1,252,552,000	250,510,400	-	-	250,510,400	0%
775	Ntungamo Municipal Council	728,285,984	145,657,197	-	-	145,657,197	0%
791	Ibanda Municipal Council	801,550,000	160,310,000	-	-	160,310,000	0%
797	Kotido Municipal Council	398,960,000	79,792,000	-	-	79,792,000	0%
554	Tororo District	2,389,447,277	477,889,455	18,990,000	-	458,899,455	4%
760	Mbale Municipal Council	3,565,800,432	713,160,086	69,490,000	-	643,670,086	10%
780	Makindye Ssabagabo Municipal Council	9,340,000,000	1,868,000,000	307,000,000	-	1,561,000,000	16%
509	Hoima District	1,345,235,139	269,047,028	63,470,000	-	205,577,028	24%
628	Kikuube District	1,057,740,200	211,548,040	59,990,000	-	151,558,040	28%
618	Pakwach District	2,107,612,528	421,522,506	119,990,000	-	301,532,506	28%
561	Kaliro District	546,998,993	109,399,799	32,918,003	-	76,481,796	30%
753	Fort-Portal Municipal Council	3,061,365,760	612,273,152	193,023,650	-	419,249,502	32%
778	Rukungiri Municipal Council	662,776,000	132,555,200	41,833,792	-	90,721,408	32%
635	Kalaki District	315,475,719	63,095,144	19,990,000	-	43,105,144	32%
607	Kole District	633,311,450	126,662,290	43,280,000	-	83,382,290	34%
776	Busia Municipal Council	640,000,000	128,000,000	45,370,000	-	82,630,000	35%
779	Nansana Municipal Council	6,165,559,400	1,233,111,880	437,794,103	-	795,317,777	36%
562	Kiruhura District	1,351,832,632	270,366,526	99,990,000	-	170,376,526	37%
570	Amuru District	1,879,650,000	375,930,000	139,990,000	-	235,940,000	37%
786	Mubende Municipal Council	1,258,773,260	251,754,652	97,533,792	-	154,220,860	39%
573	Abim District	198,962,000	39,792,400	15,790,000	-	24,002,400	40%
621	Kyotera District	1,027,744,488	205,548,898	85,752,553	-	119,796,345	42%
763	Soroti Municipal Council	2,150,000,000	430,000,000	187,250,000	-	242,750,000	44%
772	Mukono Municipal Council	5,190,697,040	1,038,139,408	463,470,000	-	574,669,408	45%
784	Kitgum Municipal Council	815,307,000	163,061,400	74,586,208	-	88,475,192	46%
515	Kalangala District	1,379,547,052	275,909,410	129,480,000	-	146,429,410	47%
630	Kazo District	824,355,800	164,871,160	77,562,631	-	87,308,529	47%
773	Iganga Municipal Council	1,173,903,720	234,780,744	116,104,792	-	118,675,952	49%
TOTAL		80,146,986,529	16,029,397,306	2,940,649,524	-	13,088,747,782	43%