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P.O. Box 8147  
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UGANDA

In any correspondence on  
this subject please quote: No. BPD 103/153/01

25<sup>th</sup> June, 2020

All Local Government Accounting Officers,

## **REQUEST FOR SUPPLEMENTARY BUDGET TO CATER FOR SHORTFALLS IN COUNCILLORS ALLOWANCES AND EX-GRATIA FOR LCI AND LCII CHAIRPERSONS**

Reference is made to various letters from a number of Local Governments requesting for additional funding to cater for shortfalls in respect to payment of Councilors' Allowances and Ex-Gratia for Elected Leaders.

As you are already aware, there was an increase in the number of Local Government Elected Leaders from 636 to 793 following elections of LCI and LCII Chairpersons and Councilors held during the month of July 2018 across the country in newly created Administrative Units without corresponding increase in the resources leading to shortfalls in Ex-Gratia in your Local Government Budgets.

You may recall in our letter Ref: BPED103/153/01 dated 24<sup>th</sup> April 2020, Accounting Officers were advised that, any shortfalls regarding payment of Ex-gratia and Councilors' allowances should be funded using the provision under the Unconditional Grant Non-Wage. The above position will only change when additional resources are identified to cater for the aforementioned shortfalls in payment of Councilors' allowances and Ex-Gratia respectively.

This is therefore to inform you as above. By copy of this letter, the Permanent Secretary, Ministry of Local Government is accordingly informed.

  
Keith Muhakanizi

**PERMANENT SECRETARY/SECRETARY TO THE TREASURY**

Copy to: The Hon. Minister of Local Government  
The Permanent Secretary, Ministry of Local Government  
The Accountant General  
The Internal Auditor General

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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"*