

Vote: 147 Local Government Finance Comm

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:

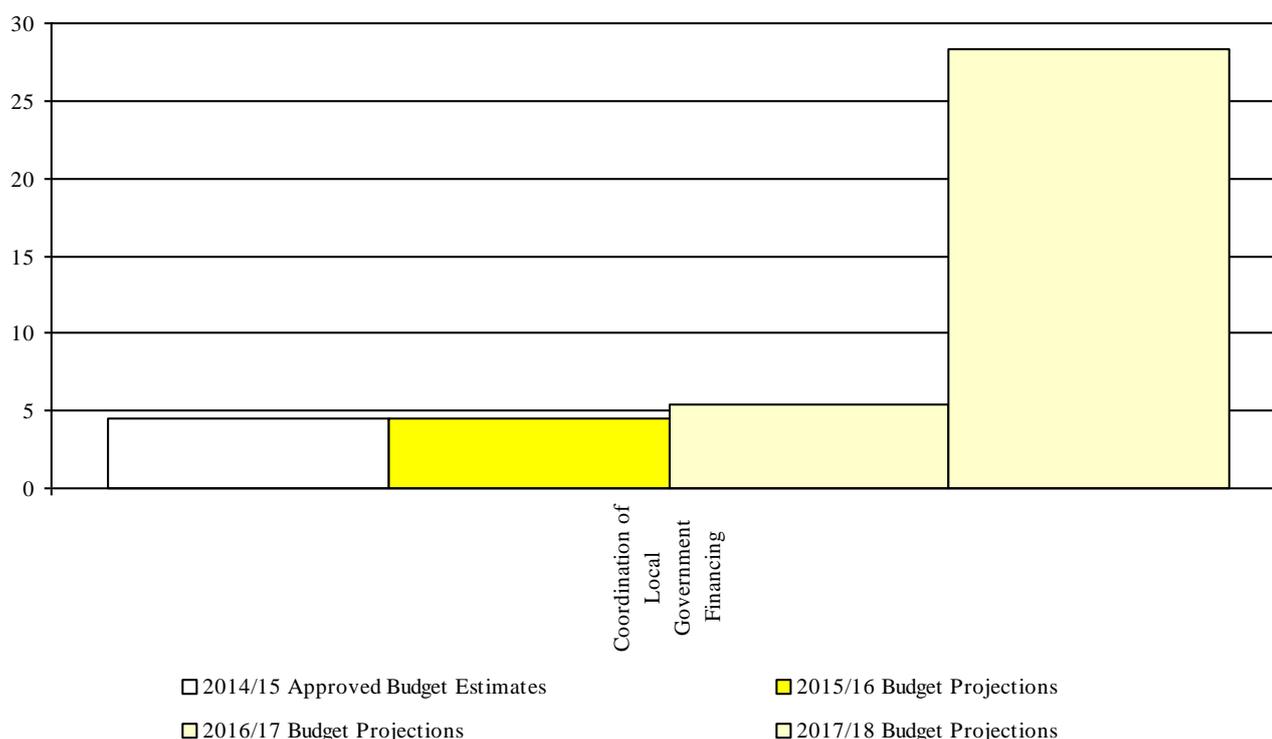
Table V1.1: Overview of Vote Expenditures (UShs Billion)

	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	0.609	1.119	0.278	1.119	1.332	1.332
Recurrent Non Wage	2.054	3.139	0.707	3.139	3.767	26.582
Development GoU	0.028	0.272	0.012	0.272	0.326	0.416
Development Ext. Fin	0.000	0.000	0.000	0.000	0.000	0.000
GoU Total	2.691	4.529	0.997	4.529	5.425	28.330
otal GoU + Ext Fin. (MTEF)	2.691	4.529	0.997	4.529	5.425	28.330
<i>(ii) Arrears and Taxes</i>						
Arrears	0.000	0.000	0.000	0.000	N/A	N/A
Taxes	0.000	0.039	0.000	0.000	N/A	N/A
Total Budget	2.691	4.569	0.997	4.529	N/A	N/A

** 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 (UShs Bn, Excluding Taxes, Arrears)



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(ii) Vote Mission Statement

The Vote's Mission Statement is:

To offer credible and evidence -based advice to government on financing Local Governments

(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>Highly skilled and professional workforce recruited and retained</i>	<i>Integration of member states into the East African Community</i>	<i>Mechanisms that will promote coordinated and harmonized planning, monitoring and budgeting of National and Local Government levels established</i>
Vote Function: 13 53 Coordination of Local Government Financing		
<i>Outputs Contributing to Outcome 1:</i>	<i>Outputs Contributing to Outcome 2:</i>	<i>Outputs Contributing to Outcome 3:</i>
	None	<i>Outputs Provided</i> 135302 LGs Budget Analysis 135303 Enhancement of LG Revenue Mobilisation and Generation 135304 Equitable Distribution of Grants to LGs

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

Enhancement of Local Revenue Mobilization and Generation

Conducted research on existing local revenue sources in 30 Local Governments of Arua, Gulu, Hoima, Jinja, Kabale, Kabarole, Kasese, Lira, Masaka, Mbale, Mbarara, Mukono, Soroti, Tororo, Iganga, Masindi, Wakiso, Apac, Kamuli, Busia, Kumi, Sironko, Kitgum, Buikwe, Mubende, Ntungamo, Rukungiri, Bushenyi, Luwero and Nebbi.

The Commission provided technical support on the process of collection of property rates to Town Councils of Amuria, Katakwi, Isingiro, Kabohwe-Itendero and Kamuli.

Equitable Distribution of Grants to LGs

Held one (1) Local Government Budget Committee meeting. Minutes were written and mailed to the participants together with an Action Log for implementation of agreed issues.

The Commission developed a draft concept note on the review of allocation formula to incorporate cross-cutting issues.

The Commission enhanced the capacities of 25 LGs in Budget formulation and management. The 25 LGs are: Kalangala, Zombo, Mitooma, Abim, Bukedea, Mityana, Bududa, Kumi, Nakasongola, Gomba, Rukungiri, Kamwenge, Isingiro, Bukomansimbi, Kibale, Maracha, Kitgum, Yumbe, Kaberamaido, Otuke, Kibuku, Butaleja, Nakaseke and Municipal Councils of Hoima and Arua.

Conducted the national stakeholders' consultations meetings, this was followed by a meeting with Ministry of Local Government and Ministry of Finance. MoFPED referred it for technical discussion which was also

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done.

Local Government Budget Analysis

A Taskforce to Review the LG Budget Analysis Framework was constituted, a revised framework for LG Budget Analysis developed. 133 LG Budgets were received and analyzed.

Human Resource Management

A Consultant has been procured to undertake review of the Human Resource Policy and submitted an Inception Report was approved by management.

Preliminary 2014/15 Performance

Analytical reports on local government's approved budgets for legal and regulatory requirements were produced a total of 111 reports for local governments and 22 municipalities were analysed.

Overall, district revenues performed at 89% with the lowest funding from the donor component at 53%. Direct Government transfers as a source of revenue to local governments performance is very high at over 90%

A taskforce meeting was held to discuss and extract the issues affecting local governments and a report was sent to MoFPED for consideration and implementation.

Field visits were carried out in the districts of Mitooma, Nakaseke, Iganga, Bushenyi M.C Iganga M.C, and Masindi MC to validate fiscal data further the commission plans to validate 3 more LGs.

23 LGs budgets for FY 2014/15 were received out of the 133 expected budgets Local Revenue and expenditure data has been captured from the latest available LGs.

8 districts and 8 urban councils of Mubende, Kayunga, Kapchorwa, Sironko, Nakasongola, Kitgum, Apac, Mubende T.C Kayunga T.C, Sironko T.C, Nakasongola T.C, Kitgum T.C, Apac T.C, Kisoro T.C were supported in the establishment of local revenue databases

8 urban councils of Migeera T.C, Otuke T.C, Lwakhakha T.C, Rubaare T.C, Rwebisango T.C, Kakumiro, T.C, Mponhdwa T.C and Kasilo T.C were supported to improve on methods of collecting Property rates One local revenue coordinating committee meeting was conducted to discuss the proposed review of legal provision for local revenue collection

7 sectors of Agriculture, Health, Education, Water, Works, Trade and Gender negotiations were successfully conducted between late September and early October 2014 and these are expected to produce guidelines for Local governments basing on the agreed positions in the negotiations

The Local Government Budget Committee meeting was conducted in September, 2014 and a concept note on Equalization Grant was discussed and adjusted/ refocused.

The analytical report on LG budgets for FY2012/13 was exhaustively discussed and some viable recommendations were made.

The strategic plan for the commission was reviewed and performance showed that 40.6% of the strategic objective outputs had been achieved

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

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<i>Vote, Vote Function Key Output</i>	Approved Budget and Planned outputs	2014/15 Spending and Outputs Achieved by End Sept	2015/16 Proposed Budget and Planned Outputs
Vote: 147 Local Government Finance Comm			
<i>Vote Function: 1353 Coordination of Local Government Financing</i>			
Output: 135302	LGs Budget Analysis		
<i>Description of Outputs:</i>	Analyze 133 LG Budgets for compliance with legal requirements. Provide feed bank on findings from analysis of LG budgets to 133 LGs Provide technical support in indentified 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	Analytical Report for 133 Votes produced and shared within the Commission 23 LGs out of the 133 expected 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	Analyze 133 LG Budgets for compliance with legal requirements. Provide feed bank on findings from analysis of LG budgets to LGs Provide technical support in areas legal compliance in the process of budget preparations in 40 LGs Collect, process and capture data in the fiscal data bank from LG approved final accounts
<i>Performance Indicators:</i>			
No. of Local Governments provided with skills in Budget Formulation	20	5	20
No. of Local Governments complying with budgeting legal requirement	40	10	110
Average length of time taken to provide feedback on analyzed budgets (Days)	60	0	50
<i>Output Cost: UShs Bn:</i>	0.299	<i>UShs Bn:</i> 0.071	<i>UShs Bn:</i> 0.233
Output: 135303	Enhancement of LG Revenue Mobilisation and Generation		
<i>Description of Outputs:</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 dessiminate 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	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	Provided support to local governments to establish databases Assess number of LGs applying best practices. Percentage change in the local revenue performance.

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<i>Vote, Vote Function Key Output</i>	Approved Budget and Planned outputs	2014/15 Spending and Outputs Achieved by End Sept	2015/16 Proposed Budget and Planned Outputs
	revenues for service delivery in LGs		
<i>Performance Indicators:</i>			
Percentage change in annual local revenue performance (MC)	20.6	0	0
Percentage change in annual local revenue performance (Districts)	2.1	0	0
No. of LGs provided with skills to establish local revenue databases	36	16	60
No. of LGs provided with skills in the collection of property rates	22	8	40
No. of LGs applying Best Practices in Local revenue collection	58	0	0
<i>Output Cost: US\$ Bn:</i>	<i>0.804</i>	<i>US\$ Bn: 0.186</i>	<i>US\$ Bn: 0.673</i>
Output: 135304	Equitable Distribution of Grants to LGs		
<i>Description of Outputs:</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	Organize and Facilitate negotiations between LGs and sector Ministries Local governments budgets analyzed and feedback provided Proportion of unconditional grant being transferred to local governments
	Provide support to 3 LGBC meetings		
	Assess the extent of implementation of extension of grants to LLGs and document lessons learnt	Terms of reference for assessment of the extent of implementation of extension of grants to LLGs were developed and the questioner is being finalized	
<i>Performance Indicators:</i>			
Proportion of unconditional grant compared to total transfers to LGs	4.5	4.5	6
Number of negotiation forums held		0	7
Number of agreements between UNAT and Sectors implemented	7	7	7
<i>Output Cost: US\$ Bn:</i>	<i>0.703</i>	<i>US\$ Bn: 0.134</i>	<i>US\$ Bn: 0.698</i>
Vote Function Cost	US\$ Bn: 4.569	US\$ Bn: 0.997	US\$ Bn: 4.529
Cost of Vote Services:	US\$ Bn: 4.529	US\$ Bn: 0.997	US\$ Bn: 4.529

* Excluding Taxes and Arrears

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2015/16 Planned Outputs

The Commission for FY 2015/16 plans to continue providing skills and approaches to establish local revenue databases in 50 local governments, support 30 local governments to improve methods of collecting property rates, hold 2 Regional meetings on local revenue mobilization and Operations of Local Revenue Enhancement Coordinating committee but further create awareness on Local revenue issues.

The Commission under local government budget analysis plans to analyze 133 LG budget for compliance with legal requirements and provide feedback on findings from the analysis to LG

4 quarterly analysis reports on budgeted and actual grant releases to LGs will be produced.

Timely quarterly activity progress reports will be prepared and submitted

Under Equitable distribution of Grants to LGs there are plans to advise the President on the share of national budget to Local Governments, provide technical support to 17 weak Local Governments on local government budget formulation, hold 4 Local Government Budget Committee (LGBC) meetings to discuss budget operational issues for local governments and recommendations made on effective utilization of grants, facilitate and organize negotiations between LGs and the 7 Sector Ministries.

Furthermore there are plans to assess the effectiveness of Equalization Grant and Benefits from extending transfers to LLGs and service units and conduct Stakeholder discussions to develop consensus on the recommendations of the two reports.

Under Institutional Capacity Maintenance and Enhancement there are plans to train Staff on development of fundable project proposals, Terms of reference and report writing skills, review the Organizational Structures of the commission and carry out the annual staff appraisal.

There are plans for Team Building Sessions, Performance Management Framework and Systems- both manual and web-based Developed and implemented further consideration of the Health and safety policy.

3 draft report studies on Review of the grants allocation formula; Re-Design FDA; and Determine the share of LGs transfers out of the National Budget produced.

Fund Validation by the Taskforce Committee as a quality assurance strategy will be produced

Two (2) outreach policy consultative exercises, 4 Staff Technical committee and 2 General staff meetings will be held

Half year accounts prepared and submitted to top management.

Quarterly and annual performance financial reports prepared and submitted to top management.

Timely quarterly procurement reports prepared and submitted to top management.

Commission's annual performance report prepared and submitted to top management.

Commission's annual work plan for FY2016/17 prepared and submitted to top management.

Vote 147 Budget Framework Paper for FY2016/17 prepared and submitted to PSM Secretariat.

Retreat to prepare Ministerial Policy Statement for FY 2016/15, 4 quarterly OBT performance reports

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prepared and submitted to OPM and MOFPED.

Half year performance report prepared against annual targets and submitted to OPM.

Up Date the website and purchase new equipments for MIS improvement, renew Licenses for tracking of Laptops renewed annually and Functional Resource center

The Department of Policy and Research

Plans to review the commission's Strategic Plan FY2012/13 to FY2015/16 prepare the annual performance report, half year performance report, annual work plan, performance contract, Vote 147 Budget Framework Paper for FY2015/16, Ministerial Policy Statement for FY2015/16 prepared and submitted to top management, OPM and MOFPED.

Monitor LGFC implemented programmes/projects regularly and reports produced for management's appropriate action.

Carry out exchange visits with in East African Community to bench mark best policy practices for local revenue mobilization

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

Vote Function Key Output Indicators and Costs:	2013/14 Outturn	2014/15		MTEF Projections		
		Approved Plan	Outturn by End Sept	2015/16	2016/17	2017/18
Vote: 147 Local Government Finance Comm						
Vote Function:1353 Coordination of Local Government Financing						
Average length of time taken to provide feedback on analyzed budgets (Days)		60	0	50	60	60
No. of Local Governments complying with budgeting legal requirement		40	10	110	110	110
No. of Local Governments provided with skills in Budget Formulation		20	5	20	20	20
No. of LGs applying Best Practices in Local revenue collection		58	0	0	0	0
No. of LGs provided with skills in the collection of property rates		22	8	40	40	40
No. of LGs provided with skills to establish local revenue databases		36	16	60	60	60
Percentage change in annual local revenue performance (Districts)		2.1	0	0	0	0
Percentage change in annual local revenue performance (MC)		20.6	0	0	0	0
Number of agreements between UNAT and Sectors implemented		7	7	7	7	7
Number of negotiation forums held			0	7	7	7
Proportion of unconditional grant compared to total transfers to LGs		4.5	4.5	6	6	6
Vote Function Cost (US\$ bn)	2.691	4.529	0.997	4.529	5.425	28.330
Cost of Vote Services (US\$ Bn)	2.691	4.529	0.997	4.529	5.425	28.330

Medium Term Plans

Contribute to Improvement of the state of funding for LGs in the National Budget;

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Promote Equity In Resource Allocation AmongLGs;

Support LGs to improve Local Revenue Performance

Enhance the Institutional Capacity of the LGFC to Effectively Perform its mandate.

(ii) Efficiency of Vote Budget Allocations

As a measure to improve service delivery and improve efficiency for value for money the Commission plans realign its budget and streamline it to priority areas agreed on for FY 2015/16

Table V2.3: Allocations to Key Sector and Service Delivery Outputs 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
Key Sector	1.8	1.6	1.9	2.4	39.9%	35.4%	40.8%	46.4%

N/A

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
Vote Function: 1353 Coordination of Local Government Financing					
N/A					

(iii) Vote Investment Plans

The Commission plans to purchase two vehicles but the funds available are not sufficient. The plan is to use the available development budget of Ugshs.0.272bn

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)	4.3	4.3	4.3	4.8	94.0%	94.0%	94.1%	94.7%
Investment (Capital Purchases)	0.3	0.3	0.3	0.3	6.0%	6.0%	5.9%	5.3%
Grand Total	4.5	4.5	4.6	5.1	100.0%	100.0%	100.0%	100.0%

The Commission plans to purchase two 1 4W drive vehicles for the Vice Chairpersons who currently is unable to effectively and efficiently perform their statutory assignments to provide oversee and monitoring of the Local Government Finance Commission's operations and projects/programme implemented so as to appropriately advise government on the financing of LGs.

Table V2.6: Major Capital Investments

(iv) Vote Actions to improve Priority Sector Outcomes

N/A

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:
Sector Outcome 0:			
Vote Function: 13 53 Coordination of Local Government Financing			
VF Performance Issue: (i) Inadequate Institutional capacity of the Commission			
Procure 2 4w drive vehicles	Funds for one car are being accumulated; the 2nd car procurement will be carried out when funds are made	Staff trained on development of fundable project proposals, Terms of reference and report writing skills records	Strengthen the Commission's Management Information System (MIS)
Conduct a mid term review of the Strategic Plan of the			

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2014/15 Planned Actions:	2014/15 Actions by Sept:	2015/16 Planned Actions:	MT Strategy:
Commission	available	management	Strengthen the policy, planning, monitoring and evaluation function of the Commission
Conduct policy dialogue and outreach	A review of the strategic plan was done and it showed 40.6% progress has been achieved Policy dialogue was conducted and data was received to support the proposal for levying Local service Tax for farmers	Performance Management Framework and Systems- both manual and web-based Developed and implemented	Enhance the performance of the fiscal data bank

Sector Outcome 2: Integration of member states into the East African Community

Vote Function: 13 53 Coordination of Local Government Financing

VF Performance Issue: (iii) Inadequacy of the grant levels and allocation mechanisms

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	Advise President on the share of National budget going to LGs. 2 LGBC meetings held to discuss budget issues for LGs and make recommendations	Improve financing of LGs for effective and efficient service delivery
Hold stakeholders meeting on LG budgets and transfers.	1 stakeholders meeting on LG budgets and transfers was held	Support LGs on Local Economic Development	
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		

Sector Outcome 3: Mechanisms that will promote coordinated and harmonized planning, monitoring and budgeting of National and Local Government levels established

Vote Function: 13 53 Coordination of Local Government Financing

VF Performance Issue: (ii) Inadequate local revenues collected by local governments

Support 30 LGs on establishing fiscal database management systems	16 LGs were supported to establish local revenue databases	50 local governments provided with skills and approaches to establish and consolidate local revenue databases.	Support LGs to improve local Revenue performance by identifying, reviewing and recommended implementation measure for local revenue sources
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 discuss the proposed review of the legal provisions for local revenue collection	30 local governments supported to improve methods of collecting property rates	

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

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	2013/14 Outturn	2014/15		MTEF Budget Projections		
		Appr. Budget	Spent by End Sept	2015/16	2016/17	2017/18
Vote: 147 Local Government Finance Comm						
1353 Coordination of Local Government Financing	2.691	4.529	0.997	4.529	5.425	28.330
Total for Vote:	2.691	4.529	0.997	4.529	5.425	28.330

(i) The Total Budget over the Medium Term

For FY 2014/15 Local Government Finance Commission was allocated a total budget of Ugshs.4.529bn and by end of September Ugshs0.997 has been spent. The Commission has been allocated Ugshs.4.529bn, Ugshs.4.599bn and Ugshs.5.086bn for FY 2015/16, FY 2016/17 and FY 2017/18 respectively.

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

Enhancement of Local Revenue Mobilization and Generation

The Commission plan to provide support to 50 LGs with skills and approaches to establish fiscal databases. In addition 40 LGs will be supported to improve methods of collecting property rates.

8 regional meetings will be held to discuss the challenges in local revenue mobilization and generation by LGs

Equitable Distribution of Grants to LGs

The Commission in the FY 2015/16 intends to continue facilitating negotiations on sector conditional grants, disseminate agreements reached. The Commission will provide technical support to weak local government in budget formulation, hold 2 LGBC meetings. Finalise assessing effectiveness of Equalization Grant and assessment of Benefits from extending transfers to LLGs and service units

Local Government Budget Analysis

Analyze 133 LG Budgets for compliance with Legal requirement and provide feedback to all relevant stakeholders. Four (4) quarterly analysis reports on budgeted and actual grant releases to LGs produced.

Human Resource Management

The Commission Plans to implement measures aimed at strengthening the records management practices and systems, finalize a health and safety policy, implement staff welfare programs and Conduct staff training in various skills.

Institutional Capacity Maintenance and Enhancement

The Commission in the FY 2015/16 plans to Service and update ICT equipments and software, update Information on the Website, purchase new equipments for MIS improvement, and ensure Licenses for tracking of Laptops renewed annually and that the Resource center is Functional. Build capacity of staff to conduct research on issues affecting financing of LGs, Develop framework for conducting research and writing position papers on various issues affecting LG financing, Produce Policy Briefs/user friendly versions of technical reports and other reports, Identify new policy areas for research, Prepare periodic work plan, Budgets, Policy Statement, Advisory Notes and Performance Reports , Organize regular planning forums, Conduct policy dialogue and outreach, Conduct tracer studies to gauge the impact of LGFC interventions in LGs, Conduct training for Technical Staff and Commissioners on the OBT and lastly to enhance the fiscal data bank through collection, processing and analysis of data on LG budgets /final accounts and generate the required report outputs for LGFC and stakeholder

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

N/A

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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: 1302 Coordination of Local Government Financing</i>			
Output: 1353 02 LGs Budget Analysis			
<i>US\$ Bn:</i> -0.065	<i>US\$ Bn:</i> 0.000	<i>US\$ Bn:</i> 0.000	
Enhancement of the fiscal data bank of the Commission	Enhancement of the fiscal data bank of the Commission		
Output: 1353 03 Enhancement of LG Revenue Mobilisation and Generation			
<i>US\$ Bn:</i> -0.131	<i>US\$ Bn:</i> 0.069	<i>US\$ Bn:</i> 0.556	
The Commission plans to support LGs to establish local revenue data bases to improve on collection of local revenues	The Commission plans to support all LGs to establish local revenue data bases to improve on collection of local revenues.		
Output: 1353 05 Institutional Capacity Maintenance and Enhancement			
<i>US\$ Bn:</i> 0.161	<i>US\$ Bn:</i> 0.000	<i>US\$ Bn:</i> 0.000	
Purchase of 2 4w drive vehicle for the Chairperson and Vice Chairperson of the Commission	Purchase of 2 4w drive vehicles for the Chairperson and Vice Chairperson of the Commission		
Output: 1353 75 Purchase of Motor Vehicles and Other Transport Equipment			
<i>US\$ Bn:</i> -0.060	<i>US\$ Bn:</i> 0.000	<i>US\$ Bn:</i> 0.000	
Output: 1353 76 Purchase of Office and ICT Equipment, including Software			
<i>US\$ Bn:</i> 0.060	<i>US\$ Bn:</i> 0.000	<i>US\$ Bn:</i> 0.000	

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.

The major vote challenges have been increased budget cuts that are not considered in the next FY year to be replaced.

Holding equalization grant at Ughs.3.49bn for the last 10years yet the number of local governments has increased from 56 to 111 districts. This makes allocation and of the grants ineffective.

The cost of publication in media is high yet the mandate of the Commission as advisory body, with the ban on the consumptive items its makes the operational works of the Commission hard yet this is what public sector management entails.

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: 1301 Coordination of Local Government Financing</i>	
Output: 1353 01 Human Resource Management	
<i>US\$ Bn:</i> 0.126	<i>Since the critical posts in the Commission have been filled, there is funding gap and UGX 126,622,000 in allowances to cater for the recruit technical staff. This is aligned to the NDP and PSM-SIP sector objectives under institutional strengthening for effective service delivery.</i>
Recruit 8 staff (1Senior Procurement Officer, 1 Senior Revenue, 1 Senior Policy Analyst; 1 Senior HumanOfficer; 1 Data Officer; 1 Driver (Mechanic); and 2 Revenue Officers.	
Output: 1353 02 LGs Budget Analysis	
<i>US\$ Bn:</i> 0.380	<i>Conducting LG budget analysis is a core function of the Commission to ensure compliance with legal compliance and also</i>
Enhancement of fiscal data bank of the Commission	

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Additional Requirements for Funding and Outputs in 2015/16:	Justification of Requirement for Additional Outputs and Funding
	<p><i>ensuring that national priorities are taken into account in the budget. Well prepared Budgets at the local level help in channeling resources to proper use. Our involvement to this end helps in achieving those goals. This also relates to the NDP sector objective of ensuring that there is greater equity and flexibility of Central Grants transferred to LGs.</i></p>
<p>Output: 1353 03 Enhancement of LG Revenue Mobilisation and Generation <i>US\$ Bn: 0.545</i> Create local revenue data bases in 133 LGs for all the current sources</p>	<p><i>Establishment of local revenue data bases relates to the NDP and the PSM-SIP sector objectives of implementing measures to aimed at enhancing mobilisation and administration of local revenues. When the data bases are installed and officers trained to operate, potentially there will be efficiency in the collection of local revenues hence improve on quality and quantity in the provision of service delivery by local governments.</i></p>
<p>Output: 1353 04 Equitable Distribution of Grants to LGs <i>US\$ Bn: 0.225</i> Support the implementation of FDS and facilitation of the negotiations between sectors and UNAT on the utilisation of conditional grants to enable LGs to effectively respond to the needs through participatory planning and budgeting.</p>	<p><i>To improve on the allocation of financial resources to local governments; To support the dialogue between sectors managing conditional grants; To promote stakeholders participation in the planning budgeting and implementation of Local Government programs for improved service delivery; To conduct outreach activities on Local revenues administration and Management; To undertake sensitization of political leaders on importance of Local revenues; and To support the operations of the LGBC. This relates to the NDP sector objective of reviewing the modalities fo Central Government transfers to LGs to ensure greater equity and flexibility.</i></p>

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

<p>Objective: N/A</p>
<p><i>Issue of Concern :</i></p>
<p><i>Proposed Interventions</i></p>
<p><i>Budget Allocations UGX billion</i></p>
<p><i>Performance Indicators</i></p>

(ii) HIV/AIDS

(iii) Environment

(ii) Payment Arrears

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

n/a

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Vote Summary

(ii) Non Tax Revenue Collections

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

The LGFC has no Non Tax revenue.