

QUARTER 4: Highlights of Vote Performance

V1: Summary of Issues in Budget Execution

This section provides an overview of Vote expenditure

(i) Snapshot of Vote Releases and Expenditures

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

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

<i>(i) Excluding Arrears, Taxes</i>		Approved Budget	Cashlimits by End	Released by End	Spent by End Jun	% Budget Released	% Budget Spent	% Releases Spent
Recurrent	Wage	1.119	1.119	1.119	1.119	100.0%	100.0%	100.0%
	Non Wage	3.493	3.025	3.013	3.019	86.3%	86.4%	100.2%
Development	GoU	0.572	0.672	0.572	0.531	100.0%	92.9%	92.8%
	Ext Fin.	0.000	N/A	0.000	0.000	N/A	N/A	N/A
GoU Total		5.183	4.815	4.704	4.669	90.7%	90.1%	99.3%
Total GoU+Ext Fin. (MTEF)		5.183	N/A	4.704	4.669	90.7%	90.1%	99.3%
<i>(ii) Arrears and Taxes</i>	Arrears	0.000	N/A	0.000	0.000	N/A	N/A	N/A
	Taxes	0.100	N/A	0.100	0.100	100.0%	99.6%	99.6%
Total Budget		5.283	4.815	4.804	4.768	90.9%	90.2%	99.3%

* Donor expenditure information available

** Non VAT on capital expenditure

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

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

Billion Uganda Shillings	Approved Budget	Released	Spent	% Budget Released	% Budget Spent	% Releases Spent
VF: 1353 Coordination of Local Government Financing	5.18	4.70	4.67	90.7%	90.1%	99.3%
Total For Vote	5.18	4.70	4.67	90.7%	90.1%	99.3%

* Excluding Taxes and Arrears

(ii) Matters to note in budget execution

There was over performance on some of the items like travel abroad, electricity and water because of accumulation of funds from 2nd and 3rd quarter

The activity performance was affected by the budget cuts made in the second and the third quarter the Commission budget experience 14% of the budget not released and this affected performance

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

<i>(i) Major unspent balances</i>
<i>(ii) Expenditures in excess of the original approved budget</i>

* Excluding Taxes and Arrears

V2: Performance Highlights

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

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

Vote, Vote Function Key Output	Approved Budget and Planned outputs	Cumulative Expenditure and Performance	Status and Reasons for any Variation from Plans
Vote Function: 1353 Coordination of Local Government Financing			
Output: 135302	LGs Budget Analysis		
<i>Description of Performance:</i>	133 LGs Budgets analysed for compliance with legal requirements	133 LGs Budgets analysed for compliance with legal requirements	This output over performed compared to budget releases because some of the Key

QUARTER 4: Highlights of Vote Performance

<i>Vote, Vote Function Key Output</i>	Approved Budget and Planned outputs	Cumulative Expenditure and Performance	Status and Reasons for any Variation from Plans
	<p>Feedback on the findings from the analysis of the LG Budgets to 133 LGs provided</p> <p>Data Validation, Verification and Collection in 20 LGs conducted for the fiscal database</p> <p>Technical Support in identified areas of weaknesses in the process of budget formulation in 40 LGs provided</p> <p>Four (4) Quarterly analysis Reports of Budgeted and Actual Grant Releases to LGs Produced</p>	<p>Feedback on the findings from the analysis of the LG Budgets to 133 LGs provided. Feedback issues were, extracted for the affected LGs and letters of the issues were written and submitted to the 58 LGs. As a follow-up, field visits were conducted to 10 LGs with serious issues (Kotido, Kyenjojo, Ntungamo, Manafwa, Buvuma, Luuka, Soroti, Budaka, Gomba and Kapchorwa)</p> <p>Data Validation, Verification and Collection in 50 LGs conducted for the fiscal database</p> <p>Technical Support in identified areas of weaknesses in the process of budget formulation in Isingiro, Ntungamo, Kole, Apac, Napak, Moroto, Kabale Masindi, Hoima, Iganga, Nebbi, Masaka, Arua, Ntungamo, Rukungiri DLGs provided</p>	<p>performance indicators are desk work review and some of the local governments under providing skills in budget formulation were covered under other outputs.</p> <p>Data Validation over performed because some local governments that were not visited were contacted on Phone, and also during other activities in the field, efforts were done to carry out the exercise.</p>
<i>Performance Indicators:</i>			
No. of Local Governments provided with skills in Budget Formulation	40	40	
No. of Local Governments complying with budgeting legal requirement	133	133	
Average length of time taken to provide feedback on analyzed budgets (Days)	30	30	
<i>Output Cost:</i>	US\$ Bn: 0.198	US\$ Bn: 0.089	% Budget Spent: 44.9%
Output: 135303	Enhancement of LG Revenue Mobilisation and Generation		
<i>Description of Performance:</i>	<p>60 local governments provided with skills and approaches to establish local revenue databases.</p> <p>40 local governments supported to improve methods of collecting property rates</p> <p>2 Regional meetings on local revenue mobilization held.</p> <p>2 Operations of Local Revenue Enhancement Coordinating Committee supported.</p> <p>One computer procured for Principal Revenue Officer</p>	<p>Provided skills and Approaches to establish Local Revenue Data Bases to 21 LGs. - namely Iganga, Tororo, Wakiso, Mpigi, Masaka, Nebbi, Arua, Kabarole, Rukungiri, Ntungamo, Kayunga, Jinja, Mbale, Kumi, Lira, Gulu, Ngora District, Ngora Town Council, Nakaseke District, Butalango, Ngoma Town Councils, Pader District, Pader Town Council, Kiruhura District, Kiruhura Town Council, Kazo Town council, Rakai District, Rakai Town council, Kyotera Town council, Kalisisizo town council, Pallisa district, Pallisa town council, Bugiri District and Bugiri town council.</p> <p>Supported 15 local governments – namely – namely Kyotera, Lukaya, Butunduzi, Masulita T/C, Hamurwa Bushenyi</p>	<p>Less budget release in the second and third quarter affected the performance of the key performance indicators under local revenue</p>

QUARTER 4: Highlights of Vote Performance

Vote, Vote Function Key Output	Approved Budget and Planned outputs	Cumulative Expenditure and Performance	Status and Reasons for any Variation from Plans
		<p>–Ishaka Town Council. Municipal Council, Kasese Municipal Council, Mubende Town Council, Lugazi Municipal Council, Busia Municipal council, Iganga Municipal council ,Otuke Town council, Amolatar Town council, Budaka town council and Njeru Town Council to improve methods of collecting property rates</p> <p>Hands on support in the existing data bases was provided to 8 districts with their urban councils, namely: Mbarara, Bushenyi, Soroti, Sironko, Apac, Kitgum, Mukono and Luweero districts.</p> <p>1 Local Revenue Enhancement Coordinating committee meeting was conducted to discuss the management of markets and vehicle parks in the local governments.</p> <p>One computer was procured for Principal Revenue Officer</p>	
<i>Performance Indicators:</i>			
Percentage change in annual local revenue performance (MC)	0	0	
Percentage change in annual local revenue performance (Districts)	0	0	
No. of LGs provided with skills to establish local revenue databases	60	39	
No. of LGs provided with skills in the collection of property rates	40	15	
No. of LGs applying Best Practices in Local revenue collection	0	54	
<i>Output Cost:</i>	US\$ Bn:	0.663	US\$ Bn: 0.538 % Budget Spent: 81.1%
Output: 135304	Equitable Distribution of Grants to LGs		
<i>Description of Performance:</i>	Organize and Facilitate negotiations between LGs and sector Ministries	All the seven (7) sectors (Agriculture, Health, Education, Water, Works, Trade and Gender) negotiations were successfully facilitated effective 12th to 16th October 2015.	The Local governments budgets were analyzed and feedback and provided under output 02 budget analysis
	Local governments budgets analyzed and feedback provided		
	2 Local government budget committee meetings held	Consultations were carried out on issues that were raised during the negotiations for FY 2016/17 and these included Kalangala, Gulu MC, and Luuka Districts	
		All the sector agreements were prepared and endorsed by the	

QUARTER 4: Highlights of Vote Performance

Vote, Vote Function Key Output	Approved Budget and Planned outputs	Cumulative Expenditure and Performance	Status and Reasons for any Variation from Plans
		parties and a midterm review carried out	
		Organized and facilitate 1 Local Government Budget Consultative workshop with stakeholders to discuss the reforms in the grants allocation formulae.	
<i>Performance Indicators:</i>			
Proportion of unconditional grant compared to total transfers to LGs	4.5	3.8	
Number of negotiation forums held	7	7	
Number of agreements between UNAT and Sectors implemented	7	7	
<i>Output Cost:</i>	US\$ Bn:	0.520	US\$ Bn: 0.443 % Budget Spent: 85.2%
Vote Function Cost	US\$ Bn:	5.183	US\$ Bn: 4.669 % Budget Spent: 90.1%
Cost of Vote Services:	US\$ Bn:	5.183	US\$ Bn: 4.669 % Budget Spent: 90.1%

* Excluding Taxes and Arrears

Due to poor budget releases in the 2nd and 3rd quarters of FY 2015-16 covering the gap in the 4th quarter saw the Commission having more work than anticipated in bid to improve the key performance indicators of the Commission

Table V2.2: Implementing Actions to Improve Vote Performance

Planned Actions:	Actual Actions:	Reasons for Variation
Vote: 147 Local Government Finance Comm		
Vote Function: 13 53 Coordination of Local Government Financing		
Advise President on the share of National budget going to LGs.	Consultations were carried out on issues raised during negotiations and what best can be done to improve budget shares and A concept note was written to the President advising on the share of National budget going to LGs.	The second LGBC could not be conducted due insufficient release of funds for 2nd and 3rd quarter
2 LGBC meetings held to discuss budget issues for LGs and make recommendations		
Support LGs on Local Economic Development	Organise and facilitate 1 LGBC with stakeholders on the reforms in the grants allocation formulae and the midterm review on negotiations	
	Negotiations of October 2015 were carried out and issues affecting Local Economic development were discussed and OPM was tasked to manage the Coordination component of LED	
Vote: 147 Local Government Finance Comm		
Vote Function: 13 53 Coordination of Local Government Financing		
60 local governments provided with skills and approaches to establish and consolidate local revenue databases.	Supported 54 LGs on establishing fiscal database management systems and improved methods for collection of property rates with 39 and 15 respectively	Less budget release in the second and third quarter affected the performance of the key performance indicators under local revenue
40 local governments supported to improve methods of collecting property rates		

V3: Details of Releases and Expenditure

QUARTER 4: Highlights of Vote Performance

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

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

Billion Uganda Shillings	Approved Budget	Released	Spent	% GoU Budget Released	% GoU Budget Spent	% GoU Releases Spent
VF:1353 Coordination of Local Government Financing	5.18	4.70	4.67	90.7%	90.1%	99.3%
<i>Class: Outputs Provided</i>	<i>4.61</i>	<i>4.13</i>	<i>4.14</i>	<i>89.6%</i>	<i>89.7%</i>	<i>100.1%</i>
135301 Human Resource Management	1.40	1.30	1.32	93.2%	94.2%	101.2%
135302 LGs Budget Analysis	0.20	0.10	0.09	52.1%	44.9%	86.0%
135303 Enhancement of LG Revenue Mobilisation and Generation	0.66	0.54	0.54	81.2%	81.1%	99.9%
135304 Equitable Distribution of Grants to LGs	0.52	0.50	0.44	95.3%	85.2%	89.4%
135305 Institutional Capacity Maintenance and Enhancement	1.83	1.69	1.75	92.3%	95.5%	103.5%
<i>Class: Capital Purchases</i>	<i>0.57</i>	<i>0.57</i>	<i>0.53</i>	<i>100.0%</i>	<i>92.9%</i>	<i>92.8%</i>
135375 Purchase of Motor Vehicles and Other Transport Equipment	0.51	0.51	0.40	100.0%	78.5%	78.5%
135376 Purchase of Office and ICT Equipment, including Software	0.06	0.06	0.13	100.0%	215.3%	215.3%
Total For Vote	5.18	4.70	4.67	90.7%	90.1%	99.3%

* Excluding Taxes and Arrears

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

Billion Uganda Shillings	Approved Budget	Releases	Expenditure	% Budget Released	% Budget Spent	% Releases Spent
Output Class:	0.00	0.03	0.00	N/A	N/A	0.0%
321201	0.00	0.03	0.00	N/A	N/A	0.0%
Output Class: Outputs Provided	4.61	4.13	4.14	89.6%	89.7%	100.1%
211101 General Staff Salaries	0.00	0.28	0.00	N/A	N/A	0.0%
211102 Contract Staff Salaries (Incl. Casuals, Temporary)	1.12	0.84	1.12	75.0%	100.0%	133.3%
211103 Allowances	0.42	0.42	0.42	100.0%	100.1%	100.1%
212101 Social Security Contributions	0.09	0.09	0.09	100.0%	100.0%	100.0%
213001 Medical expenses (To employees)	0.01	0.01	0.01	55.0%	54.1%	98.4%
213002 Incapacity, death benefits and funeral expenses	0.01	0.01	0.01	50.0%	48.0%	96.0%
213004 Gratuity Expenses	0.32	0.32	0.32	100.0%	100.0%	100.0%
221001 Advertising and Public Relations	0.04	0.04	0.04	100.0%	100.0%	100.0%
221002 Workshops and Seminars	0.28	0.18	0.18	63.5%	63.5%	99.9%
221003 Staff Training	0.06	0.03	0.03	50.0%	50.0%	100.0%
221004 Recruitment Expenses	0.00	0.00	0.00	22.3%	22.3%	100.0%
221006 Commissions and related charges	0.34	0.34	0.34	100.0%	100.0%	100.0%
221007 Books, Periodicals & Newspapers	0.02	0.02	0.02	100.0%	87.3%	87.3%
221009 Welfare and Entertainment	0.04	0.04	0.04	100.0%	100.0%	100.0%
221011 Printing, Stationery, Photocopying and Binding	0.06	0.06	0.06	100.0%	99.7%	99.7%
221012 Small Office Equipment	0.00	0.00	0.00	59.4%	59.4%	100.0%
221016 IFMS Recurrent costs	0.00	0.00	0.00	100.0%	94.0%	94.0%
221017 Subscriptions	0.00	0.00	0.00	83.3%	83.3%	100.0%
222001 Telecommunications	0.04	0.04	0.04	100.0%	99.9%	99.9%
223003 Rent – (Produced Assets) to private entities	0.40	0.40	0.40	100.0%	100.0%	100.0%
223005 Electricity	0.05	0.04	0.05	75.0%	100.0%	133.3%
224004 Cleaning and Sanitation	0.04	0.04	0.04	100.0%	99.3%	99.3%
225001 Consultancy Services- Short term	0.35	0.26	0.26	75.4%	75.4%	100.0%
227001 Travel inland	0.62	0.43	0.43	68.7%	68.7%	100.0%
227002 Travel abroad	0.04	0.03	0.03	62.6%	62.6%	100.0%
227004 Fuel, Lubricants and Oils	0.05	0.05	0.05	100.0%	100.0%	100.0%
228002 Maintenance - Vehicles	0.19	0.16	0.16	86.5%	85.2%	98.4%
Output Class: Capital Purchases	0.67	0.64	0.63	96.0%	93.9%	97.8%
312201 Transport Equipment	0.51	0.48	0.51	94.8%	100.0%	105.5%
312202 Machinery and Equipment	0.06	0.06	0.02	100.0%	32.0%	32.0%
312204 Taxes on Machinery, Furniture & Vehicles	0.10	0.10	0.10	100.0%	99.6%	99.6%
Grand Total:	5.28	4.80	4.77	90.9%	90.2%	99.3%
Total Excluding Taxes and Arrears:	5.18	4.70	4.67	90.7%	90.1%	99.3%

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

Billion Uganda Shillings	Approved Budget	Released	Spent	% GoU Budget	% GoU Budget	% GoU Releases
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QUARTER 4: Highlights of Vote Performance

				Released	Spent	Spent
VF:1353 Coordination of Local Government Financing	5.18	4.70	4.67	90.7%	90.1%	99.3%
Recurrent Programmes						
01 Headquarters	4.61	4.13	4.14	89.6%	89.7%	100.1%
Development Projects						
0389 Support LGFC	0.57	0.57	0.53	100.0%	92.9%	92.8%
Total For Vote	5.18	4.70	4.67	90.7%	90.1%	99.3%

* Excluding Taxes and Arrears

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