

CSOs want budget for Local Governments increased to 30%



Monica Malega, the regional program officer SEATINI-Uganda delivering the civil society position paper, on the opportunities and challenges to service delivery and budget implementation, at Raider Hotel in Seeta at Office Monday, 19th September 2016. |@CSBAG2016

“The Civil Society under their umbrella organization Civil Society Budget Advocacy Group (CSBAG) has advised the government to consider revising its budgetary allocation to the Local Government from the current 16 percent to 30 percent of the National Budget.”

Today, 19th September, 2016 during the Local Government Budget Consultative workshop in Mukono district at Rider Hotel organized by Ministry of finance was attended by LC5 Chairpersons, Residential District Commissioners (RDCs), Chief Administrative Officers (CAOS), Municipality mayors and members of the civil society. CSOs, under their body umbrella Civil Society Budget Advocacy Group (CSBAG), said Local Governments (LGs) play a major role in ensuring service delivery but remain underfunded.

While delivering the civil society position paper, on the opportunities and challenges to service delivery and budget implementation at Raider Hotel in Seeta, Monica Malega, the

regional program officer SEATINI-Uganda, stated that “Whereas government is providing resources for salaries, it is also imperative that government provides adequate resources for non-wage and development expenditure to achieve the desired services outcomes,”

In the first quarter of the financial year 2016/2017 eight districts in Teso sub region received UGX 36b of which 75% was designed to cater for the wage component and the balance was shared between non-wage and development expenditure. Furthermore, she noted that due to the funding shortfalls, crucial actions like monitoring of service delivery, functionality of statutory institutions and oversight functions are insufficiently catered for.

More from the presentation, the CSOs listed understaffing, poor performance of local revenue mobilization, weak state of record management in Local government, uncoordinated and limited funding for monitoring and supervision in Local governments as the major hindrances to service delivery. They also pointed out inadequate and poor maintenance of infrastructure and equipment to facilitate service delivery, poor functionality of accountability structures at LG level, misuse of public resources, shoddy work and non-accountability, and lack of development plans by spending agencies and poor alignment of the existent ones to the National development plan II.

To avoid the gap, the CSOs recommended that local governments are given at least 30% of the national budget to implement critical actions necessary for development and efficient service delivery. “More resources need to be allocated to cater for non-wage and development expenditure at local government level,” Malega said, amidst applause by the district leaders.

However responding to the proposal, the under Secretary/ accounting officer ministry of finance, Betty Kasimbazi said there is no such plan by the government, to consider revising the budget for local governments, adding that there are other pressing issues that government need to fund. She advised the local governments, to come up with alternative tax initiatives, to supplement government’s budgetary support to local Governments. “Districts like Mukono, are very rich, me when I was still CAO Masaka district, I never got money from the central government, I didn’t need it, local taxation was enough. We used to construct roads using our own money,” Kasimbazi said.

As away forward, the CSOs, recommended that the government doesn’t approve budgets for any agency that doesn’t have a strategic plan. The CSOs also want government in the FY 2017/18, to provide more funds for the critical function of supervision and monitoring of service delivery centers, like schools and health centers, to improve functionality and reduce on absenteeism of staff.

In presence of the Local Government officials, on their part, they asked the government to consider amending the Public Finance Management Act, to allow them retain the unspent balances. “You find that even our revenue which we struggle to collect, end up in the treasury account. Accounting officers, should be allowed to work out which resources are sent to the treasury and those to be retained,” George Ntulume, the CAO mukono district said.

In response, Godwin Kakama, the Assistant commissioner Budget Policy in the ministry of finance, ruled out amending the law in the near future, saying all unspent balances should be returned to the consolidated fund, as required by the Act. Minister of Finance Matia Kasaija, who was represented by the undersecretary ministry of finance Kasimbazi, urged local governments, to align their budgets, to the National development Plan II

In conclusion, the ministry of finance indicated that only 86 districts, out of the over 100 districts in the country, have aligned their budgets to the NDP II. Revealing the budget strategy and priorities for the financial year 2017/18, Kasaija said the budget will focus on increasing production and productivity in the primary growth sectors of the economy, including agriculture, tourism, Oil, gas and minerals. The ongoing 2017/18 budget consultations with different stakeholders, will led to the formation of the National budget frame work, which will be submitted to parliament before December 31.