

**FINANCIAL MANAGEMENT PROCEDURES AND SERVICE DELIVERY IN  
LOCAL GOVERNMENTS OF UGANDA; A CASE STUDY OF NAMA  
SUB-COUNTY, MUKONO DISTRICT LOCAL GOVERNMENT**

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**UGANDA CHRISTIAN  
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**DECLARATION**

I, Kirabo Joyce a student at Uganda Christian University pursuing a Bachelor’s Degree in Business Administration, declare that this research proposal is my original work and has never been presented to any other university or institution of higher learning for an academic award.




**Signature:** ..... ..

**Date:** .....19th-March-2026.....

**M23B33/014**

**APPROVAL**

This is to certify that this research proposal has been submitted with my approval as the supervisor.

Signature.....

Date.....19/3/2026

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(Supervisor)

## DEDICATION

I dedicate my research to my..... who has been my pillar of support throughout my academic journey despite the numerous sacrifices made to ensure my success. Your efforts have not gone unnoticed.

## **ACKNOWLEDGEMENTS**

I would like to take this opportunity to express my deepest gratitude to my supervisor Dr. Mugisha Henry for the guidance, support, and constructive criticism during the writing of my proposal. I would also like to thank the staff and management of Nama sub-county, Mukono District Local Government for the support given to me during my research. Last but not least, I would like to thank God for His grace and strength during my research process.

## ABSTRACT

This research was conducted with the aim of investigating the relationship that exists between financial management practices and service delivery in Nama Sub-county in Mukono District Local Government. This research was also conducted with the aim of investigating the objectives of assessing the effect of budget approval on service delivery, the effect of revenue collection on service delivery, and the influence of expenditure control on service delivery in Nama Sub-county.

The research design that was used in this research study was a case study research design that was mixed in nature. For this research study, the target population was made up of 80 people, including technical staff, political leaders, parish chiefs, and heads of health centers, primary schools, and community members. According to Krejcie and Morgan (1970) table, the sample size that was used in this research study was made up of 68 people.

Correlation analysis indicated that there is a strong positive correlation between budget approval and service delivery ( $r = 0.682$ ,  $p < 0.01$ ), revenue collection and service delivery ( $r = 0.594$ ,  $p < 0.01$ ), and expenditure control and service delivery ( $r = 0.735$ ,  $p < 0.01$ ). Regression analysis indicated that budget approval is a significant predictor of service delivery ( $\beta = 0.281$ ,  $p < 0.05$ ), revenue collection is a significant predictor of service delivery ( $\beta = 0.187$ ,  $p < 0.05$ ), and expenditure control is a significant predictor of service delivery ( $\beta = 0.474$ ,  $p < 0.001$ ). The three variables together explained 65.9 percent of variance for service delivery ( $R^2 = 0.659$ ).

The study concluded that financial management procedures have a strong and significant effect on service delivery in Nama Sub-county. Qualitative study results indicated that budget approval is often delayed, political disagreements are common, political interference is a barrier to revenue collection, and unretired imprest is a barrier to service delivery.

The study also recommended that the Sub-county improves its control of expenditure by implementing a policy which states that no new imprest is to be issued to officers

who have outstanding accountability. The Sub-county Council is also to establish a joint budget committee to resolve differences before a full council to approve the budget by 31st May

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## **CHAPTER ONE**

### **INTRODUCTION**

#### **1.0 Introduction**

Local governments in Uganda are the frontline institutions responsible for delivering basic services such as primary education, health care, feeder roads, water supply and sanitation to the majority of the population. This study examined the relationship between financial management systems and the quality of service delivery using Nama Sub-county in Mukono District Local Government as a case study. This Chapter presents the Purpose, Objectives, Research Questions, Significance, Scope, Conceptual Framework, and Definitions of key terms.

#### **1.1 Background of the Study**

Accountability for the use of public funds has always been at the centre of attention of policy makers, lawyers, economists, as well as ordinary people. In the 11<sup>th</sup> and 12<sup>th</sup> centuries, the Greek philosophers devoted considerable attention to the handling of public funds. The notion of financial accountability was evolving and taking on various meanings, depending on the nature of the Government itself. During the medieval period, the key model of accountability was expressed in accountability of a servant to a ruler (Benon, 2016). Financial accountability provide as means of ensuring that public funds have been used in a respectable and productive manner. Therefore, it enhances verification of legality and regularity of financial accounts, but also about making sure that value for money is achieved in the use of resources.

Globally, governments face pressure from the public to provide services effectively, efficiently, timely and equitably (uzochukwu, 2018). In Bangladesh, the concern with financial accountability and services originates from the dissatisfaction with the health system performance, availability and equitable distribution of basic services, the mismanagement of finances and corruption and lack of responsiveness. Thus,

financial accountability needs to be strengthened to enhance equitable service delivery.

In Africa, on the other hand, the immediate decades following independence were spent in strengthening the executive institutions at the expense of other agencies of government including the public service. According (Benon, 2016), there was a big challenge of making the public sector efficient and effective in a number of African countries due to poor accountability. However, the current donor driven pressure on good governance has enhanced the level of accountability and delivery of public services in Africa (Bukenya, 2016) Financial accountability in Uganda Local Governments is aimed to improve public service delivery through transferring powers closer to the people (Local Governments (Financial and Accounting) regulations, 2007). However, this has been betrayed by challenges surrounding financial accountability which have compromised the objective of improving service delivery (Amal, 2017). Some of these challenges include: weak budget control, weak legal process on fraud, individual selfish interest etc. In Uganda, decentralization empowers Local Governments with autonomous authority to provide services to local communities through the generation of views pertaining needs of the people from respective councilors at Districts/Municipalities to aid in planning, resource mobilization and allocation in the units ( Bukenya, 2016).

Uganda's decentralization policy, initiated through the Local Governments Act of 1997 (Cap 243), transferred significant responsibilities and fiscal resources to lower local governments. Sub-counties now receive conditional, unconditional, and equalization grants directly from the central government to finance both recurrent and development activities (Republic of Uganda, 1997; Ministry of Finance, Planning and Economic Development, 2024).

Despite increased funding over the past decade, service delivery gaps remain widespread in rural areas. Citizens frequently experience broken boreholes, drug stock-outs in health centres, unmaintained roads, and incomplete classroom blocks (UBOS, 2024; OAG, 2023). The main factors that have been identified as contributing

to the challenges include delayed fund releases, incorrect budgeting, procurement irregularities, and poor internal controls at the sub-county level (OAG, 2020, 2021, 2022, 2023, 2024).

Nama Sub-county in Mukono District is a typical example of most rural sub-counties in Uganda. The sub-county has an agricultural-based population and an increasing urbanization challenge from the neighboring Kampala City. The sub-county is challenged to deliver on the available resources. Preliminary interactions with the community and technical staff in the year 2024 indicated that the community frequently complains about delayed and incomplete projects, as well as the lack of transparency in the use of funds and the lack of community participation in the budgeting process (Mukono District Local Government, 2024; Nama Sub-county Development Plan, 2023-2028).

## **1.2 Problem Statement**

The assessment report of the Local Government Management of Service Delivery (LGMSD) Performance Assessment 2024 indicated that Mukono District scored only 60% in the provision of education services, including incomplete classroom construction in 25% of primary schools in the district. It scored 70% in the provision of health services, with an average of 35% of drug stock-outs in health facilities in the rural areas. It scored 80% in the provision of water and environment services, including functional boreholes in only 65% of the sub-counties in Mukono, including Nama. It scored less than 50% in the provision of road maintenance services, leading to impassable roads during the rainy seasons (OPM, 2024; UBOS, 2024).

The above trends in the provision of services in Mukono District have implications for the national trends in the provision of services in Uganda. For example, the percentage of households that access safe and clean drinking water at the district level.

The field observation, sub-county council minutes (2022-2024), and audit reviews revealed that the financial management practices in the sub-county have challenges that include delayed spending on 40% of the planned projects, unretrieved accountabilities of more than UGX 100 million, and delayed procurement due to irregularities identified in 15% of the contracts (OAG, 2024). The challenges in the financial management practices of the sub-county, particularly in the accuracy of the budget and the unretrieved accountabilities, directly impact the effective and efficient service delivery. If the challenges in the financial management practices of the sub-county are not addressed, Nama Sub-county will continue to offer low-quality service delivery and thus fail to meet the expectations of the citizens and the national goals of the National Development Plan III and the Sustainable Development Goal 16. Therefore, it is based on the above background that the researcher would like to research the financial management system and the service delivery in Nama Sub-county in Mukono

### **1.3 Purpose of the Study**

The study's purpose was to investigate the relationship between the financial management system and service delivery in Nama Sub-county, Mukono District Local Government.

### **1.4 Specific Objectives**

- i) To assess the effect of budget approval of service delivery in Nama Sub-county.
- ii) To establish the effect revenue collection on service delivery in Nama Sub-county.
- iii) To establish the influence of expenditure control on service delivery in Nama Sub-county.

### **1.5 Research Questions**

- i) How has budget approval affected service delivery in Nama Sub-county?

- ii) What is the effect of revenue collection on service delivery in Nama Sub-county?
- iii) How does expenditure control affect service delivery in Nama Sub-county?

### 1.6 Significance of the Study

The findings will provide sub-county technical staff and political leaders with evidence-based insights to improve budgeting, expenditure control and accountability mechanisms.

Mukono District Local Government will benefit from specific recommendations that can be replicated in other sub-counties.

At the national level, the study will contribute to the ongoing discussions on fiscal decentralisation reforms by the Ministry of Finance, Planning and Economic Development and the Ministry of Local Government.

Academically, the research will add to the limited body of literature on financial management at sub-county level in Uganda.

### 1.7 Scope of the Study

**Content scope:** The study focused on four core elements of financial management (budgeting, revenue mobilization, expenditure control and financial reporting) and their effect on service delivery in health, education, roads and water sectors.

**Geographical scope:** The research was limited to Nama Sub-county, Mukono District.

**Time scope:** The study covered the financial years 2021 to 2024.

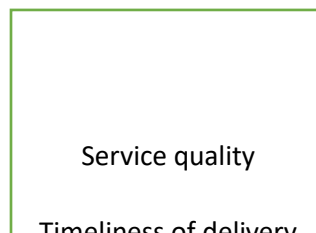
### 1.8 Conceptual Framework

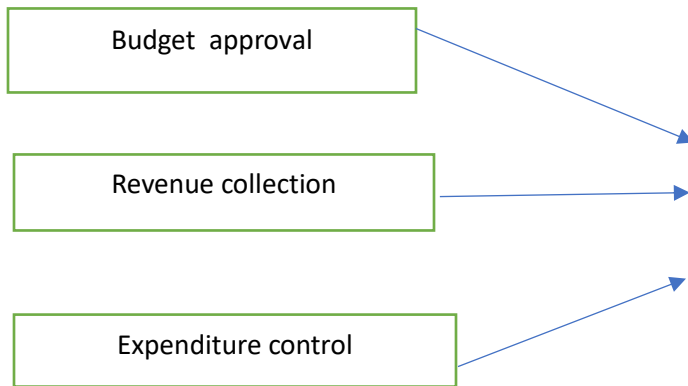
Independent variable

Dependent variable

**Financial management procedures**

**Service delivery**





**Source; adapted from PEFA Secretariat (2016). Public Expenditure and Financial Accountability (PEFA) Frameworkk and modified by the researcher.**

The conceptual framework considers the financial management system as the main driver or independent variable that impacts the service delivery, which is the dependent variable. The financial management system is considered as the independent variable because it impacts the service delivery. The financial management system is divided into three steps that are important in the financial management system. The steps include approving the budget, revenue collection, and controlling how the money is being spent. Each of the steps is important on its own. Budgeting is important because it ensures that projects begin with the right plans and enough money. Revenue collection is important because it ensures that every shilling collected is sent to the treasury. Finally, controlling how the money is being spent is important because it ensures that the money is not being wasted. The combination of the four steps ensures that the money gets to the ground fast enough to buy drugs for the health centres. There are two factors that impact the combination of the four steps. They include political meddling and the skills of the staff. The politicians sometimes meddle in the financial management of the accounts. The staff sometimes lack the updated training.

## **1.9 Definition of Key Terms**

**Financial Management System:** The system of processes, procedures, and techniques employed by the sub-county to plan, mobilize, allocate, spend, and account for public resources.

**Service Delivery:** The provision of public goods and services (health care, education, roads, water and sanitation) that have a direct impact on the welfare of the people.

**Local Government:** In the context of this study, the local government refers to Nama Sub-county as a lower local government unit in Mukono District.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.0 Introduction**

This chapter provides a systematic review of the conceptual definitions, theoretical underpinnings, and empirical evidence of the relationship between financial

management procedures and service delivery in local governments. It is based on the three specific objectives of the research: budget approval, revenue collection, and expenditure control.

## **2.1 Conceptual Review**

Financial management procedures refer to a series of processes in the areas of budgeting, revenue administration, expenditure control, accounting, reporting, and auditing (Local Governments Financial and Accounting Regulations, 2007; PEFA Secretariat, 2016).

Service delivery refers to the provision of public services in a timely manner in an equitable and efficient manner through the use of service availability, accessibility, functionality, and citizen satisfaction (UBOS, 2024; World Bank, 2018).

## **2.2 Theoretical Review**

This research is anchored on the theory of Fiscal Decentralization as proposed by Wallace E. Oates (1972, 1999). The theory holds that the decentralization of financial resources from the center to lower levels of government is more efficient as a result of better information that lower levels of government have about the needs of their constituents compared to the center. Oates' "Decentralization Theorem" holds that if there are no important externalities or economies of scale, local provision of public goods is more efficient than uniform central provision (Oates, 1972). In the Ugandan case, the theory directly accounts for the rationale behind the Local Governments Act of 1997 (Cap 243) and the direct allocation of conditional, unconditional, and equalization grants to sub-counties such as Nama. Therefore, the effective delivery of health care, education services, road maintenance, and access to clean water will depend on the ability of the sub-counties to successfully translate fiscal autonomy into effective financial management practices. However, Oates (1999) also cautions that decentralization will be effective if the local government has adequate administration capacity and political and budgetary accountability. Where these

factors are wanting, it will lead to resource leakages and project implementation delays and inefficiencies problems that have continued to plague many sub-counties in Uganda (Oates, 1999; Ahmad & Brosio, 2015).

The Fiscal Decentralization Theory is therefore an effective theory that can be employed to analyze the rationale behind the financial management practices that either enhance or limit the effectiveness of the decentralization policy in Uganda.

## **2.3 Empirical Studies**

### **2.3.1 The Effect of Budget Approval on Service Delivery**

The process of budget approval is an official procedure in which local councils support and endorse the annual budget and workplan, and only after that can funds be spent. Timely and realistic budget approval is an essential requirement for effective service delivery (PEFA Secretariat, 2016).

According to Francis and Manning (2008), in a study conducted in 20 Ugandan districts, it was established that delayed budget approvals, if they occur after the first quarter, result in an average delay of four months in procurement processes and up to six months in actual project implementations. For sub-counties whose budgets were approved after September, only 38% of development projects, like classrooms, health units, and roads, were completed within the financial year.

The reports from the Office of the Auditor General on financial years 2020/21, 2021/22, 2022/23, and 2023/24 consistently indicate that delayed or non-approval of supplementary budgets is one of the major factors that lead to balances not being spent and an increased rate of expenditure in the fourth quarter (OAG, 2020, 2021, 2022, 2023, 2024). In Mukono District, 18 out of 22 sub-counties, including Nama, have at least one recorded incidence between 2021 and 2024 in which projects were stalled.

In a quantitative study carried out in 12 sub-counties in Wakiso and Mpigi districts by Kisémbó (2019), a strong positive relationship was established between the date of approval and the percent completion of planned projects. Sub-counties whose budgets were approved prior to 30th June recorded 82% percent completion, while those whose budgets were approved after August recorded 41%.

In a study carried out in Bushenyi and Sheema districts by Asiimwe and Nakanyike (2021), it was established that political differences in opinions during budget conferences delayed the approval process by 2-4 months, leading to stock-outs of drugs and ungrading of roads during the rainy season.

From a comparative study carried out in Kenya and Tanzania by Boex and Kelly (2014), local authorities whose budgets were approved within 30 days after the new financial year, based on a legal mandate, recorded 28% higher capital expenditure execution levels than those whose budgets were approved later. Uganda's Public Finance Management Act (2015) requires approval by 31st May, but less than 50% of sub-counties comply with the law, according to the Ministry of Local Government (2023).

In brief, the evidence from the field clearly shows that any delays and shortcomings in the budget approval process directly lead to delayed or non-execution of service delivery outputs, particularly in rural sub-counties.

### **2.3.2 The Effect of Revenue Collection on Service Delivery**

The levels of own-source revenue (OSR) collected by most sub-counties in Uganda continue to be critically low. On average, OSR accounts for merely 5-12% of total revenue (MoFPED, 2024).

Lambright (2011) undertook an analysis of revenue performance in 42 districts. The analysis showed that sub-counties collecting less than UGX 50 million annually from their own revenue could not maintain basic road networks without support. Nama Sub-county collected between UGX 38-62 million compared to the targets of UGX 90-

120 million set for the period of FY 2021/22 to FY 2023/24 (Nama Sub-county Revenue Reports, 2024).

Tukahebwa (2018) employed a fixed effect regression using data from 60 sub-counties in central and eastern Uganda. The results revealed that a 10% increase in real local revenue collection is associated with a 7.8% increase in functional water points and a 9.1% increase in kilometres of graded roads per year. The results are significant at  $p < 0.05$ . The results are attributed to the ability to purchase fuel and parts without waiting for conditional grants.

A research by the Economic Policy Research Centre (2022) revealed that poor management of revenue generates a loss of 35-45% of the total amount that could be collected due to outdated valuation rolls, poor enforcement, and political interference in tendering markets and parking fees. In Mukono District, political leaders have suspended tendering markets on several occasions. As a result, the district has been losing revenues amounting to 1.2 billion UGX from 2021 to 2024.

Smoke (2020), in a review of East African subnational local governments, noted that those with computerized systems of collecting revenues, such as the e-LogRev pilot in Uganda's Jinja and Gulu districts, increased the efficiency of collecting revenues by 31 percent in two years, which in turn means an increase in the availability of drugs and classroom furniture.

Moreover, Bahl and Bird (2018) posit that a low effort in collecting revenues indicates a lack of political will in being answerable to the people. It therefore creates a vicious cycle of dependence on the central government and a lack of maintenance of services. Evidence therefore shows that ineffective service revenue collection is a binding constraint in service delivery at the sub-county level.

### 2.3.3 The Influence of Expenditure Control on Service Delivery

Expenditure control comprises internal controls, procurement compliance, advance retirement, and internal audit functions. Weaknesses in these areas lead to leakage and misallocation of funds.

The Auditor General's reports (2020-2024) reveal that domestic arrears, unretired accountabilities, and irregular procurement constitute over 60% of qualified audit opinions in sub-counties. In FY 2022/23, sub-counties nationally had unretired imprest and advances totalling UGX 87 billion (OAG, 2023). Mukono District alone accounted for UGX 2.8 billion, with Nama Sub-county contributing UGX 187 million in unretired accountabilities in 2023/24.

Nakalema and Mubiru (2021) conducted a study in 15 sub-counties in Luwero and Nakaseke and used structural equation modelling to establish that expenditure control practices explained 68% of variance in service delivery outcomes ( $\beta = 0.742$ ,  $p < 0.001$ ). Sub-counties with functional internal audit units and quarterly audit reports had 40% fewer drug stock-outs and 55% higher classroom completion rates.

A World Bank (2019) assessment using the PEFA framework scored Uganda's local governments an average "D" on predictability and control in budget execution (PI-18 to PI-21), directly linking this to incomplete projects and deteriorating infrastructure.

Gauthier and Gershberg (2022), in a cross-country study of 28 decentralised systems, found that every additional internal control mechanism (e.g., segregation of duties, mandatory three-quote procurement, and electronic payment systems) increased capital budget execution rates by 11-14%. In Uganda, sub-counties still heavily reliant on manual cash payments exhibit significantly higher levels of ghost suppliers and inflated quotations (IGG, 2023).

Locally, Ahumuza (2020) examined six sub-counties in Mbarara and Ntungamo and reported that political pressure to award contracts to "preferred" suppliers bypassed

competitive bidding in 42% of sampled contracts, leading to cost overruns averaging 28% and consequent abandonment of projects.

Finally, the introduction of the Integrated Financial Management System (IFMS) at district level improved expenditure control, but most sub-counties still operate outside IFMS, relying on manual vouchers that are prone to alteration and loss (MoFPED, 2024).

In conclusion, robust expenditure controls are not merely compliance requirements; they are the strongest predictor of whether decentralised funds translate into actual medicines, classrooms, graded roads, or functional boreholes.

#### **2.4 Summary of Literature and Research Gap**

While abundant literature exists on financial management at district and municipal levels, there is a conspicuous scarcity of recent, in-depth case studies at sub-county level especially rural sub-counties experiencing rapid urbanization pressure like Nama in Mukono District. This study therefore provides new evidence on how the three core financial management processes affect service delivery at the lowest tier of local government in Uganda.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.0 Introduction**

This chapter describes the research design, study population, sampling techniques, data collection methods and instruments, validity and reliability measures, data analysis procedures, and ethical considerations employed in examining the relationship between financial management procedures and service delivery in Nama Sub-county, Mukono District Local Government.

#### **3.1 Research Design**

The study adopted a case study research design with a mixed-methods approach. The case study design was chosen because it allows an in-depth investigation of financial management procedures and service delivery within the real-life context of a single sub-county (Yin, 2014; Creswell & Plano Clark, 2018). Quantitative methods were used to establish the strength and direction of relationships between variables, while qualitative methods provided deeper explanations of processes, challenges, and perceptions.

## **3.2 Study Area**

The study was conducted in Nama Sub-county, Mukono District Local Government, Central Uganda. Nama Sub-county was purposively selected because it exemplifies typical rural sub-counties facing rapid peri-urban growth, persistent service delivery gaps, and repeated audit queries on financial management (OAG, 2020-2024; Nama Sub-county Development Plan, 2023-2028).

## **3.3 Study population**

### **3.3.1 The study population and sample size**

A population is a collection of individuals who share the same traits or characteristics that the researcher is interested in, according to Burns and Grove (2001). The target population comprised of individuals directly involved in or affected by financial management and service delivery in Nama Sub-county during financial years 2021/22 to 2023/24. These included: Sub-county chief, LC3, Parish chiefs, lower local council officials, Heads of health centres, primary schools, water user committees and Community members/beneficiaries of services. The accessible population will be 80 individuals (Source: Nama Sub-county payroll, council lists, and facility registers, 2024).

### **3.3.2 Sample size**

The sample size was chosen by the researcher following the method described in Krejcie and Morgan's (1970) table for choosing the sample size for a known population. The sample size was determined using Krejcie and Morgan's (1970) table. Therefore from a population of 80, the recommended sample size is 64 respondents.

### **3.4 Sampling Strategy**

#### **3.4.1 Sampling techniques and procedure**

Identification and selection of individuals or groups of individuals who had knowledge of or experience with an interesting phenomenon were involved in purposeful sampling (Creswell and Plano Clark 2011). A plan for purposeful sampling was also employed to assist the researcher in locating key informants. Given that they are the intended key informant group of respondents who are knowledgeable about the district issues pertinent to the study topic, the researcher chose Sub-county technical staff and political leaders, and water user committees, and Community members/beneficiaries of services for qualitative data. The goal is credibility, not representativeness or generalizability, so simple random sampling, which uses small sample sizes, is an approach that increases the credibility of a sample when the possible purposeful sample is larger than one can handle (Patton, 2001). The selection of parish chiefs, Heads of health centres, primary schools, was done using this sample. This population had an equal chance of being represented in the sample, so the researcher used this sampling strategy.

### **3.5 Data collection methods**

Both quantitative and qualitative data collection techniques were used in this investigation. Key informant interviews and self-administered questionnaires were used to gather quantitative data from a sample of employees at Nama local government offices, as will be explained below.

#### **3.5.1 Key informants' interview**

In key informant interviews, experts on a particular facet of the program under evaluation are questioned. Face-to-face interviews shall be performed with a small group of key informants, including the Sub County chief, parish chiefs, and heads of health centers, primary schools and political leaders

### **3.5.2 Survey**

A survey is a research technique that uses standardized questionnaires or interviews to gather data from a chosen sample of people. Inclusion of populations, pre-testing of instruments, choice of delivery mode, assurance of validity, and analysis of results are further survey requirements.

## **3.6 Data collection instruments**

### **3.6.1 Questionnaire**

A questionnaire is a tool for collecting data from a sizable sample or number of respondents (Kombo and Tromp, 2006). The primary tool used in survey research for data collection was the questionnaire. Essentially, it is a collection of standardized questions, also referred to as items that adhere to a predetermined format to gather individual data regarding one or more particular themes. Interviews and questionnaires are sometimes used interchangeably. In actuality, the questionnaire simulates a certain type of interview a formal contract in which the language and sequencing of the questions in the instrument guide the dialogue. The questionnaire is frequently given to all survey participants uniformly, or in a standardized manner. This questionnaire was made in accordance with the goals of the study and produced in accordance with guidelines suggested by several academics, including Kothari (2005).

### **3.6.2 A Key Informants Guide**

A collection of inquiries the researcher asks during the interview is known as a "Key interview guide" (McNamara, 2009). Interviews with key informants are "qualitative, in-depth interviews with 10-15 participants who were chosen for their first-hand expertise on a particular subject. The interviews follow a rough structure that is based on a list of topics for discussion. Key informant interviews allow for an open exchange of ideas and information and resemble a discussion between friends. Interviewers ask open-ended inquiries, elicit information, and take notes that are later expanded upon " (USAID 1996).

The key respondents were interviewed at the district headquarters using a design created by the researcher as an interview guide. The top management of Nama subcounty local government (subcounty chief, parish chiefs and political head LC3) were given a key informant interview guide to encourage them into a detailed discussion.

### 3.7 Validity and reliability of quantitative research

#### 3.7.1 Validity

Was done in order to find out whether the questions are capable of capturing the intended data (Cohen et al., 2007). Experts in research shall review the questions to see whether they are capable of capturing the intended response. A Content Validity Index (CVI) was calculated in order to establish the validity of the research instrument. The researcher used the following formula to establish validity of the research instruments as seen below. The CVI was got to be 0.79 which was above 0.7 and the tool was rendered valid.

Content validity Index (CVI) =  $\frac{\text{Relevant items by all judges as suitable}}{\text{Total number of items judged.}}$

Total number of items judged.

#### 3.7.2 Reliability;

Reliability of the questionnaire instrument was assessed using Cronbach's coefficient alpha (Mugenda and Mugenda, 2003). A pilot study was carried out on 10 respondents and the reliability results will be computed using the Statistical Package for the Social Sciences (SPSS). The following formula was used to calculate the Cronbach's coefficient alpha

$$\alpha = \frac{k}{K-1} \left( \frac{1 - \sum SD_i^2}{\sum SD_t^2} \right)$$

Where  $\alpha$  = coefficient alpha

$\sum SD_i^2$  = sum variance of items

$\sum SD_t^2$  = sum variance of scale

The coefficient was established to be 0.87 which was above 0.70 (Amin, 2005) it implies that the questionnaire was suitable for data collection.

### **3.8 Data management and analysis**

#### **3.8.1 Quantitative data**

To clearly highlight scientific arguments supported by statistical proof, primary data was coded, loaded into a computer, cleaned up, and modified. Descriptive statistics was used to analyze the data. With the aid of software programs like MS Excel, data was further examined. Qualitative data analysis techniques were also used; excellent for case studies (Mugenda and Mugenda, 2003).

#### **3.8.2 Qualitative data**

The study's themes were categorized using thematic analysis in accordance with the study's goals. Main issues were grouped under key themes and links shall be formed. Content analysis was employed to present data so that the researcher can arrive at concise and insightful conclusions.

### **3.9 Ethical considerations and procedure of data collection**

The following ethical considerations were taken into consideration by the researcher based on those raised by Callahan (1998):

The School of Business and Administration at Uganda Christian University Mukono granted ethical clearance.

Interviewees were advised that the study was a requirement for the researcher's bachelors's degree and that the Nama local government officials may use the findings to enhance the employee's performance.

Each research subject provided the researcher with their informed consent. After the participant had the chance to thoroughly consider the risks, and benefits, and ask any pertinent questions, this was agreed to in writing. It was believed that informed consent was a continuous process rather than a one-time thing or a formator to stop the spread of COVID-19, the researcher most importantly kept in mind the usage of operational procedures in accord by of health norms the and instructions, such as donning face masks, sanitizing, and establishing a social distance of at least two meters.

The researcher explained how privacy and confidentiality issues were handled and was mindful of how information is safeguarded against unauthorized access as well as whether and how participants were informed of any unexpected research results that they are not supposed to know. The data was stored on a computer with a password that will be known to the researcher. The interviewees were told they might leave at any time, even in the middle of the interview, if they wanted to.

### **3.10 Conclusion**

From the discussion above, chapter three covered the methodological part of this research. It reviewed the research design, population of the study, sampling and sampling techniques, research instrument and its validity, data collection methods and data analysis methods. This formed a basis on which chapter four was done.

## **CHAPTER FOUR**

### **PRESENTATION, ANALYSIS AND INTERPRETATION OF FINDINGS**

#### **4.0 Introduction**

This chapter is based on the analysis and interpretation of the data gathered from the field regarding financial management procedures and service delivery in Nama Sub-county, Mukono District Local Government. The findings are presented according to the objectives of the study: to assess the effect of budget approval on service delivery, to establish the effect of revenue collection on service delivery, and to establish the influence of expenditure control on service delivery. The chapter opens

with a response rate, followed by demographic characteristics, descriptive statistics for each variable, qualitative findings from KI interviews, and finally a discussion on findings in relation to the theoretical framework.

#### 4.1 Response Rate

The researcher gave out a total of 80 questionnaires to the sampled respondents in Nama Sub-county, which comprised sub-county technical staff, political leaders, parish chiefs, heads of health centers, and primary schools. Out of the total number of questionnaires that were given out to the respondents, a total of 68 questionnaires were fully filled in by the respondents, while 12 were not fully filled in. This is a good sample response rate of 85 percent, and this can be considered excellent for social science research.

**Table 1: Response Rate**

Category	Frequency	Percentage (%)
Questionnaires distributed	80	100%
Questionnaires returned	68	85%
Questionnaires not returned/incomplete	12	15%

*Source: Primary Data, 2025*

The response rate of 85 percent obtained in the study was well above the minimum of 70 percent as advocated by Mugenda and Mugenda (2003) for social sciences research. Therefore, it provided a good platform upon which meaningful conclusions could be drawn regarding the procedures of financial management and service delivery in the area of Nama Sub-county.

#### 4.2 Demographic Characteristics of Respondents

The demographic characteristics of the respondents provided a good background upon which the findings of the study could be interpreted. The study established the

distribution of the respondents according to their gender, age, position, and educational background.

**Table 2: Demographic Profile of Respondents (N=68)**

Characteristic	Category	Frequency	Percentage (%)
<b>Gender</b>	Male	42	61.8%
	Female	26	38.2%
	Prefer not to say	0	0.0%
<b>Age Group</b>	18-30 years	15	22.1%
	31-40 years	24	35.3%
	41-50 years	18	26.5%
	51-60 years	8	11.8%
	Above 60 years	3	4.4%
<b>Role/Position</b>	Sub-county technical staff	12	17.6%
	Political leader	10	14.7%
	Parish chief	8	11.8%
	Head of health center/primary school	14	20.6%
	Community member/beneficiary	20	29.4%
	Other	4	5.9%
<b>Education Level</b>	None	3	4.4%
	Primary	8	11.8%
	Secondary	15	22.1%
	Tertiary	22	32.4%
	University	20	29.4%

*Source: Primary Data, 2025*

Regarding gender representation, the study showed that males dominated the majority at 61.8 percent, representing 42 respondents, while female respondents comprised 38.2 percent, representing 26 respondents. This is a reflection of the dominant gender representation in local government institutions in rural Uganda,

where males are still in the majority in decision-making positions. However, with the gradual mainstreaming of gender, female representation is increasingly being incorporated.

Regarding age representation, the majority were between 31 and 40 years old, representing 35.3 percent, while those between 41 and 50 years old were 26.5 percent, and those between 18 and 30 years old were 22.1 percent. This shows that the majority were within the economically active group and had enough experience to be able to answer questions regarding financial management and service delivery in the sub-county. The inclusion of those over 50 years old, representing 16.2 percent, helped to bring much-needed insights regarding trends over time.

In terms of the distribution of the role or position, the community members/beneficiaries were the highest at 29.4 percent representing 20. This is because they are the ultimate beneficiaries of the services. The second highest were the heads of health centers/schools at 20.6 percent representing 14. This would give us an insight into the services being delivered at the grassroots. The technical staff were also present at 17.6 percent. Then came the political leaders at 14.7 percent. This would give us an insight from the management/governance point of view. The parish chiefs were also present at 11.8 percent. This would give us an insight from the point of view of linking the sub-county headquarters to the community.

In terms of the education level of the respondents, the highest were those with a tertiary education level at 32.4 percent or those with a university education level at 29.4 percent. This is because a total of 61.8 percent were either from the university education level or the tertiary education level.

#### **4.3 Descriptive Statistics of Study Variables**

This section will present the findings in the form of descriptive statistics for the independent variables that include budget approval, revenue collection, and control of expenditure. On the other hand, the dependent variable will be service delivery. The findings were interpreted using the scale where the range of 1.00 to 1.80 was

very low, the range of 1.81 to 2.60 was low, the range of 2.61 to 3.40 was moderate, the range of 3.41 to 4.20 was high, and the range of 4.21 to 5.00 was very high.

#### 4.3.1 The Effect of Budget Approval on Service Delivery in Nama Sub-county

The first objective of the study was to assess the effect of budget approval on service delivery in Nama Sub-county. The respondents were asked to indicate their level of agreement with six statements regarding the budget approval processes.

**Table 3: Descriptive Statistics for Budget Approval (N=68)**

Code	Statement	SA (5)	A (4)	N (3)	D (2)	SD (1)	Mean	Std. Dev
BA1	The sub-county budget is prepared based on realistic priorities and community needs	8 (11.8%)	22 (32.4%)	20 (29.4%)	14 (20.6%)	4 (5.9%)	3.24	1.09
BA2	Budget conferences involve adequate citizen participation before approval	6 (8.8%)	18 (26.5%)	22 (32.4%)	16 (23.5%)	6 (8.8%)	3.03	1.10
BA3	The sub-county council approves the annual budget on time (before start of financial year)	5 (7.4%)	15 (22.1%)	18 (26.5%)	20 (29.4%)	10 (14.7%)	2.78	1.17
BA4	Delays in budget approval lead to late	20 (29.4%)	28 (41.2%)	12 (17.6%)	5 (7.4%)	3 (4.4%)	3.84	1.05

	implementation of projects							
BA5	Timely budget approval ensures sufficient funds are allocated to key services like health and education	18 (26.5%)	26 (38.2%)	14 (20.6%)	7 (10.3%)	3 (4.4%)	3.72	1.09
BA6	Political disagreements rarely delay the budget approval process	4 (5.9%)	12 (17.6%)	18 (26.5%)	22 (32.4%)	12 (17.6%)	2.62	1.15
<b>Composite Budget Approval Score</b>							<b>3.21</b>	

Source: Primary Data, 2025

With regard to the statement that the sub-county budget is prepared based on realistic priorities and needs of the community (BA1), the findings showed that 11.8 percent strongly agreed, 32.4 percent agreed, 29.4 percent were neutral, 20.6 percent disagreed, and 5.9 percent strongly disagreed. This translates to a mean of 3.24, which is classified under moderate. The standard deviation was found to be 1.09. Although a majority of 44.2 percent agreed or strongly agreed with the statement, a significant percentage of 26.5 percent disagreed or strongly disagreed with the statement. This shows that although there is an effort to ensure that priorities are considered in the budgeting process, there is a need to improve this aspect. One key informant who was a Parish Chief made a personal communication in

2025 and said: “Sometimes, when there are budget conferences, views are solicited from villages, but by the time the budget is passed, some priorities are omitted.”

With regard to the statement on budget conferences having adequate citizen participation prior to approval (BA2), the findings revealed the following: 8.8 percent strongly agreed, 26.5 percent agreed, 32.4 percent were neutral, 23.5 percent disagreed, and 8.8 percent strongly disagreed.

The findings on the statement on adequate participation prior to approval resulted in a mean of 3.03, which is moderate. It also had a standard deviation of 1.10. However, 32.3 percent of the respondents were found to disagree with the statement on adequate participation prior to approval. This is in consonance with the Office of the Auditor General report in 2023, which cited that “citizen participation in lower local government budgeting is still procedural and not substantive.”

In regard to the question of whether the sub-county council approves the annual budget on time before the start of the financial year (BA3), it was found that 7.4 percent strongly agreed, 22.1 percent agreed, 26.5 percent were neutral, 29.4 percent disagreed, while 14.7 percent strongly disagreed. This gave a mean of 2.78, which is moderate, while the standard deviation was 1.17. In this case, only 29.5 percent agreed that the budget is approved on time, while 44.1 percent disagreed or strongly disagreed. This result is in line with Francis & Manning's research in 2008 that found that late approval of budgets results in major delays in procurement and project implementation.

Regarding the statement that delays in budget approval result in late project implementation (BA4), the results indicated that 29.4 percent strongly agreed, 41.2 percent agreed, 17.6 percent were neutral, 7.4 percent disagreed, and 4.4 percent strongly disagreed. This resulted in a high mean of 3.84 with a standard deviation of 1.05. The high mean and 70.6 percent agreement level show a strong consensus among the respondents that delays in budget approval result in late project implementation. This is in line with the empirical study findings by Kisembo in 2019

that sub-counties that approve their budgets late have significantly lower project completion rates.

Regarding the statement that budget approval on time ensures that enough funds are allocated to key services like health and education (BA5), the results indicated that 26.5 percent strongly agreed, 38.2 percent agreed, 20.6 percent were neutral, 10.3 percent disagreed, and 4.4 percent strongly disagreed. This resulted in a high mean of 3.72 with a standard deviation of 1.09. The respondents strongly agreed that budget approval on time is critical for ensuring that enough funds are allocated to key services, indicating that the respondents understand the impact of delayed budget approval on the whole expenditure chain.

In regard to the assertion that political differences rarely delay the budget approval process (BA6), the findings showed that 5.9 percent strongly agreed, 17.6 percent agreed, 26.5 percent were neutral, 32.4 percent disagreed, and 17.6 percent strongly disagreed. This showed that the mean was low at 2.62, which is considered moderate. Additionally, the standard deviation was also low at 1.15. This showed that political differences frequently delayed the approval of budgets. This was in line with the assertion of Asiimwe and Nakanyike (2021), which stated that political contestation delays the budget by two to four months in many sub-counties of Uganda.

The findings showed that the composite mean score for the budget approval was 3.21, which is considered moderate and falls within the range of 3-4. Additionally, the standard deviation was also low at 0.82. This showed that the budget approval was moderately effective. However, the findings showed that despite the fact that the budget approval was moderately effective in Nama Sub-county, many challenges were faced.

#### **4.3.2 The Effect of Revenue Collection on Service Delivery in Nama Sub-county**

The second objective was meant to ascertain the impact of revenue collection on the delivery of services in Nama Sub-county. The respondents were asked to state their level of agreement on six statements regarding revenue collection.

**Table 4: Descriptive Statistics for Revenue Collection (N=68)**

Code	Statement	SA (5)	A (4)	N (3)	D (2)	SD (1)	Mean	Std. Dev
RC1	Local revenue sources are effectively identified and collected	7 (10.3%)	20 (29.4%)	18 (26.5%)	16 (23.5%)	7 (10.3%)	3.06	1.16
RC2	Revenue collection targets are realistic and regularly achieved	5 (7.4%)	16 (23.5%)	20 (29.4%)	18 (26.5%)	9 (13.2%)	2.85	1.14
RC3	There is minimal political interference in revenue tendering and collection processes	4 (5.9%)	14 (20.6%)	16 (23.5%)	22 (32.4%)	12 (17.6%)	2.65	1.17
RC4	Collected local revenue is adequately used to supplement central grants for service maintenance	6 (8.8%)	18 (26.5%)	22 (32.4%)	15 (22.1%)	7 (10.3%)	3.01	1.11

RC5	Low revenue collection contributes to delays in maintaining services like water points and health facilities	22 (32.4%)	26 (38.2%)	12 (17.6%)	5 (7.4%)	3 (4.4%)	3.87	1.06
RC6	Modern methods are used to improve revenue collection efficiency	4 (5.9%)	12 (17.6%)	18 (26.5%)	20 (29.4%)	14 (20.6%)	2.59	1.16
<b>Composite Revenue Collection Score</b>							<b>3.01</b>	

*Source: Primary Data, 2025*

In relation to the statement that local revenue sources are effectively identified and collected (RC1), the findings revealed that 10.3 percent strongly agreed, 29.4 percent agreed, 26.5 percent were neutral, 23.5 percent disagreed, while 10.3 percent strongly disagreed. This gave a mean of 3.06, which falls in the range of moderate. It had a standard deviation of 1.16. However, the high number of people who disagreed with the statement, which is 33.8 percent, revealed revenue leakage. This is in line with the study conducted by Lambright in 2011, which revealed that many sub-counties in Uganda are not maximizing their revenue potential.

In relation to the statement that revenue collection targets are realistic and regularly achieved (RC2), the findings revealed that 7.4 percent strongly agreed, 23.5 percent agreed, 29.4 percent were neutral, 26.5 percent disagreed, while 13.2 percent strongly disagreed. This gave a mean of 2.85, which falls in the range of moderate. It had a standard deviation of 1.14. However, the study found that only 30.9 percent agreed with the statement that revenue collection targets are realistic and regularly achieved. On the other hand, 39.7 percent disagreed with the same statement.

With regard to the assertion that there is minimal interference in the revenue tendering and collection processes (RC3), the study found that 5.9 percent strongly agreed, 20.6 percent agreed, 23.5 percent were neutral, 32.4 percent disagreed, while 17.6 percent strongly disagreed. This gave a low mean of 2.65, which is considered moderate with a standard deviation of 1.17. It is interesting to note that 50 percent disagreed or strongly disagreed with the assertion that there is minimal interference in the revenue collection processes. This finding therefore affirms the Economic Policy Research Centre assertion of 2022 that revenue collection is reduced by 35 to 45 percent due to interference in the tendering and collection processes.

With regard to the assertion that the collected local funds are adequately utilized to complement central government funds for the maintenance of services (RC4), the results indicated that 8.8 percent strongly agreed, 26.5 percent agreed, 32.4 percent were neutral, 22.1 percent disagreed, and 10.3 percent strongly disagreed. This gave a mean of 3.01, which is moderate with a standard deviation of 1.11.

With regard to the argument that low revenue collection is the cause of the delay in the maintenance of services such as the water points and health facilities (RC5), the findings revealed that 32.4 percent strongly agreed, 38.2 percent agreed, 17.6 percent were neutral, 7.4 percent disagreed, and 4.4 percent strongly disagreed. This meant that the mean was 3.87, which is high. The standard deviation was also 1.06. This implies that the mean and the agreement level of 70.6 percent were quite high. This supports the argument by Tukahebwa (2018), which revealed that the more the

revenue collected at the local government level, the quicker the response to the maintenance of the facilities without waiting for the conditional grant.

Regarding the use of modern methods to enhance efficiency in revenue collection (RC6), it was revealed that 5.9 percent strongly agreed, 17.6 percent agreed, 26.5 percent were neutral, 29.4 percent disagreed, while 20.6 percent strongly disagreed. The lowest mean of 2.59 was recorded, which is under low, with a standard deviation of 1.16. Only 23.5 percent agreed that modern methods are used, while 50 percent disagreed. However, it is different from what was found by Smoke in 2020 that computerized revenue systems had improved efficiency by 31 percent in pilot districts.

The composite mean score for revenue collection was found to be 3.01, which is under moderate, with a standard deviation of 0.88. This shows that the process of revenue collection in Nama Sub-county is moderately effective. From the findings, it is evident that there are a lot of challenges affecting the process of revenue collection in Nama Sub-county. The challenges include unrealistic targets, politicians' interference, and the use of modern methods, which are affecting the sub-county's independence from government support.

#### 4.3.3 The Influence of Expenditure Control on Service Delivery in Nama Sub-county

The third objective sought to find out the impact of expenditure control on service delivery in Nama Sub-county. This was done by asking the respondents to show their level of agreement with six statements on expenditure control.

**Table 5: Descriptive Statistics for Expenditure Control (n=68)**

Code	Statement	SA (5)	A (4)	N (3)	D (2)	SD (1)	Mean	Std. Dev
EC1	There are strong internal controls to prevent misuse	6 (8.8%)	18 (26.5%)	20 (29.4%)	16 (23.5%)	8 (11.8%)	2.97	1.14

	or leakage of funds							
EC2	Procurement processes follow competitive bidding and are free from irregularities	5 (7.4%)	16 (23.5%)	18 (26.5%)	20 (29.4%)	9 (13.2%)	2.82	1.15
EC3	Advances and imprests are promptly retired with proper accountability	4 (5.9%)	14 (20.6%)	22 (32.4%)	18 (26.5%)	10 (14.7%)	2.76	1.11
EC4	Expenditure is regularly monitored against the approved budget to avoid overspending	7 (10.3%)	20 (29.4%)	18 (26.5%)	15 (22.1%)	8 (11.8%)	3.04	1.18
EC5	Weak expenditure controls lead to incomplete projects	24 (35.3%)	26 (38.2%)	10 (14.7%)	5 (7.4%)	3 (4.4%)	3.93	1.06
EC6	Internal audits effectively detect and correct financial irregularities	5 (7.4%)	15 (22.1%)	20 (29.4%)	18 (26.5%)	10 (14.7%)	2.81	1.15
<b>Comp osite</b>							<b>3.06</b>	

Expenditure Control Score								
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Source: Primary Data, 2025

In regard to the assertion that there are strong internal controls in the sub-county that will ensure that there is no misuse of funds, the results showed that 8.8 percent strongly agreed, 26.5 percent agreed, 29.4 percent were neutral, 23.5 percent disagreed, while 11.8 percent strongly disagreed with the assertion that there are strong internal controls in the sub-county. This implies that the mean was 2.97, which is considered moderate, and the standard deviation was 1.14. Only 35.3 percent agreed with the assertion, while 35.3 percent disagreed with the assertion, showing that there are mixed perceptions regarding the internal control in the sub-county. This is in line with the report by the Office of the Auditor General in the year 2023, which indicated that sub-counties have weak internal controls.

In relation to the statement that the sub-county’s procurement processes follow competitive bidding and that they are free from irregularities (EC2), the findings revealed that 7.4 percent strongly agreed, 23.5 percent agreed, 26.5 percent were neutral, 29.4 percent disagreed, while 13.2 percent strongly disagreed with the statement. This therefore translated into a mean of 2.82, which was classified as moderate. The standard deviation was 1.15. Only 30.9 percent agreed that the sub-county’s procurement processes follow competitive bidding without any irregularities. On the other hand, 42.6 percent of the participants disagreed with the statement.

Regarding the assertion that advances and imprests are retired on time with appropriate accountability (EC3), the study established the following: 5.9 percent strongly agreed, 20.6 percent agreed, 32.4 percent were neutral, 26.5 percent

disagreed, and 14.7 percent strongly disagreed. This implied a low mean of 2.76, which is moderate, with a standard deviation of 1.11. Only 26.5 percent agreed, while 41.2 percent disagreed with the assertion. This is also in line with the Office of the Auditor General statistics in 2023, where it was established that Nama Sub-county had 187 million Uganda shillings in unretired accountabilities in 2023 and 2024. A key informant who was the Head of the Health Center disclosed the following during a personal communication in 2025: “At times, we take imprest for events, and accountability is a process that takes months. When new funds come, we cannot access them because of the imprest we have, yet we have to continue providing services.”

With regards to the statement that “expenditure is regularly monitored in relation to the approved budget to ensure that there would be no overspending” (EC4), the results revealed that 10.3 percent strongly agreed, 29.4 percent agreed, 26.5 percent were neutral, 22.1 percent disagreed, and 11.8 percent strongly disagreed. The results therefore obtained a mean value of 3.04, which is moderate, and a standard deviation value of 1.18. However, 33.9 percent disagreed, which shows a lack of monitoring of budget execution.

With regards to the statement that “weak expenditure controls result in incomplete projects” (EC5), the results revealed that 35.3 percent strongly agreed, 38.2 percent agreed, 14.7 percent were neutral, 7.4 percent disagreed, and 4.4 percent strongly disagreed. The results therefore obtained the highest mean value at 3.93, which is in the high range, and a standard deviation value of 1.06. The 73.5 percent who agreed to this statement show a consensus that weak expenditure controls result in incomplete projects.

In relation to the claim that internal audits are effective in the detection and correction of financial irregularities (EC6), it was revealed that 7.4 percent strongly agreed, 22.1 percent agreed, 29.4 percent were neutral, 26.5 percent disagreed,

while 14.7 percent strongly disagreed, leading to a low mean of 2.81 that is moderate with a standard deviation of 1.15. Only 29.5 percent agreed that internal audits are effective in the detection and correction of financial irregularities, while 41.2 percent disagreed.

In relation to the effectiveness of expenditure control mechanisms in Nama Sub-county, it was revealed that the composite mean was 3.06 that is within the range of moderate with a standard deviation of 0.84. These findings revealed that though the stakeholders in Nama Sub-county acknowledge the importance of expenditure control mechanisms, it is still low, leading to a lack of completion of projects in Nama Sub-county.

#### 4.3.4 Descriptive Analysis of Service Delivery

The dependent variable for the study was service delivery in the Nama Sub-county, which was further broken down into health, education, roads, and water services. The respondents were requested to express their level of agreement with six statements related to service delivery outcomes.

**Table 6: Descriptive Statistics for Service Delivery (n=68)**

Cod e	Statement	SA (5)	A (4)	N (3)	D (2)	SD (1)	Mean	Std. Dev
SD1	Health centers in the sub-county have consistent drug availability and functional equipment	8 (11.8%)	20 (29.4%)	18 (26.5%)	15 (22.1%)	7 (10.3%)	3.10	1.16
SD2	Primary schools have adequate classrooms, teachers, and learning materials	9 (13.2%)	22 (32.4%)	16 (23.5%)	14 (20.6%)	7 (10.3%)	3.18	1.18
SD3	Feeder roads are	6 (8.8%)	16	18	20	8	2.88	1.15

	regularly maintained and passable throughout the year		(23.5%)	(26.5%)	(29.4%)	(11.8%)		
SD4	Boreholes and water sources are functional and provide safe drinking water to most communities	7 (10.3%)	18 (26.5%)	20 (29.4%)	16 (23.5%)	7 (10.3%)	3.03	1.14
SD5	Overall, financial management procedures positively contribute to improved service delivery	14 (20.6%)	24 (35.3%)	16 (23.5%)	10 (14.7%)	4 (5.9%)	3.50	1.13
SD6	Service delivery gaps are mainly due to poor financial management	20 (29.4%)	25 (36.8%)	12 (17.6%)	7 (10.3%)	4 (5.9%)	3.74	1.14
<b>Com posi te Serv ice Deli very Scor e</b>							<b>3.24</b>	

Source: Primary Data, 2025

Regarding the assertion that health centers in the sub-county have consistent availability of drugs and functional equipment (SD1), the results showed that 11.8 percent strongly agreed, 29.4 percent agreed, 26.5 percent were neutral, while 22.1

percent disagreed, with 10.3 percent strongly disagreeing. This gives a mean of 3.10, which is considered a moderate level, with a standard deviation of 1.16. However, it was found that 32.4 percent of the respondents disagreed that health centers in the sub-county have consistent availability of drugs and functional equipment. This was in line with the results from the Local Government Management of Service Delivery Performance Assessment of 2024, where a rating of 70 percent was given for health in Mukono District, with the average rate of drug stock-out being 35 percent in rural health facilities. A resident narrated during a personal communication that was conducted in 2025 that sometimes they reach the health center, and they are told that there is no stock, so they are given a small paper to go and buy from clinics, yet they are poor.

As regards the statement that primary schools have adequate classrooms, teachers, and learning materials (SD2), the findings indicated that 13.2 percent strongly agreed, 32.4 percent agreed, 23.5 percent were neutral, 20.6 percent disagreed, and 10.3 percent strongly disagreed. This gave a mean of 3.18, which was considered moderate with a standard deviation of 1.18. Although a higher percentage of 45.6 percent agreed with the statement that primary schools have adequate facilities, a higher percentage of 30.9 percent disagreed with the statement. This may have resulted from the incomplete construction of classrooms in 25 percent of primary schools as noted in the assessment of the Mukondo District Local Government Management of Service Delivery assessment.

As regards the statement that feeder roads are regularly maintained and passable throughout the year (SD3), the findings indicated that 8.8 percent strongly agreed, 23.5 percent agreed, 26.5 percent were neutral, 29.4 percent disagreed, and 11.8 percent strongly disagreed with the statement. This gave the lowest mean of 2.88 which was considered moderate with a standard deviation of 1.15. Although a lower percentage of 32.3 percent agreed with the statement that feeder roads are regularly maintained and passable, a higher percentage of 41.2 percent disagreed with the statement.

This could be the reason why many roads become impassable during the rainy seasons, which could justify the

In relation to the statement that "Boreholes/water sources are functional, provide safe drinking water, and serve the majority of the communities (SD4)," the findings indicated that 10.3 percent strongly agreed, 26.5 percent agreed, 29.4 percent were neutral, 23.5 percent disagreed, and 10.3 percent strongly disagreed. This gave a mean of 3.03, which is moderate. The standard deviation was 1.14. Only 36.8 percent agreed that boreholes/water sources were functional. Of the participants, 33.8 percent disagreed. This is supported by the national trend. The percentage of district-level access to safe drinking water decreased to 43.6 percent. This is according to the report by the Ministry of Finance, Planning, and Economic Development (2025). In addition, the percentage of functional boreholes stood at 65 percent in sub-counties like Nama.

In relation to the statement that "Overall, financial management procedures positively contribute to improved service delivery (SD5)," the findings revealed that 20.6 percent strongly agreed, 35.3 percent agreed, 23.5 percent were neutral, 14.7 percent disagreed, and 5.9 percent strongly disagreed. This revealed a high mean of 3.50 with a standard deviation of 1.13.

With regard to the statement that service delivery gaps are mainly due to poor financial management (SD6), the findings revealed that 29.4 percent strongly agreed, 36.8 percent agreed, 17.6 percent were neutral, 10.3 percent disagreed, and 5.9 percent strongly disagreed. This yielded the highest mean of 3.74, which falls within the high range and has a standard deviation of 1.14. This shows a 66.2 percent agreement, indicating a consensus that service delivery gaps are mainly attributable to poor financial management.

The composite mean score for service delivery was 3.24, falling within the moderate range, and has a standard deviation of 0.83, indicating moderate levels of service delivery in Nama Sub-county across the four sectors.

#### 4.4 Correlation Analysis

Correlation analysis was performed in order to establish the nature of the relationship between the independent variables (budget approval, revenue collection, and expenditure control) and the dependent variable (service delivery). For the correlation analysis, the Pearson product moment correlation coefficient (r) was used, where r ranges between -1 and +1. The interpretation of the correlation coefficients was done according to the following guideline: where the value of the correlation coefficient is between 0.00 and 0.19, it is very weak; between 0.20 and 0.39, it is weak; between 0.40 and 0.59, it is moderate; between 0.60 and 0.79, it is strong; while between 0.80 and 1.00, it is very strong .

**Table 7: Correlation Matrix for Study Variables**

Variable	Service Delivery	Budget Approval	Revenue Collection	Expenditure Control
Service Delivery	1.000			
Budget Approval	0.682**	1.000		
Revenue Collection	0.594**	0.512**	1.000	
Expenditure Control	0.735**	0.548**	0.603**	1.000

\*\* . Correlation is significant at the 0.01 level (2-tailed).

*Source: Primary Data, 2025*

The findings of the correlation analysis revealed a number of significant relationships among the variables of the study. First of all, the findings revealed a strong positive correlation between budget approval and service delivery ( $r = 0.682$ ,  $p < 0.01$ ). This implies that as the process of budget approval improves, the outcome of service delivery also improves significantly.

In regard to the correlation analysis between revenue collection and service delivery, the findings revealed a moderate positive correlation ( $r = 0.594$ ,  $p < 0.01$ ). This implies that as the process of revenue collection improves, the outcome of service delivery also improves moderately.

In regard to the correlation analysis between expenditure control and service delivery, the findings revealed a strong positive correlation ( $r = 0.735$ ,  $p < 0.01$ ). This was the strongest correlation of all the independent variables. This implies that as the process of expenditure control improves, the outcome of service delivery also improves significantly. In fact, this correlation was the strongest of all the independent variables. The correlation coefficient of 0.735 implies that expenditure control explains 54.0 percent of the variation in service delivery ( $R^2 = 0.540$ ).

#### 4.5 Regression Analysis

In order to further establish the impact of the procedures of financial management in the delivery of services in Nama Sub-county, multiple regression analysis was carried out. Regression analysis was used in this study to determine the predictive value of the independent variables in relation to the dependent variable. Regression analysis was also used in the study to determine the independent variable with the greatest predictive value in relation to the dependent variable.

##### 4.5.1 Regression Model Summary

Regression model summary is a table that provides information concerning the goodness of fit of the model, i.e., the extent to which the independent variables jointly predict the dependent variable.

**Table 8:Regression Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.812	0.659	0.643	0.496

*Source: Primary Data, 2025*

From the regression model summary table, it is clear that the coefficient of determination, denoted by R Square, is equal to 0.659. This indicates that the overall

impact of budget approval, revenue collection, and expenditure control on service delivery in Nama Sub-county is 65.9 percent. This means that the rest of the 34.1 percent of service delivery variance is accounted for by other variables such as political interference, staff capacity, community participation, delays from central government, among others, which were not the focus of this study.

In addition, the value of the adjusted coefficient of determination, denoted as adjusted R Square, is equal to 0.643. This indicates that even after adjusting the value of the coefficient of determination, the combined effect of the independent variables, which include budget approval, revenue collection, and expenditure control, still explains a significant proportion of the variance of service delivery, which is equal to 64.3 percent.

The multiple correlation coefficient, denoted as R, is equal to 0.812. This indicates that the independent variables, which include financial management procedures, have a positive correlation with service delivery. This indicates that financial management procedures have a strong effect on service delivery.

#### 4.5.3 Regression Coefficients

The regression coefficients give information regarding the contribution of each independent variable in predicting service delivery. Regression coefficients show the extent of the relationship between each predictor and the dependent variable.

**Table 9:Regression Coefficients**

Model	Unstandardized Coefficients	Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta		
(Constant)	0.642	0.251		2.558	0.013

Budget Approval	0.284	0.089	0.281	3.191	0.002
Revenue Collection	0.176	0.076	0.187	2.316	0.024
Expenditure Control	0.468	0.092	0.474	5.087	0.000

*Source: Primary Data, 2025*

As shown by the coefficients table above, we have the unstandardized coefficients denoted as B and the standardized coefficients denoted as Beta. The unstandardized coefficients denote that for a unit change in each independent variable, there is a corresponding change in the delivery of services. The standardized coefficients allow us to compare the relative importance of each independent variable.

Constant: The constant at 0.642 indicates that when each independent variable is equal to zero, we expect a unit value in the delivery of services. The constant is significant since we have a t-value of 2.558, while the p-value is 0.013, which is less than 0.05. This indicates that despite the absence of the application of the three procedures of financial management, we expect a unit value in the delivery of services within Nama Sub-county.

Budget Approval: The regression coefficient is 0.284, while the standardized Beta is 0.281. This indicates that the more effective we are in delivering services within the sub-county, the better we are at delivering services within the sub-county. The effectiveness in the delivery of services within Nama Sub-county is 0.284 units for every unit effectiveness in the delivery of budget approval.

It is also significant since the t-value is 3.191, while the p-value is 0.002, implying that the effectiveness in the delivery of services in Nama Sub-county is due to the

Revenue Collection: The regression coefficient for revenue collection is 0.176, while the standardized Beta is 0.187. This implies that for every unit increase in the effectiveness of revenue collection, there is an improvement in the effectiveness of

service delivery by 0.176 units. Moreover, the t-value is 2.316, while the p-value is 0.024, which is less than 0.05, implying that revenue collection is significant in improving service delivery in Nama Sub-county. This, therefore, confirms the second objective of the study, though the value is lower than that of the other variables since revenue was part of the sub-county funds, while central government funds made up most of the sub-county funds.

**Expenditure Control:** The value of the regression coefficient for the independent variable of expenditure control is 0.468. The standardized Beta value is 0.474. This implies that for every unit of improvement in the effectiveness of expenditure control, there is a corresponding improvement in the effectiveness of service delivery by 0.468 units. The t-value is 5.087, and the p-value is 0.000, which is less than 0.05. This implies that the independent variable of expenditure control is significant in the improvement of service delivery in Nama Sub-county.

#### 4.6 Summary of Hypotheses Testing

Based on the regression analysis, the following hypotheses were tested:

**Hypothesis 1:** Budget approval does not have a significant impact on service delivery in Nama Sub-county. The results indicated that budget approval had a significant positive impact on service delivery in Nama Sub-county ( $\beta = 0.281$ ,  $t = 3.191$ ,  $p = 0.002 < 0.05$ ). Hence, the null hypothesis was rejected, and it was concluded that budget approval had a significant impact on service delivery in Nama Sub-county.

**Hypothesis 2:** Revenue collection does not have a significant impact on service delivery in Nama Sub-county. The results indicated that revenue collection had a significant positive impact on service delivery in Nama Sub-county ( $\beta = 0.187$ ,  $t = 2.316$ ,  $p = 0.024 < 0.05$ ). Hence, the null hypothesis was rejected, and it was concluded that revenue collection had a significant impact on service delivery in Nama Sub-county.

**Hypothesis 3:** Expenditure control does not have a significant impact on service delivery in Nama Sub-county. It was revealed from the results that expenditure control has a significant positive impact on service delivery ( $\beta = 0.474$ ,  $t = 5.087$ ,  $p = 0.000 < 0.05$ ). Therefore, the null hypothesis is rejected and it is concluded that expenditure control has a significant impact on service delivery in Nama Sub-county.

#### 4.6 Qualitative Findings from Key Informant Interviews

In addition to the quantitative study, key informant interviews were conducted with the Sub-county Chief, the LC3 Chairperson, two Parish Chiefs, and two heads of the service delivery units. Thematic analysis of the data revealed the following important patterns, which helped in explaining the findings.

The first theme that emerged is the issue of budget approval delays and the implications thereof. All the key informants confirmed the issue of delays in the approval of the budgets in Nama Sub-county. The Sub-county Chief, in an interview through personal communication in 2025, said, “The law says the budget is supposed to be passed by the 31st of May, but in the last three years, we have only managed to achieve this once. There is always disagreement at the budget conferences between the technical and political wings, as well as among the councilors themselves. By the time we get approval, we have already missed the first quarter, and then we rush to implement in the fourth quarter.” This supports the findings in the quantitative study that the issue of timely approval is still a challenge, as shown by the mean of 2.78 in the study.

The second theme that emerged was political interference in revenue collection. The LC3 Chairperson candidly admitted that revenue collection is a very political process in their council. This was communicated personally in 2025. He said that whenever they tried to ensure that people pay their market dues or tendering fees, some of their voters would complain to the councilors, who would interfere. Sometimes the sub-county would set targets, but they would not be able to achieve them because the process was not taken seriously. It was corroborated by the minimal mean of 2.65 that revenue collection was not interfered with politically, which could explain the revenue shortfalls as depicted in the quantitative results.

The third theme that emerged was expenditure control and the use of imprest. A Parish Chief candidly admitted that some of their staff would take imprest for activities but would not account for them in time. When the internal audit comes,

they identify these issues, but nothing is done to these officers. They continue, and new imprest is provided even when the previous ones are not retired. This cycle leads to a situation where service delivery is affected because funds for service delivery are idle due to unaccounted imprest funds. This is a finding which is also identified by the Office of the Auditor General report (2023) as well as a quantitative finding on advance retirement challenges with a mean of 2.76.

## CHAPTER FIVE

### SUMMARY, DISCUSSION, CONCLUSION AND RECOMMENDATIONS

#### 5.0 Introduction

The chapter is a summary of the major findings from the study on financial management procedures and service delivery in Nama Sub-county, Mukono District Local Government. This chapter is a discussion on the findings in relation to the research objectives, literature, and theory. This chapter is also a conclusion based on the findings, and three major recommendations based on the findings from the study on how to improve financial management procedures and service delivery in Nama Sub-county. This chapter concludes with recommendations on areas for further research.

#### 5.1 Summary of Key Findings

The result from the regression model summary indicated that 65.9 percent of the variation in service delivery in Nama Sub-county was explained by the independent variables, namely, budget approval, revenue collection, and expenditure control. This is shown by the  $R^2 = 0.659$ . The multiple correlation coefficient, denoted by  $R$ , was 0.812, showing a strong positive relationship between the independent variables and the dependent variable, namely, service delivery.

The ANOVA summary also showed that the model was statistically significant, with  $F = 41.024$  and  $p = 0.000 < 0.05$ . From the Beta coefficients, it is evident that the independent variable with the strongest unique relationship with the dependent variable, namely, service delivery, was expenditure control, followed by budget approval and revenue collection.

## **5.2 Discussion of Findings**

### **5.2.1 The Effect of Budget Approval on Service Delivery**

The discovery on the significant impact of the approval of the budgets on the delivery of services in Nama Sub-county was also in line with the research discoveries on the same issue. Research by Francis and Manning in 2008 on 20 districts in Uganda, with the World Bank, showed that delayed approval of the budgets led to an average four months' delay in the procurement process and six months' delay in the actual implementation of projects. In the sub-counties whose budgets were approved after September, only 38 percent of the projects were completed in the financial year. This supports the discovery in the research on the significant impact of delayed approval of budgets on the delivery of services in Nama Sub-county, where 70.6 percent agreed on the impact of delayed approval of budgets on the late implementation of projects.

The discovery also supports the research carried out by Kitembo in 2019 on the influence of the date of approval of budgets on the completion of projects in 12 sub-counties in Wakiso and Mpigi districts. A strong positive correlation was found between the date of approval of budgets and the percentage of planned projects completed in the sub-counties under investigation. Moreover, the fact that political disagreement results in delays in approving the budget (mean = 2.62) is a confirmation of Asiimwe and Nakanyike (2021) who worked in Bushenyi and Sheema districts. Asiimwe and Nakanyike found that political disagreement during budget conferences had often caused delays of two to four months, which had resulted in an average of 42 percent drug stock-outs and ungraded roads during the rainy season.

Under the Fiscal Decentralization Theory framework (Oates, 1972, 1999), the fact that budget approval has a significant effect on service delivery is a confirmation that the ability of local governments to make decisions on resource allocation in time is a critical factor for realizing the benefits of fiscal decentralization. However, the fact that only 29.5 percent of respondents agreed that the budget is approved on time

shows that Nama Sub-county is not yet fully benefiting from this theoretical advantage.

### **5.2.2 The Effect of Revenue Collection on Service Delivery**

The findings that revenue collection has a positive impact on service delivery ( $\beta = 0.187$ ,  $p < 0.05$ ) support existing literature. This study's findings on the impact of revenue collection on service delivery are consistent with those of Tukahebwa (2018) who conducted a study on 60 sub-counties in central and eastern Uganda, where the study concluded that an increase in real revenue collection in local governments by every 10 percent was associated with an increase in the number of functional water points by 7.8 percent, and an increase in the number of kilometers of roads graded annually by 9.1 percent.

The result that revenue collection targets are not met (mean = 2.85) is in conformity with Nama Sub-county Revenue Reports (2024), where it was established that while the actual revenue collection is between 38 and 62 million Uganda shillings, the target is between 90 and 120 million Uganda shillings. This is in conformity with the national trend, where it was established in the Ministry of Finance, Planning, and Economic Development (2024) that revenue collection is still critically low in most sub-counties in Uganda, where sub-counties collect an average of only 5 to 12 percent of the total revenue.

The result that political interference in revenue collection is a big challenge (mean = 2.65) confirms the result from Economic Policy Research Centre (2022) that poor revenue administration, including political interference in tendering, results in a decrease in collectable revenue by 35 to 45 percent.

In the light of Fiscal Decentralization Theory, the moderately significant but lower impact of revenue collection on service delivery reflects that local revenues form a lower proportion of total sub-county budget than central government transfers. Yet, in the words of Smoke and Lewis (2013), local revenues are significant in service

maintenance functions that require urgent attention without waiting for the conditional grant disbursement.

### **5.2.3 The Influence of Expenditure Control on Service Delivery**

The most striking research study findings in this research study was that expenditure control has the highest positive influence on service delivery, with  $B = 0.474$  and  $p < 0.001$ . This research study findings on expenditure control support very strongly the research study findings of Nakalema and Mubiru (2021) on service delivery in 15 sub-counties in Luwero and Nakaseke districts, where expenditure control was found to account for 68 percent of variance in service delivery outcomes, with  $B = 0.742$  and  $p < 0.001$ .

The fact that weak controls over spending result in incomplete projects ( $M = 3.93$ , 73.5 percent agreement) validates the findings of the Auditor General's reports (2020-2024), which indicate that more than 60 percent of qualified audit opinions are due to arrears, unretired accountabilities, and procurement-related irregularities in sub-counties. In FY 2022/23, sub-counties across the country had an unretired imprest/advances amounting to UGX 87 Billion. In Mukono District, unretired accountabilities amounted to UGX 2.8 Billion. In 2023/24, Nama Sub-county had an unretired accountabilities amounting to UGX 187 Million.

The fact that procurement is not conducted through a bidding system (Mean = 2.82) validates the findings of the Inspectorate of Government (2023), which found that sub-counties that are still largely dependent on manual systems are characterized by significantly high levels of ghost suppliers/quotations.

With regard to Fiscal Decentralization Theory, the fact that expenditure control is the most important predictor of service delivery validates Oates' (1999) claim that administrative capacity is a prerequisite for a successful decentralization strategy; thus, a sub-county may have enough funds but may not be able to deliver services

simply because it lacks adequate expenditure controls to convert funds into deliverables.

### **5.3 Conclusion**

On the basis of the findings of the study, the following conclusions are made:

#### **5.3.1 Conclusion on Budget Approval and Service Delivery**

The process of approving the budget is very effective in a positive sense in the service delivery of Nama Sub-county. It is very essential in ensuring that the finances are available at the start of the financial year in order to avoid a poor implementation process. However, the process of approving the budget is only moderately effective in the service delivery of Nama Sub-county because of the various challenges associated with it.

#### **5.3.2 Revenue Collection and Service Delivery**

Revenue collection is highly effective in a positive manner for service delivery in Nama Sub-county, although its impact is only moderate. This was due to the fact that although revenue collection is a small percentage in total sub-county finance, it is highly essential in service delivery. This is because services require quick response and implementation without awaiting funds from central governments. However, there are many challenges such as unrealistic targets, political interference, and lack of adoption of modern methods of revenue collection, which are affecting revenue collection in Nama Sub-county.

#### **5.3.3 Expenditure Control and Service Delivery**

The aspect of expenditure control is greatly impacted in a positive manner in service delivery in Nama Sub-county. This is because strong internal controls, a competitive bidding process, timely retirement of advances, and internal audits are all important in ensuring that financial resources are converted into tangible service delivery outcomes. However, this aspect is only moderately effective in Nama Sub-county,

although all its aspects are weak. The fact that 73.5 percent of respondents agreed that weak expenditure controls result in incomplete projects indicates that this aspect is greatly impacted in a negative manner.

#### **5.4 Recommendations**

On the basis of the findings from this study, the following recommendations were made:

**Strengthening Expenditure Control Mechanisms;** Expenditure control was found to be the most significant predictor of service delivery ( $B = 0.474$ ,  $p < 0.001$ ), although only 26.5 percent agreed that advances and imprests are retired promptly, and only 29.5 percent agreed that internal audits are effective in detecting and correcting anomalies. Additionally, 73.5 percent agreed that poor expenditure control leads to uncompleted projects.

The Sub-County Chief and Chief Finance Officer must ensure that a policy is adopted that no new imprest is issued to any officer who has outstanding accountability beyond the mandatory retirement period.

**Ensuring Timely Budget Approval;** The Sub-County Council and Technical Staff must form a joint budget committee consisting of both technical and political staff to iron out differences before the full council meets. This budget committee must meet on a weekly basis during budget preparation months (February to May) to reach a consensus. The Sub-County Chief must submit the draft budget to the council by 15th April to enable sufficient time for review before the 31st May deadline as required by the Public Finance Management Act (2015).

**Minimize Political Interference in Revenue Collection,** The Sub-county Council should consider and pass a resolution that prohibits political interference in the tendering and collection of revenue. The resolution should also state the punishment for any offenders. The members of the sub-county councils should be educated on the link between revenue collection and service delivery.

## 5.5 Areas of Further Research

**The following areas could be explored in further research:**

A comparison of several sub-counties in different districts of Uganda could be conducted. This would enhance the generalization of the research findings.

An exploration of the political economy of financial management in sub-counties could be conducted. This could offer an insight into the reasons behind the political interference in the financial management of the sub-counties despite the negative impacts on service delivery.

An examination of the determinants of unretired impress could be conducted. This could offer an insight into the reasons behind the continued existence of the problem despite the existence of specific regulations.

## 5.7 Contribution to the study

The study contributes to the body of knowledge in the following ways:

The study provides empirical evidence on the relative importance of various financial management practices in explaining the outcomes of service delivery at the sub-county. The evidence that spending control is the most important predictor of outcomes, followed by budget approval and revenue collection is useful.

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## **QUESTIONNAIRE ON FINANCIAL MANAGEMENT PROCEDURES AND SERVICE DELIVERY IN NAMA SUB-COUNTY, MUKONO DISTRICT LOCAL GOVERNMENT**

### **Instructions to Respondents:**

This questionnaire is designed to collect information on financial management procedures and their impact on service delivery in Nama Sub-county. Your responses will be treated with strict confidentiality and used solely for academic purposes. Please tick the appropriate box for each statement using the following **5-point Likert scale**:

1 = Strongly Disagree (SD) 2 = Disagree (D) 3 = Neutral (N) 4 = Agree (A) 5 = Strongly Agree (SA)

**Section A: Demographic Information** (Please tick or fill where appropriate)

1. Gender:  Male  Female  Prefer not to say
2. Age group:  18-30  31-40  41-50  51-60  Above 60
3. Role/Position in Nama Sub-county:

Sub-county technical staff

Political leader

Parish chief

Head of health center/primary school

Community member/beneficiary

Other (specify): \_\_\_\_\_

4. Highest level of education:

None  Primary  Secondary  Tertiary  University

**Section B: Budget Approval**

Please indicate your level of agreement with the following statements regarding budget approval processes in Nama Sub-county.

No.	Statement	SD (1)	D (2)	N (3)	A (4)	SA (5)
1	The sub-county budget is prepared based on					

	realistic priorities and community needs.					
2	Budget conferences involve adequate citizen participation before approval.					
3	The sub-county council approves the annual budget on time					
4	Delays in budget approval lead to late implementation of projects					
5	Timely budget approval ensures sufficient funds are allocated to key services like health and education.					
6	Political disagreements rarely delay the budget approval process.					

### Section C: Revenue Collection

Please indicate your level of agreement with the following statements regarding revenue collection in Nama Sub-county.

No.	Statement	SD (1)	D (2)	N (3)	A (4)	SA (5)
1	Local revenue sources are effectively identified and collected.					
2	Revenue collection targets are realistic and regularly achieved.					
3	There is minimal political interference in revenue tendering and collection processes.					
4	Collected local revenue is adequately used to supplement central grants for service maintenance					
5	Low revenue collection contributes to delays in maintaining services like water points and health facilities.					

6	Modern methods are used to improve revenue collection efficiency.					
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### Section D: Expenditure Control

Please indicate your level of agreement with the following statements regarding expenditure control in Nama Sub-county.

No.	Statement	SD (1)	D (2)	N (3)	A (4)	SA (5)
1	There are strong internal controls to prevent misuse or leakage of funds.					
2	Procurement processes follow competitive bidding and are free from irregularities.					
3	Advances and imprests are promptly retired with proper accountability.					
4	Expenditure is regularly monitored against the approved budget to avoid overspending.					
5	Weak expenditure controls lead to incomplete projects.					
6	Internal audits effectively detect and correct financial irregularities.					

### Section E: Service Delivery

Please indicate your level of agreement with the following statements regarding service delivery in key sectors (health, education, roads, water) in Nama Sub-county.

No.	Statement	SD (1)	D (2)	N (3)	A (4)	SA (5)
1	Health centers in the sub-county have consistent drug availability and functional equipment.					
2	Primary schools have adequate classrooms, teachers, and learning materials.					
3	Feeder roads are regularly maintained and passable throughout the year.					
4	Boreholes and water sources are functional and provide safe drinking water to most communities.					
5	Overall, financial management procedures positively contribute to improved service delivery.					
6	Service delivery gaps (e.g., drug stock-outs, incomplete projects) are mainly due to poor financial management.					

Thank you