

**BUDGET MANAGEMENT AND SERVICE DELIVERY IN LOCAL GOVERNMENT CASE STUDY
NAGONGERA TOWN COUNCIL**

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**A DISSERTATION SUBMITTED TO THE SCHOOL OF BUSINESS, IN PARTIAL
FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF A DEGREE OF BACHELOR
OF BUSINESS ADMINISTRATION OF UGANDA CHRISTIAN UNIVERSITY**

June, 2024



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DECLARATION

I, **ACHIENG TOPISTA**, do declare that this report is my original work and has never been presented to any institution for any *academic* award.

Signed..........

Date.....*31 May 2024*.....

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APPROVAL

This report has been submitted for examination with my approval as supervisor.

Signed 

Date: **17/06/2024**

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DEDICATION

This research report is dedicated to my family for having sacrificed whatever they could to enable me to achieve my career aspirations.

ACKNOWLEDGEMENTS

This research report is a product of various contributions from different people. I am very grateful and indebted to them all, however, I feel obliged to mention some of them because without their prior guidance, assistance, and encouragement I may never have been able to finish this study.

Special appreciations go to the almighty God for the gift of life, wisdom, spiritual nourishment, and good health. I will always live to glorify your name.

I owe many thanks to my supervisor, Mr. Paul Otingole. I thank you for your constant motivation, guidance, encouragement, and advice during my research proposal development, field data collection, and data analysis up to this moment of writing this report.

In the same line I would love to appreciate my dear husband for his continuous support in both financial and spiritual. His support has faithfully enabled me to reach to this far, and I am so grateful to the almighty God for giving me such an understanding and amazing man who is very supportive in my educational career.

Not forgetting my mother, and children who continuously understood me even in movements when I was away for studies, they have been strong and always supportive to see me achieve my academic paper.

MAY THE ALMIGHTY GOD BLESS YOU ALL!

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LIST OF ABBREVIATIONS/ACRONYMS

ACODE:	Action for Development
CBMES:	Community-Based Monitoring and Evaluation System
IMF:	International Monetary Fund
LG:	Local Government
LGFC:	Local Government Finance Commission
MoLG:	Ministry of Local Government
NGO:	Non-Governmental Organization
PPEM:	Partnership for Public Expenditure Monitoring
PRMT:	Poverty Resource Monitoring Tool
UDN:	Uganda Debt Network
WB:	World Bank

ABSTRACT

The aim of the study was to examine the effect of budget management on the service delivery in Nagongera Town council. The specific objectives of the study were to; examine the effect of budget planning on the service delivery in Nagongera Town council; assess the effect of budget implementation on the service in Nagongera Town council city and to determine the effect of budget monitoring on service delivery in Nagongera Town council. The study used a case study design that used questionnaires and interview guide to collect data from a sample of 165 respondents. Quantitative data were analyzed using the SPSS computer-based software using both descriptive and inferential techniques, while qualitative data were summarized into themes and quotes. The study found that budget planning was significant in predicting service delivery with R square value = 0.386 and $\beta = .621$ with p-value = $0.000 < 0.05$. The regression coefficient of budget planning was positive and significant in predicting the service delivery. Further the study found that budget implementation had R square value = 0.314 and $\beta = .560$ with a p-value = $0.000 < 0.05$. The regression coefficient of budget implementation was positive and significant in predicting service delivery. The study further found that budget monitoring had significant effect in predicting service delivery with p-values of 0.000 less than 0.05, R square value = 0.393 and $\beta = .627$. The study concluded that service delivery improves with better budgetary management. The study recommends that the government should increase funding to Nagongera Town Council, build the capacity of technical staff in Nagongera Town Council to implement budgets, introduce robust information and accounting systems and improve public participation in the management of budgets.

CHAPTER ONE

INTRODUCTION

1.0 Introduction

This chapter presents the background to the study, statement of the problem, purpose and specific objectives of the study, study questions, conceptual framework, significance and justification of the study, scope of the study and definition of key terms and concepts.

1.1 Background to the Study

1.1.1 Historical Background

Budgeting is a concept traceable to the bible days precisely the days Joseph in Egypt. It was reported that “nothing was given out of the treasure without a written order”. History has it that Joseph budgeted and stored grains which lasted the Egyptians throughout the seven years of famine. In 1960s that companies began to use budgets to dictate what people needed to do. In the 1970s performance improvements was based on meeting performance targets rather than effectiveness, companies then faced problems in the 1980s and 1990s when they were not willing to spend money on innovations in order to stay with rigid budgets, they were no longer concerned about how customers were being treated only meeting sales targets became essential

The original meaning of the word budget is derived from the British Government context coined from the French word “baguette” meaning a small purse (Akitonye, 2008). Public budgeting as it is meant today is a recent invention which was propagated in the early nineteenth century. It came up in response to Government’s major Socio-economic problems and challenges at critical moments in the history (Webber and Wildavsky, 1986; Schick, 2000). Public budgeting started in Britain, France and Germany, and then later spread to the United States of America around the turn of the 20th Century.

In Africa formal public budgeting was introduced by the colonial governments (Ekeh, 1975). Within post-colonial Africa in the early 1960s, budgeting was largely influenced by events of the colonial era and the ideological orientations of the leadership (Mandaza, 1986). Fiscal policy formulation was also reactive, its central thrust being to redress colonially inherited challenges in the economy. The post-colonial government viewed national budgeting as its portent tool for

advancing the liberation agenda – access to land, education, health, accommodation, water, social services, among others. The need to create a solid socioeconomic infrastructure was manifested in its budgetary decisions and allocations (Mandaza, 1986). In the 1990's to the year 2000, Budgets were formulated under IMF and World Bank-initiated Structural Adjustment Programs (SAPS). One such program was decentralization. In the 1990s, developing countries embraced the decentralization policy as a condition for getting aid from the IMF and the World Bank (Muhumuza, 2006).

In 1992, Uganda adopted a decentralization policy that sought to establish a system of governance underpinned by strong local governments. Progress on the Millennium Development Goal (MDG) of improving service delivery has been slow in developing countries (World Bank, 2009). Developing countries are still a long way from reducing morbidity and mortality among the populations. In Uganda, a number of challenges continue to override the overall objective of the National Health Policy of reducing mortality and morbidity (Asiimwe, 2008). Key among them is the poor budgetary management that seems to have a negative effect on the performance of the health sector in a decentralized setting. Subsequently constitutional and legal reforms established districts and sub-counties as key pillars of local governments through which effective service delivery and local governance is to be attained (Republic of Uganda, 2002). With the implementation of the decentralization policy, deliberate effort was undertaken to decentralize the decision making powers on the planning and budgeting process (Bitarabeho, 2008). The process of fiscal decentralization began in Uganda in 1993/94, when the central government devolved many functions and responsibilities, including the provision of basic health services and control of medical personnel from the central MOH to the district level. Fiscal decentralization occurred in a phased manner, with some districts being decentralized before others (Akin et al, 2005). Although decentralization of services has been pursued over the last two decades, there is widespread consensus that the performance of the service delivery under the decentralized setting is less than desirable (Action for Development, 2006; Bashasha, Mangheni & Nkoya, 2008). The current sought to find out whether budgetary management in the decentralized setting has any effect on service delivery in district local government in Uganda taking Nagongera Town council as a case study. For this study, budgetary management which is conceptualized in terms of budgetary

planning, implementation and monitoring is the independent variable while the service delivery is the dependent variable.

1.1.2 Theoretical Background

Since budgeting is about setting financial goals and working towards achieving these goals, the study will be informed by the Goal Setting Theory which was advanced by Locke et al (1981). Goal setting theory states that properly conceived goals trigger a motivational process that improves performance. Locke et al. suggest that goal setting has a beneficial impact on the direction, level, and duration of effort. Since goal setting involves establishing specific, difficult goals. Locke et al. claim that acceptance of specific goals focuses attention on relevant activities. Consequently, goal setting directs effort to accomplish these activities. In addition, they claim that acceptance of specific, difficult goals ensures that individuals will continue effort over time (duration) in an attempt to attain goals. Locke et al. claim that goal setting can indirectly focus effort by stimulating individuals to develop effective strategies or plans for attaining goals.

1.2.3 Conceptual Background

The key variables in this study are budget management and service delivery.

Budget management is the financial analysis of the amount of money present in correspondence to the amount of resources allocated for the performance of various duties. Once the correspondence is made then the money allocated is used for that particular operation (Yang, 2010). For this study, budget management was measured in terms of; budget planning, budget implementation and budget monitoring.

The concept budget planning refers to processes and activities that are aimed at developing quantitative goals of the organization and preparing various budgets (Bodie & Merton, 2000). According to Yang (2010), complete budget planning process involves a series of actions, including generating investment project proposals consistent with the firm's strategic objectives, estimating after-tax incremental operating cash flows for the investment projects, evaluating project incremental cash flows, selecting projects based on a value maximizing acceptance criterion, re-evaluating implemented investment projects continually, and performing post audits for completed projects.

Budget implementation involves execution of activities as per approved work plan and budget (Okori, 2003). According to the International Monetary Fund (2013), budget implementation,

refers to the process of delivering services by undertaking expenditures. There are usually six main stages in the spending stages as suggested by the IMF (2013). They include; authorization of expenditure, commitment stage, verification stage, payment authorization, payment stage and the accounting stage.

The concept budget monitoring refers to processes that are aimed at ensuring that the implementation of the work plan is being followed, value for money is obtained, book keeping, accounting and reporting is followed (Okori, 2003). According to the OECD (2010), budget monitoring involves a series of processes like; control and monitoring of expenditure, control and monitoring of income, cash and debt management, internal controls, budget modification and financial reporting.

Service delivery therefore refers to how well the district is achieving its objectives (Jeppsson & Okuonzi, 2010). For this study, health sector performance was conceptualized in terms of; functionality of health facilities, availability of drugs in the health facilities, performance of health workers and availability and functionality of medical equipment in the health facilities.

1.1.4 Contextual Background

The general objectives of decentralization within the wider context are to bring political power closer to local communities, to respond to local needs, to build local capacity, and to improve accountability. Specifically for the health sector, improvement was expected in the form of increased utilization of health services, better access to health services, more coverage of the population with basic services, better quality of health care and, ultimately, a decline in the rate of illness and death (Jeppsson & Okuonzi, 2000). However, according to Jeppsson and Okuonzi, existing data show no improvement in social services or peoples quality of life during the period of the reform. Many indicators have either remained the same or worsened (Bashasha et al, 2008). It is no longer contested that health services in the rural areas have been deteriorating, while key infrastructure such as health facilities have not improved.

Nagongera is located approximately 26.5 kilometers (16 mi) west of Tororo, the location of the district headquarters. This is about 46 kilometers (29 mi) south-west of Mbale, the largest city in the Eastern Region of Uganda. Nagongera is approximately 261 kilometers (162 mi) north-east of Kampala, the capital and largest city of Uganda. The coordinates of the town are 00°46'12.0"N,

34°01'34.0"E (Latitude: 0.7700; Longitude: 34.0261). Nagongera Town council sits at an average elevation of 1,136 metres (3,727 ft) above.

In 2015, the Uganda Bureau of Statistics (UBOS), estimated the population of Nagongera Municipal Council at 12,600. In 2020, the population agency estimated the mid-year population of the municipality at 14,300 people. Of these, 7,300 (51 percent) were females and 7,000 (49 percent) were males. UBOS calculated the population growth rate of Nagongera Town to average 2.56 percent (UBOS, 2014).

1.2 Statement of the Problem

Budget management processes are expected to improve service delivery in local governments sectors by ensuring proper allocation of scarce resources, transparency and proper accountability. In a bid to improve the performance of local governments in Uganda, the government of Uganda through the Local Government Act (1997) established guidelines for effective budgetary management processes at local government level, for example the general guideline to the local government budget process for districts and lower local government councils. This guide provides political decision makers (local government Councillors and members of civil society) with practical tools to guide them through the steps of the local government planning and budgeting cycle. The guide calls for increased participation and transparency in the budgeting cycle. Despite the well laid guidelines to improve budgetary management processes and the performance of local governments, there is widespread consensus that the performance of decentralized service delivery is still lacking and has continued to decline. In Nagongera Town Council, reports indicate that there is steep decline in spending on services like primary health care, garbage collection, education and clean water access following decentralization and that funds intended for service delivery are used for administrative costs, workers were rarely present and public goods supplies were diverted for personal gain (Nagongera Town council performance review Report, 2022-2023). It is also reported that the district alters the budget share of public goods and other types of health activities during the implementation process, showing decreased on overall budget share allocated to the public goods (service delivery) from nearly 50% of the total budget to around 30% (Auditor General, 2023). Without this information, poor service delivery is likely to persist. Hence the current study sought to find out if budgetary management had any significant effect on service delivery in Nagongera Town Council.

1.3 Purpose of the Study

The study examined the effect of budget management on service delivery under a decentralized setting using Nagongera Town council as a case study.

1.4 Specific Objectives of the Study

- i. To examine the effect of budget planning on service delivery in Nagongera Town council, Tororo district
- ii. To assess the influence of budget implementation on service delivery in Nagongera Town council, Tororo district
- iii. To determine the influence of budget monitoring on service delivery in Nagongera Town council, Tororo district.

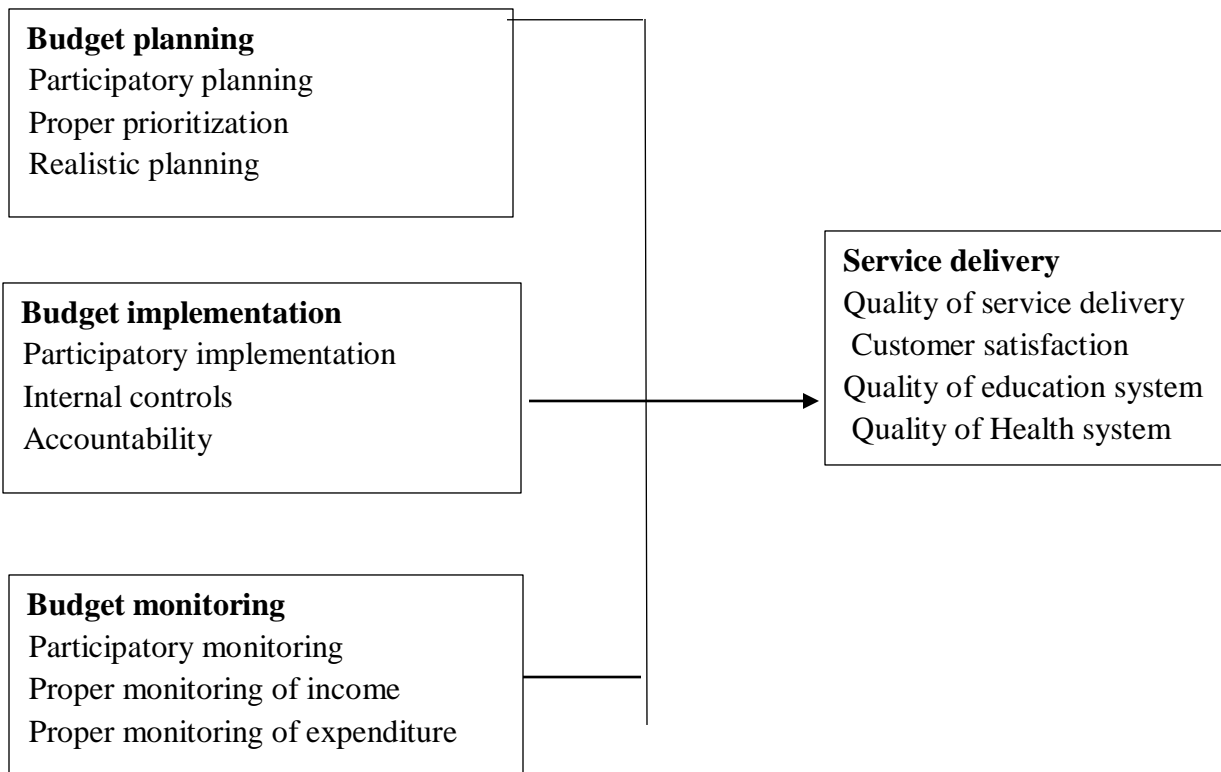
1.5 Research Questions

- i. What is the influence of budget planning on service delivery in Nagongera Town council, Tororo district
- ii. What is the influence of budget implementation on service delivery in, Nagongera Town council, Tororo district
- iii. What is the influence of budget monitoring on service delivery in Nagongera Town council, Tororo district

1.6 Conceptual Framework

Figure 1:1: Conceptual Framework showing the effect of budget management service delivery in Nagongera Town council.

Budget management



Source: *Adopted with modification from Tumushabe et al (2010); Government of Uganda (2012) and the IMF (2013)*

The above conceptual framework presents the relationship between budget management and service delivery. The conceptual framework assumes that efficient budget planning; implementation and monitoring will result into improved service delivery in a local government setting. This means that service delivery in a decentralized setting improves with improved budgetary management.

1.8 Justification of the Study

The study is important and timely because Nagongera Town council is faced with both budget management and service delivery challenges and yet no study has been commissioned to find out

whether budget management has any significant effect on service delivery of the district. There is therefore need for a study to fill this knowledge gap by coming up with specific findings and recommendations to improve the status quo.

1.9 Scope of the Study

1.9.1 Content Scope

In terms of content, the study focused on the effect of budget management on service delivery in local Government in Uganda. The study specifically focused on the effect of budget planning, implementation and monitoring on service delivery in Nagongera Town council city.

1.9.2 Geographical Scope

Geographically, the study focused on Nagongera Town Council in Tororo District because the Town council is one of the worst performing in Uganda in terms of budget management and service delivery. The budget performance of the Town council is poor and the quality of service delivery is declining in key sectors such as health care, water, sanitation, education, and access to agricultural advisory services remaining dismal.

1.9.3 Time Scope

The study focused on the period between 2020 and 2023. This being the period the town council experienced both budgetary management and service delivery performance challenges.

1.10 Significance of the Study

The findings and recommendations arising from this study may be used by stakeholders namely; the central government, local governments and donors to improve the budget management process and the performance of decentralized health service delivery in local governments.

The study may benefit the people of Nagongera Town council in such a way that it will propose recommendations that may lead to better local government performance and subsequently health service delivery.

To the academia, the study may contribute to the body of knowledge regarding the effect of budget management and the performance of the health sector in local governments. Thus, the study may serve as a reference point for future scholars, academicians and researchers who are interested in the topic.

1.11 Definition of key terms and concepts

Budget planning refers to developing quantitative goals of the organization and preparing various budgets, Yang (2010)

Budget implementation refers to the execution of activities as per approved work plan and budget, International Monetary Fund (2013)

Budget monitoring refers to activities undertaken to ensure that the implementation of the work plan and budget is being followed, OECD (2010).

Service delivery refers to how well the service sector in local government settings is achieving their goals and objectives. (Jeppsson & Okuonzi, 2010).

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

The chapter presents related literature on budget management and service delivery under a decentralized setting. The aim was to present theoretical dimensions related to the topic under study, and to specifically review literature on the effect of budget planning, implementation and monitoring on service delivery under a decentralized setting.

2.1 Theoretical Literature Review

Since budgeting is about setting financial goals and working towards achieving these goals, the study was found to be informed by the Goal Setting Theory which was advanced by Locke et al (1981). Goal setting theory states that properly conceived goals trigger a motivational process that improves performance. Locke et al (1981) suggest that goal setting has a beneficial impact on the direction, level, and duration of effort. Since goal setting involves establishing specific, difficult goals. Locke et al. claim that acceptance of specific goals focuses attention on relevant activities. Consequently, goal setting directs effort to accomplish these activities. Also, they claim that more difficult goals (if accepted) translate directly into a greater level of effort in accomplishing relevant activities. In addition, they claim that acceptance of specific, difficult goals ensures that individuals will continue effort over time (duration) in an attempt to attain goals. Locke et al. claim that goal setting can indirectly focus effort by stimulating individuals to develop effective strategies or plans for attaining goals. Goal setting theory is suitable for this study because budgeting is about setting goals and working towards accomplishing these goals through managing budgets for successful organizational and sectoral performance.

2.2 Empirical Literature Review

2.2.1 Budget Planning and service delivery

Setting objectives was an integral component of the strategic planning process, and evidence shows that objective setting has strong organizational value (Armstrong, 1982). Modern corporate planning involves the setting of performance standards in advance for all departments and the entirety of the organization. These performance standards according to Drury (2004), embracing all the activities of an organization together, form a plan or a budget, which gives the direction and indication for future management. This at the same time provides the standard by which actual result can be measured (Okpanachi & Mohammed, 2013).

Budget target setting consists of establishing specific, measurable time targeted objectives. Goals provide a sense of direction and purpose (Locke & Schweiger, 1979). In a study of behavioral effects of goal setting, Locke and Schweiger (1979) conclude that 90% of laboratory and field studies involving specific and challenging goals led to higher performance than easy or no goals. However, when budget targets are established at a management level and thereafter solely laid down, employee motivation with regard to achieving these targets is rather suppressed (Lock & Latham, 2002). In addition, they are of the opinion that, in order to increase motivation the employees not only require to be allowed to participate in the target setting process but the goals had to be challenging as well; demanding targets extract better performance but unattainable targets tend to be counter-productive.

Joshi, et al. (2003) also examined budgeting, budgetary control and performance evaluation practices in a developing country by conducting a questionnaire survey of 54 medium and large sized firms including both the listed and non-listed firms in Bahrain and his research found out that most of the firms prepared long range plans and operating budgets and used budget variances

for measuring a manager's performance, for timely recognition of problems and for improving the next period's budget. Wijewardena and De Zoysa (2001) argue that the impact of budget planning on performance may vary from firm to firm depending on the extent of its use. The greater extent of the formal budgeting process should have a positive impact on the performance of SMEs.

A budget can be an effective management tool if properly prepared with realistic statistical data (Holmes & Hurley, 2003). Various departments in an organization should be requested to maintain well-kept historical documents for their record. Statistical record should be properly maintained, realistic budgeting estimate and data should be utilized for budget planning and evaluation.

Uganda's decentralization policy is based on the devolution of powers, functions and responsibilities to popularly elected local governments (Local Government Act, 1997). The local governments have powers to make and implement their own development plans; to make, approve and execute their own budgets; to mobilize and expend resources according to their local priorities; to appoint statutory committees, boards and commissions; to make ordinances and by-laws that are consistent with the Constitution and other existing laws; to hire, manage and fire personnel and to implement a broad range of decentralized services previously handled by the Centre (Government of Uganda, 2005).

Article 191 of the 1995 Constitution of the Republic of Uganda, and Section 81 (1) of the CAP 243, empower local governments to formulate, approve and execute their budgets and plans and to collect revenue and spend it. However, this is constrained by the requirement to accord the National Priority Programme Areas (NPPAs) priority. Currently, these include: education, clean and safe water, health, feeder roads, and agricultural extension. Under Section 178 (3) of the LGA, the Local Government Finance Commission (LGFC) is required to inform the Council and the President through the Minister of Local Government (MoLG) for appropriate action if a local government budget significantly detracts from NPPAs.

A study conducted in Uganda by the Uganda Debt Network (2006) established that while there is a clear legal and institutional framework that provides for planning and budgeting both at the national and local government levels. The framework provides for consultative and participatory

approach in planning and budgeting, though not all policy stakeholders have benefited from it. The Uganda Debt Network further reported that while local government administration staff are aware of and knowledgeable about budgeting guidelines, schedules and processes, which implies that budget information is disseminated by the CENTRE and received at local government level, these guidelines and processes have not been completely followed and adhered to by local governments (Uganda Debt Network, 2006).

Limited participation in the budget setting process in Uganda's local governments has been identified as a challenge to the budget planning process. Under the Uganda Local Government Act, citizens have the right to participate in annual budget conferences at each level of local government. In many cases this is little more than a formality, with participation limited to a few special-interest groups (Blore *et al.*, 2004). Accountability depends on information being available to citizens, in a sufficiently comprehensible form, on how resources are being used (Goetz *et al.*, 2001). Although local governments are displaying financial/accounting information in public places, such information is deliberately too broad and technical for the public to understand (Kiwauka, no date). This is supported by the Uganda Debt Network which observes that the planning and budgeting process at local government level is boxed in a fixed and nonflexible schedule, which sometimes renders the principles of participatory consultations as provided for in the Budget Act of 2001 ineffective.

While earlier studies provide evidence that there is a link between budgetary planning and the performance of the health sector, most of the studies are based on anecdotal observations and expert opinions. Few studies provide empirical evidence on the actual influence of budgetary planning whether positive or negative on the performance of the health sector. This study therefore sought to fill this contextual gap by determining in statistical terms the influence of budgetary planning on the performance of the health sector. The study found that budgetary planning had a positive significant influence on the performance of the health sector implying that the performance of the health sector improves with better budgetary planning.

2.2.2 Budget Implementation and service delivery

Budget implementation involves execution of activities as per approved work plan and budget

(Okori, 2003). There is no doubt that budget implementation at local government level in Uganda is faced with challenges. Bitarabeho (2008) identifies a number of challenges facing budgetary implementation in Uganda as; low local revenues which constitutes about 5% of local government budgets. This poses a challenge of operation and maintenance of investments; little discretionary funding available to local governments. Most of the funds are conditional grants and on sector basis which constitutes 88% despite the fact that there are negotiations, lack of adequately skilled manpower to provide basic services and recentralization of staff by sector ministries (Bitarabeho, 2008).

In an assessment of two local government budgets of Kampala and Rakai Districts, the Uganda Debt Network (2006) found that politicians, especially in the district councils, often allocate the majority of resources to sectors that have physical and visible outputs and thus can attract public attention and subsequently strengthen their political base. Such sectors include health, education and roads, among others. On taking a deeper look at education budgets of the two districts' local governments; the Uganda Debt Network (2006) observed that classroom construction activity is allocated the highest budget line. However, the activity has over time been characterized by corruption in the awarding of tenders, which has led to shoddy work done and the ultimate poor quality buildings.

In Uganda it has been reported that budget performance at local government level is mainly measured by carrying out finance and output audits with less emphasis on measuring the extent to which the budgets improve the livelihoods of the poor. There is no clear linkage between budget execution and poverty reduction (Makara, 2000).

The Uganda Debt Network reports that because local governments are increasingly relying on resources sent from the Centre as a result of diminishing local revenue, most local governments have tended to concentrate on managing these resources and dedicate less time and attention to devise means of mobilizing alternative sources of revenue. Attention on management of resources has also negatively impacted on their efforts to deliver services to reduce poverty.

Ugwuanyi and Ebe (2012) investigated the effect of accounting practices on budgetary implementation in Enugu State owned industries in Nigeria and found that there exist poor accounting practices in government owned industries in Enugu State and also appropriate budgetary implementation are hardly kept by these industries. Ugwuanyi and Ebe (2012) findings are supported by earlier findings reported by Chiejina (2012) that Nigeria produces the best annual budget in the whole of sub-Saharan Africa; however, poor budget implementation by the executive arm of government at the local, state, and federal levels has sabotaged key public infrastructures such as transport, power, and communication among others.

Whereas earlier studies provide evidence that there is a link between budgetary implementation and the performance of the health sector, most of the studies are based on anecdotal observations and expert opinions. Few studies provide empirical evidence on the actual influence of budgetary implementation whether positive or negative on the performance of the health sector. This study therefore sought to fill this contextual gap by determining in statistical terms the influence of budgetary implementation on the performance of the health sector. The study found that budgetary implementation had a positive significant influence on the performance of the health sector implying that the performance of the health sector improves with better budgetary implementation.

2.2.3 Budget Monitoring and Service delivery

Budget monitoring involves ensuring that: the implementation of the work plan is being followed, value for money is obtained, budget revision is strictly adhered to by the relevant organs of council and book keeping, accounting and reporting is followed (Okori, 2003).

According to Tumushabe et al (2010), the most comprehensive and systematic process of monitoring the performance of local governments is undertaken by the Ministry of Local Government. The Ministry undertakes an annual national assessment of minimum conditions and performance measures for local governments. The results from the assessment of minimum requirements are used to determine the local governments' ability to access Conditional Grants especially the Local Development Grant and Capacity Building Grant. MoLG receives funding from different development partners for the implementation of the Local Government Sector

Investment Plan, part of which is committed to funding the annual national assessment exercise. Local Governments that perform well are rewarded with a 20% increase in funding while local governments that perform poorly are penalized with a 20% reduction of allocation (Tumushabe et al, 2010).

Besides official government processes, performance and accountability monitoring is also undertaken by civil society organizations. Organizations such as the Uganda Debt Network (UDN) and Kabarole Research CENTRE (KRC) have piloted community programmes that focus on monitoring service delivery and accountability. For example, the Community-Based Monitoring and Evaluation System (CBMES) piloted by UDN is an approach for engaging communities in continuous monitoring and evaluation of government programmes (Uganda Debt Network, 2004; 2006). Participatory approaches are used in selecting monitoring sites, selecting community representatives, developing monitoring tools, identifying monitoring areas, collecting and analyzing information, and presentation of findings without limiting community involvement (Lukwago, 2004 as cited in Tumushabe et al., 2010). The Poverty Resource Monitoring Tool (PRMT) piloted by KRC in the Rwenzori region aims at empowering communities to monitor the provision of critical public services in schools as well as infrastructure projects. The Partnership

for Public Expenditure Monitoring (PEEM) tool which is based on the CBMES and the PRMT is used by KRC and the Gulu District NGO Forum as an independent civil society hybrid mechanism to assess, monitor, review and evaluate performance of government policies, programmes and public expenditure in a systematic way (Tumushabe et al, 2010). Finally, in 2009, the Advocates Coalition for Development and Environment (ACODE) launched the Citizens' Budget Tracking and Information CENTRE (CBTIC) to build citizens' demand for transparency and accountability with respect to the budget and budget related process. The CBTIC monitors the full cycle of the budget ranging from government revenue to budget allocations, out-turns and service delivery (Tumushabe et al, 2010).

While earlier studies provide evidence that there is a link between budgetary monitoring and the performance of the health sector, most of the studies are based on anecdotal observations and expert opinions. Few studies provide empirical evidence on the actual influence of budgetary monitoring whether positive or negative on the performance of the health sector. This study therefore sought to fill this contextual gap by determining in statistical terms the influence of budgetary monitoring on the performance of the health sector. The study found that budgetary monitoring had a positive significant influence on the performance of the health sector implying that the performance of the health sector improves with better budgetary monitoring.

2.3 Summary and Gaps Identified in the Literature

The chapter presented related literature on budget planning, budget implementation and budget monitoring on the performance of local government organizations. However, there is plenty of literature on budget management in local governments, most of the literature does not specifically show in statistical terms how budget management affects service delivery in local governments. Literature does not specify whether budget management positively or negatively affects the service delivery in local governments. This study sought to fill this knowledge gap. The other gap

identified in the literature is a contextual gap. Most studies conducted were general studies about local governments in Uganda and elsewhere and not in Nagongera Town Council.

It is not clear if budgetary management affects the performance of Nagongera Town council Government the same way it affects performance in other local governments. Thus the current study sought to fill the above contextual gap. The study found that budget management has a significant positive effect on service delivery implying that the service delivery improves with better budget management.

CHAPTER THREE

METHODOLOGY

3.0 Introduction

This chapter presents the methodology that was adopted during the study. It describes and discusses; the research design, study population, sample size and selection, sampling techniques, the data collection methods used and their corresponding data collection instruments, data management and analysis procedure as well as steps that were taken to ensure validity and reliability during the study and measurement of variables.

3.1 Research Design

The study adopted a case study design. The case study design was adopted because the study sought to conduct an intensive investigation on the variables under study in a particular local Government in Uganda which is Nagongera Town council as suggested by Oso and Onen (2008).

The study used both qualitative and quantitative approaches. The quantitative approach was adopted because the study sought to examine the effect of budget management on service delivery in Nagongera Town council. Such an endeavor could best be achieved when a quantitative approach is used because it allows for collecting numeric data on observable individual behavior of samples, then subjecting these data to statistical analysis (Amin, 2005).

The qualitative approach was also adopted to enable the researcher capture data that was left out by the quantitative approach. This was aimed at capturing more in-depth information on the topic under investigation.

3.2 Study Population

The study population was comprised of 290 people who included: deputy town clerk, Treasurer, account assistant, community based officers, planner, production officer, Councilors and Engineer in the town council.

3.3 Study Sample

The study sample was comprised of 160 respondents. The sample size was arrived at using the predetermined table for determining sample size by Krejcie and Morgan (1970) as cited in Amin (2005).

Table 1:1 Sample Size Determination

Category	Population	Sample Size	Sampling Technique
Town clerk	1	1	Purposive Sampling
Treasurer	1	1	Purposive Sampling
Account assistant	3	2	Purposive Sampling
Community based officers	2	1	Purposive Sampling
Planner	1	1	Purposive Sampling
Production officers	2	1	Purposive Sampling
Councilors	279	152	Simple Random Sampling
Engineer	1	1	Purposive Sampling
Total	290	160	

Source: Nagongera Town council city Human Resource Records 2020

3.4 Sampling Techniques and Procedure

A number of sampling techniques were used to select respondents to the study namely; simple random and purposive sampling techniques.

The beneficiaries were selected using simple random sampling technique. Simple random sampling was used because it ensures generalizability of findings and minimizes bias (Sekaran, 2003). Purposive sampling technique was used to select senior managers. This technique was used to select the town clerk, the chairman of the council, counselors and the town County Chiefs. These key informants were purposively sampled because they were believed to have technical and specialized knowledge about the topic under investigation by virtue of the offices that they held.

3.5 Data collection Methods

3.5.1 Questionnaire Survey Method

The study used the questionnaire method to collect data from respondents who included the Local Councillors and beneficiaries. The use of a questionnaire in this study was important mainly because the purpose of the study was to examine the effect of budgetary management on the performance of Nagongera Town council. Such data can best be tapped on a closed ended questionnaire which allows for easy correlation and regression of the respondents attitudinal disposition on the independent and dependent variables as suggested by Amin (2005). Secondly the use of a questionnaire allowed busy respondents fill it at their convenient time. It also allowed respondents express their views and opinions without fear of being victimized as suggested by Oso and Onen (2008).

3.5.2 Interview Method

The study employed the interview method to collect data from the key informants who included the District Chairperson, the CAO, Sub County Chairpersons and Sub County Chiefs. Interviews in this study helped the researcher obtain more information on the influence of budgetary management on the performance of the health sector in Nagongera Town council city. This method was also used because it offered the researcher an opportunity to adapt questions, clarify the questions by using the appropriate language, clear doubts and establish rapport and probe for more information as suggested by Sekaran (2003).

3.5.3 Documentary Review Method

The researcher reviewed documents in order to obtain recorded information that was related to the issue under investigation. This method was used because it would enable the researcher access data at his convenient time, obtain data that are thoughtful in that the informants have given attention in obtaining them and enables the researcher obtain data in the language of the

respondent as observed by Oso and Onen (2008). The documents reviewed included budget plans, annual reports and the Nagongera Town council Health Sector Reports.

3.6 Data Collection Instruments

The instruments used in this study were the questionnaire, interview guide and document review checklist.

3.6.1 Self-Administered Questionnaire

The study employed a questionnaire as a tool of data collection. The questionnaire for the Councilors and beneficiaries had six sections (see appendix I). Section A dealt with the demographic characteristics of the respondents, section B focused on budget planning, Section C focused on budget implementation, Section C focused on budget monitoring and Section D was concerned with the performance of Nagongera Town council city. The questionnaire was closed ended. Closed ended questions were developed to help respondents make quick decisions; in addition, closed ended questions were used to help the researcher to code the information easily for subsequent analysis and narrow down the error gap while analyzing data as observed by Sekaran (2003).

3.6.2 Interview Guide

An unstructured interview guide was used as a tool for collecting in depth information from the key informants (see appendix III). The guide had list of topical issues and questions which were explored in the course of conducting the interviews. The guide was drawn with the questions soliciting for the perception of the District Chairperson, CAO, Sub County Chairpersons and Sub County Chiefs regarding the influence of budgetary management practices on the performance of Nagongera Town council. The interview guide was used for purposes of obtaining in-depth data which was not possible to obtain when using self-administered questionnaires (Mugenda & Mugenda, 1999; Kakoza, 1996).

3.6.3 Documentary Review Checklist

A documentary review checklist was used to collect more in-depth data on the topic under investigation (see appendix IV). The checklist was used to obtain in-depth qualitative information which was not possible to collect with the closed ended questionnaire.

3.7 Validity and Reliability of the Research Instruments

3.7.1 Validity

To ensure validity, the questionnaire was developed and given to three expert judges to score the relevance of each question in providing answers to the study. After which a content validity index C.V.I was computed using the formula;

$$\text{CVI} = \frac{\text{No of Items declared valid by the judges}}{\text{Total No of items on the questionnaire}}$$

$$\text{CVI} = \frac{115}{120} = 0.95$$

CVI of 0.9 was obtained which is acceptable as suggested by Amin (2005).

3.7.2 Reliability

A pre-test was done on 10 of the respondents who were not part of the final study. Data was coded and entered into the computer. Cronbach's Alpha Reliability Coefficients were generated using the statistical package for social scientists (SPSS) computer program to estimate the reliability of the questionnaire.

Table 2:2 Cronbach Alpha Reliability Coefficients

Item	Reliability Coefficients
Budget Planning	0.723
Budget Implementation	0.757
Budget Monitoring	0.725
Health Sector Performance	0.707
Overall Reliability	0.716

The overall reliability tests for the results was 0.716, indicating great internal consistence of the responses on the tool. Specifically all the items scored high reliability results; the responses to the

items under budget planning scored a reliability coefficient of 0.723, the items under budget implementation scored 0.757, budget monitoring scored 0.725, and the items under health sector performance scored 0.707. All the items on the questionnaire were above 0.70, indicating a great internal consistence. The results of the reliability analysis mean that the items on the tool could be relied on to provide reliable answers to the study questions as suggested by (Sekaran, 2003).

3.8 Research procedure

The researcher obtained a letter of introduction from UCU which was presented to the authorities at Nagongera Town council. A list of the top district leaders, Councilors and politicians from the Office of the Chief Administrative Officer was obtained. After obtaining the list of respondents to the study, the local Councilors and district beneficiaries to participate in the study were randomly selected. A self-administered questionnaire was used to collect information from the above mentioned respondents, the CAO, LCIII Chairpersons and the Sub County Chiefs were purposively selected. Interviews were used to obtained data from the above mentioned senior officers. After data collection, data was analyzed; a report was written and submitted to Uganda Christian University for examination.

3.9 Data Analysis

3.9.1 Analysis of quantitative Data

The statistical package which was used for analysis of data in this study is the SPSS version 20.0. Different statistical techniques were used namely: correlation and regression analysis. The upper level of statistical significance for hypothesis testing was 5%. All statistical test results were computed at 2-tailed level of significance.

Descriptive statistics namely frequency counts, percentages were used to analyze the respondents' demographic characteristics and the mean and standard deviation were used to analyze the

respondents' opinions on budgetary planning, budget implementation, budgetary monitoring and the performance of the health sector in Nagongera Town council city .

Data was analyzed and correlated using Pearson Product-Moment correlation coefficient to establish the relationship between budgetary management and the performance of Nagongera Town council city as suggested by Sekaran (2003), Amin (2005) and Oso and Onen (2008).

For this study, the three dimensions of budgetary management were regressed against the performance of Nagongera Town council city. This was aimed at determining the extent to which budgetary management explains the variation in the performance of, Nagongera Town council. Regression analysis was also used to determine which of the three dimensions of budgetary management affects service delivery in the local government the most.

3.9.2 Analysis of qualitative data

Qualitative data was analyzed using content analysis. Responses from key informants were grouped into recurrent issues. The recurrent issues which emerged in relation to each guiding questions were presented in the results, with selected direct quotations from participants offered as illustrations.

3.10 Measurement of variables

Data on the respondent's views and opinions about budget management practices and service delivery in Nagongera Town council were obtained using scaled variables from a self-developed questionnaire. A five point-Likert scale of 1= strongly disagree, 2= disagree, 3= not sure, 4= agree and 5= strongly agree was used to obtain respondents perceptions and opinions on the study variables.

3.11 Ethical Considerations

The research process was guided by sound ethical principles which include the followings:-

Voluntarism: the researcher ensured that respondents were not coerced or manipulated into participating in the study. Respondents were told the purpose of the study and their consent to participate in the study was sought.

Objectivity: The researcher also ensured objectivity when carrying out the research, any attempt to bias results was considered unethical and was therefore avoided.

Confidentiality: The respondents were assured of confidentiality and anonymity. Their names were not written anywhere in the report and the information given was used for academic purposes.

Respect: The researcher ensured respect for the respondents. Respect encompassed respecting the opinion of the respondents including the opinion to terminate the interview whenever they felt uncomfortable to continue and adopting an appropriate questioning style especially for very personal and sensitive questions.

CHAPTER FOUR

PRESENTATION, ANALYSIS AND INTERPRETATION OF FINDINGS

4.0 Introduction

The study examined the effect of budget management on Service delivery in Nagongera Town Council. This chapter presents the findings of the study. The chapter also presents the analysis and interpretation of results. The presentations are done according to the specific objectives and hypotheses of the study. The first section presents the response rates. The second section presents the background information of the respondents. The third section presents descriptive and inferential statistical results along the three study objectives.

4.1 Response Rates

The response rate of the study was calculated using a formula: $\text{targeted response/actual response} \times 100\%$. The response rate findings using tools are presented in Table 3 below.

Table 3:3 Response Rates

Tool	Targeted response	Actual response	Response rate
Questionnaire	165	160	96.9%

Source: Primary Data

According to Table 3 above, out of the 166 questionnaires administered, 160 were returned fully completed giving a response rate of 96.4%. Out of the 17 respondents targeted for interviews 14, were actually interviewed representing a response rate of 82.4%. The overall response rate was, thus, 95 %. With that high response rate of 95%, the findings of the study were representative of the actual population and could therefore be generalized as observed by Sekaran (2003).

4.2 Background Information

The respondents' demographic characteristics in terms of gender of respondents, level of education, total work experience and length of service with Nagongera Town Council were observed and presented below

Table 4.2.1 Gender of respondent

	Frequency	Percent	Cumulative Percent
Male	100	62.5	65.5
Female	60	37.5	100.0
Total	160	100.0	

Source: Primary data (2021)

Results in Table 4.2.1 indicate that males (62.5%) dominated in Nagongera Town Council, and females accounted for 37.5%. This is an indication that while all gender was involved and employed, males dominated and were more interested in study than women. This could also be a reflection that men are considered superior sex in job opportunities and seem to have been managers of budgets in Nagongera Town Council.

Table 5:4.2.2 Level of Education

	Frequency	Percent	Cumulative Percent
Secondary	19	11.9	11.9
Certificate	31	19.4	31.3
Diploma	60	37.5	68.8
Degree	40	25.0	93.8
Post graduate	10	6.2	100.0
Total	160	100.0	

Source: Primary data (2021)

According to the results in Table 4.2.2, 11.9% of the study respondents were educated up to secondary school, 19.4% were educated up to certificate level, 37.5% were diploma holders, 25% were degree holders and 6.3% held post graduate qualifications. The results mean that the

respondents are adequately educated and may be in position to effectively understand issues of budget management and service delivery. An educated workforce is likely to effectively implement budgets and lead to enhanced service delivery performance.

Table 6:4.2.3 Length of Service

	Frequency	Percent	Cumulative Percent
Less than 1 year	4	2.5	2.5
1-5 years	56	35.0	37.5
More than 5 years	100	62.5	100
Total	160	100.0	

Source: Primary data (2021)

According to the study findings, a fair majority 62.5% of the study respondents had worked with the district for a period of more than 5 years, 35% had worked for a period of between 1 and 5 years while only 2.5% of the study respondents had worked for less than 1 year. The results show that the majority of the study respondents were experienced enough to understand issues surrounding budgetary management and the performance of the health sector. An experienced workforce is likely to effectively implement budgets and lead to enhanced health sector performance.

4.3 Budget Planning and the Service delivery in Nagongera Town council city

The first objective of the study was to determine the influence of budget planning on the performance of the health sector in Nagongera Town Council. The respondents were asked to respond to a number of statements regarding budgetary planning. The responses are summarized in Table 5. This objective was analyzed by using the descriptive statistics namely the mean and the standard deviation. The mean portrays the average response on a statement and standard deviation portrays the extent to which scores deviate from the mean. The rating scale was; 1.00-2.74 (strongly disagree), 2.75-3.24 (disagree), 3.25-4.24 (agree) and 4.25-5.00 (strongly agree).

Table 7: 5: Respondents’ opinion on budget planning

Statement	Mean	Std. Deviation
The budget planning process is participatory	4.1	1.2
There is a clear linkage between work plans and budgets	4.0	1.2
Sufficient time is reserved for participation and dialogue between relevant stakeholders and for public hearings during the budget planning process	3.1	1.7
During the budget planning process, Councilors are provided with well-arranged and accessible budget material that gives a clear financial overview of past financial performance	2.7	1.5
During the budget planning process, possible scenarios and the consequences of different choices are provided as a basis for political discussion	2.5	1.3
The budget planning process gets the priorities right	2.2	1.2
The planned budgets are attainable	2.2	1.1
The planned budgets are realistic	2.1	1.2

Source: Primary data (2021)

According to the results in Table 5, the respondents noted that the budget planning process was participatory (mean=4.1, SD=1.2). This means that the budget planning process at NAGONGERA TOWN COUNCIL is participatory. Participatory budgeting is likely to improve the budgeting process by enhancing stakeholder trust, sense of control and ego involvement with the budget which then leads to improved performance of the health sector as a result of cooperation from all the stakeholders towards achieving sector objectives.

The study respondents indicated that there was a clear linkage between work plans and budgets (mean=4.0, SD=1.2). This means that at Nagongera Town Council, there is a clear linkage between sector work plans and budgets. When budgets are linked to sector work plans they are

likely to improve performance in such a way that each of the activities is adequately budgeted for hence allowing for planned expenditure.

According to the results in Table 5, the respondents noted that sufficient time was not reserved for participation and dialogue between relevant stakeholders and for public hearings during the budget planning process (Mean=3.1, SD=1.7). This suggests that at Nagongera Town Council, sufficient time is not reserved for participation and dialogue among stakeholders for public hearing during the budgeting process. This implies that stakeholder engagement during the budget planning process is low. Low stakeholder engagement in the budget planning process is likely to undermine the performance of the health sector in such a way that there is limited input by the stakeholders in the health sector as such, priorities may not be gotten right.

The respondents disagreed with the statement that during the budget planning process, Councilors are provided with well-arranged and accessible budget material that gives a clear financial overview of past financial performance (Mean=2.7, SD=1.5). This means that the councilors in Nagongera Town Council are not provided with organized budget material that gives a clear financial overview. This is likely to result into poor budget planning due to limited input from the people's representatives who may not be in position to coherently participate and follow the budgeting processes as such priorities like the health sector may not be fully planned for during the budgeting process hence undermining the performance of the sector.

The study respondents noted that during the budgeting planning processes, possible scenarios and the consequences of different choices were not provided as a basis for political discussion (mean=2.5, SD=1.3). This means that during the budgeting process in Nagongera Town Council, the possible scenarios and consequences of budgetary decisions are not adequately explored. This may undermine effective budgeting processes in such a way that priorities may not be gotten right. In fact, the respondents noted that budget planning process does not get priorities right (mean=2.2,

SD=1.2). When priorities are not gotten right, the most important areas in the health sector like staff payments and purchase of medical supplies may be neglected hence leading to the underperformance of the sector.

When asked whether the budgets were attainable, the respondents disagreed (mean=2.2, SD=1.1). The respondents also noted that the budgets were not realistic (mean=2.1, SD=1.2). This means that at Nagongera Town Council, the budgets are not realistic and attainable. Overly ambitious budgets which are not matched with the resource envelope are likely to fail and undermine the performance of the health sector in such a way that they may not achieve organizational objectives.

During key informant interviews a number of key issues arose. The study respondents noted underfunding as one of the key challenges to effective budgetary planning at Nagongera Town Council. One key informant noted that:

“The current formula used by the Commission to calculate funds which considers land area and population is a disadvantage to the district considering the fact that Kween is sparsely populated and the land area is small; these two factors put the district at a disadvantage in terms of funds received.” (Key informant interview).

The above finding shows that effective planning in the district is undermined by underfunding. This seems to have negatively affected the efficiency of the budget planning processes and undermined the service delivery.

4.3.1 Testing Hypothesis One: Budget Planning and Service Delivery

In order to determine the effect of budget planning and Service delivery in Nagongera Town council city, correlation and regression analyses were conducted the results are summarized in Tables 6 and 7 below

Table 8: 6: Budget Planning and Service delivery

		Budget Planning	Service delivery
Budget Planning	Pearson Correlation	1	.621 **
	Sig. (2-tailed)		.000
	N	160	160
Service delivery	Pearson Correlation	.621 **	1
	Sig. (2-tailed)	.000	
	N	160	160

** . Correlation is significant at the 0.05 level (2-tailed).

Source: Primary data (2021)

According to the results in Table 6 above, budget planning and service delivery were found to have a significant positive relationship ($r=0.621$, $p<0.05$). Thus, the hypothesis that budgetary planning would have a significant influence on the performance of the health sector is accepted. This means that budgetary planning has a significant influence on the performance of the health sector in Nagongera Town council city. This implies that the performance of the health sector in Nagongera Town council city improves with better budget planning.

In order to determine the influence budget planning on the performance of the health sector in

Nagongera Town Council, regression analysis was conducted. The results are summarized in the Table 7.

Table 9:7 Regression Results showing the effect of budget planning on service delivery in Nagongera town council.

R square=0.386, F=149.754, P=0. 000		
	Standardized Coefficients	Sig.
	Beta	
Budget Planning	0.621	0.000

Source: Primary data (2021)

According to the results in the summarized Table 7 above, the coefficient of determination/ r^2 for budget planning is equal to 0.386. This means that 38.6% of the variation in the performance of the health sector in Nagongera Town Council is explained by budget planning.

Table 7 also shows that budget planning has a significant effect on service delivery (F=149.754, P=0.000). This means that budget planning is a significant determinant of service delivery in Nagongera Town Council.

The standardized beta coefficient of ($\beta=0.621$, $p<0.05$) means that budget planning is significantly positively affects service delivery in Nagongera Town Council. This means that budget planning has a significant effect on service delivery in Nagongera Town council city. This implies that Service delivery in Nagongera Town council city improves with better budget planning. The finding are in line with Wijewardena and De Zoysa (2001) who found that budgetary planning has a significant influence on organizational performance. The results of this study corroborate earlier findings by Thune and House (1970), Wijewardena and De Zoysa (2001) who found that budgetary planning improves organizational performance. Strong support for the study lies with Yang who conducted a similar study among SMEs in China and established a link between budgetary planning and organizational performance. A possible explanation for the result could be that the Ministry of Local Government has set clear guidelines on budget planning (UDN, 2006). The framework provides for consultative and participatory approach in planning and budgeting,

though not all policy stakeholders have benefited from it. The Uganda Debt Network further reported that while local government administration staff are aware of and knowledgeable about budgeting guidelines, schedules and processes, which implies that budget information is disseminated by the CENTRE and received at local government level, these guidelines and processes have not been completely followed and adhered to by local governments (Uganda Debt Network, 2006).

Limited participation in the budget setting process in Uganda's local governments has been identified as a challenge to the budget planning process. Under the Uganda Local Government Act, citizens have the right to participate in annual budget conferences at each level of local government. In many cases this is little more than a formality, with participation limited to a few special-interest groups (Blore *et al.*, 2004). Accountability depends on information being available to citizens, in a sufficiently comprehensible form, on how resources are being used (Goetz *et al.*, 2001). Although local governments are displaying financial/accounting information in public places, such information is deliberately too broad and technical for the public to understand (Kiwauka, no date). This is supported by the Uganda Debt Network which observes that the planning and budgeting process at local government level is boxed in a fixed and nonflexible schedule, which sometimes renders the principles of participatory consultations as provided for in the Budget Act of 2001 ineffectual. Despite the shortcomings of the budgetary planning process, budget planning has a significant influence on the performance of the health sector. This therefore underscores the need for management in local governments to improve the budgetary planning processes if they are to improve the performance of the health sector.

4.4 Budget Implementation and service delivery in Nagongera Town council city

The second objective of the study was to determine the effect of budget implementation on service delivery in Nagongera Town Council. The respondents were asked to respond to a number of statements regarding budget implementation. The responses are summarized in Table 8. This objective was analyzed using the descriptive statistics namely the mean and the standard deviation. The mean portrays the average response on a statement and standard deviation portrays the extent to which scores deviate from the mean. The rating scale was; 1.00-2.74 (strongly disagree), 2.75-3.24 (disagree), 3.25-4.24 (agree) and 4.25-5.00 (strongly agree).

Table 10: 8: Respondents' Opinion on Budget Implementation

Statement	Mean	Standard Deviation
Expenditures are authorized during budget implementation	4.0	1.1
During budget implementation, there is verification that goods and services have been delivered	4.0	1.3
During budget implementation there are internal controls to ensure proper use of funds	3.9	1.3
During budget implementation, there is control of the budget	3.9	1.1
During budget implementation, there is proper financial reporting	2.9	1.1
During budget implementation, the district authorities present accountability to the electorate	2.4	1.3
During budget implementation, there is transparency in the use of funds	2.2	1.4

Source: Primary data (2021)

According to the results in Table 8 above, the study respondents noted that during budget implementation, expenditures are authorized (Mean=4.0, SD=1.1). This means that in Nagongera Town council, budget expenditures are authorized during the budget implementation process. Authorization of expenditure is likely to improve the performance of the health sector in such a way that it reduces the fraud and waste that may result from unauthorized expenditures.

The study respondents reported that during the budget implementation process in Nagongera Town Council, there was verification that goods and services have been delivered (mean=4.0, SD=1.0). This means that in Nagongera Town Council, there is verification that the goods ordered for are delivered. This is likely to minimize fraud and abuse, hence, ensuring that the services and supplies needed for the health sector are delivered in the right quality and quantity.

The respondents indicated that during the budget implementation process, there were internal controls to ensure proper use of funds (mean=3.9, SD=1.3). This means that in Nagongera Town Council, there are internal controls in place to ensure proper usage of funds. Internal controls are widely believed to be crucial to the success of the health sector as they act as possible brakes on the possible deviations from the predetermined objectives and policies. This means that an organization that has put in place internal controls is likely to perform better than that which has not.

The study respondents noted that during budget implementation there was proper control of the budget (mean=3.9, SD=1.1). This means that in Nagongera Town council, there is proper budgetary control during the budget implementation process. The control process is likely to improve the performance of the health sector by ensuring that activities conform to plan and that objectives are achieved as set out during the budgetary planning process.

It was established from the study respondents that there was no proper financial reporting during the budget implementation process (mean=2.9, SD=1.1). This means that in Nagongera Town council, there is no proper financial reporting during the budget implementation process. Poor financial reporting is likely to have a negative effect on the performance of the health sector in such a way that it compromises accountability hence encouraging counterproductive behavior like fraud and corruption.

The study respondents reported that during the budget implementation process, the district authorities did not present proper accountability to the electorate (mean=2.4, SD=1.3). In fact, the respondents further noted that there was no transparency in the use of funds (mean=2.2, SD=1.4). This means that in Nagongera Town Council, the district authorities do not present accountability to the electorates. This is likely to compromise service delivery in the health sector due to the resultant misuse of tax payer's money through fraud, graft and corruption.

When asked what were some of the challenges to effective implementation of the budgets in Nagongera Town council key informants identified the challenges as weak capacity of local government staff, particularly in accounting and record-keeping.

One key informant noted that:

“Effective budget implementation is undermined by incomplete decentralization in which local government staff remain under the control of central government, staffing at the lower end of the employment scales, often reflecting the political interests of councilors; and skill differentials between senior officials and councilors which create tensions and render elected representatives unable to make the necessary decisions or to monitor and enforce accountability from officials.”(Key Informant Interview).

The above findings indicate that effective and efficient budget implementation in Nagongera Town Council is undermined by a number of factors like incomplete decentralization, underfunding, inadequate staff capacity, poor accountability and limited community participation in the implementation of budgets. Such is likely to impact negatively on the performance of the health sector.

4.4.1 Testing Hypothesis Two: Budget Implementation and Service delivery in Nagongera Town council city

In order to determine the effect of budget implementation on service delivery in Nagongera Town Council, correlation and regression analysis were conducted. The results are summarized in Tables 9 and 10 below.

Table 11: 9: Correlation Coefficient showing the effect of Budget Implementation on service delivery in Nagongera Town Council.

	Budget Implementation	Service delivery
Budget Implementation	1	.560 **
Pearson Correlation		.000
Sig. (2-tailed)		160
N	160	160
Service delivery	.560 **	1
Pearson Correlation	.000	
Sig. (2-tailed)		160
N	160	160

** . Correlation is significant at the 0.05 level (2-tailed).

Source: Primary data (2021)

According to the results in Table 9, budget implementation and service delivery were found to have a significant positive relationship ($r=0.560$, $p<0.05$). Thus, the hypothesis 2 which stated that budget implementation would have a significant effect on service delivery is accepted. This means that budget implementation has a significant effect on service delivery in NAGONGERA TOWN COUNCIL. This practically implies that service delivery in Nagongera Town Council improves with better budget implementation.

In order to determine the effect of focus on budget implementation and service delivery, regression analysis was conducted. The results are summarized in the Table 9.

Table 12: 10: Regression Results Showing the effect of Budget Implementation on service delivery in Nagongera Town Council

R square=0.314, F=107.973, P=0. 000		
	Standardized Coefficients	Sig.
	Beta	
Budget Implementation	0.560	0.000

Source: Primary data (2021)

According to the results in the summarized Table 10 above, the coefficient of determination/ r^2 for budget implementation is equal to 0.314. This means that 31.4% of the variation in service delivery in Nagongera Town Council is explained by budget implementation.

The Table also shows that budget implementation significantly affects the service delivery (F=107.973, P=0.000). This means that budget implementation is a significant determinant of the service delivery in Nagongera Town Council.

The standardized beta coefficient of ($\beta=0.560$, $p<0.05$) means that budgetary implementation is significantly and positively affects service delivery in Nagongera Town Council. This means that budget implementation has a significant effect on service delivery in Nagongera Town Council. This practically implies that service delivery in Nagongera Town Council improves with better budget implementation. This finding are in line with Bitarabehe (2008) who identifies a number of challenges facing budgetary implementation in Uganda as; low local revenues which constitutes about 5% of local government budgets. This poses a challenge of operation and maintenance of investments; little discretionary funding available to local governments. Most of the funds are conditional grants and on sector basis which constitutes 88% despite the fact that

there are negotiations, lack of adequately skilled manpower to provide basic services and recentralization of staff by sector ministries (Bitarabeho, 2008).

The study through key informant interviews and questionnaire responses also found out that there was lack of transparency and proper accountability during budget implementation. This finding is in line with earlier scholars who observed that horizontal accountability from officials to locally elected representatives is often weak. Many studies (Blair, 2000; Golooba- Mutebi, 1999; Kullenberg & Porter, 2001) identify factors that contribute to this deficiency, including weak capacity of local government staff, particularly in accounting and record-keeping. Other factors include: incomplete decentralization in which local government staff remain under the control of central government, staffing at the lower end of the employment scales, often reflecting the political interests of councilors; and skill differentials between senior officials and councilors which create tensions and render elected representatives unable to make the necessary decisions or to monitor and enforce accountability from officials (Devas & Grant, 2003).

4.5 Budget Monitoring and service delivery in Nagongera Town council city

The third objective of the study was to determine the effect of budget monitoring on service delivery in Nagongera Town Council. The respondents were asked to respond to a number of statements regarding budget monitoring. The responses are summarized in Table 11. This objective was analyzed by using the descriptive statistics namely the mean and the standard deviation. The mean portrays the average response on a statement and standard deviation portrays the extent to which scores deviate from the mean. The rating scale was; 1.00-2.74 (strongly disagree), 2.75-3.24 (disagree), 3.25-4.24 (agree) and 4.25-5.00 (strongly agree).

Table 13: 11: Respondents’ Opinion on Budget Monitoring.

Statement	Mean	Standard Deviation
There is proper monitoring for accountability	4.1	1.2
There is proper monitoring of expenditure	4.0	1.2
There is proper monitoring of cash management	3.9	1.6
There is proper monitoring of budget modification	2.2	1.2
In NAGONGERA TOWN COUNCIL budget monitoring is participatory	2.0	1.3
In NAGONGERA TOWN COUNCIL the views of the public are actually considered during the budget monitoring process	2.1	1.3

Source: Primary data (2021)

The study respondents noted that in Nagongera Town Council, there was proper monitoring for accountability (mean=4.1, SD=1.2). This suggests that the authorities in Nagongera Town Council ensure that there is proper monitoring of the budget for purposes of accountability. This is likely to improve service delivery by ensuring proper usage of funds towards the achievement of the sector’s goals and objectives.

The results in Table 11 also show that in Nagongera Town Council, there is proper monitoring of expenditure (mean=4.0, SD=1.2). This means that at Nagongera Town Council, there is proper monitoring of expenditure. This was supported by the Internal Auditors Report of 2013 which showed that there was proper management of expenditure. This is likely to improve the service delivery by ensuring proper usage of tax payers’ money towards the achievement of the goals and objectives.

The study respondents also noted that there was proper monitoring of cash management in the district (mean=3.9, SD=1.6). This means that at Nagongera Town Council, there is proper

monitoring of cash management. This is likely to improve the performance of the health sector by minimizing abuse and misuse of tax payers' money.

According to the results in Table 11 above, the study respondents indicated that there was no proper monitoring of budget modification (mean=2.2, SD=1.2). This means that in Nagongera Town Council, budget modifications are not adequately monitored. This is likely to result into sectoral under performance in such a way that unmonitored alterations may lead to financial mismanagement and abuse hence, failure to achieve health sector goals and objectives.

The study respondents indicated that budget monitoring was not fully participatory (mean=2.0, SD=1.3). In fact, it was established during the study that the views of the public were not considered during the budget monitoring process (mean=2.1, SD=1.3). This means that in Nagongera Town Council, the budget monitoring process is not fully participatory. Limited participation of the community in the budget monitoring process is likely to result into poor accountability issues, abuse, and misuse of funds meant for health service delivery. This is likely to have a negative consequence on the service delivery.

When asked to mention the challenges facing budget monitoring, the key informants mentioned *“lack of robust information, and monitoring system to monitor the activities of the politicians and the technical people during budget implementation. This in a way had negative consequences on the service delivery”* as mentioned by one respondent to the key informant interviews.

The above findings therefore show that lack of a robust budget monitoring system constrains effective budgetary monitoring in the district with resultant negative effects on the quality of health service delivery.

Capture of the budget monitoring process by the local elites also served to exclude the locals from the budget monitoring processes. One key informant noted that *“usually monitoring of the budget is captured by the local elites to the exclusion of the locals. This has undermined effective budget*

monitoring” (Key Informant Interview). The above finding therefore shows that capturing of the budget monitoring process by the local elites has undermined budget monitoring and eventually had negative consequences on the performance of the health sector due to poor accountability and abuse of public funds by the authorities in the health sector.

4.5.1 Testing Hypothesis Three: Budget Monitoring and service delivery in Nagongera Town council city

In order to determine the effect of budget monitoring on service delivery in Nagongera Town Council, correlation and regression analysis were conducted. The results are summarized in the Tables 12 and 13 below.

Table 14:12: Correlation Analysis Showing the effect of Budget Monitoring on service delivery in Nagongera Town council city

		Budget Monitoring	Service delivery
Budget Monitoring	Pearson Correlation	1	.627 **
	Sig. (2-tailed)		.000
	N	160	160
Service delivery	Pearson Correlation	.627 **	1
	Sig. (2-tailed)	.000	
	N	160	160

** . Correlation is significant at the 0.05 level (2-tailed).

Source: Primary data (2021)

According to the results in Table 12, budget monitoring and service delivery were found to have a significant positive relationship ($r=0.627$, $p<0.05$). Thus, hypothesis 3 which stated that budget monitoring would have a significant effect on service delivery is accepted. This means that budget monitoring has a positive significant effect on service delivery in Nagongera Town Council. This practically implies that the service delivery in Nagongera Town Council improves with better budget monitoring.

In order to determine the effect of budget monitoring on service delivery in Nagongera Town Council, regression analysis was conducted. The results are summarized in Table 13 below.

Table 15:13: Regression Analysis Showing the effect of Budget Monitoring on service delivery in Nagongera Town council city

R square=0.393, F=154.227, P=0. 000		
	Standardized Coefficients	Sig.
	Beta	
Budget Monitoring	0.627	0.000

Source: Primary data (2021)

According to the results in the summarized Table 13 above, the coefficient of determination/ r^2 for budget monitoring is equal to 0.393. This means that 39.3% of the variation in service delivery in Nagongera Town Council is explained by budget monitoring.

The Table also shows that budget monitoring significantly affects service delivery (F=154.227, P=0.000). This means that budget monitoring is a significant determinant of service delivery in Nagongera Town Council.

The standardized beta coefficient of ($\beta=0.627$, $p<0.05$) show that budget monitoring is significantly and positively affects service delivery. The results suggest that budget monitoring has a positive significant effect on service delivery in Nagongera Town Council. This practically implies that service delivery in Nagongera Town Council improves with better budget monitoring. Accountability, both of officials to elected representatives and of elected local governments to citizens, requires effective systems of accounting and auditing that create trust in the information about how resources have been used (Devas & Grant, 2003). However, in Uganda, elected representatives, never mind ordinary citizens, are rarely in a position to check the details of the use of resources. Yet accounting systems are often extremely weak in local government and are

open to all manner of disputes. Annual accounts are often finalized long after the end of the financial year (if at all in some cases). Meanwhile, the central government rarely has the capacity to perform comprehensive external audits on all local governments (Devas, 2005).

Accountability is more likely to be achieved where there is committed political will on the part of central government (Tendler, 1997; Minogue et al., 1998; Blair, 2000). Golooba-Mutebi (1999) suggests that good leadership and effective supervisory mechanisms are more essential to accountability than participation by the citizens in public. However, inconsistencies in central government such as shortfalls in central fund transfers, cuts in unconditional grants and approval of unrealistic local government budgets often undermine the potential for good leadership and strong supervision (Olum, 2008). This was the case in Nagongera Town council.

Many local governments depend heavily on transfers from the center, which are often allocated in inequitable and non-transparent ways. This dependence on the center (and in some cases on donors) undermines the accountability of local governments to local voters and tax-payers (Businge & Womakuyu, 2012). Muhumuza (2008) drives this point home when he argues that “Whereas the system design of Uganda’s decentralization is impressive and if allowed to function properly would perhaps be quite effective, the reality on the ground is that Uganda’s local governments have been greatly starved of independent resources and made dependent on the center. Therefore, irrespective of the symbolic structures, officials and the bee-hive activities of local governments, the hidden face is that what glitters is not gold but disguised centralization at play”. Pp 73-74. The dependence on the central government in Nagongera Town Council has undermined effective horizontal accountability. The officials seem to be more accountable to the central government than to the electorate.

4.6 The Overall effect of Budgetary Management on service delivery in Nagongera Town Council

In order to determine the overall effect of budget management on service delivery in Nagongera Town Council, multiple regression analysis was conducted. The findings are summarized in the subsequent sub sections.

Table 16: 14: Model Summary

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.867 ^a	.751	.747	.12360

a. Predictors: (Constant), budget planning, budget implementation, budget monitoring

Source: Primary data (2021)

Table 14 above shows the coefficient of determination $R^2=0.751$ which indicates that 75.1% of the variation in service delivery in Nagongera Town Council is explained by budget management. A variation of 24.9% remains explained by other variables not under this study.

Table 15: ANOVA Summary

ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	7.891	3	2.630	172.165	.000 ^a
Residual	2.613	171	.015		
Total	10.503	174			

a. Predictors: (Constant), budget planning, budget implementation, budget monitoring

b. Dependent Variable: service delivery

Source: Primary data (2021)

Table 15 above reveals that the budget management practices of , budget planning, budget implementation and budget monitoring have a significant influence on the performance of the health sector in Nagongera Town Council (F=172.165, P=0.000). This means that budget management is a significant determinant of service delivery in Nagongera Town Council. This practically implies that service delivery in Nagongera Town Council improves with better budget management.

Table 16: Coefficients Table

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	4.402	.147		29.995	.000
Budget planning	.301	.159	.171	1.898	.000
Budget Implementation	.706	.055	.532	12.891	.000
Budget Monitoring	.422	.109	.351	3.868	.000

.Dependent Variable: Service delivery

Source: Primary data (2021)

The standardized Beta coefficient of ($\beta = 0.171$, $p < 0.05$) for budgetary planning, ($\beta = 0.532$, $p < 0.05$) budgetary implementation and ($\beta = 0.351$, $p < 0.05$) for budgetary monitoring indicate that the three budget management practices have a significant effect on service delivery in Nagongera Town Council. In the model, budget planning has the greatest effect on service delivery ($\beta = 0.532$, $p < 0.05$), followed by budget monitoring ($\beta = 0.351$, $p < 0.05$) and lastly by budget implementation ($\beta = 0.171$, $p < 0.05$). Overall, the results indicate that the budget management practices of budget planning, budget implementation and budget monitoring have a significant effect on service delivery in Nagongera Town Council. This practically implies that the service delivery in Nagongera Town Council improves with better budget management.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

The study set out to examine the effect of budget management on service delivery in Nagongera Town council city. The study specifically examined the effect of budget planning, budget implementation and budget monitoring on service delivery in Nagongera Town council city. This chapter presents the summary of findings, conclusions and recommendations arising out of the study findings.

5.1 Summary of Findings

5.1.1 Budget Planning and service delivery in Nagongera Town council city

The first objective of this study was to examine the effect of budget planning on service delivery in Nagongera Town council city. The study found that; the budget planning process was participatory and that there is a clear linkage between work plans. However, budgetary participation was undermined by failure to reserve sufficient time for participation and dialogue between relevant stakeholders and for public hearings during the budget planning process, failure to provide councilors with well-arranged and accessible budget material that gives a clear financial overview of past financial performance and failure to make realistic and attainable budgets.

Budgetary planning and the performance of the health sector were found to have a significant positive relationship ($r=0.621$, $p<0.05$; $\beta=0.621$, $p<0.05$). Thus, the hypothesis that budget planning would have a significant effect on service delivery is accepted. This means that budget planning has a significant effect on service delivery in Nagongera Town council city. This implies that service delivery in Nagongera Town council city significantly improves with better budget planning.

5.1.2 Budget Implementation and service delivery in Nagongera Town council city

The second objective of this study was to assess the effect of budget implementation on service delivery. The key findings under this objective were: that during the budget implementation process, expenditures are authorized; there is verification that the goods ordered for are delivered; the respondents indicated that during the budget implementation process, there were internal controls to ensure proper use of funds; there is proper budget control during the budget implementation process. However, budget implementation is undermined by poor financial reporting and failure by the district authorities to present accountability to the electorates.

Budget implementation and service delivery were found to have a significant positive relationship ($r=0.560$, $p<0.05$; $\beta=0.560$, $p<0.05$). Thus, the hypothesis 2 which stated that budget implementation would have a significant effect on service delivery is accepted. This means that budget implementation has a significant effect service delivery in Nagongera Town Council.

5.1.3 Budget Monitoring and service delivery in Nagongera Town council city

The third objective of this was to examine the effect of budget monitoring on service delivery in Nagongera Town council city . The key findings under this study were that: in Nagongera Town Council, there is proper monitoring for accountability; there is proper monitoring of expenditure; there is proper monitoring of cash management. However, budget monitoring was undermined by lack of proper monitoring of budget modification and limited participation of the community in the budget monitoring process.

Budget monitoring and service delivery were found to have a significant positive relationship ($r=0.627$, $p<0.05$; ($\beta =0.627$, $p<0.05$). Thus, hypothesis 3 which stated that budget monitoring would have a significant effect on service delivery is accepted. This means that budget monitoring has a positive significant effect on service delivery in Nagongera Town Council.

5.2 Conclusions

5.2.1 Budget Planning and service delivery in Nagongera Town council city

The first research question that this study set out to answer was “what is the effect of budget planning on service delivery in Nagongera Town Council?” The results of this study indicate that there is a significant and positive relationship between budget planning and service delivery in Nagongera Town Council. This suggests that despite the weaknesses in the budget planning processes in Nagongera Town Council, budget planning has a positive effect on service delivery. This therefore implies that service delivery improves with better budgetary planning.

5.2.2 Budget Implementation and service delivery in Nagongera Town council city

The second research question that this study set out to answer was “what is the effect of budget implementation on service delivery in Nagongera Town Council?” The results of this study indicate that there is a significant and positive relationship between budget implementation and service delivery in Nagongera Town Council. This suggests that despite the weaknesses in the budget implementation processes in Nagongera Town Council like poor accountability, budgetary implementation has a positive effect on service delivery. This therefore implies that service delivery improves with better budget implementation.

5.2.3 Budget Monitoring and service delivery in Nagongera Town council city

The third research question that this study set out to answer was “what is the effect of budget monitoring on service delivery in Nagongera Town Council?” The results of this study indicate that there is a significant and positive relationship between budget monitoring and service delivery in Nagongera Town Council. This suggests that despite the weaknesses in the budget implementation processes in Nagongera Town Council like poor accountability and limited participation of the electorate in the budget monitoring process, budget monitoring has a positive

effect on service delivery. This therefore implies that service delivery improves with better budget monitoring.

5.3 Recommendations

5.3.1 Budget Planning and service delivery in Nagongera Town council city

The government through the Local Government Finance Commission should increase funding to Nagongera Town Council in order to enable it effectively deliver services to the population. The current formula used by the Commission to calculate funds which considers land area and population is a disadvantage to the district considering the fact that Kween is sparsely populated and the land area is small; these two factors put the district at a disadvantage in terms of funds received. The meager funds constrain service delivery. The government should therefore consider other factors like the poverty index when allocating funds to Nagongera Town Council.

The authorities at Nagongera Town Council should ensure that they reserve sufficient time for participation and dialogue between relevant stakeholders and for public hearings during the budget planning process.

During the budget planning process, the district authorities should provide councilors with well-arranged and accessible budget material that gives a clear financial overview of past financial performance as stipulated in the guidelines of the Local Government Finance Commission.

5.3.2 Budget Implementation and service delivery in Nagongera Town council city

The study found that the local government staff lacked adequate capacity particularly in accounting and record-keeping. The government should therefore build the capacity of local government staff in key areas like financial management; accounting and book keeping in order to enable them effectively improve budgetary implementation.

There is need to introduce a robust system of financial reporting and accountability in order to reduce the misuse of tax payer's money. The government should strengthen the use of the

Integrated Financial Management System in rural districts like Kween. This can be achieved through provision of Information and Communication Technologies (ICTs) to the districts. Local government staff should also be trained in the use of these ICTs.

5.3.3 Budget Monitoring and service delivery in Nagongera Town council city

For participation and accountability to work effectively, information needs to be shared widely and strategically. The capacity of both local governments and civil society organizations needs to be strengthened if they are to be able to engage, in an inclusive manner, in real debate about resource use and service delivery, upward accountability should be strengthened through performance monitoring and grant conditionality. It is important, in promoting decentralization, to understand the nature of the power relationships and informal networks of patronage at the local level that can undermine local accountability.

It is also important to design sufficiently robust systems of central monitoring and dissemination of information that are capable of effective implementation in fragile situations. There should also be honesty and political will on the side of the local political leaders to promote genuine citizen participation and accountability.

5.4 Areas for Further Research

The study focused on only one local government entity in Uganda which was Nagongera Town council city however, these findings should be generalized cautiously to other local governments in Uganda due to the uniqueness of each organization. Replication of this study to other local governments and public sector organizations like education and works is suggested for cross validation purposes.

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APPENDIX A: QUESTIONNAIRE FOR THE COUNCILORS AND HEALTH WORKERS

Dear respondent, I am a Student at UCU undertaking a study on the effect of budget management on service delivery in local Governments in Uganda: A case study of Nagongera Town council city . The study is in partial fulfilment of the requirements for the award of Bachelor's degree in Business Administration.

I kindly request you to answer the questions sincerely and accurately. The information will only be used for academic purposes and will be treated with maximum confidentiality. Thank you for your kind cooperation

Yours faithfully,

Section A: Background Information

Please tick or circle appropriately

Gender

1. Male
2. Female

Level of Education

1. None
2. Primary
3. Secondary
4. Diploma
5. Bachelor's Degree
6. Post Graduate Diploma
7. Masters
8. PhD
9. Any Other.....

Length of Service

1. Less than 1 year
2. 1-5 years
3. More than 5 years

SECTION B: BUDGET PLANNING

The following statements are designed to understand your opinion on the extent to which the Nagongera Town council city engages in effective budget planning. The scale used for these statements should be viewed as a continuum with 1=strongly disagree, 2= disagree, 3=not sure, 4=agree, 5=strongly agree.

	Statement	SA	A	N	D	SD
1	The budget planning process is participatory					
2	The planned budgets are realistic					
3	The planned budgets are attainable					
4	The budget planning process gets the priorities right					
5	There is a clear linkage between work plans and budgets					
6	Sufficient time is reserved for participation and dialogue between relevant stakeholders and for public hearings during the budget planning process					
7	During the budget planning process, Councilors are provided with well-arranged and accessible budget material that gives a clear financial overview of past financial performance					
8	During the budget planning process, possible scenarios and the consequences of different choices are provided as a basis for political discussion					

SECTION C: BUDGET IMPLEMENTATION

The following statements are designed to understand your opinion on the extent to which the Nagongera Town council city engages in effective budget implementation. The scale used for these statements should be viewed as a continuum with 1=strongly disagree, 2= disagree, 3=not sure, 4=agree, 5=strongly agree.

	Statement	SA	A	N	D	SD
1	Budget implementation in Nagongera Town Council is participatory					
2	Expenditures are authorized during budget implementation					
3	During budget implementation, there is verification that goods and services have been delivered					
4	During budget implementation, there is transparency in the use of funds					
5	During budget implementation, there is control of the budget					
6	During budget implementation there are internal controls to ensure proper use of funds					
7	During budget implementation, there is proper financial reporting					
8	During budget implementation, the district authorities present accountability to the electorate					

SECTION D: BUDGET MONITORING

The following statements are designed to understand your opinion on the extent to which the Nagongera Town council city engages in effective budget monitoring. The scale used for these statements should be viewed as a continuum with 1=strongly disagree, 2= disagree, 3=not sure, 4=agree, 5=strongly agree.

	Statement	SA	A	N	D	SD
1	There is proper monitoring of income					
2	There is proper monitoring of expenditure					
3	There is proper monitoring of cash management					
4	There is proper monitoring of debt management					
5	There is proper monitoring of budget modification					
6	There is monitoring for accountability					
7	In NAGONGERA TOWN COUNCIL budget monitoring is participatory					
8	In NAGONGERA TOWN COUNCIL the views of the public are actually considered during the budget monitoring process					

SECTION E: SERVICE DELIVERY IN KWEEN

In your current position, please evaluate the performance of the Health Sector in Nagongera Town council city. The scale used for these statements should be viewed as a continuum with 1=strongly disagree, 2= disagree, 3=not sure, 4=agree, 5=strongly agree.

	Statement	SA	A	N	D	SD
1	The district has adequate health facilities					
2	Drugs are available in the health facilities					
3	The health facilities have adequate medical supplies e.g. beds, gloves, water supply etc.					
4	The health facilities have adequate health workers					
5	The health workers are adequately paid					
6	The quality of health service delivery is good					

APPENDIX B: INTERVIEW GUIDE

Dear respondent, I am a Student at UCU undertaking a study on the effect of budget management on the performance of local governments in Uganda: A case study of Nagongera Town council city . The study is in partial fulfilment of the requirements for the award of Bachelor's degree in Business Administration.

I kindly request you to answer the questions sincerely and accurately. The information will only be used for academic purposes and will be treated with maximum confidentiality. Thank you for your kind cooperation

Yours faithfully,

1. What is your position in this organization?
2. For how long have you been in this organization?
3. What is your highest level of education?
4. How effective is budgetary planning in Nagongera Town Council?
5. What is the effect of Budgetary planning on the performance of Nagongera Town Council?
6. How effective is budgetary implementation in Nagongera Town Council?
7. What is the effect of Budget Implementation on the Performance of Nagongera Town Council?
8. How effective is budget monitoring In Nagongera Town Council
9. What is the effect of budget monitoring on the performance of Nagongera Town Council?
10. What can be done to improve budget management at Nagongera Town Council
11. What can be done to improve the performance of Nagongera Town Council?

Thank You

APPENDIX C: DOCUMENTARY REVIEW CHECKLIST

Review

1. Budgets
2. Work plans
3. Budget implementation reports
4. Budget monitoring reports
5. Any other relevant documents.

APPENDIX D: RESEARCH INTRODUCTORY LETTER



**UGANDA CHRISTIAN
UNIVERSITY, MBALE UNIVERSITY COLLEGE.**
A Centre of Excellence in the Heart of Africa

Academic Registrar office

To TOWN CLERK
NAGONGERA TOWN COUNCIL

Dear Sir/Madam,

Re: Academic Research

Christian greetings!

We are honored to introduce to you Mr. Mrs./Miss. ACHENG TOPISTA
Of Registration Number; M22/MUC/BBA/003 pursuing a Masters'
Degree/Postgraduate Diploma / Bachelor's Degree
Bachelor's Degree

He/ she is required to carry out an academic research on the topic
Budget Management and Service Delivery in
Local Government.

and thereafter produce a well bound hard cover research report (MAROON) in color for undergraduate and three (BLACK) copies for Postgraduate students as a University requirement for the award of a degree/diploma in the academic discipline that he / she is pursuing.

We shall be grateful for the help you may offer to him or her accordingly.

Thank you.

Yours faithfully,

Timothy Akampurira
Academic Registrar UCU-MUC

28 FEB 2024

permission granted

