



# **Decentralisation in Uganda**

## **Trends, Achievements, Challenges and Proposals for Consolidation**

**Elijah Dickens Mushemeza**

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## ABBREVIATIONS AND ACRONYMS

ACODE	Advocates Coalition for Development and Environment
ADDDL	Africa Day for Decentralisation and Local Development
BFP	Budget Framework Paper
BMUs	Beach Management Units
CAO	Chief Administrative Officers
CG	Central Government
DDEG	District Development Equalization Grant
DEC	District Executive Committee
FDS	Fiscal Decentralisation Strategy
FGDs	Focus Group Discussions
FY	Financial Year
GoU	Government of Uganda
IFMIS	Integrated Financial Management Information System
IPFs	Indicative Planning Figures
JARD	Joint Annual Review on Decentralisation
KAP	Knowledge, Attitudes and Practices
KIIs	Key Informant Interviews
Km	Kilometres
LED	Local Economic Development
LGA	Local Governments Act
LGAPA	Local Government Annual Performance Assessment
LGSIP	Local Government Sector Investment Plan
LGSSP	Local Government Sector Strategic Plan
LHT	Local Hotel Tax
LST	Local Service Tax
MDAs	Ministries, Departments and Agencies
MoFPED	Ministry of Finance Planning and Economic Development
MoLG	Ministry of Local Government



NDP	National Development Plan
NGOs	Non-Governmental Organizations
NPA	National Planning Authority
OPM	Office of the Prime Minister
PFM	Public Financial Management
PPP	Public Private Partnership
SFG	School Facilities Grant
UGX	Uganda Shillings
ULGA	Uganda Local Governments' Association
UPE	Universal Primary Education
USE	Universal Secondary Education
USMID	Municipal Infrastructure Development Programme



## EXECUTIVE SUMMARY

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This report examines the inception and implementation of the decentralisation policy in Uganda and proposes some reforms. It is an outcome of a comprehensive study of how the decentralisation policy was implemented. It seeks to appraise the practice in terms of achievements and challenges in the legal, policy, and institutional framework.

Uganda conceptualised the decentralisation policy and programmes to: build democratic governance, responsive and accountable to the public; and promote capacity building at the local level. This was to be achieved by introducing local choices into the delivery of services, and fostering a sense of local ownership. From this perspective, decentralisation was for better services delivery to the people. It was also hoped that once decentralisation was undertaken by government, the local populace would own up government programmes. They would be more willing to participate and possibly contribute to the design and implementation of such programmes and even be ready to pay taxes. The decentralisation policy continues to be relevant for democratisation and political outreach. Nonetheless, study findings show that the decentralisation policy has suffered adverse financing constraints and several other challenges discussed here.

The study responds to the realisation that whereas decentralisation had made remarkable progress, it faces numerous impediments that require policy reform. Taking an historical analysis, and mindful of where the country has come from, it takes cognizance what happened during the journey of implementation and what can be done to address the unfulfilled promises that decentralisation missed. The study also suggests ways of repositioning decentralisation as a vehicle for local development, in line with Uganda's Vision 2040. The study follows several calls by Parliament, the National Planning Authority, Local Governments (LGs) and Civil Society Organisations (CSOs) to review the decentralisation policy and align it with other national development policies. For example, the Joint Annual Review on Decentralisation (JAR) of 2012 had: as one of its undertakings, to "Commission a comprehensive study to evaluate performance of 20 years of decentralisation in Uganda in light of whether recent policy shifts and other emerging needs such as Local Economic Development (LED), Public Private Partnership (PPP), Vision 2040, etc. can effectively be anchored under Local Governments".

The methodology in this study was a cross-sectional design. The findings have resulted in a resource document that should inform Parliament and stakeholders in their call for reforms to strengthen local governments in Uganda. Specifically, the study focused on three thematic areas:

1. Reviewing previous policy proposals on decentralisation;
2. Assessing the decentralisation policy in practice; and

### 3. Assessing national and sub national practices that influence decentralisation.

The study was largely qualitative and therefore utilised qualitative methods of data collection and analysis namely: documentary evidence analysis, interviews, Focus Group Discussion (FGD) and their corresponding tools such as document check list, interview guide, and focus group discussion guide. The quantitative approach was, however, limited to analysing the knowledge, attitudes, and practices of selected respondents on the decentralisation policy. Henceforth, to capture the Knowledge, Attitudes and Practices (KAP) from respondents both in the districts and at the central government, a questionnaire was designed, administered and results appropriately analysed. The major findings were the following:

- i) Key actors at national and local government levels are knowledgeable on what decentralisation means. For example, findings from the districts studied indicated that local government practitioners understood decentralisation and the framework that established it. There was appreciation of the devolution model of decentralisation that Uganda undertook.
- ii) Uganda's decentralisation policy commenced with vigour but later slowed down due to challenges. The citizens, local government leadership and staff said that they cherished the policy but were discouraged by low prioritisation and a disparate national planning framework that was working counter to the policy.
- iii) Although the legal framework was comprehensive to drive decentralisation, it was not exhaustive enough to cater for all the objectives of decentralisation as laid down in the policy. For example, Schedule 2 of the Local Government Act CAP 243 connotes a sectoral approach to service delivery but does not give due guidance for Local Economic Development which came later on board.
- iv) The recentralisation, especially of the fiscal aspects of the local government was raised as a major challenge across the board. The major issues here related to reporting mechanisms especially under the Performance Based System and the ever-reducing authority of the local governments over the resources including local revenue.
- v) Some district staff structures were not fully filled and still operated as low as 13% percent for most new districts. This was attributed to wage bill ceilings by the Ministry of Public Service that required prior sanction (permission) to fill vacant positions.
- vi) Some major legal reforms, such as the Public Finance Management Act 2015 had greatly weakened the Local Governments and in so doing, affected their operations, and functionality. For example, Sec 33(3) of the Public Finance Management Act, prescribes that local governments require authority to raise loans contrary to Local Governments Act where such powers were not to be delegated.

- vii) There was clear absence of any unit dedicated to deal with the emerging impacts or omissions of the decentralisation policy.
- viii) Following the collapse of the Joint Annual Review on Decentralisation due to lack of financing, the Decentralisation policy ended up having no dedicated review mechanism since 2016.

### Dividends of Decentralisation

- i) Political devolution has been a major milestone of the decentralisation in Uganda. In particular, the electing of local leaders, political representation and legislation in councils has been positive. The citizens have been enabled to choose their leaders periodically through adult suffrage.
- ii) Another achievement of the decentralisation policy has been the reversal of centrally driven planning and budgeting to area-based planning. This has facilitated the inclusion of locally felt needs and dealt with unique locality challenges such as bridges, food security, needy students scholarships that could not be anticipated or determined at the central government level.
- iii) On the part of services, the study noted that there has been increase in volume, access to and quality of social services in local governments over the past two decades.
- iv) However, the absence of a one stop centre that aggregates the cumulative stock of services delivered across the country causes one to meander through various government sectors to find statistics that are rarely available at the MoLG headquarters.

### Challenges to the Implementation of Decentralisation

Notwithstanding the outstanding achievements of the decentralisation policy in Uganda, a number of challenges still persist. Inadequate financing and investment in human resources and facilities, weak systems and coordination, conflicting legislations and local leadership incompetence still abound. Some of the following challenges are so critical and systemic that they threaten to diminish the decentralisation promise envisaged by the policy makers.

- i) Local Governments remain sub-servient to the central government, thereby undermining the thrust of devolution.
- ii) While the creation of new local government units has facilitated service access and eased ethnic tensions, the operation of these districts, in their current form, remains a costly undertaking.

- iii) Some of the districts were operating below optimal functionality due to inadequate financing.
- iv) An emerging dichotomy surrounding the creation of urban centres, was viewed by rural Local Governments as a loss of viable sources of local revenue.
- v) Local Governments' fiscal distress was compounded by a low revenue base and encroachment by the Uganda Revenue Authority which the respondents decried.
- vi) While institutions created for implementation of decentralisation still existed, their functionality was weakened as the new office bearers had since taken positions without any capacity building programme to orient them.
- vii) The study revealed that many departments and functions at the local government levels had been *abandoned* and had become dysfunctional. For example, the Internal Audit function across board persistently lacked capacity. With a single staff in every district and very poorly facilitated, the Internal Audit office remains weak.

## Recommendations

These recommendations are mainly aimed at reforming the decentralisation policy into a pro-people practice. They are grouped into four categories: A. General B. Legal and Policy Systems C. Institutional, Coordination, Review Mechanisms and D. Capacities for Decentralisation.

### A. General

1. Government should re-engage in the decentralisation discourse, given its critical import to the political economy of the country and development efforts. The current development trajectory in Uganda, aiming at attaining the middle income status, requires that the Decentralisation Policy benefits from cohesive and strengthened intergovernmental relations aligned to respond to the national drive for wealth creation, transformation and local economic development.
2. Coordination amongst the Ministries, Departments and Agencies is key in driving the Decentralisation policy. *The Ministry of Local Government must reposition itself as the primary instrument for coordinating the Decentralisation Policy. This is possible through bargaining for more funding, driving the LG Annual Performance System, and training and retraining champions for decentralisation.*
3. The Ministry of Local Government has since the beginning of the financial year, 1st July 2019 been transformed into a separate sector that comprises the Ministry, the Local Government Finance Commission and Local Governments. *The operationalisation of this Sector should be fast tracked to give supremacy to Decentralisation and attract more funding.*

## **B. Legal and Policy Systems**

4. The Public Finance Management Act, 2015, in some respects curtails the powers of the Local Governments enshrined in the Fourth Schedule hence negating the spirit of Decentralisation. *The PFM Act should be reviewed urgently and made more responsive to facilitation of local governments.*
5. Whereas the Local Government Sector Strategic Plan (LGSSP) developed following the First Review of Decentralisation in 2004 in conformity with the requirements of the National Planning Authority (NPA), *it needs to be reviewed to give it a new tempo aligned to the proposed thrust of the NDP III.*
6. To drive the decentralisation agenda forward, *the call is for adequate financing for local economic development and facilitation of political leaders to monitor the implementation of decentralised services.*

## **C. Institutional, Coordination and Review Mechanisms**

7. In the absence of a dedicated unit that deals with the emerging impacts or even omissions in the Decentralisation Policy, *the Ministry of Local Government should consider setting up a unit or at the minimum assign one of the Departments to act as a responsive entity for the decentralisation processes.*
8. The newly created Local government sector should urgently redefine an appropriate Review Mechanism for Decentralisation in its new framing.

## **D. Capacities for Decentralisation**

9. There is an urgent need to build MoLG and LG capacities for resource mobilisation and Local Economic Development (LED) to address constraints of under-funding and unfunded mandates. Policy actions should include: strong budget advocacy and negotiations with Parliament, Ministries, Sector Working Groups and Development Partners to increase the share of financing in critical sectors such as education, health and agriculture.
10. Local Governments need to be facilitated to institutionalise Local Economic Development (LED) as a primary driver for individual and household incomes as well as local revenue.
11. Government should uphold the moratorium on creation of new Districts. In previous years, parliament made a resolution to halt the creation of more districts that were not economically viable.

## **Conclusion**

While a cross-sectional study may not be exhaustive, in terms of scope, this Comprehensive study on Decentralisation has revealed the status and what needs to be done for the decentralisation policy to be carried forward in Uganda. The findings show that decentralisation in Uganda has a great potential for growth and multiplier effect for citizen mobilisation and development. The policy is backed by well tested legal framework. The study further observes that as a country, Uganda did not fully take advantage of the opportunities that Decentralisation held, namely; using it as a driver for citizen engagement, beyond political processes of representation. After a rather exhaustive political and administrative formation of institutions, decentralisation needed to be optimised quickly for local mobilization and local economic development.

This study also reveals that the creation of new local governments gives decentralisation a new face in terms of ethnic identity and self-governance but it significantly overstretches the resource envelope. Harnessing opportunities for decentralisation in Uganda calls for more capacity building, in recognition of the fact that capacity needs are elastic. Capacity building changes form and content over time. This calls for openly confronting the realisation that the answers to the decentralisation challenges and dilemmas do not lie in creating more new local government units particularly districts but rather in consolidating the gains so far made through continuous systems improvement including institutional coordination; harmonization of laws and increased financing. It further calls for a significant fight against corruption that threatens to erase the dividends of decentralisation.



## 1.0 INTRODUCTION

This report examines the inception and implementation of decentralisation policy in Uganda. It is an outcome of a comprehensive study of the implementation of the decentralisation policy. It sought to establish the practices, achievements and challenges in the legal, policy and institutional framework and generate proposals for reforms. The study is a response to the realisation that while decentralisation had made remarkable progress, it had faced numerous impediments that required policy reform.

Decentralisation in Uganda began under the auspices of the Resistance Council Structures (Kauza 2009) and the need to popularise them. Subsequently, decentralisation was moulded to suit the delivery of better services to the people. It was assumed that once decentralisation was undertaken by Government, the local people would 'own' the government programmes and become more willing to participate, possibly contribute to the design and implementation of programmes, and even be more willing to pay taxes (Sabiti Makara, 2010:10).

Now in its 27<sup>th</sup> year, the Decentralisation Reform in Uganda is one of the boldest policy decisions that the country could make. Often castigated as ambitious, the policy sought to reverse the centralist tendencies that characterised Government work, through devolution as the best form of decentralisation. Over these years, Decentralisation in Uganda changed in form, shape, perception and image. At one stage, it was seen as devolution of powers through a democratisation process; at another stage as the formulation of planning, investment and allocation systems. The study analyses the previous reviews and points out value addition to this particular one.

This study report provides a balanced status of the journey of decentralisation in Uganda – where the country has come from, what happened during the journey and what can be done to deepen the promise of decentralisation and repositioning it as a vehicle for Local Development, in synchronisation with the National Development Plans and Vision 2040. The analysis also focuses on how previous reforms impacted on the practice of decentralisation at local government levels. It illustrates how Uganda could stem the decline in decentralisation uptake and redeem the opportunities for its deepening.

The analysis is premised on the need to underscore the relationship between decentralisation and service delivery where the citizens own and drive the process of local development.

## 2.0 BACKGROUND AND CONTEXT OF THE STUDY

The study follows several calls by Parliament, the National Planning Authority, Local Governments and Civil Society Organisations to review the decentralization policy and align it with other frameworks. For instance, the Joint Annual Review on Decentralisation (JAR) in 2012, had as one of its undertakings, to *commission a comprehensive study to evaluate performance of 20 years of decentralization in Uganda in light of whether recent policy shifts and other emerging needs such as LED, PPPs, Vision 2040, etc. can effectively be anchored under Local Governments.*

In 2015, the JAR observed the need to *“re-engineer the Decentralisation Policy to align it with the 23 Strategic Guidelines and Directives of Cabinet and Uganda’s bid for attaining middle income status by the year 2020.”*

This 2015 JAR review took place against a backdrop of several changes in the policy environment, over time. These affected the decentralisation reform and the local government system. Nonetheless, the Decentralisation implementation needed repositioning of the local government system characterised by continuous loss of the values of decentralisation such as autonomy, fiscal space, devolved functions, amongst central government agencies and Local Governments.

In addition, several studies commissioned by Ministry of Local Government and other stakeholders in the recent past have drawn attention to a broad range of distortions that have developed in the decentralization reform, that need correction. The most outstanding are the conflicting Public Financial Management (PFM) and planning reforms. The Government of Uganda (GoU) current focus on socio-economic transformation, Local Economic Development (LED) and wealth creation at the household level requires the reconfiguration of local governments to strategically play a relevant and key role in attainment of the country’s development goals as laid down in the NDP II and NRM Manifesto, 2016-2012. Equally, Uganda has made international commitments on local government and sustainable development such as on promoting education and health that have to be upheld for the country to remain in good standing.

## 3.0 METHODOLOGY

### 3.1 STUDY DESIGN

A cross-sectional study design, best suited to studies aimed at finding out the prevalence of a phenomenon, situation, problem, attitude or issue, by taking a cross section of the population, was used. It applied participatory, mixed methods of data collection that entailed a detailed desk review (secondary data), participatory stakeholder interviews and consultative meetings in addressing the study objectives. It took a historical analysis i.e. where the country has come from, what happened during the journey and what can be done.

### 3.2 OBJECTIVES OF THE STUDY

The overall objective was to undertake a study that would be relevant as a source document to Parliament in enacting laws; and other Stakeholders to advocate for reforms that strengthen local governments in Uganda.

Specifically, the study focused on the following:

1. Undertaking a review of previous Policy proposals on decentralisation in Uganda
2. Assessing the decentralisation policy in practice
3. Assessing national and sub national practices that influence decentralisation

### 3.3 DATA COLLECTION PROCESS

The study used mainly qualitative methods of data collection and analysis of district reports, published and unpublished research reports, books, Journal articles on decentralisation and a survey on Knowledge, Attitudes and Practices of the actors at the district level and the Central Government, in the implementation of decentralisation initiatives. The qualitative data was collected using Key Informant Interviews (KIs), Focus Group Discussions (FGDs) and a consultative meeting with former decentralisation champions. The KIs targeted district political and technical leaders and government officials from relevant government ministries, departments and agencies. The district leaders interviewed included: District Chairpersons, Chief Administrative Officers (CAO), District Planners, District Human Resource Officers, Town Clerks, Municipality Mayors and Councillors. In the case of FGDs, the study team held separate meetings with men and women drawn from either a rural sub-county or an urban division. The interviews were conducted between 1st April and 30 April 2019.

Interviews were conducted at the central government level with officials from the Ministry of Finance, Planning and Economic Development, Ministry of Local Government, Auditor General, Ministry of Education, Ministry of Health, and Ministry of Agriculture. A list of some of the persons met is contained in Appendix IV of the report.

### 3.4 STUDY AREA

The study covered 18 Districts, and selected Sub counties/Municipal divisions, relevant Government Ministries, Departments and Agencies in Uganda.

### 3.5 TARGET POPULATION

Consultations were carried out with the following key stakeholders:

1. Top management and the officers in the relevant departments of the Ministry of Local Government, and Ministry of Finance, Planning and Economic Development.
2. Leadership of Uganda Local Governments Association (ULGA)
3. Leadership of selected Local Governments (districts, sub-counties)
4. District Councillors, Sub county Councillors
5. Technical officials in Local Governments
6. Former staff of the Ministry of Local Government
7. Civil Society Organisations that work closely with local governments
8. Representatives of the Northern Uganda Regional Forum
9. Citizens in organised groups
10. Development partners working closely with local governments

### 3.6 SAMPLING METHOD AND SAMPLE SIZE DETERMINATION.

Purposive sampling was used in identification of information rich local governments and key stakeholders that participated in the consultative meetings, FGDs and interviews.

**Table 1: Sample Size**

	Number
<b>No of districts</b>	18
<b>Key informants from the districts</b>	
<ul style="list-style-type: none"> <li>• Planners</li> <li>• Human resource</li> <li>• Chief Administrative Officers</li> <li>• District Chairpersons</li> <li>• Councillors</li> <li>• LC III Chairpersons</li> <li>• Mayor</li> <li>• Town clerks</li> <li>• Senior Assistant Secretaries</li> </ul>	
<b>Sub-Total</b>	<b>67</b>
<b>Civil Society</b>	<b>6</b>

<b>Key Informants from Centre</b>	
<b>Government Ministries and Departments</b> <ul style="list-style-type: none"> <li>• Auditor general</li> <li>• OPM</li> <li>• Education</li> <li>• Local Government Finance Commission</li> <li>• NPA</li> <li>• Finance, Planning and Economic Development</li> <li>• Local Government, Health, NAADS</li> <li>• Decentralisation champions</li> </ul>	
<b>Sub-Total</b>	<b>30</b>
<b>Focus Groups</b>	18 (177 participants)
<b>GRAND TOTAL</b>	<b>280</b>

### 3.7 METHODS OF DATA COLLECTION

#### a) Document Review

In order to appreciate the contextual understanding of the decentralisation in Uganda, and previous researches and publications on the subject, an in-depth review of literature was conducted and that included:

- 1) The Constitution of Republic of Uganda, 1995
- 2) Local Government Acts 1997, 2006, CAP 243
- 3) Reports on Decentralisation from Ministry of Local Government, former Decentralisation Secretariat
- 4) Publications on Decentralisation
- 5) Reports on previous studies on Decentralisation
- 6) Local Government Score Card Reports published by ACODE
- 7) Reports on Decentralisation by ULGA
- 8) Africa Peer Review Mechanism Reports – Chapter on Governance
- 9) Other published books on decentralisation in developing countries particularly Africa
- 10) The Joint Annual Review of Decentralisation (JARD) Reports and Aide Memoires.
- 11) Position Papers on Decentralisation

These documents were critically analysed to ascertain their validity and authenticity. As a result, valuable information was generated to understand previous policy proposals on decentralisation, decentralisation review mechanisms, amendments in legislation, and other data relevant to the study objectives.

#### b) Interviews

Key informants in government ministries, departments and agencies were interviewed. Actors in civil society Organisations and decentralisation champions (people who have

served in various capacities in society to implement or support decentralisation) were also interviewed. Appropriate interview guides were prepared to bring out the best responses from the sampled actors (See Appendix 1(a)).

### **c) Knowledge Attitudes and Practices (KAP) survey**

A KAP questionnaire was administered to key selected respondents at the centre and in the districts. The questionnaire sought to collect information on knowledge, perceptions and practices of respondents on key issues in the implementation of decentralisation (See appendix 1(b) and (c)).

### **d) Focus Group Discussions**

A total of 18 FGDs were conducted in which 177 participants were engaged. The insights from both women and men that participated in the discussions were recorded, in particular, the communities and citizens' expectations from the implementation of decentralisation policy (see Appendix 1(d)).

### **e) Consultative meetings**

The study also interfaced with key stakeholders and former decentralisation champions. The process of consultative meetings entailed a series of key informant interviews (face to face) with some stakeholders, and strategic meetings with individual selected stakeholders to generate in-depth information which could not be generated with KIIs. One such strategic meeting involved highly knowledgeable and experienced participants in the implementation of decentralisation.

## **3.8 DATA MANAGEMENT AND ANALYSIS**

The qualitative data collected from KIIs, FGDs and consultative meetings was transcribed, coded in themes aligned to the objectives of the study and analysed using Atlas.ti software. The quantitative data collected at the centre from the Knowledge, Attitudes and Practices (KAP) and from the district were processed using the EpiData software and analysed in SPSS software.

The findings were organised on the basis of the themes derived from the objectives of the study as follows: Decentralisation Architecture in Uganda; Uganda's Decentralisation in Practice; National and Sub-National Practices that Affect Decentralisation; Decentralisation Review Mechanisms; and Performance, Amendments and outstanding proposals; and Conclusions and Recommendations.

## **3.9 QUALITY CONTROL MEASURES**

The study deployed experienced research assistants who have had long time exposure to data collection and transcription of interview notes. Prior to data collection, the researchers were briefed in appropriate methods of conducting KIIs, FGDs and consultative meetings.

The districts were clustered in sub regions: Central, West Nile, Acholi, Kigezi, Lango, Rwenzori, Ankole, Bunyoro, Busoga and Karamoja – as illustrated in Table 2. A further quality control measure was provided by ACODE and GAPP management representatives through weekly briefing meetings that discussed the study status and acted as a sounding-board to keep the study on track.

**Table 2: Regional District Clustering**

Sub region	Districts
West Nile	Arua
Acholi	Gulu and Gulu Municipal Council
	Nwoya
Lango	Apac
Teso	Soroti
Karamoja	Moroto
	Amudat
Busoga	Kamuli
Buganda	Rakai
	Wakiso and Entebbe Municipal Council
West	Mbarara and Mbarara Municipal Council
	Bushenyi
	Sheema
South West	Kabale
Midwest	Kabarole and Fort Portal Municipal Council
	Bunyangabu
	Kibale
	Buliisa

### 3.10 ETHICAL CONSIDERATIONS

The study took into consideration ethical issues. Informed consent/assent to participate in the task was sought from all respondents and a consent form signed. During data collection, no names of respondents were recorded anywhere on the consent form or questionnaire and information collected from one person was not be shared with the other. Unique identifiers were allocated to each respondent for purposes of tracking the responses. Only the task team had access to the data. The data set is password protected with limited access by the research department or any other user who meets the requirements to access.

## 4.0 DECENTRALISATION POLICY: A THEORETICAL INTRODUCTION

Decentralisation has been conceptualised and defined by different scholars and writers. In spite of these varied interpretations, decentralisation could be understood as the transfer of legal and political authority from a national government and its affiliates to field organisations and institutions that are intended to make decisions and manage public functions (Mutahaba, 1989:69). Similarly, Mawhood (1989:4, 19) observes that decentralisation takes place when a national government shares some of its powers and functions with lower level sub national actors and agencies. From the literature, there is evidence that decentralisation can be prompted by a number of factors, such as the quest for effectiveness, participation, stability, efficient planning, and generating resources; sharing the burden of carrying out activities and shouldering responsibilities; and acquisition of more accurate information with regard to the prevalent state of affairs in peripheral localities (Makumbe 1989; Nsibambi 1998; Olum 2017).

It has been argued that creating local entities by way of decentralisation is aimed at making life possible within a complex and modern setting (Smellie 1968:9). Each level of community organisation would need a corresponding leadership structure that understands citizens' interest, needs and priorities in a dynamic changing world. As such developments in the various aspects of life, and the concomitant intricacies associated with them call for a number of measures that take into account such elements as spatial delimitation of jurisdiction, and specialisation and division of labour affecting different sections of the body politic. This aims to ensure smooth performance and interaction between diverse actors, and is expressed by subdividing large territories and organisations into smaller units and institutions (Berhanu 2009:114).

Inevitably, decentralised entities need to be vested with authority to carry out specific political and administrative functions in localities under their jurisdiction (Smith 1995). When decentralisation is viewed as a positivist state action (Mukandala 1985:1), the aim is to transfer central responsibilities to lower units with regard to such concerns as planning, management, and resource generation (Rondinelli et. al. 1983:13). Rondinelli (1989) further argues that due to the complexity and scope of decentralisation, it is necessary to distinguish among the major types of decentralisation, these include: deconcentration (transferring administrative authority while retaining control at the centre), delegation (transferring certain managerial responsibilities for specifically defined functions to organisations that are outside the regular bureaucratic structure); devolution (creation or strengthening of sub-national units of government with legal, administrative, political and financial powers to enable them act autonomously from the centre); and privatisation (a situation where government divests itself from the responsibility for certain functions and transfers them to the private sector).



## 5.0 DECENTRALISATION IN THE BROADER AFRICAN SETTING

Several African countries in 1990s adopted a new form of transferring of legal and political authority from national governments and their affiliates to field organisations and institutions that are intended to make decisions and manage public functions. This came to be popularly known as decentralisation.

From the literature on Ghana, Kenya, Ethiopia, Malawi and Rwanda (Munene Ndareba 2017; Berhanu 2009; O'Neil, Tam et. al. 2014; Kwame, Egbenya 2009;) we can identify outstanding issues that relate to decentralisation as an instrument for entrenching governance as a mode of political life in those countries. These issues also provide good lessons for Uganda's quest for reforms to take decentralisation policy to another level.

We are cognisant of the fact that the imperatives that prompt a particular decentralisation measure determine the specific form of decentralisation to be adopted at a given time. By and large decentralisation in most African countries mentioned was dominantly characterised by deconcentration whereby political regimes introduce it with the sole objective of easing the burden of the central government by transferring functions to lower units. This takes place without involving decision making authority.

In some cases (Ethiopia in particular), decentralisation was not accompanied by establishment of pertinent institutions that could facilitate the reform policies (Berhanu 2009). Eventually, the country opted for entities with more political power that is federalism.

Decentralisation in most countries studied suffers from lack of capacity in terms of skilled human power to expedite devolved authority, thus necessitating the reliance of some regions/districts on the central government. This challenge is worsened by the rampant practice of appointing/recruiting officials and functionaries on the basis of political loyalty, ethnicity and patronage.

The capacity to generate local revenues by the local governments/regional state governments is highly constrained by various factors thereby entailing a situation of heavy reliance on the centre. The implication of this challenge is that it can lead to the shrinking of the decision-making space, mediated by the influence of the centre, which is prone to twist matters in accordance with its preferences, and to the detriment of local autonomy. There are few exceptions such as South Africa where local governments collect sufficient revenue to run their activities.

Finally, it was observed that the discrepancy between official policy and actual practice manifested in the aggressive intrusions of the centre in matters pertaining to local jurisdiction on the one hand, in disregard for the rule and due process of law by regional/district incumbents on the other undermines possibilities of good governance and quality service delivery. These emerging issues point to the direction that African countries need to

learn from each other while implementing major policy reforms such as those associated with decentralisation. This is important given the trend towards regional integration and the quest for good governance considered as pre-requisites for African development.

## 6.0 DECENTRALISATION IN THE LITERATURE: UGANDA'S PERSPECTIVE

### 6.1 DEFINING THE DECENTRALISATION ARCHITECTURE IN UGANDA – DEVOLUTION AS THE CHOSEN MODE

The studies conducted on decentralisation in Uganda, capture the system of local governments during the colonial and post- colonial periods (Nsibambi 1998; Lubanga and Villadsen 2000; Sabiti Makara 2009; Gubser 2011; Nuwagaba 2013; Kiwanuka 2016; Olum 2017). In these studies, the history of local governments in Uganda and the shortcomings of administration in service delivery and people's participation are well documented. This section will not repeat this narrative. It will however highlight the legal, institutional frameworks and the key reforms that were introduced to facilitate the implementation of decentralisation as a major policy shift in the governance of Uganda. Devolution remains the chosen mode for decentralisation in Uganda and entails apportioning mandates, powers and responsibilities to the local authorities – namely the districts, Municipal Councils, Municipal Divisions, Town Councils and Sub-counties.

The Constitutional Tenets of Uganda's Decentralisation outline that:

- i. The state shall be guided by the principle of decentralisation and devolution of governmental functions and powers to the people at appropriate levels where they can best manage and direct their own affairs.
- ii. The system shall be such as to ensure that functions, powers and responsibilities are devolved and transferred to local government units in a coordinated manner.
- iii. Decentralisation shall be a principle applying to all levels of local government and in particular, from higher to lower local government units to ensure people's participation and democratic control in decision making.
- iv. The system shall be such as to ensure the full realization of democratic governance at all local government levels.
- v. There shall be established for each local government unit a sound financial base with reliable sources of revenue.
- vi. Appropriate measures shall be taken to enable local government units to plan, initiate and execute policies in respect of all matters affecting the people within their jurisdiction.
- vii. Persons in the service of local government shall be employed by the local governments.
- viii. The local governments shall oversee the performance of persons employed by government to provide services in their areas and monitor the provision of government services or the implementation of projects in their areas.

The design for Decentralisation has evolved towards devolution. The decentralisation policy in Uganda evolved over time and involved extensive consultations amongst stakeholders. The Local Governments (Resistance Councils) Statute, 1993 provided the law for decentralisation and empowerment of the popularly elected local leaders to make own decisions, budget, plan and monitor own programme. The 1995 Constitution and Local Governments Act, 1997 (now Local Governments Act Cap 243) provided for the district to be a unit of decentralisation and they spelt out the function devolved to local governments and the applicable funding mechanisms. The idea was to involve the people in the way they were governed i.e. they were involved in decision-making; identifying their own problems, setting priorities, planning their implementation and monitoring; ensuring better utilization of resources both financial and human; ensuring value for money through participation, transparency and accountability and sensitization.

## 6.2 A ROBUST BEGINNING BACKED BY BUILDING CAPACITIES AND INSTITUTIONS

Uganda's decentralisation programme was designed

*to build a more democratic government that is responsive and accountable to the public, to promote capacity building at the local level; and to introduce local choice into the delivery of civil services, fostering a sense of local ownership. The administrative changes resulting from decentralization aim to bring decision making closer to the population to which they are responsible. This creates a situation conducive to local decision making founded on local options and circumstances (Langseth 1996:14-15).*

Indeed, the government initiated and put in place legal, institutional, political, public service and financial reforms to effect the implementation of Decentralisation.

The central government structure comprises of the offices of the President, Prime Minister, and Ministries, Departments, and Agencies (MDAs). The Ministry of Local Government (MoLG), oversees the decentralisation policy and the local governments' administration. There are 135 district councils and 41 Municipal Councils. The constitutional amendment (2005) established Kampala as a capital city Authority, with a special status and an enabling legislation is in place. Kampala City Council has 5 divisions that constitute lower local governments with the status of municipality councils. Notwithstanding its special law and special status, Kampala Capital City Authority still runs on the decentralisation principles. The study also came across advanced processes of creating special purpose cities such as Jinja, Mbarara, Gulu, Mbale, Fort Portal, Arua, Moroto, Lira, Entebbe. The rural districts' lower level governments comprise 1671 sub-county councils and urban councils with some autonomy from the district as may be seen from the table 3.

**Table 3: Local Governments in Uganda**

Category	Number
District Councils	135
City Council <sup>1</sup>	1
City Division Council	5
Municipal Councils	41
Municipal Divisions	124
Town Councils	425
Sub-county councils/ Town councils	1671
Total	

**Source: The Electoral Commission and Ministry of Local Government, July, 2019**

As reflected in the various documents published by the Decentralisation Secretariat in the 1990s<sup>2</sup>, the Decentralisation reform aimed at the following objectives:

- i) The transfer of real power to the Districts with the aim of reducing the load of work on remote and under-resourced central officials.
- ii) Bringing political and administrative control over services at the point where they are actually delivered, thereby improving accountability and effectiveness, and promoting people's feeling of 'ownership' of Programmes and projects executed in their Districts.
- iii) Freeing local managers from central constraints and enabling them to develop, effective and sustainable organisational structures tailored to local circumstances in the long-term.
- iv) Improving financial accountability and responsibility by establishing a clear link between the payment of taxes and the provision of services they finance.
- v) Improving the capacity of local authorities to plan, finance and manage the delivery of services to users.

A summary performance assessment for each of the objectives including the Objective 6 on Local Economic Development (LED), is contained in Section 7.3 below.

### **6.2.1 THE RATIONALE FOR DECENTRALIZATION**

The Decentralization Policy was introduced for a number of reasons, including the following: -

- a) Enhance the contribution of the public, private sector, civil society and community-based organizations to national development and modernization.
- b) Improve the quality of service, policy formulation and management of service delivery.
- c) Make efficient and effective use of available resources
- d) Reduce the decision load by sharing it with more people and allow more decision to

<sup>1</sup> Kampala is governed under a Special Kampala Capital City Authority Law though it inherited a LG Structure.

<sup>2</sup> See e.g. 'Decentralisation in Uganda, the policy and its implications', GoU, Decentralisation Secretariat, 1994

be made “below” instead of concentrating them at an “overburdened centre”.

- e) Provide opportunities for local popular participation and increased involvement of the people in decisions that directly affect them.
- f) Promote local ownership and ensure sustainability of projects and programmes

### 6.2.2 POWERS DECENTRALIZED TO LOCAL GOVERNMENTS

The decentralisation policy sought to devolve a number of powers as presented in *table 4*.

**Table 4: Devolved Powers**

No	Powers	Explanation
i)	Political powers	Councils headed by politically elected leaders
ii)	Fiscal (Financial) powers	Councils collect and appropriate resources in their budgets
iii)	Administrative powers	<ul style="list-style-type: none"> <li>• Geographically gazetted administrative units</li> <li>• Councils manage staff in their districts</li> </ul>
iv)	Planning powers	Councils make development plans for their areas
v)	Legislative powers	Councils make bye-laws or ordinances
vi)	Judicial powers	Executive committees at the village and parish also double as local council courts. Local Council Courts also exist at Sub-county/Town Council

## 6.3 LEGAL AND POLITICAL REFORMS

The legal reforms or supporting legislation for decentralisation started with the 1987 local government Statute, followed by the Local Governments (Resistance Council) Statute, 1993. These laws were later entrenched in the 1995 Constitution and further expanded by the Local Governments Act, 1997 and subsequently by Local Governments Act CAP 243. The law provides for the district as unit of local government or sub-government, with the functions for the central government and the local governments clearly spelt out. It also sets out a ministry responsible for Local Governments.

Major political reforms were instituted in government including the requirement that all political leaders (Village-District Councilors) be popularly elected through adult suffrage. There is also a principle of non-subordination of the lower councils, even when they are lower councils, implying that they have the power to make decisions on matters affecting them without recourse to the higher local government. There are a number of checks and balances within the system. Although the political head of the district is the District Chairperson, the District Council has both executive and legislative power; hence, the Chairperson is answerable to the Council, whose sittings are chaired by the Speaker. The Councilors elect the speaker from amongst themselves, LGA CAP 243.

## 6.4 PUBLIC SERVICE REFORMS

The Public Service Reform Programme had wide implications on the central government

and the local governments. The Public Service Review and Re-organization Committee created in 1989 identified the problems affecting the performance of public servants and recommended reforms aimed at achieving efficiency and effectiveness in public sector management. It required the creation of a public service committed to national and local development. The five-year reform programme registered much success, although much remained to be done at its conclusion. As a result, another five-year Public Service Reform Programme was launched in 1997. By the end of 2002 the programme had consolidated the achievements and re-organized the public service further.

## 6.5 FISCAL DECENTRALISATION REFORMS

The Local Governments Act 1997 (Cap 243) and Uganda Constitution 1995 gave local governments autonomy to formulate and approve own budgets and budgeting started in 1994/95 with the first batch of the 13 districts receiving a vote system. The local government Decentralisation programme devolved functions and services to these local governments. Fiscal Decentralisation was implemented in phases involving only recurrent expenditures. The first batch of 13 districts operated a vote system in 1993/94. The line ministries, whose services were decentralized, identified the activities and computed the amount of money spent on those activities in the fiscal year before Decentralisation was transferred to the local governments. The second phase started in 1994/95 and the third phase in 1995/96 involved 14 and 12 districts, respectively. In the second and subsequent years, the districts received block grants. The decentralized system allowed the District Council to allocate the funds according to its priorities since the funds previously provided under the vote system and earmarked for specific activities that were aggregated and sent to the district as a block.

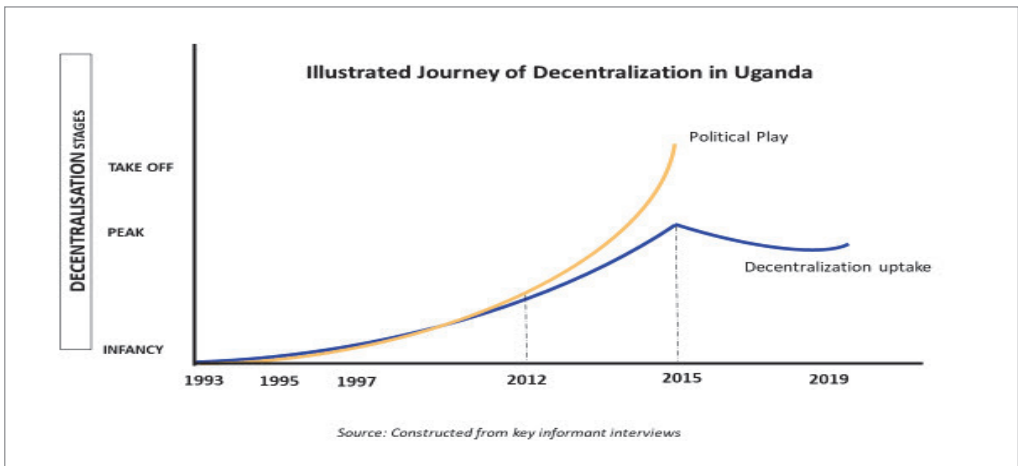
According to the Uganda Constitution and the Local Government Act CAP 243, Section 83, the local governments are entitled to Unconditional (block) Grants, conditional grants and equalization grants. The unconditional grants are intended to fund the decentralized functions as outlined in the Act. The Conditional Grants are supposed to fund national priority programme areas. The conditionalities have to be mutually agreed between the Centre and local governments. Equalization Grants are supposed to be given to local governments lagging behind the national standard of service delivery. This practice implies that the Equalization Grants benefit only local governments facing excessive expenditure pressure and having relatively limited revenue generation capacity since these may be the main causes of poor service delivery. As a first step in introduction of Equalization Grant for districts, the government set aside 2 billion Uganda shillings for allocation in the 1999/2000 national budget, after a close review and analysis of the allocation mechanisms by the Local Government Finance Commission.

The allocation of revenue sources to local governments was to enable them to collect local revenue to fund their priorities; hence, it ensured more autonomy in budget formulation and implementation. These sources of revenue by then were: graduated tax, market dues, trade licenses and fees, rates, rents, property tax, royalties, stamp duties and

registration fees. The local governments were believed to be the most competent in assessment and collection of the sources of revenue allocated to them since the activities and properties forming the base were within their areas of jurisdiction. Graduated tax which was the leading source of revenue for local governments, based on the acreage of crops cultivated, livestock numbers and other economic activities was abolished in 2004 amid political pressures.

In summary, Uganda had put in place robust legal, political, institutional reforms to implement decentralisation. As Gubser (2011) puts it, with a new legal regime 'local authorities finally enjoyed an articulated statutory basis. Legal gaps and policy gaps remained, but these were steadily clarified in new protocols such as the 2002 Fiscal Decentralisation Strategy, which detailed the administration of local revenues, the 2006 Local Government Sector Investment Plan (LGSIP), which guided district fiscal outlays, and the Decentralisation Policy Strategic Framework of the same year, which summarized and unified disparate policy documents. Uganda became a continental leader in local devolution, winning accolades at an AfriCities conference in 2003 for its ambitious strategy as well as recognition from neighbors who subsequently adopted the model. However, overtime, the decentralisation journey in Uganda has had ups and downs as illustrated in Figure 1.

**Figure 1: Illustrated Journey of Decentralisation in Uganda**



Source: Consultant's Own Construction from Respondent Perceptions



## 7.0 FINDINGS

### Introduction

The study made quite revealing findings. The study reveals that Uganda's decentralisation policy commenced with a robust beginning but later slowed down due to challenges. Decentralisation continues to be a policy of relevance in terms of its democratisation benefits and political reach out. The findings point to a cherished policy that is held dear by the citizens and Local Government leaders and staff but which has been watered down by low prioritisation and a disparate national planning framework.

The study further points to a dynamic pace and changing faces of decentralisation in Uganda but which have not been taken advantage of, with a matching efficacy. While there is a comprehensive legal framework, to drive decentralisation, it is not exhaustive to cater for all the decentralisation objectives as laid down. For example, Schedule 2 of the Local Government Act connotes a sectoral approach to service delivery and does not give due guidance for Local Economic Development.

The recentralisation especially of the fiscal aspects of the local government was raised as a major challenge across the board. The major issues here related to reporting mechanisms especially under the Performance Based System and the ever-reducing authority of the local governments over the resources including local revenue. The district staffing structures are not fully filled and still operate as low as 13% percent for some new districts. This was attributed to wage bill ceilings and restrictions by the Ministry of Public Service (MoPS) who require prior sanction (permission) to fill vacant positions.

It was noted that the enthusiasm for implementation of decentralisation in Uganda was gradually reducing. This is mainly demonstrable in continuous withdrawal of powers and responsibilities to local governments. One outstanding finding was the growing mismatch between the creation of new local government structures against human and financial resource outflows to these structures. While this has remained a rather hushed question, due to political pragmatism, the qualification of political leaders, especially councillors, remains one of the impediments to quality local government management and service delivery. This is specifically true in lower local governments where no qualifications are set. The question of setting qualifications is a contested proposal with advantages and disadvantages being pointed out. This study noted in some instances the exerting of excessive powers by LLG councillors to the extent of taking arbitrary decisions to allocate public land to local investors.

The study has made other intuitive findings as elaborated in the sections below.

### 7.1 KNOWLEDGE, ATTITUDES AND PRACTICES ON DECENTRALISATION

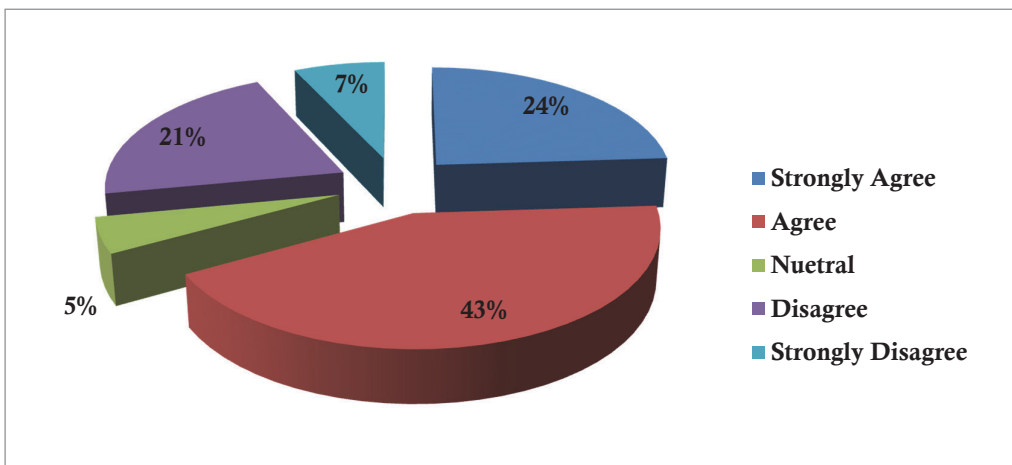
The study picked interest in the knowledge, attitudes and practices on decentralisation by

key actors at national and local government levels. The questions ranged from whether decentralisation was well understood, to policy sufficiency for implementation and review. There were also questions on policy support by relevant government ministries, the compatibility of the existing legislations, challenges at hand and whether decentralisation should be dropped from our constitution and if not whether appropriate reforms should be initiated to carry the policy forward and who should take the lead. The detailed statistical analysis of some of the key informant views is provided in (Appendix II & III) but we present a few illustrative parameters derived from the key informants from the Districts in the Figures 2 - 6.

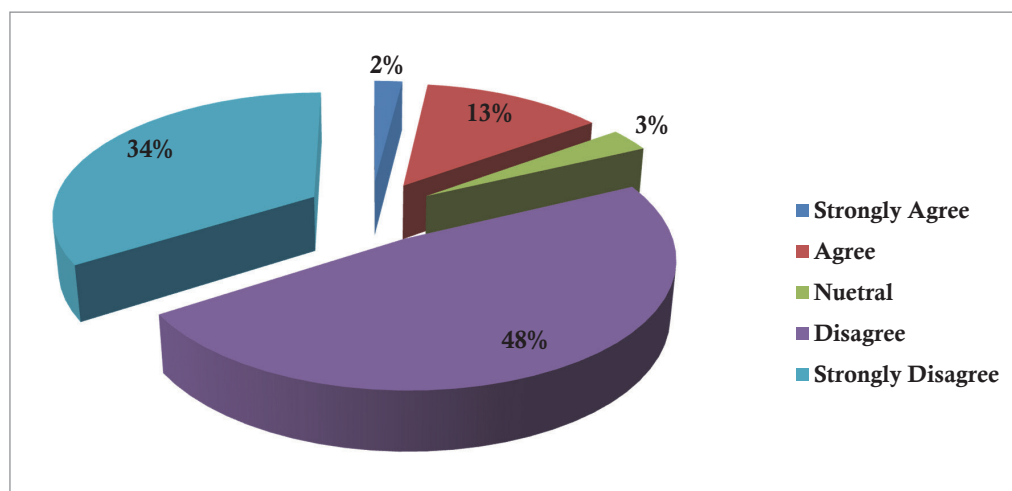
### 7.1.1 UNDERSTANDING OF DECENTRALISATION

Evidence shows, the key actors at national and local government levels are knowledgeable on what decentralisation means. For example, the findings from the study districts indicate that local government practitioners understand decentralisation and the framework that establishes it. There was appreciation of the devolution model of decentralisation that Uganda undertook. There were, however, variations in the levels of appreciation between the technical, political officers in the local governments and general public. The technocrats were able to articulate the three dimensions of political, technical and fiscal decentralisation while the politicians emphasize political aspects and the citizens were more interested in the electoral aspects and service delivery. The common denominator among politicians and technocrats was the appreciation of decentralisation as being a good policy whose implementation has had several challenges. There were however some achievements and dividends but there was a clear downward trend in implementation as will be discussed more in the challenges section.

**Figure 2: Understanding Decentralisation**



The study revealed that decentralisation was well understood by most stakeholders interviewed. This meant that over the years, the principles and practices of decentralisation had sunk among the implementers at the central government and district levels.

**Figure 3: Decentralisation and LG Financial Autonomy**

The KAP findings are further corroborated with the KII interviews. Decentralisation devolved powers and responsibilities of planning, budgeting, legislation, and service delivery to the sub-national governments. Over the years, through various legislations, circulars, standing order and directives there has been a tendency to withdrawal some the powers and responsibilities that were hitherto devolved to decentralized entities. Thus, there has been devolution without financial autonomy, and therefore negating the original spirit of the framers of this decentralisation framework. One of the respondents noted that:

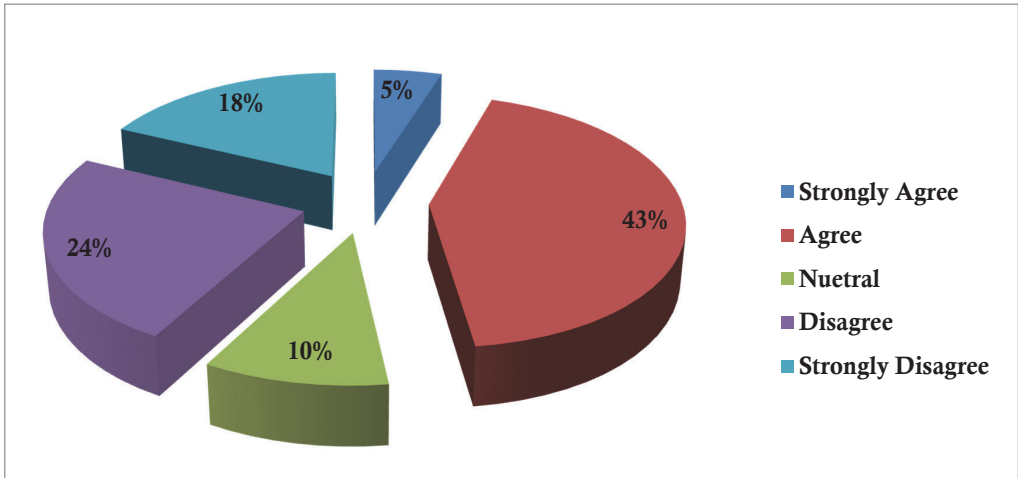
*this model of decentralisations means shifting certain powers from central government to the local government. It also means that you are shifting certain responsibilities from central government to LGs. This implies that resources should follow it. But this has not been the case. Decentralisation without resources is a mockery. It is meaningless.*

*Take planning for example; Decentralisation dictates that it should be bottom up. We do our work. You carry out a situational and problem analysis, scoping and you involve the community. The nature of funding negates all these because the conditionalities that come with the funding are not consistent with the priorities of the district but you have to conform. Some of the projects like in education and health are even dictated up to even the actual location by the centre. Now of what relevance is your input as a planner? (District Planner)*

### 7.1.2 LOCAL GOVERNMENT SUPPORT TO THE PRIVATE SECTOR.

The respondents were asked about whether local governments were supporting the the private sector. The results are presented in figure 4.

**Figure 4: LG Support to Private Sector**

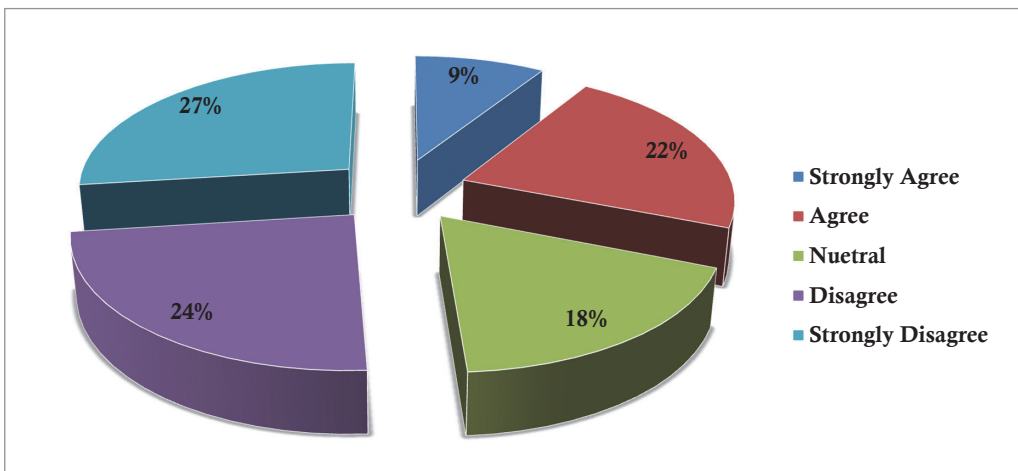


The findings in figure 4 indicate that 43% of the respondents agree that local governments support the private sector compared to 24% who responded in the negative.

**7.1.3 MOLG CORDINATION ROLE IN DECENTRALISATION**

The respondents were further asked whether the Ministry of Local Government had been able to play her coordination role for other Ministries, Departments and Agencies. The findings are presented in figure 5.

**Figure 5: MoLG Cordination Role in Decentralisation**

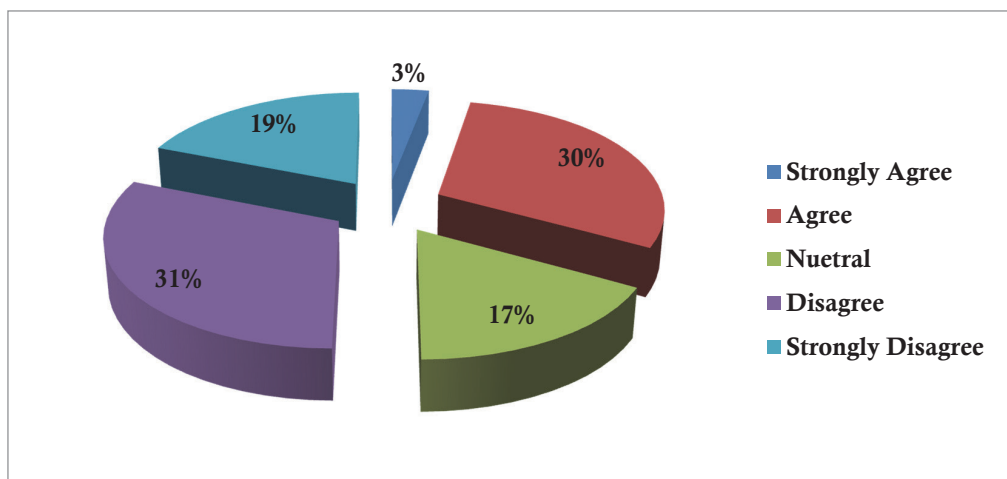


The findings in figure 5 show that the 24% of the respondents disagreed that the Ministry of Local Government has coordinated all other stakeholders in decentralisation. In addition, 27% of the respondents strongly disagreed with the assertion that the MoLG has coordinated all other stakeholders.

### 7.1.4 COMMUNITY PARTICIPATION IN DECISION MAKING

Further, the study tried to understand whether implementation of decentralisation has ensured adequate community participation in decision making on matters relating to their governance and service delivery. The results are presented in figure 6.

**Figure 6: Communities Role in Expenditure Decision Making**



According to the findings presented in figure 6 above, 31% of the respondents disagreed that communities determine the nature of services that district local governments spend the monies on.

## 7.2. THE DECENTRALISATION POLICY IN UGANDA: KEY DIVIDENDS

The implementation of the Decentralisation in Uganda has been heralded as one of the boldest political decisions ever taken by a country. Spanning 4 (four) sub-national governance layers that include two layers of Local Government, decentralization has made a number of achievements. The findings show that political devolution has been a major milestone of decentralisation in Uganda. This is particularly in reference to: electing local leaders and legislation in councils. It was noted that the local people are able to periodically choose their leaders through elections.

With regard to services, the study noted that there has been increase in access to and quality of service delivery centres in their localities over the last two decades. One respondent noted that,

due to increase in resources for roads in the local governments, there has been an increase in the road networks in the sub-county. People in the villages easily access the sub-county offices and other service delivery centres. (Chairperson

Kyanamira, Kabale)<sup>3</sup>

If we had not gotten a district, we would be lost as Amudat. First, we are lumped as part of the Karimajongs but as the Pokot, we have a totally different language and culture. This area was so isolated when we were still under Moroto and then Nakapiripirit. There were no roads, no schools<sup>4</sup> but now because of a district we have opened new roads, and people have returned from Kenya and are now settling. Our children have also got jobs at the district. Giving us a district is the best thing that has ever happened to the Pokot people. (Vice Chairperson Amudat District)

## 7.2.1 ELABORATION OF DECENTRALISATION FRAMEWORK

The elaboration of the Decentralization Policy and ring-fencing this in the Constitution of the Republic of Uganda and the Local Governments Act 1997 and subsequently with amendments (now LGA CAP 243) created a strong legal framework for Decentralisation. A dedicated Decentralisation Secretariat was established, in 1992 to spearhead the roll out of the Decentralisation Policy, commencing with 12 Districts. While this was regarded as Phase One of the Decentralisation Policy, it in essence served as a pilot for testing out the devolution model before scaling it out to the rest of the districts. Subsequently, the outlining of key institutional structures and systems provided an anchor for the policy. These included the Local Councils, Executive Committees, the Standing Committees, the Technical Planning Committees, and Statutory Bodies, among others. The Local Government institutional framework at the Local Government level was made as a mirror reflection of the Parliamentary structure.

## 7.2.2. POLITICAL REPRESENTATION AND DECISION MAKING

Moulded around the popular Resistance Councils of the 1981-86 Guerrilla War political mobilisation, the Resistance Councils were later adopted through a comprehensive survey and consultation (commonly referred to as the Mamdani Commission). These would be later legalized through the Resistance Councils Statute of 1993 and later to be ring-fenced in the Constitution as discussed above. Subsequently, the Councils provided popularly elected representatives including those of marginalised and special interest groups. It was noted that the decentralisation recognised the need for various segments of the population to participate in the decentralisation process. The structure recognized the participation of marginalized groups like Women, Youth, and the Older Persons and therefore established structures through which they could discuss and channel their concerns. While representation had grown in successive numbers, the quality of debate and emerging resolutions were said to be low. In particular, while the affirmative action for the Women, Youth, Persons with Disabilities and Older Persons was and is still considered very innovative and inclusive, the study noted that this scheme has remained seen as tokenism.

## 7.2.3. REGULAR ELECTIONS

The Decentralisation in Uganda ushered in the conducting of regular elections for different

<sup>3</sup> Interview with the Chairperson LCIII, Kyanamira Sub-county, Kabale District Local Government

office bearers. Political Representatives form Councils that work as the highest organs of the respective Local Governments and Administrative Authorities. This study established that this is one of the most overriding achievements of the decentralization policy and has led to significant levels of citizen empowerment and decision making. Table 5 presents the elective positions in local governments as of 2016 elections.

**Table 5: Elective Positions in Local Governments**

SN	Leadership Category Elected	Elective Positions (2016)
1	District Chairpersons, District/City Local Government Councillors , the Lord Mayor and Councillors for KCCA	3,156
2	Municipality/City Division Chairpersons, Municipality Women Councillors(WEC), Municipality/City Division Directly Elected Councillors (DEC's) and KCCA Councillors	1,224
3	Sub County/Municipal Division/Town Local Government Councils	24,140
4	Members of Youth Councils/Committees	601,344
5	Members of Councils and Committees of People With Disabilities	334,528
6	Members of Councils and Committees of Older Persons	334,528

Source: Electoral Commission, August 2016

Fifty thousand eight hundred sixteen (50,816) for the Local Government Councils elections were also nominated from 16<sup>th</sup> to 20<sup>th</sup> November 2015 to participate in elections.<sup>4</sup>

#### 7.2.4. AREA BASED PLANNING

One of the outstanding achievements of the decentralization policy was the reversal of centrally driven plans and budgets to area-based plans. These facilitate the inclusion of locally felt needs and dealing with unique locality problems (KI/CAOs, Selected Districts, April, 2019).

The study revealed that prior to the fusion of Local Government planning powers following the 2010 Planning Act; the Local Government Planning Cycle had a strong participation element as outlined in the Harmonised Participatory Planning Guide (HPPG). This bottom-up participatory planning started at the village to the parish, sub county/Town Council/Division culminating, eventually into an integrated district or Municipal Development Plan. Nonetheless the fusion in planning guidelines has reduced attention to planning precision for villages and lower local government. This has been further aggravated by little or no provision for planning and budgeting.

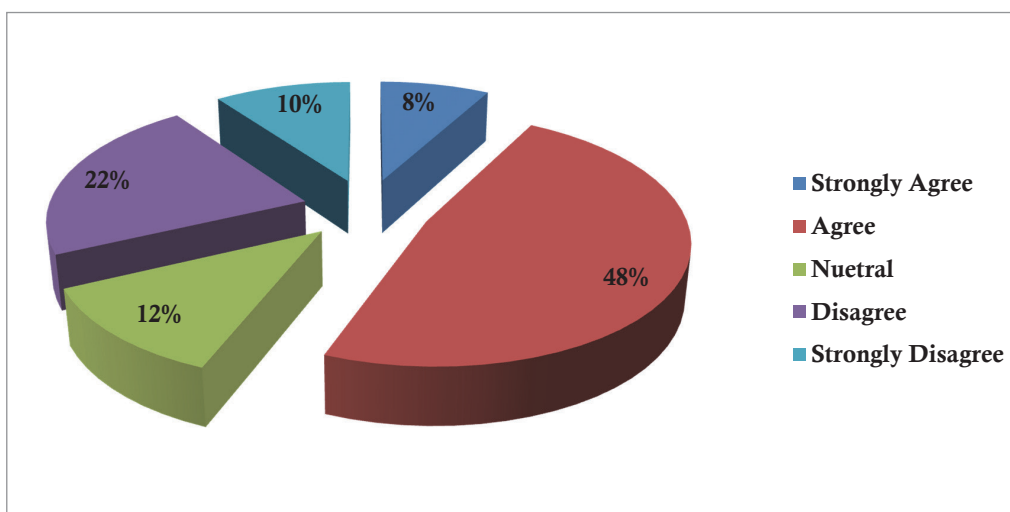
#### 7.2.5 INCREASED STOCK AND QUALITY OF SERVICES

Decentralisation increased the stock and quality of services delivered at the Local Government level. This included road access, water schemes, agricultural extensions

<sup>4</sup> GoJ (2016). 2015/2016 General Elections Report . The Electoral Commission Submitted to Parliament through the Ministry of Justice and Constitutional Affairs. August, 2016. <https://www.ec.or.ug/docs/Report%20on%20the%202015-2016%20General%20Elections.pdf>

services and the construction of Health Centre IV as health sub-districts modelled on the decentralisation structures. While there was a conceptual contention whether the policy really brought services closer to where they were needed, the resounding agreement from this study was that the services were closer but their quality and quantity needed to be improved. Respondents were asked whether decentralisation has improved service delivery or not and the results are illustrated in Figure 7 below.

**Fig. 7: Decentralisation Vs Quality of Services**



According to figure 7, 48% and 8% agree and strongly agree respectively that decentralisation has improved service delivery. There was evidence of improved service delivery in various sectors of the economy.

**a) Social Service delivery**

Education has registered significant enrolment of primary and secondary school – going children. Resources have been committed for construction of school buildings under the School Facilities Grant (SFG). In spite of the criticisms (giving poor quality education), the reform has significantly reduced levels of illiteracy. With the exception of severely stressed districts, access to safe water in rural and urban areas has increased.

With regard to access, the total enrolment Ugandan primary education improved from 3.1 million to 7.6 million<sup>5</sup> and 8.7 million<sup>6</sup> in 1996, 2003 and 2016 respectively<sup>7</sup>. Gender Parity Index at pre-primary stood at 1.02 in favour of girls in FY 2016/17. This implies that there are more girls enrolled than boys<sup>8</sup>. The net intake rate for primary education was low at 70.2% because of the relatively small number of children entering primary education at

5 Overseas Development Institute (2005). Universal Primary Education, Uganda. Policy Brief 10. <https://www.odi.org/sites/odi.org.uk/files/odi-assets/publications-opinion-files/4072.pdf>

6 GoU (2017). Education Sector Performance Report 2016/17. Ministry of Education and Sports. <http://www.education.go.ug/files/downloads/ESSAPR%20%202016-17.pdf>

7 GoU (2017). Education Sector Performance Report 2016/17. Ministry of Education and Sports. <http://www.education.go.ug/files/downloads/ESSAPR%20%202016-17.pdf>

8 Ibid, p64



the formal age of six years old.

On internal efficiency of education, the repetition rate in 2010 was the highest at 12.0% among P6 pupils who are one year before P7 pupils facing the Primary Leaving Examinations (PLE), followed by 11.6% for both P1 and P5 pupils. The drop-out rate in 2010 was 4.4% while the survival rate up to P5 was low at 62.0%.

Concerning equity, although no gender gap is observed in terms of access to primary education, the figure for boys is higher than that for girls for secondary education. There are several possible reasons for the high levels of drop-out and absenteeism for girls. These include teenage pregnancy, sexual harassment, female genital mutilation (FGM) and inadequate toilet facilities for girls. By region, lagging educational development is highly noticeable in the Karamoja District in the North East which is inhabited by many nomads<sup>9</sup>. The top priorities for improvement in Uganda's basic education sub-sector (primary and lower secondary education) are (i) low survival and completion rates of primary education, (ii) pupil-teacher ratio, (iii) low level of learning achievement, (iv) high absenteeism among teachers, (v) shortage of textbooks, (vi) low gross enrolment rate of secondary schools and (vii) low ownership of residents vis-à-vis schools.

## **b) Health**

One of the key indicators of accessibility of healthcare is the distance to where the facility is found. According to the health sector performance report for FY 2017/18 overall, 86% of the population access healthcare within a 5 km radius an increase from 83% in 2012/13. The pattern of access to healthcare is not uniform across the sub-regions. The findings point out that over 34% of the people in Acholi, and 17% in Karamoja, Tooro and Kigezi have to travel more than 5 km to access health care when they need one.<sup>10</sup>

The number of maternal deaths among 100,000 health facility deliveries reduced to 104 per 100,000 health facility deliveries from 148.3 per 100,000 health facility deliveries in 2016/17. This is a 30% reduction which is a positive trend and the sector achieved the target for FY 2017/18<sup>11</sup>.

*Primary health Care and prophylactic practices* – emphasis has been on immunization of children against preventable diseases, clean environment, maternity care, health education as well as providing basic medical care within the reach of the ordinary people especially in rural areas.

*Hospitals and Health Centres* have local management committees that have significantly improved supervision and monitoring performance in spite of inadequacy of drugs and other logistical equipment supplied from the centre. Nonetheless, the Health Units

9 JICA (2012) Basic Education Sector Analysis Report [http://open\\_jicareport.jica.go.jp/pdf/12083119.pdf](http://open_jicareport.jica.go.jp/pdf/12083119.pdf)

10 MoH (2018) Annual Health Sector Performance Report FY 2017/18. [http://health.go.ug/sites/default/files/MoH%20AHSPR%202017\\_18%20FY.pdf](http://health.go.ug/sites/default/files/MoH%20AHSPR%202017_18%20FY.pdf)

11 Ibid, 23

continued to experience unprecedented drug stock-outs mainly due to a poor supply chain by the National Medical Stores but also critically due to corruption and drug seepage. This was in turn blamed on poor working conditions and the low remuneration of healthcare workers. A heavy Central Government influence still prevailed on the choice of services and resources to be allocated.

### c) Roads and Transport

There has been a phenomenal increase in the road density across all the districts in Uganda. For instance, District roads that managed by the District Local Governments and has increased from 27,500km in 2008 to a total district road network of 35,566 Km.<sup>12</sup> Community access roads are managed by Local Council III (sub-county) Governments. Community access roads are estimated at 78,000 km. the details are presented in table 6

**Table 6: The changes in road density between 2008-2016**

Road Category	Length in Km (2008)	Length in Km (2016)	Change in Km	% Change
National	10,800	21,544	10,744	99%
District	27,500	35,566	8,066	29%
Urban	4,800	10,108	5,308	111%
Community	35,000	78,567	43,567	124%
<b>Total network</b>	<b>78,100</b>	<b>144,785</b>	<b>66,685</b>	<b>85%</b>

Source: Ministry of Works and Transport, Annual Sector Performance Report FY 2017/18

<sup>12</sup> GoU (2018) Annual Sector Performance Report FY 2017/18. Ministry of Works and Transport. Septemeber 2018. <https://www.works.go.ug/wp-content/uploads/2019/05/ASPR-2017-18.pdf>

## 8.0 NATIONAL AND SUB NATIONAL PRACTICES THAT AFFECT DECENTRALISATION

As alluded to, in section 6 of this report, the implementation of the decentralisation policy in Uganda has had the benefit of a strong legal, policy and institutional framework. Notwithstanding this pivotal strength, the policy has suffered reversals occasioned by competing and undermining legislation as well as fundamental political pronouncements across the political divide.

### 8.1 CHALLENGES HAMPERING SMOOTH UPTAKE AND IMPLEMENTATION OF DECENTRALISATION

While the Decentralisation Policy and the local government system have made observable progress and important achievements over the last twenty-seven (27) years, the policy is not operating optimally. This is due to distortions that have developed, over time. Notwithstanding the achievements of the decentralization policy in Uganda, a number of challenges still persist.

Local Governments remain sub-servient to the central Government, thereby undermining devolution. While the creation of new Local Governments has facilitated service access and eased ethnic tensions, the operation of these districts, in their current form, remains a costly undertaking. Some of the districts were noted to be below optimal functionality because of inadequate financing. In addition, there is an emerging dichotomy that surrounds the creation of Urban Centres, which rural Local Governments view as a loss of viable sources of local revenue.

Inadequate financing and investment in human resources and facilities, weak systems and coordination, conflicting legislations and local leadership challenges still abound. Some of these challenges are so major and systemic and threaten to diminish the decentralisation promise as envisaged by the framers of the policy. We highlight, below, a few more critical challenges that require urgent redress.

#### 8.1.1 WANING SUPPORT FOR DECENTRALISATION

The study established that there was until recently, (1<sup>st</sup> July 2019) were waning support to the decentralisation policy, noting that it was *'missing at the table'* of government priorities. Political expedience and needs tended to drive the decentralization policy which could be interpreted as political representation and political play. Furthermore, respondents noted a rather indistinct institutional structure at MoLG that does not render itself adequate to constantly respond to the emerging demands of decentralization, and in time. The study also established that whereas the Decentralisation Secretariat was disbanded as a transitory unit, and its functions distributed across the various departments of MOLG, there was no single pressure point for decentralisation in the structure. The emerging responses to decentralisation demands by the departments were viewed as incoherent and timely.

### 8.1.2 A CHANGED MACRO-ECONOMIC FRAMEWORK

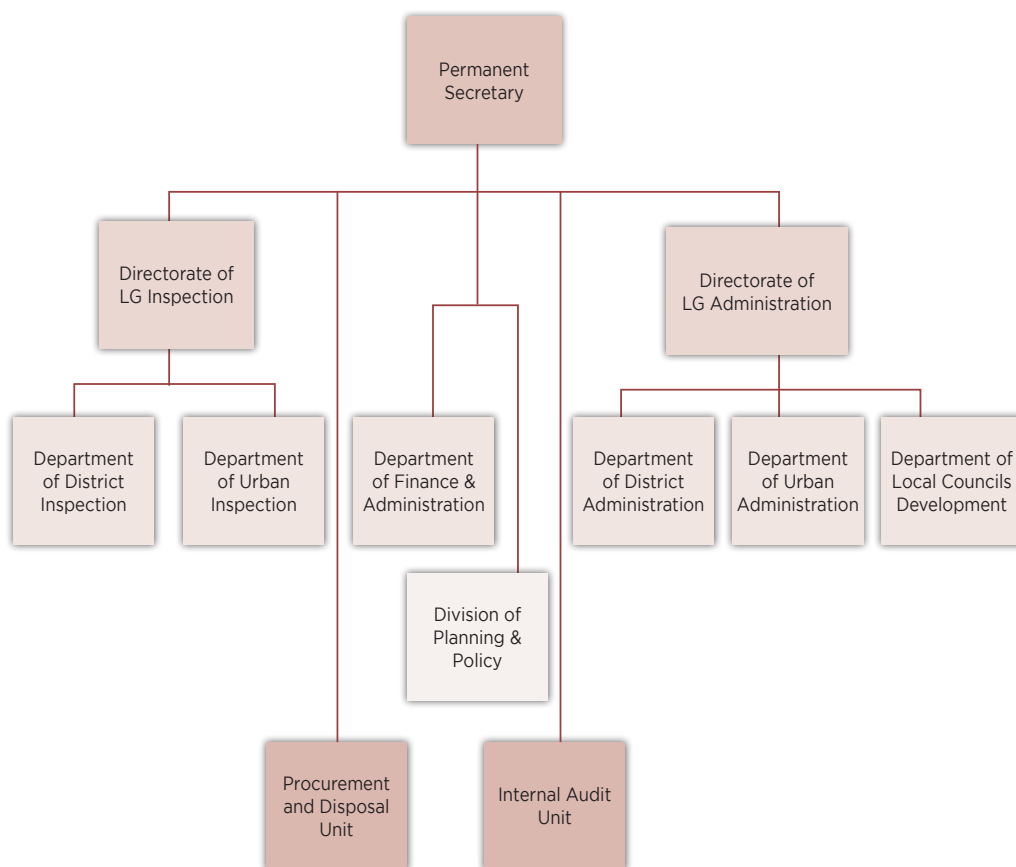
Uganda boasts of a very forward looking and projected national planning framework that outlines the National Development Plan(s), and Vision 2040. Whereas at this level there is clarity of the country's development thrust, this framework makes subtle references to decentralization as the chosen mechanism to drive these plans and visions. Dropping down from the National Development Plan(s), the budget takes on a central government character with no room for a dedicated decentralisation budget. Other than sectoral grants or programmes, the national budget does not render itself flexible to address the unique peculiarities of Local Governments and therefore, the decentralisation system.

The weak linkages between the National Development Plan and the Local Government Plans were seen as persistent and threatening to further affect the Local Government resource framework. This was also compounded by the sectors which largely operated a sectoral system that could not always take cognizance of the local development needs in the Districts and Municipal Councils. This diversion, further widened by Local Government Planning Guidelines, contains no dedicated instructions to lower local governments. The study established that as a result of this departure, Lower Local Government, especially sub-counties received dismal funding for their respective mandates and functions, thereby sinking into poverty and mal-administration. There were emerging opinions and discussions on the relevance of the sub-county as a last unit of Local Government, especially given the reduced sizes of the current entities and distances across the districts.

This study also noted the weakening functionality of the Sub-counties in the country. The sub-county and to a large extent, the Town Council/Division as the governments of first-instance need to be revamped and strengthened through among other things, i) a tailor-made refresher/orientation course for its managers ii) re-aligning financing to cater for mid-stream activities.

### 8.1.3 COORDINATING FOR DECENTRALISATION

The Ministry of Local Government has the mandate to coordinate decentralization stakeholders. Nonetheless, the Ministry in its current structure and arrangement is not strongly positioned to coordinate and cause conformity to the decentralization values, ethic and procedures. This was a strong point of discourse at the First Annual Review of Decentralization, in 2004, which noted that the Ministry mandate does not contain an explicit role for it to bring to speed other ministries in the call for decentralized governance and service delivery. The 2004, review dwelt on the need to create a strong MoLG, that has powers and clout such as those held by the Ministry of Finance, Planning and Economic Development, the Ministry of Public Service and the Office of the Prime Minister (*JARD 2004 Report*). *Nevertheless, with the creation of a sector, MoLG should be empowered enough to fulfil its coordination role .*

**Figure 7: MoLG Staffing Structure**

The Ministry of Local Government, under the Public Service and Management Sector, had created the Decentralization Sector Working Group (DSWG), to oversee the strategic direction and operations of Decentralisation Sub-sector. The DSWG was a very strong organ in propelling decentralization, especially in the mid-to late 2000s. Nonetheless the DSWG weakened due to a number of reasons which included internal funding constraints, a weak secretariat to “call the tune” and schedule topical meetings. The DSWG currently lies dormant, awaiting reactivation under the newly created Local Government Sector. On the other hand, the study revealed that the Decentralisation and Local Government Development Partners had reconstituted themselves into a Working Group, to be chaired by the European Union. This promises to be a strong inroad for the revival of the DSWG.

Coordinating for decentralisation also suffered because of its over-dependency on Development Partners to support even basic and vital decentralization processes. The study revealed, for example, that in the 2004 First Joint Annual Review of Decentralisation, a heavy and comprehensive undertaking was made under the auspices of the World Bank Supported, Local Government Development Programme (LGDP II). LGDP II and

its successor the Local Government Service Delivery programme (LGMSD), would later support the JARD up 2012. Subsequently all key decentralization processes were supported under the Local Government Investment Plan Fund (the LGSIP Basket Fund). The absence of dedicated own budgets to run underfunded decentralisation processes has greatly negated the judiciousness of such processes.

#### 8.1.4. INEFFECTUAL FISCAL TRANSFERS

According to the literature reviewed, Fiscal Decentralisation is one of the less implemented pillars of the Uganda decentralisation policy, followed by Local Economic Development (LED). The elaboration of Fiscal Systems and Inter-Governmental Transfers were well laid out in various documents on the policy. This would later be strengthened through the Fiscal Decentralisation Strategy (FDS) and the current Fiscal Decentralisation Architecture (FDA). The planning process for financing of LGs has not been guided by comprehensive needs assessments but instead has been guided by Indicative Planning Figures (IPFs) as advised by MoFPED. The IPFs sent to LGs are pre-determined by individual sectors based on the previous financial year allocation. This has resulted in actual budgetary requirements for LGs not being clearly known for purposes of resource allocation.

The allocation of Conditional grants to the Local Government by the sector is not in accordance with the formulae agreed upon with LGs and the Local Government Finance Commission (LGFC). Consequently, Local governments have not had the expected increments in conditional grants to match the increase in the cost of delivering services in LGs and the growing needs.

The allocation of Unconditional grant to LGs is not undertaken in accordance with the formulae prescribed under Article 193 (2) of the constitution. Consequently, the allocations have not enabled LGs to adequately finance their local discretionary priority needs or cater for the general price changes and the incremental costs of running services<sup>13</sup>.

<sup>13</sup> GoU (2016). Financing of Local Governments in Uganda Through Central Government Grants and Local Government Revenues, Office of the Auditor General, 2016. <http://www.oag.go.ug/wp-content/uploads/2017/04/Financing-of-Local-Governments-in-Uganda.pdf>

#### Under Funded Priorities – Buliisa District

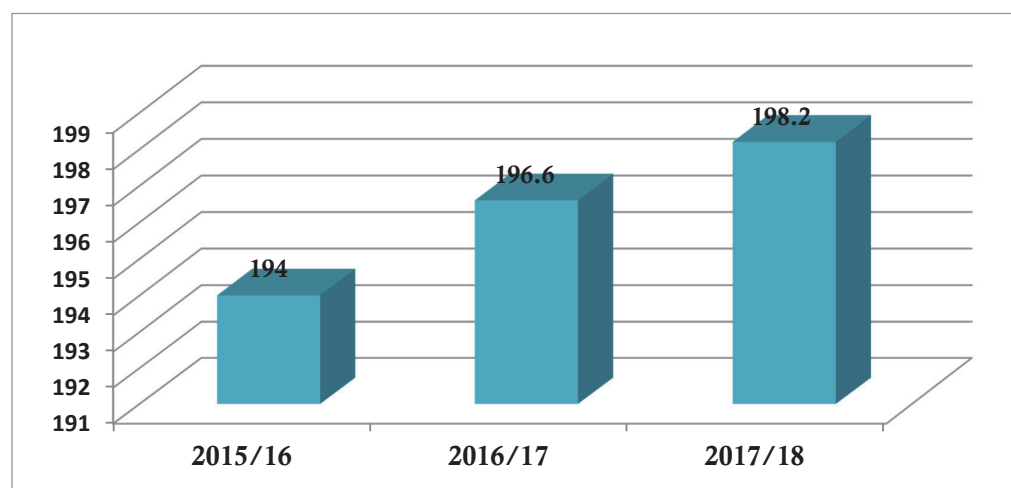
In the districts under study, it was established that there are so many unfunded priorities. For instance, there were insufficient infrastructural facilities and service delivery outputs that are needed for LGs to meet minimum service standards. In Buliisa for example, it was reported that there are schools with a pupil-desk ratio (PDR) of 7:1; a Pupil Classroom Ratio (PCR) of 130:1; Pupil Pit latrine stance ratio of 120:1.

It was also noted that the conditions in these schools is deplorable.

LG performance standards under the above sectors are below the required minimum standards. The Discretionary Development Equalization Grant (DDEG), is grossly inadequate to meet their unfunded priorities. This pointed to commonly sang question that LGs need more funding to invest in service delivery.

There is a mismatch between development and recurrent expenditure allocations to LGs. Development expenditure received on average 14% of total allocations to LGs compared to 58% allocation at national level. Some sectors were retaining the biggest proportions of their allocations despite devolving the responsibility of service delivery to LGs. The key service sectors of water, works, agriculture and health retained on average more than 80% of sector allocations at the centre<sup>14</sup>. Figures 8 and 9 illustrate Local Government's own revenue and central government's transfers to Local Governments respectively.

**Figure 8: Local Governments' Own Revenues FY 2015/16-2017/18 (UGX Billion)**



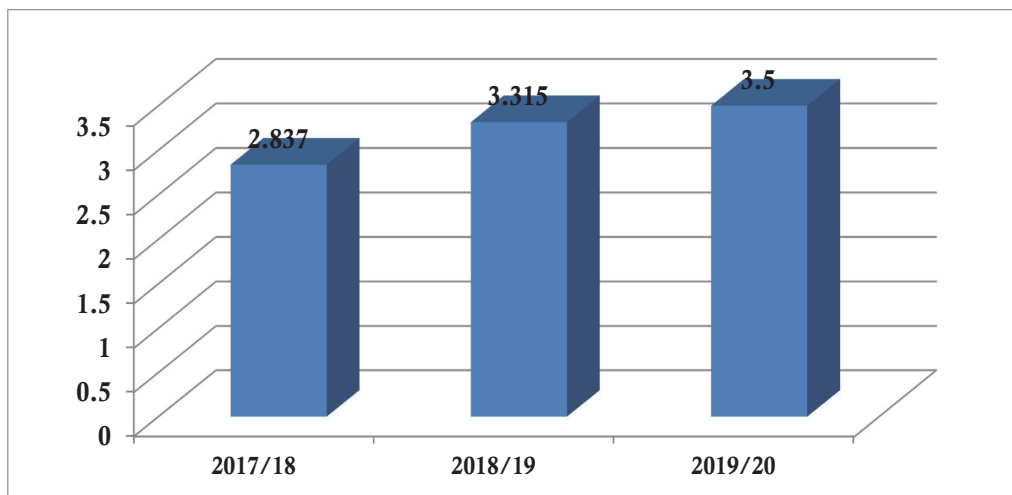
Source LGFC Annual Reports. (FY17/18 as Projected)

Article 191 of the Constitution of the Republic of Uganda 1995 (as amended) and Section 80 (1) of the Local Government Act CAP 243, requires Local governments to levy, charge and collect appropriate fees and taxes, including rates, rents, royalties, stamp duties, personal graduated tax, and registration and licensing fees. Section 80 (2) of the same Act require each local government to draw up a comprehensive list of all its internal revenue sources and maintain data on total potential collectable revenues. Review of the performance of LGs in regard to local revenue collection showed that LGs have not done much to fully exploit the potential they have to generate revenue. Auditor General's reported indicates that for the three years 2012/13, 2013/14, and 2014/15, financial statements, the local governments were not able to collect UGX 83.6 billion representing 17.6% of projected revenues<sup>15</sup>.

<sup>14</sup> Ibid, pviii

<sup>15</sup> Ibid, 25

**Figure 9: Actual Central Government Transfers to Local Governments as Projected 2019/2020 (UGX Trillion)**



**Source:** LGFC Annual Reports, 2017/18, 2018/19, 2019/20

The shortfalls in collection represent potential revenue that could be tapped by the LGs if existing gaps in local revenue management are addressed.

### **Practitioners' Perceptions**

Budget approvals which were solely a function of the local councils could no longer hold until they had been approved by the Central Government (MoFPED). While the local councils could approve based on the provided IPFs, MoFPED continued to adjust LG budgets and implementation continued without approvals from LG Councils especially when there was a reduction in the budget.

The Local Government Councils are responsible for all local government functions as stipulated in the Local Government Act including: planning, financial accountability and the delivery of public goods and services. However, district political leadership holds no control or other appropriate authority to determine or direct how the funds allocated to the district are utilized. The Local Government Councils just receive Indicative Planning Figures and sector budget ceilings without participating in determining these estimates.

*Conditionalities in the District Discretionary Equalisation Grant (DDEG).* It was noted that these are supposed to be discretionary funds where LGs have the flexibility on the allocation of such funds. The LLGs however, reported that these funds that come with in-built conditionalities which in most cases dictate that the funds be used for capital development. Yet the money disbursed to the sub-counties under DDEG was too small for some of the stated undertakings.

*Recentralisation of Viable Sources of Revenue:* LG fiscal distress was compounded by a low revenue base. Respondents decried the practice for all the major LG economic



activities to be taxed by the Uganda Revenue Authority. Local governments complained of retaining powers to only collect taxes on marginal economic activities such as the Local Service Tax (LST), Local Hotel Tax (LHT) and fees and licences. The roll-out of the first two taxes were noted to be moving at a very slow pace, especially following the near failure by Government to actualise the Commercial Farmers Tax Guidelines. With a severely constrained development budget, local governments have limited flexibility to invest in building local economic infrastructure that creates new or expands existing revenue sources.

The presidential directive to withdraw all powers regarding fisheries resource management through the Beach Management Units (BMUs) has not spared revenues from water resources. Respondents noted the resulting loss of LG revenue, previously collected by the BMUs. Districts with fishing sites such as Buliisa District, estimate to have lost local revenue. In addition, Local Governments are deterred from collecting revenue from central forest reserves. For instance, the National Forestry Authority collects revenue from Budongo Forest Reserve which is located in Buliisa District.

The strategies and tools to collect local revenue remain rudimentary and outmoded. While the sub counties directly collect some fees, the sources that bring in the largest amounts of revenue are often tendered out. This dual approach to tax collection posed its own challenges especially between the sub counties and district. Other challenges mentioned with regard to tax collection and administration included:

1. Inadequate monitoring and supervision by the district
2. Poor record keeping at Sub-County level especially of potential tax payers
3. Poor attitude due to conflict between the Sub counties and district especially on revenue sharing arrangements
4. Spending local revenue at source by some sub counties and at sources by tax collectors
5. Weak law enforcement mechanisms to compel citizens to pay taxes
6. Fraud during collection and declaration of local revenue

*The decline in local governments started with the removal of graduated tax! Once this crucial source was removed, districts lost their most viable source of revenue. Central government came in with G.Tax compensation which was untenable and we gradually saw an increase in conditional grants. Conditional grants meant more controls from the centre. These reforms have rendered local governments very powerless. We dance to the tunes of centre!*

**(District Chairperson, Gulu District)**

*If citizens cannot own their Local Government then we have a major problem! Ideally this is their system that is supposed to provide both services and make them productive. It is their responsibility to sustain the system. If you depend*

*on the centre 97% what right do you have to ask about controls and reforms regarding money sent to the district?*

**(District Chairperson, Kamuli)**

What runs common to all the models and attempts is a severely underfunded Local Government system, with a perpetual list of unfunded mandates. With a dotty 13% of the National Budget as Local Government funding, and the lowest in the region, Local Government transfers remained very low. In addition, 86% of the Local Government transfers constitute salaries and other overhead costs, thereby leaving less than 15% as development.

Without fiscal autonomy, or muscle, decentralisation remains one of those modalities of governance with remarkable challenges. Therefore, the Ministry of Local Government, MoPS and MoFPED should ensure that critical staffing positions that support local revenue management at LGs are adequately filled to improve local revenue performance. MoLG should also invest in building capacity for Local Governments to adequately conduct enumeration, assessment and registration for improved local revenue performance. Further, the Ministry of Local Government should prioritize the review and update of the legal framework. This will require adequate consultations with the Ministry of Justice and Constitution Affairs, the Law Reform Commission and other key stakeholders.

#### Intergovernmental Relations

The relationship between the municipality and the district is distorted especially in terms of reporting and coordination. Municipalities act and are treated as independent of the district, despite the legal clarity on the matter.

The representation of the Municipal councillors to the district is rather uncalled for since there is no direct feedback to the municipality as the bulk of the Municipal Councillors represent Municipal Divisions.

Equally, it was further noted that while the urban authorities have the highest concentrations of taxable economic activities, the system does not cater for them to accompany representatives to the district councils with commensurate resources.

Important is also to note are the distortions arising out of the large numbers of Municipal Councillors in comparison to their roles and geographical reach. This is an area to be rationalised.

### 8.1.5 WEAKENED SUPPORT AND OVERSIGHT INSTITUTIONS

At the commencement of the Decentralisation Policy, Government designed an elaborate institutional framework at the Local Government level, to the policy. These included the Council, the Standing Committees, the Technical Planning Committees and Statutory Bodies. The latter include the District Service Commissions (DSCs), the Public Accounts Committees (PACs) the District Land Board (DLBs) and the District Tender Board (DTB) which later transitioned into the District Contracts Committees Committee.

The study revealed a lot of institutional building effort that went into the formation, capacity building and nurturing of these institutions. It further noted that the period of 1993-2003 was dedicated to building strong institutions, including the formulation of a dedicated Capacity Building Grant (CBG). While these institutions still existed, their functionality had

significantly weakened. New office bearers had since taken positions in these institutions yet without any capability programme to orient them. The decentralised governance institutions were a good model of self-governance but some of them had since veered off-course and were transacting using their personal knowledge or interest.

With such weaknesses, some of the institutions have caused deep departures in the decentralisation values that they were meant to be custodians of. For example, the Policy Brief on Public Space and Land Management (UNCDF 2019) noted that District Land Boards had caused significant losses of public spaces through indiscriminate land allocations or even openly abetting land grabbing. The current total open space ration for Municipal Councils had grossly shrunk to unacceptable UN Habitat Standards and symbio-city standards and this was poised to continue if no action is taken. Inevitably land grabbing as a vice was not only restricted to the reported Municipalities of Mbale and Gulu but continued unabated across most local authorities. This study reveals that the grabbing of Local Government land had interested parties with District Land Boards and Sub-county Councils playing a big role in land diversions. This is a decentralisation system weakness that must be immediately corrected. It should be considered important for all oversight institutions to hire and maintain the right calibre of workers and employees.

### **8.1.6 ABANDONED LOCAL GOVERNMENT FUNCTIONS**

The study revealed that some departments and functions at the Local Government levels remained 'abandoned' and dysfunctional. These included the Community Development Office and all its constituent arms, the District Commercial Office, Entomology, Cooperatives (in some LGs) and the Internal Audit. It went on to affirm that some of these offices carried the critical mandate and role in driving Decentralisation, yet their capacity and operation remained sub-optimal.

#### **a) Internal Audit**

The Study noted persistent capacity challenges within the internal audit function. With a single staff across board, that was also very poorly supported, the Internal Audit office remained weak. A review of the forerunner regulation, the Local Governments Financial and Accounting Regulation 2007, Regulation 12 specifies the duties and responsibilities of the Head of Internal Audit as follows:

1. Preparation of quarterly reports
2. Reviewing financial and accounting systems in operation in each department
3. Auditing revenue collection
4. Auditing procurement procedures and payments
5. Conducting manpower (Human resource) audit
6. Conducting stores and assets audit (balance sheet items)
7. Extending audit services to sub counties/divisions, schools, health units and administrative units

## 8. Working in harmony with the Auditor General

In view of the above responsibilities, the offices of the internal auditor usually have a department audit. A typical example of a Local Government with seven departments, 10 sub-counties, 80 primary schools, 20 secondary schools, 20 health units, all to be audited and reported on, on quarterly basis; with meagre facilitation is an unmanageable task. It is the view of Local Government practitioners that internal audit departments in LGs are under staffed and poorly facilitated.

### b) Extension Services

In the LG structure, extension services are supposed to be provided by the District LGs under the Production Department. However, respondents noted that the majority of these were taken over by Operation Wealth Creation (OWC) which was run by the UPDF. While the OWC was meant to be a remedial strategy to increase production, it has inadvertently weakened the extension system. The decisions of what to supply to districts and to farmers at the sub-county level was determined centrally. The LGs sometimes received information about distribution of seedlings, and livestock in their jurisdictions without an input. There was very limited, if at all, participation of LGs and beneficiaries in selection of enterprises. Some of the inputs distributed, like the seedlings that could not adjust to the weather conditions were rejected by the farmers in some areas. For instance, in Bulisa District, it was reported that:

*there are 7 sub-counties and half of them participate in crop and animal husbandry while the rest are fishing villages. During the distribution of seedlings, sub-counties in the hot rift valley received sacks of Irish Potatoes for planting. In response to this supply of un wanted inputs, 90% of these were cooked and eaten". It was noted that OWC does not take into consideration the interest of target beneficiaries. For instance people in fishing communities would be interested in standard legal fishing nets and not seedlings that are being distributed<sup>16</sup>.*

### c) The Human Resource Function

Human resource in the LGs is partly controlled by the Central Government. The central government sets staff ceilings in LGs and also controls the wage bill. There were LGs that had money within their budgets and had serious staff gaps but were not able to recruit because of either staff ceilings set by the central government or refusal to approve the wage bill. This had continued to affect LGs hence continuously failing to recruit critical staff in their structures.

These practices reflected a significant policy shift from devolution to delegation - of the primary responsibility of service delivery to the central government. This phenomenon also fundamentally changed the accountability relationships between citizens and government.

<sup>16</sup> Interview with the District Chairperson, Bulisa District Local Government. Conducted on April 10, 2019.

### 8.1.7 WEAK REAL TIME PARTICIPATION AND MONITORING

Participation and inclusion are basic tenets for any decentralisation policy to flourish and reach out to the citizens. The study noted that the decentralisation framework in Uganda was potentially highly participatory. The framework provides for elaborate participatory structures and modalities. Nonetheless, their application and functionality varies from locality to locality. Participatory planning thrived in the 90s to 2000s due to an incentive created through the Parish Indicative Planning Figures (IPFs). The IPF would be earmarked for Parish level projects, identified through the harmonised participatory planning system. The downside to this was that the Parish IPFs were introduced under a programme arrangement – the LGDP 1. The modality had since changed and the Parish IPFs had since ceased to flow.

In the majority of the districts studied, citizen participation in monitoring government programmes was noted as being very limited due to lack of appropriate information and being encouraged to participate appropriately. The growing commercialisation of participation processes were also noted as a major deterrent. Voluntary participation was noted to be on decline. In some districts, projects were neither launched nor commissioned, making them unlikely to be monitored by the citizens and at times, the local leadership.

The study also noted a glaring absence of citizen-monitoring committees, except by specialised Non-Governmental Organisations (NGOs). It was established that citizen interaction with elected leaders were minimal and only scaled up during election periods. It was revealed that leaders feared to meet their electorate due to huge demands from the citizens. Equally so, this could be a consequence from the huge and unmet campaign promises and the arising expectations.

For example, in Buheesi Sub-County, Hoima District, the FGD participants noted that they had never participated in any planning for their sub-county or district. They had this to say;

*We have never been called by the Parish Chief or sub county chief to attend any budget or planning meetings. ...we have been receiving seedlings for planting.*<sup>17</sup>

Another respondent in Bumbeire Sub-county, Bushenyi District had this to say;

*I have not heard of any budget meeting or planning meeting in my village or sub-county, but I have ever been invited to attend a budget conference at the district*<sup>18</sup>

#### 8.1.7.1 Barazas – A Missed Opportunity

The district and the sub-counties are supposed to hold community dialogues or Barazas to share information with the community on what had been planned, implemented, remained to be implemented and to explain the reasons for any variances. The barazas

<sup>17</sup> Interview with the District Chairperson, Bulisa District Local Government. Conducted on April 10, 2019.

<sup>18</sup> Focus Group Discussion held at Bumbeire Sub-County, Bushenyi District Local Government, April 2019.

were a critical accountability and monitoring platform that created opportunity for LGs to give feedback on concerns raised by the community. As such, the barazas also increased in number and attendance was a spontaneous participation platform.

With the exception of some areas in Northern Uganda, the findings from the study indicated that LGs do not conduct these barazas, citing lack of resources to do so.

*The Sub-county is supposed to hold barazas in the communities to explain to them what we are doing. These barazas are not being done because there are no funds to facilitate staff to move and hold these dialogues. And yet, these barazas would have solved many of the community concerns and helped the sub-county in disseminating information on many things.*

(Senior Assistant Secretary, Bushenyi District)

Barazas as a form of citizen participation have lost effectiveness. In our view, these were supposed to be citizens' driven platforms that bring citizens and leaders together. The way they were rolled out was highly monetized and this killed the whole essence of participation. The monetization of politics had also affected their role out because citizens expected to be paid to attend.

#### **8.1.8. DISTORTION DUE TO EMERGING POLICIES AND POLITICAL PRONOUNCEMENTS**

Decentralisation has suffered a number of distortions due to a number of political actions and pronouncements. These included the Graduated Tax abolition which though regressive and needed change, was not replaced by any yielding taxes. The Local Service Tax and the Local Hotel Tax have continued to yield sub-optimal results. The owner-occupier classification for property tax, parking fees, boda boda fees, Taxi remittances are among the historic pronouncements that have caused distortions. Bearing in mind that the Commercial farmers Tax has in essence failed to roll out, overall revenue figures keep staggering from 3-11 percent across districts. Whereas these have been politically justified as political jurisprudence, they have undermined the spirit of local revenue mobilization, especially given the current Central Government (URA) and Local Government Tax Regime. The emerging policy reversals give a mixed interpretation to decentralisation that seeks to achieve better autonomy for the local authorities.

#### **8.1.9 CAPACITIES, PUBLIC ADMINISTRATION BIAS VS FORMS OF DECENTRALISATION**

The critical considerations for the study were leadership and oversight capacities, technical and supervisory as well as citizen capacities to demand for better governance and better services. The findings pointed a scenario where very strong capacities for decentralisation are only vested in individual champions and are not widely spread across institutions, MoLG inclusive. Notably, the study revealed successive delays by MoLG to induct and build the capacities of newly *elected leaders and staff*.

The LG Act Cap 243, Local Government Capacity Building Policy, the Standard Rules of and the Local Government Performance Assessment Manual provide for a central role of political leaders with regard to oversight and accountability. The study revealed continued significant delays in inducting new staff and leaders (Councillors) over the last two successive electoral cycles – LC1 and LC 2 were not elected from 2002 until 2018. On the other hand, the study established that local council election turn-over staggers around 80% per election period. Given that the majority of leaders in LGs were constantly changing and therefore new to their roles, delays in induction grossly affect performance andacerbate conflicts. This was further complicated by the fact that there was no requirement for a minimum level of education for leaders who joined councils at the LG level. On this issue, it was recommended that:

- a). Government should always secure own funding (budgets) to conduct nationwide induction of all elected Local Council (Village to District), immediately after each electoral process.
- b). Government should re-evaluate the question of minimum academic qualifications for District and Municipal Councillors as well as those for Sub County Chairpersons to at least O level.

Linked to the weak institutions is the question of capacities to drive the decentralisation agenda. Strangely, MoLG was also found not to possess adequate capacities to drive the decentralisation policy. Key Informant Interviews revealed that decentralisation had suffered natural depletions due to retirements, deaths and fresh recruitments. On the other hand, for the last 12 years<sup>19</sup>, Uganda had had no dedicated capacity building budget (fund) to build LG capacities and improve

### LED the New Promise But Untapped Opportunity

- Remarkable progress with policy and strategic instruments – the First LED Strategy 2007 and LED Policy 2014
- LED outlined as Performance target for Town Clerks and Chief Administrative Officers. But results are still grey.
- LED implementation follows project pattern and is predominantly donor-led
- Implementation requires grounding work in LEBAs, LOCAs, PACA yet expensive to undertake on routine budget
- An appropriate institutional framework for LED – national, district and LLGs
- LED National Steering Committee and Propagation Team initiated but currently dysfunctional due to running costs
- Adjustments for LED (Commercial Department) at LG level – established but not fully functionalized
- LED Forums as local drivers and champions exist but in select Municipal Councils and Districts.
- Mind-set change and a self help drive at the grassroots level
- Identification and harnessing of Local Competitive Advantages and opportunities – critical!
- Strengthening local and vertical partnerships among LGs, CSOs and the Private Sector.

<sup>19</sup> The last batch of Capacity Building Grants were provided under the Local Government Development Programme (LGDP II), ending 2008



skills. The results from the study reveal that while decentralisation in Uganda has constantly changed faces and demands, the Public Administrators that managed the local governments had not always risen to this challenge due to lack of training. This challenge continued, untethered, notwithstanding the anticipation of the JARD 2004 which noted that;

*Whilst recognising the prima political motive for decentralisation, being a process of democratisation, sharing of powers and popular participation, the economic arguments of increased effectiveness and efficiency, realized through the process of democratization, deserve more attention.*

For example, while the LED Objective was adopted in 2006 and the LED Policy adopted in 2014, district capacities for LED remained low (ACODE 2017). For example, the study period coincided with the first actions for MoLG to create the LED Department, 13 years after the model was permitted as a key driver for the Decentralisation Policy. This could be interpreted as a slow pace by MoLG to take advantage of new reforms.

#### **8.1.9.1 CHANGING REALITIES IN NORTHERN UGANDA THAT REQUIRE NEW SKILLS FOR POST CONFLICT AND REGENERATION**

Notably, the conditions in Northern Uganda changed from conflict to post-conflict in recent times. The study revealed the existence of a very comprehensive Northern Uganda Regional Development Strategy (NURDP) with clear out-comes that accrued to 25 districts of the Lango, Acholi and West Nile Regions. With the current emphasis on resettlement, recovery and regeneration there was a strain on Local Government managers in the region, due to new demands and the need for a new skill set. The Northern Region now requires appropriate and sustainable mechanisms for development.

#### **8.1.9.2 A HIGH URBAN GROWTH NOT SUPPORTED BY COMMENSURATE URBAN PLANNING PACE**

The comprehensive study on decentralisation revealed a phenomenal urban growth but that was not matched with commensurate skills and pace to keep it adequately guided.

#### **A Restrictive and Disempowering PFM Act**

Respondent noted that the management of local revenue had also been centralized through the IFMIS and Single Treasury Account. The LGs had to send all collected revenue to centre and request for it whenever they needed to use it. While this was aimed at controlling financial seepage, the process was noted as slow, taking more than 10 days for the LGs to receive the funds on their account.

Previously under the authority and ambit of LGs, Virements, Re-allocations and Supplementary Budgets were now a preserve of the Ministry of Finance (PFM Act).

“The Local Governments cannot change anything in the budget without approvals from the central government. All these processes are controlled by the ministry of finance.”



In particular, the urban growth continuum from little Rural Growth Centres (RGCs) to Town Boards, Town-councils and probably Municipal Councils had been constrained until about 2015. While the study noted improvements within the identification process, there was a disproportionate distribution of the urban areas in comparison to the existing growth centres that would warrant upgrade. This was attributed (by key respondents) to varying levels of political expedience leaders, especially District Councils and Members of Parliament to lobby for and fast tract this process.

The study further revealed on-going efforts by Government (MoLG) to create 9 secondary and special purpose cities<sup>20</sup> to leverage on the demographic and economic dividend that Uganda was experiencing. As an offshoot of the decentralisation policy, the cities were poised to lessen the service stress and congestion currently experienced by Kampala, as the single city in the country. Nonetheless, it was noted that the creation of such cities was already placing considerable strain on the existing capacities at MoLG. The new city agenda would require up-to speed city management skills, legal skills to formulate a new legal framework beyond the only existing and rather problematic city law - the Kampala Capital City Act, 2010. The cities would also require frugal fiscal management skills and competences in regional and metropolitan planning.

### 8.1.10 INCREASING TREND IN RECENTRALIZATION OF LOCAL GOVERNMENT FUNCTIONS

The study established that there had been progressive recentralisation of powers and responsibilities of local governments, thereby changing the decentralization model from devolution to delegation. These included the following:

The central government amended the local government legal frameworks and recentralized the appointment of the Chief Administrative Officers (in 2005) and rescinded the District Tender Boards to create the District Contract Committees (in 2006). The Chief Administrative Officers that participated in this study appreciated transferring their appointment and deployment to the Central Government citing challenges of: i) persistent interferences and failure to make independent decisions, ii) harassment from political leaders; iii) being compromised by political leaders and related accountability challenges.

On the other hand, the elected leaders were uncomfortable with this reform and submitted that this was tantamount to usurping LG powers by the Central

“There are centralised procurements particularly under the Ministry of Health and Ministry of Education and Sports. The ministries have taken over procurements in LGs for construction of seed schools and upgrading HCIIIs to HCIIIIs. They run the adverts for procurement, selection of contractors and ask our procurement committees to rubber-stamp their decisions. They have created lots to cover a number of districts –where one contractor will do the work in several districts despite the fact that money is in the district budgets. This is in total disregard of PPDA procedures and guidelines” **District Respondent**

<sup>20</sup> These include: Arua, Entebbe, Fort Portal, Gulu, Jinja, Mbale, Mbarara, Lira, and Moroto.

Government. A middle school of thought noted the recentralisation of the CAO appointments mitigated the heavy litigation burdens that constantly accompanied the lawsuits, arising out of unfair treatment or termination of services, by the local authorities.

The central government took over the responsibility to pay the salaries and allowances of District Chairpersons, Speakers and councillors (2005), and LCI chairpersons (2010) and statutory authorities in LGs. According to Article 176 (2),(g), LGS are expected to oversee the performance of persons employed by the government to provide services in their areas and to monitor the provision of government services or the implementation of projects in their areas. Similar responsibilities are articulated in LGA Sections 9, 24, 26 and 30. Yet there were insufficient financial resources to enable LGs perform these functions. This raised the question of the need to increase funding to LGs if implementation of decentralisation was to move to another level.

Under the programme for construction of seed schools and upgrading of HCIIIs to HCIIIs, the Central Government took over procurements for contractors of this infrastructure while the budgets for these projects resided with the Local Governments. A deeper inquiry into this practice revealed that Ministries run the adverts and adopted individuals from Contracts Committees of affected LGs to participate in the evaluation and awards of bids. While this was defended by some CG respondents as cutting down the red tape, LG respondents noted that it had created unnecessary delays in decision making, given that there were many entities involved. The study took place two months to the end of the FY 2018/19 yet LGs (under the study) benefiting from this program had not commenced implementing these projects – despite the colossal sums of money involved.

### **8.1. 11 CONFLICTING LEGISLATIONS: THE UNDERMINING EFFECT OF THE PFM ACT**

The existence of conflicting legislations particularly the LGA CAP 243 and the Public Finance management Act, 2015 threatened the very principles of decentralization as embedded in the constitution. From the perspective of central government actors, PFMA superseded the LGA in terms of financial matters. It is argued that since over 95 percent of income in LGs is transfers from the centre; and accounting officers were also appointed by the centre, it was appropriate to have controls of all revenues appropriated by parliament. This thinking and practice was consolidated by various sections of the PFMA such as sec 22 on virements, 26(8), Warrants; and LG bank account management, Sec 33(3), authority to raise loans, sec.36; yet these powers infringed on the functions and powers of a local government council not to be delegated (LGA, Fourth Schedule) and touched the very foundational principles of decentralisation envisaged in Chapter 11 of the constitution. The study revealed various attempts by key stakeholder to have the PFM reviewed and amended, but this had received little discussion.

Equally, the fusion between higher and lower local government planning guidelines had continued to kill the space for LLG plans and budgets thereby increasingly making this vital layer of government, rather redundant.

## 9.0 DECENTRALISATION REVIEW MECHANISMS

The study established that at inception, the decentralization policy had no directly embedded review mechanisms until, 2004, when the Joint Annual Review on Decentralisation (JAR) commenced. At the local levels, Decentralisation was formerly assessed in piecemeal, through the regular Council Meetings and Technical Meetings as well as the meeting of the standing Committees. In addition to routine inspections, Local Governments were hitherto, subjected to a National Assessment Exercise. These, however, were quite limited in scope and depth and did not provide any strategic analysis and options.

### 9.1 LOCAL GOVERNMENT PERFORMANCE ASSESSMENT SYSTEM

The National Assessment Exercise commenced, as pilot, in 1997 under the auspices of the UNCDF funded First District Development Programme (DDP I). The assessment defined a Performance Grants System built on incentives and disincentives for good and poor performance, respectively. It spelt out Minimum Conditions and Performance measures for a Local Government to meet in order to qualify for Local Development Grant (LDG) transfers. The assessment system was rated as one of the critical milestones of the decentralization process in Uganda, having significantly lifted LG capacities, over time. The system was later scaled up by the World Bank, under the First and Second Local Government Management Programme (LGMP) and their successor, the Local Government Service Delivery Programme (LGSDP).

Following the premature winding up of the LGSIP Basket fund in 2012, the assessment system suffered funding challenges. The system would later be adopted by the Office of the Prime Minister (OPM) and renamed the Local Government Annual Performance Assessment (LGAPA) System, implemented since FY 2015/16, as part of Public Sector Management Reforms. The OPM designed a system for assessing the performance of Local Governments, mirroring heavily the previous assessment system. The LGAPA is a primary tool for tracking the utilization of the District Development Equalization Grant (DDEG). Another offshoot of the National Assessment system is applied by the Ministry of Lands, Housing and Urban Development as the main access and financing criteria for 18 Municipal Councils, benefitting from the Municipal Infrastructure Development Programme (USMID)<sup>21</sup>.

#### 9.1.1 EMERGING INADEQUACIES WITHIN THE LOCAL GOVERNMENT ANNUAL PERFORMANCE ASSESSMENT LGAPA

The Public Sector reforms sought to improve the way Local Governments are financed to implement their mandates as provided for in the Constitution and Local Government Act. The current assessment focuses on assessment of processes and indicators with

<sup>21</sup> The 8 Phase 1 USMID supported Municipal Councils were; Arua, Lira, Gulu, Soroti, Entebbe, Mbale, Tororo, Jinja, Masaka, Hoima, Fort portal, Mbarara, Kabale and Moroto. USMID II is poised to support the eight (8) Lugazi, Kasese, Kamuli, Mubende, Apac, Kitgum, Ntungamo and Busia.

regard to: adherence to core budget and accountability requirements; and functionality of crosscutting and sector Local Government processes and systems. The critical issues about the performance assessment of local governments include the following:

**Credibility and objectivity of the system:** In general, Local Governments appreciated the fact that the LGAPA is being coordinated by the OPM as an overseer of government business and is to be conducted with a high level of independence, neutrality and credibility.

**Timing of the assessment system:** Local Governments cited challenges in the timing of the LGAPA. They stressed the importance of proper timing of the LGAPA in order for its results to inform the Local Government planning and budgeting process as well as fiscal transfers under other programmes such as the Development Initiative for Northern Uganda. The assessment takes place every September nationwide, with assessment results anticipated to be shared in December. Nonetheless, by completion of this study in April, 2019, the assessment results were not yet published.

The study revealed some outstanding concerns regarding the LGPA and these included:

- i) **Administration of rewards and sanctions:** In comparison to the previous assessment, most LGs noted that the current assessment does not have in-built rewards and sanctions and thus LGs tend to treat it as routine. The administration of rewards and sanctions in previous assessment applied a carrot-and-stick method, thereby pushing LGs to ensure improved performance, an element lacking in the new LGAPA. It is recommended that funds be inbuilt into the system, to cater for the incentives and sanctions.
- ii) **Focus on the Higher Local Governments.** The LG practitioners noted that the LGAPA mainly focuses on Higher Local Governments (HLGs) whereas the previous one would also scrutinise the performance of at least 40% of the LLGs in a given district or Municipal Council. Given that most of the service delivery takes place at the Sub-county level and Town Council level, this omission leaves out a critical service delivery point, unchecked. Importantly, the LGPA omits a critical layer under the decentralised structure. This compounds the omissions as already noted under planning, thereby further relegated the Lower Local Governments as critical administration and service delivery points. It would be important for the current assessment to consider including LLGs in order to assess the outcomes of interventions and not just compliance to procedures and processes.
- iii) **Support for Performance Improvement:** The Local Governments indicated that the current assessment does not support the poor performing LGs to address their challenges constraining their performance. Nonetheless this was corroborated with information from MoLG, which was detailed to develop comprehensive Performance Improvement Plans (PIPs) to address the emerging performance gaps. That this assertion emerged in the study, points to a visibility question around the development and implementation of the PIPs.

## 9.2 THE JOINT ANNUAL REVIEW OF DECENTRALISATION (JARD)

The Joint Annual Review of Decentralisation (JARD) was a major annual activity bringing together all stakeholders in the Local Government sector including; Ministries, Departments and Agencies (MDAs), Development Partners, Local Governments, Local Governments Associations, Civil Society Organizations, Non-Government Organizations, and the Private sector. Commencing in 2004 with the first review after 10 years of implementing the Decentralisation Policy, the JARD with time, became a very pivotal process for the Decentralisation sub-sector. The JARD 2004, for example, was quite ground breaking and set out a new implementation framework through the Decentralisation Sector Strategic Framework (DPSF) and the Local Government Sector Investment Plan (LGSIP) which later evolved into the Local Government Sector Strategic Plan (LGSSP).

The study noted that the JARD was indeed a strong initiative for the Decentralisation policy in Uganda as it re-engineered the policy and set up enviable frameworks that have directed the policy to-date. Heralded by respondents as a platform that gave voice and visibility to decentralization, the JARD was structured under Local Government consultations and a National Forum which entailed plenaries, sub-conferences. The result of the JARD Forum was an Aide Memoire that outlined a set of Undertakings and Recommendations on critical issues that affect decentralization and the Local Government sector.

The First JARD, 2004 was quite phenomenal milestone and in many ways still relevant and critical in the implementation of the policy. The study delved through the reports of all the 11 JARDS conducted since 2004. A total of over 2704<sup>ii</sup> undertakings and recommendations have been made today. The emerging picture is that while the undertakings and recommendations under political and administrative Decentralisation pillars were always expeditiously implemented, those under Fiscal Decentralisation and Local Economic Development were lagging behind. A random analysis of the uptake of the undertakings puts it at 52%. In particular, the study noted that while LED, came into formation in 2006, its policy did not come into forth until 2014. The study also revealed that the institutional mechanisms for LED at MoLG<sup>22</sup>, only came into force in 2019.

In summary, the study revealed ten (10) years of protracted reviews of decentralisation but which came to an abrupt stop in 2016. The Commitments and Undertakings of the previous reviews remain pertinent, since only 52% of them have been implemented.

## 9.3 THE AFRICAN DAY OF DECENTRALISATION - OVERSHADOWING EFFECT

Key Informants Interviews further revealed that in 2011, the adoption of a resolution, by the African Union, that all member countries commemorate the Africa Day for

<sup>22</sup> The 8 Phase 1 USMID supported Municipal Councils were; Arua, Lira, Gulu, Soroti, Entebbe, Mbale, Tororo, Jinja, Masaka, Hoima, Fort portal, Mbarara, Kabale and Moroto. USMID II is poised to support the eight (8) Lugazi, Kasese, Kamuli, Mubende, Apac, Kitgum, Ntungamo and Busia.

Decentralisation and Local Development (ADDLD). From 2014, the commemoration of the ADDLD was made to run back-to-back with the JARD. While this increased visibility of the Decentralisation agenda and the Local Government system, it was quickly castigated as an expensive process whose results did not merit the huge amounts of resources sunk. The study also reveals that the more clout-filled and flamboyant ADDLD ceremonies, with time, overshadowed the more technical and analysis based JARD. The emerging caution, lack of financing and negative image that it was not bringing out strategic results could have led to the collapse of the JARD, following the 11th JARD, held in 2016.

The study revealed that the gaps left by absence of JARD were filled among others, through mitigating, processes by the Uganda Local Government Association and the Urban Authorities Association of Uganda (UAAU).

## 9.4. POST-JARD 2016: STOP-GAP REVIEW MECHANISMS

### 9.4.1 NATIONAL DIALOGUE ON DECENTRALISATION

After the collapse of the JARD, the Uganda Local Governments Association, a previous co-convenor of the event, continued to play a pivotal role in keeping decentralisation buoyant. Among other processes, ULGA organised dialogues and conferences on a number of topical issues such as LED. For example, in September 2018, ULGA convened a national dialogue on Decentralisation running under the theme, *“Repositioning Local Government Institutions for Improved Service Delivery”*, supported and financed by the Konrad Adenauer Stiftung (KAS). The dialogue followed an envisaged need to provide a platform for discussing key emerging issues arising out of the Public Sector Reforms at the time and particularly to reactivate the Decentralisation Agenda and was premised on key decentralization implementation bottlenecks which included:

- Weakened Policy of Decentralisation that shifted from the original tenets of Devolution, to Deconcentration.
- Local Governments disempowered to effectively generate own source revenue
- Lack of proper coordination for Local Governance and service delivery
- Weak institutions and inadequate staffing at the Local Government
- Inadequate resourcing affecting programme implementation

What followed were a number of cutting-edge commitments and recommendations which included among others:

- i) Align of all policies and laws, old, current and future, to Chapter Eleven of the 1995 Constitution as amended, which must be supported by a Certificate of Compliance to Decentralisation prior to approval.

- ii) Cause an immediate review of the current Public Finance Management reforms to ensure they are aligned to the principles of Decentralisation, e.g. **the power to appropriate a Budget only rests with parliament in total disregard of Article 191 (3) of the Constitution**
- iii) Conduct a comprehensive review of the Decentralisation Policy in order to redirect its focus and drive.

**The Dialogue noted the under Funding of local service delivery, and called for:**

- i) Increasing in the National Budget share to Local Government to at least 40% funding can be realized by directly sending funds retained by Central Governments from projects and programmes managed at the Centre amounting to minimum of 2.2 Trillion
- ii) Enacting a Law to protect the share allocation to Local Government to protect it from arbitrary cuts
- iii) Streamlining revenue collection between URA and LGs and ensure that the sharing formula is implemented
- iv) Upholding Local Economic Development as a key pillar (6) to Decentralisation as well as support mechanisms for enhancing initiatives such as value addition, market linkages and development, increasing access to financing and incubating entrepreneurship.

**Under improving Coordination and Strengthening Institutions**

- i) Realigning current Public Sector Management Reforms and Structures to give visibility to the Decentralisation Agenda.
- ii) Refocusing the agenda of the Public Sector Management Working Group and the Decentralisation Sub Sector Working Group to provide a firm platform and anchorage for decentralisation.
- iii) Work towards allowing the Ministry of Local Government to become a substantive sector in order for it to exhaustively discharge its mandate as provided for under Section 95 of the Local Government Act. Cap 243.

In retrospection, the study revealed that four (4) of the undertakings made at the ULGA Decentralization Dialogue were being implemented. In particular, the comprehensive review on decentralization and the formation of a stand-alone sector for Decentralization and Local Government, as elaborated in Section 9.4.3 below.

**9.4.2 THE INTERNATIONAL URBAN EXPO**

Organised by UAAU in September, 2018, the National Chamber of Commerce and Industry, UNCDF, the International Urban Expo was attended by various stakeholders including institutions of Government, CSOs, academia, urban specialists and development partners to share and learnt new innovations in the urban areas. The expo was themed



as *“Becoming Investment Ready: Unveiling the Business and Investment Potential of Secondary Cities”*. The Expo offered guidance and practical advice on what it takes to make their cities investment ready and how to unlock their investment and business potential, from identification of business opportunities to financing and execution of projects. It also provided a platform for the cities to share their experiences and explore partnership opportunities with the other stakeholders. One of the emerging highlights of the Urban Expo was the recommendation for Local Governments to set up a Local Economic Investment and Innovation Fund (LEIIF). It was believed that once actualized, the LEIIF would augment local revenues and LED, as a whole.

Our findings strongly indicated that the ULGA dialogue on decentralization and the Urban Expo created a strong impetus for reactivating the decentralisation agenda in Uganda and tremendously changed the public perception about this diminishing policy.

#### **9.4.3 THE LOCAL GOVERNMENT SECTOR – A NEW PROMISE FOR DECENTRALISATION IN UGANDA**

The study noted the creation of a separate Decentralisation and Local Government Sector as directed by Cabinet through Cabinet Extract (Minute 532 (CT 2018) Clause 26). At the very inception of its formation during the study, the new sector will comprise the Ministry of Local Government and the Local Government Finance Commission. The creation of a new Local Government sector follows over 15 years of the Decentralisation and Local Government agenda being part of the Public Sector and Management Group. For that period, the Local Government (Decentralisation) sector was technically regarded as an advisory sub-sector with no full planning and budgetary powers. This key milestone also follows over 10 years of attempt by the Ministry of Local Government to convince Government to grant it a separate sector status, given the uniqueness of the issues under consideration.

The pronouncement of a dedicated Local Government Sector was heralded by many, as timely as it might re-energize the Decentralisation Policy amidst very decisive steps by Central Government Ministries and Departments to recentralize key position such as the Health Officers. The new sector formation however, would need to undergo the standard policy rigours. A review of the documents that sought to establish the sector revealed a new trajectory for decentralisation which might include, among others:

- i). Conceptualization of the new sector formation in accordance with MoFPED Sector Guidelines
- ii). Detailing a Comprehensive Position Paper on sector status and creating a new Strategic Framework
- iii). Reactivating the Sector Institutional Framework
- iv). Outlining roles for the Principal Stakeholders
- v). Highlighting the Strategic Direction: possible “A new Vision and Frame for



Decentralization in Uganda"; embracing Governance and LED, and taking a Transformational Development Approach (TDA)

- vi). Upgrading the DPSF to a full-fledged Policy of Decentralization and Local Development
- vii). Reviewing and Updating the Local Government Sector Strategic Plan to make it more updated and more developmental with a clear developmental Policy emphasis
- viii). Agreeing on new Review Mechanism of the LG Sector to include among others Performance Assessment and the Sector Review
- ix). Agreeing on Key Policy Milestones and Benchmarks
- x). Agreeing on a New Common Results Matrix

These recommendations are still relevant in taking the implementation of decentralisation in Uganda to a higher level.

The study also revealed that while there seemed to be clarity, at least from the point of view of the respondents at MoLG, on the new decentralisation course, this was quickly watered down by an avalanche of financing challenges. While the study noted emerging interest by Development Partners in the decentralisation discourse, there was no blue-print commitment on their part to support this new journey. MoLG and the new sector, will need to provoke and invest time in this discussion. It was also noted by some respondents that the two principal institutions comprising the new Local Government Sector (MoLG and LGFC) must first deal with their inherent internal system fractures and capacity shortfalls, deal with their inter-agency relations and forge a stronger foundation for decentralisation, post 2019.

## 10.0 PERFORMANCE, AMMENDMENTS AND OUTSTANDING PROPOSALS

The decentralisation policy in Uganda has made landmark activities. In comparison to other countries, some of these achievements deeply touch the governance and legislative and institutional foundations of the country and will be very difficult to reverse. The study notes that as a country, Uganda can only strive to reprioritise decentralisation, improve planning, fiscal and operational systems in order to make the policy more, relevant to the citizens. It needs to be noted that arriving at key and definitive study variables was a major challenge of this study, given the sectoral and geographical spread of the service delivery in country. We provide a summary below of the performance trends as reconstructed from the study responses and the literature (our analysis).

### 10.1. PERFORMANCE ACROSS THE OBJECTIVES OF DECENTRALISATION

The table below shows the qualitative performance of decentralisation on the each of the objectives.

**Table 7: Perfomance across the Objectives of Decentralisation**

Decentralisation Objective	Remarks on the level of Achievement of the Objectives
Transfer real power to Local Governments and thus reduce the workload of remote under-resourced central officials;	<ul style="list-style-type: none"> <li>• There was attempt to give real powers in terms of political governance and decision-making. Nonetheless, this is negated by the financial supremacy of Central Government.</li> <li>• Local Governments are mandated to undertake key services in their jurisdictions as detailed in Schedule 2&amp;4 of the Local Governments Act, Cap 243.</li> <li>• There is an increase in decentralized workload to the local governments without matching resources to execute it hence the famous unfunded mandates.</li> </ul>
Bring political and administrative control over services to the point where they are actually delivered, and thereby improve accountability and effectiveness, and promote people’s feeling of “ownership” of programmes and projects executed in their local governments;	<ul style="list-style-type: none"> <li>• Services are delivered under the ambits of the Local Governments who may at least exercise political control over such services. This has attained mixed results, depending on how firm and “aggressive” the political leaders are.</li> <li>• Accountability tends to be upward by the technical officers over resources sent to their respective local governments. This accountability has largely been enforced by the Central Government through a number of measures and reforms.</li> <li>• Political accountability remains weak largely due to failure to harness laid down mechanisms such as the barazas, the public noticeboards and reports.</li> <li>• Local elected leaders rarely go back to their communities to explain what the LGs are doing and what they are supposed to do. This is usually attributed to limited financing for such activities hence leading to a growing disconnect and at times mistrust between the citizens and their leaders.</li> </ul>

Decentralisation Objective	Remarks on the level of Achievement of the Objectives
	<ul style="list-style-type: none"> <li>• Ownership of government programmes was rated very high in the first 15 years of implementing the Decentralisation Policy. This value has eroded, over time following the thin attention paid to the participatory planning process. This is in addition to failure by the LGs to share adequate information about projects, to launch the projects and involve the community in monitoring of implementation and commissioning of these projects.</li> <li>• Key service delivery units/structures like water user committees, school management committees, health unit management committees are largely dysfunctional due to lack of orientation on their roles and responsibilities – arising mainly from poor prioritization of these key Decentralisation Continuity Mechanisms (DCMs).</li> </ul>
Free local managers from central government constraints and enable them to develop effective and sustainable organizational structures that are tailored to local circumstances.	<ul style="list-style-type: none"> <li>• This objective has largely been achieved but is quickly undermined by a weak decentralisation coordination mechanism where MDAs continuously and disparately summon LG managers for Central Government engagements.</li> <li>• The existing structure in LGs is potentially able to sustainably provide services to the people if adequately supported.</li> <li>• The emerging irony is that most of these engagements are deflected to the Local Governments in terms of funding, hence increasing the net time and financial burden.</li> </ul>
Improve financial accountability and responsibility by establishing a clear link between payment of taxes and provision of services.	<ul style="list-style-type: none"> <li>• The majority of the members of the community are not able to link payment of taxes and provision of services. There has been no clear correlation deliberately drawn by government through dedicated civic engagement programmes.</li> <li>• The stock and quality of service delivery was largely considered fair in most of the study districts like Kabale, Sheema, Bushenyi, Kabarole. Nonetheless, this faces steep challenges as the populations grow and the demand escalates.</li> <li>• Health and Education – with regard to classroom facilities and Health Centre III services, congestion is experienced. Drug stock-outs at the health facilities, discourteous and violent health workers, poorly maintained roads, and lack of clean and safe drinking water among others are quite characteristic.</li> </ul>
Improve the capacity of local authorities to plan, finance and manage the delivery of services.	<ul style="list-style-type: none"> <li>• There is observable LG capacity to plan and manage the delivery of services. But this is constrained by staffing especially in key positions such as engineering.</li> <li>• Planners and Statisticians have no laid down mechanism for professional growth and exposure, other than individually through their own effort.</li> </ul>
Enhance Local Economic Development in order to increase local incomes	<ul style="list-style-type: none"> <li>• The Department of Trade and Local Economic Development has been created in almost all LGs.</li> <li>• Local Governments remain unaware of the critical prerequisites for LED. Plans and Budgets are still predominantly skewed to Sectoral interventions. LGs have not started implementing LED</li> <li>• The majority of LG practitioners do not understand the concept of LED and how it is supposed to work within the existing framework (45%) - in a dedicated ACODE-GIZ LED study).</li> </ul>

## 10.2 AMENDMENTS IN THE LOCAL GOVERNMENT ACT

The study revealed that the Local Governments Act, as the primary law for decentralisation in Uganda has undergone a number of amendments to cater for certain governance scenarios. Primarily, the amendments were meant to facilitate the smooth implementation of the policy. Following the Constitutional amendment in September 2005, the right to hire and fire district Chief Administrative Officers (CAOs) reverted to central government. This has been one of the most highly criticised legal amendments, with regard to Uganda’s Decentralisation Policy. Critics of recentralization of CAO appointments contend that the shift in the policy and legislation for managing CAOs runs contrary to the principles of decentralisation by devolution.

Below, we provide the key amendments and their intent. While some amendments improved the implementation of decentralisation others undermined it through recentralisation of responsibilities and their financing.

**Table 8: Amendments to the Local Government Act**

Amendment	Intent-Narration
<b>The Local Government (Amendment) Bill 2016</b>	The object of the bill was to amend the Local Government Act Cap 243 to reduce the time for the display of the voter’s role in respect of elections at administrative units; to provide for the Electoral Commission to determine objections arising from the display of the voters’ roll in accordance with section 168B of the Act; to reduce the time for campaigns and related matters.
<b>Amendment Act 2015</b>	An Act to amend the Local Governments Act to provide for the procedure of elections for administrative unit councils and committees; to harmonise and reconcile the provisions relating to public finance with the reforms made in public finance; and to provide for related matters.
<b>2013</b>	To amend the Government (Rating) Act 2005, to reconcile the definitions of a local government and an urban area with the Local Governments Act; to provide for lower rates to be paid in respect of residential buildings in urban areas; to facilitate flow of information between local governments and registrars and to ensure payment of rates under the act.
<b>2010</b>	An Act to amend the Local Governments Act, to take account of a judgment of the Constitutional Court; to provide for payment of honoraria to chairpersons of village, parish and ward councils; relating to implementation of the Local Governments Act and to amend the Act to bring it into conformity with the Constitution and for other related matters. Date of Assent: 5th August, 2010. Date of Commencement: 3rd September, 2010.

Amendment	Intent-Narration
<b>The Local Governments (Amendment) Act, 2008</b>	An Act to amend the Local Governments Act to remove the compulsory membership of every village resident to a village council and to provide for every Ugandan citizen of eighteen years and above residing in a village to be a member of a village council if willing; to make every person resident in the village bound by the decisions of the village council; to provide for the Electoral Commission to maintain a register of persons willing to be members of a village council; to provide for written nominations for elections at the village, parish or ward, or county council and for sponsorship of persons by political parties or political organisations to be nominated for elections to the village, parish or ward, or county council; to provide for the Electoral Commission to appoint nomination dates, campaign periods and election dates to the village, parish or ward, or county councils; and to provide for the Electoral Commission to resolve. Complaints during the electoral process of Local Councils. Date of Assent: 24th April, 2008. Date of Commencement: 2nd May, 2008.
<b>Local Councils Court Act 2006</b>	An Act to establish local council courts for the administration of justice at the local level, to define the jurisdiction, powers and procedure of the established courts and to provide for other related matters.
<b>Amendments Act 2006</b>	Replacing Tender Boards with Contracts Committees.
<b>Local Governments (Amendment) (No. 2) Act, 2006</b>	An Act to amend the Local Governments Act to provide for public officers and other government or local government employees wishing to stand for election to a local council office to resign their office at least thirty days before nomination day and to provide for the period of display of voters roll and for the composition of the tribunal to determine objections arising out of the display and for related matters.
<b>The LG Rating Act 2005</b>	An Act to provide for the levy of rates on property by local governments within their areas of jurisdiction; to provide for the valuation of property for the purpose of rating; to provide for the collection of rates; to repeal the Local Government (Rating) Act and to provide for other related matters.
<b>1997 Chapter 243 The Local Governments Act.</b>	An Act to amend, consolidate and streamline the existing law on local governments in line with the Constitution to give effect to the decentralisation and devolution of functions, powers and services; to provide for decentralisation at all levels of local governments to ensure good governance and democratic participation in, and control of, decision making by the people; to provide for revenue and the political and administrative setup of local governments; and to provide for election of local councils and for any other matters connected to the above.

## 11.0 CONCLUSIONS AND RECOMMENDATIONS

### 11.1 CONCLUSION

While a study of this nature cannot completely be exhaustive, the Comprehensive Study on Decentralisation revealed a very instinctive trend. The findings note that Decentralisation in Uganda is backed by a strong policy and legal framework. Decentralisation as a scholarly subject and government policy framework, is well researched and written about but most of the critical recommendations go unimplemented or at times, unnoticed. Decentralisation has undergone several formations – presenting differently at the different phases and milestones. The study illustrates three major milestones for the policy namely: *1992-1998 Elaborating the Legal Framework; 1999 -2003 Creating Institutions and Systems; 2005-2018 Operationalising Decentralisation and Creating Capacities Vs Expansion of Local Governments.*

Each of these milestones contained detailed areas of focus. While the first ten years were spent setting up structures and systems the last seventeen had mixed results ranging from capacity consolidation, adopting to the new faces of decentralisation and creating new administrations in response to a wide range of political, ethnic and economic demands.

The study noted that the uptake of decentralization rose very strongly in the first twenty years but began to decline around 2012. The First to Sixth Joint Annual Reviews on Decentralisation demonstrate this – an extensive multi-disciplinary, multi-agency and multi-tier participation as well as a large uptake of the agreed Undertakings and Recommendations. The period also conforms with the formulation of key policy instruments namely; the formulation of a Decentralisation Policy Strategic Framework (DPSF) and the First Local Government Sector Investment Plan (now sector strategic plan LGSSP). The period further saw the setting up of the Decentralisation Working Group and more importantly, the introduction of Local Economic Development as a 6th Objective of Decentralisation, to transition decentralisation into a conduit of development.

While Decentralisation made a number of achievements, the majority of them lay in governance and system building. The study further observes that as a country, Uganda did not prudently take advantage of the opportunities that Decentralisation held, namely using it as a driver for citizen participation and engagement, beyond political processes. After a rather exhaustive political and administrative formation, decentralisation needed to be quickly optimised for local mobilization and local development. The LED pillar, which would give better developmental results has been rather slow to come.

This study also reveals that the creation of new local government administrations gave decentralisation in a new face in terms of ethnic identity and self-governance but it grossly overstretched the resource envelope. While some of these challenges still abound, the study shows that there is a renewed interest in the decentralisation discourse amongst scholars, development partners and practitioners alike.

To take advantage of this new interest, the decentralisation policy will need re-engineering beginning with the most basic pre-requisites – redefining a new pathway and thrust, a regeneration of the institutional framework, update of the policy instruments, popularizing decentralisation in its new form as a local economic driver. There is need to rekindle the decentralisation spirit, in accordance with its original intent, as outlined in The Constitution of Uganda, 1995, amongst the Local Governments and their constituent institutions, the Statutory Bodies and the citizens.

The study notes that, planning and budgeting have undergone 5 phases and reforms to-date. While these reforms were aimed at aligning the systems to national practices, in some cases, they severed the strong linkage hitherto existing between the Local Governments and the communities. Planning systems will need to be reviewed to make them more relevant and grassroots anchored. This may require taking recourse to earlier guidelines such as the Harmonised Participatory Planning Guide.

A reactivation of the decentralisation agenda will be incomplete without building stronger and more resilient financing mechanism, deliberately growing the household income base and expeditiously broadening the local revenue bases. While the country has applauded the new Domestic Revenue Mobilisation (DRM) policy, it should not be yet another policy distortion that will undermine the already frail local revenue regimes in the local authorities.

Deepening opportunities for decentralisation in Uganda, calls for more capacity building, in recognition of the fact that capacity needs are elastic and that capacity building changes form and content, over time. It calls for openly confronting the realisation that the answers to the decentralisation challenges and dilemmas do not lie in creating more new local governments particularly districts but rather in consolidating the gains so far made through continuous system improvement including harmonization of laws and more financing. It further calls for significant fight against corruption that threatens to erase the dividends of decentralisation. Among others, it calls for upgrading and buttressing the Parish Chiefs as officers of first instance, community agents and vanguards for local development.

The study noted the re-commitment of the NRM Government in its 2016-2021 Manifesto “to strengthen Decentralization as an anchor to achieve efficiency and effectiveness in service delivery, to “increase transfers to Local Governments and promote Local Economic Development so as to ensure sustainable financing of Local Governments”. This study results, therefore, create a new departure point for building more developmental and transformed Local Governments; creating stronger partnerships, instituting a dedicated Local Economic Development and the LED Fund; and rationalizing structures to cut down administrative costs. Government needs to re-prioritise decentralised governance as a critical lubrication for the other sectors and open a new negotiation with development partners to support this discourse.

Last but not least, it needs to be noted that arriving at key and definitive study variables was a major challenge of this study, given the sectoral and geographical spread of the

service delivery in the country. To overcome this challenge, the study delineated themes from the objectives to focus data collection, analysis, and arriving at chapters for the presentation of the findings and conclusions.

## 11.2. RECOMMENDATIONS

Needless to emphasise, decentralisation in Uganda flows in every governance, legislative, institutional and service delivery framework of the country. Backed by a constitutional mandate, the decentralisation policy enjoys a very exceptional position as a government framework, whose legal clout can always be revoked to advantage. Like any policy, decentralisation has suffered challenges that need urgent arrest.

The following recommendations are drawn from the various omissions, commissions and arguments made in the study. While the recommendations given are in no way exhaustive, the point to the major processes and actions that needs to be critically considered in the effort to revitalise the Decentralisation Policy in Uganda.

### 11.2.1 Central Government

1. Government should re-engage in the Decentralisation discourse, given its critical import to the political economy of the country as well as its development effort. Given the current development trajectory in Uganda, the implementation of the Decentralisation Policy should benefit from stronger intergovernmental relations and be aligned to respond to the national drive for wealth creation, transformation and local development
2. Coordination amongst the Ministries, Departments and Agencies will be key in driving the Decentralisation policy. *The Ministry of Local Government must reposition itself as the primary coordination instrument for the Decentralisation Policy. This is possible through bargaining for more funding, drive the monitoring and evaluation function and train more decentralisation champions.*
3. The Ministry of Local Government has since the beginning of the financial year, 1st July 2019 formed a separate Sector that comprises the Ministry, the Local Government Finance Commission and Local Governments. *The operationalisation of this Sector should be fast tracked to give supremacy to Decentralisation and attract more funding.*

### 11.2.2 Legal and Policy Systems

4. The Public Finance Management Act, 2015, in some respects curtails the powers of the Local Governments hence negating the spirit of Decentralisation. *The PFM Act needs to be urgently reviewed and made more local government facilitating.*
5. The Local Government Sector Strategic Plan (LGSSP) was developed following the First Review of Decentralisation in 2004. While the LGSSP is in conformity with the requirements of the National Planning Authority (NPA), *it needs to be reviewed to give*



*it a new tempo and align with the proposed thrust of the NDP III.*

6. To drive the decentralization agenda calls for financing across the several requirements including local economic development and facilitation of political leaders to monitor the implementation of decentralised services.
7. Government should re-activate the moratorium on creation of new Districts. In previous years, parliament made a resolution to halt the creation of more districts that were not economically viable. This resolution should be upheld.
8. There is need to establish a framework for regular LG systems audit and Quality Assurance beyond the routine inspection, which tend to result into complacency and lack of attention to detail. This should include among others, regular assessments, evaluations, technical and value for money audits,

### **11.2.3 Institutional, Coordination and Review Mechanisms**

9. In the absence of a dedicated department that deals with the emerging impacts or even omissions of the Decentralization Policy, *the Ministry of Local Government should consider setting up a unit or at the minimum assign one of the Departments to act as a response entity for the decentralisation processes.*
10. The new Local government sector should urgently redefine an appropriate Review Mechanism for Decentralisation in its new framing.

### **11.2.4 Capacities for Decentralisation**

11. There is an urgent need to build MoLG and LG capacities for resource mobilization and Local Economic Development (LED) to address constraints of underfunding and unfunded mandates. Policy actions should include: strong budget advocacy and negotiations with Parliament, Ministries, Sector Working Groups and Development Partners to increase the share of financing.
12. MoLG should develop a dedicated and mandatory course on LG Mind-set Change and Local Economic Transformation to be undertaken by key Local Government Managers but particularly, Chief Administrative Officers and Town Clerks.
13. There is need to build MoLG and LG capacities for resource mobilization and LED to address constraints of underfunding and unfunded mandates. Policy actions should include: a) strong budget advocacy and negotiations with Parliament, Ministries, Sector Working Groups and Development Partners to increase the share of financing. b) Develop strategies and skills for LG managers to engage the Private Sector, Development Partners and Civil Society Organizations (CSOs); c) Explore, in liaison with Ministry of Finance, financial markets as a source of Alternative Financing. This will require robust skills in identifying bankable and sound projects.
14. In the spirit of equity and equalization, Government should conduct an assessment

of the Local Governments to understudy their unique potentialities, competitiveness and challenges. These should use to inform the development of Special Purpose Programmes mainly geared at harnessing the potentialities and competitiveness.

15. Sustainable financing for Local Governments also calls for a more dedicated support to the Local Revenue generation and management question. This is an old undertaking but which has been largely left to the Local Governments to undertake. Local Governments need to be helped to institutionalize Local Economic Development (LED) as a primary driver for individual and household incomes as well as local revenue.

## ANNATOTED BIBLIOGRAPHY

1. Nsibambi, Apolo ed., 1998, *Decentralisation and Civil Society in Uganda*, Kampala: Fountain Publishers.

This book is premised on the notion that decentralisation and civil society are indispensable pillars of democracy and good governance. By bringing decision-making closer to the people, decentralisation promotes popular participation, transparency and accountability. A vibrant civil society not informs the making of public policy but it also articulates popular needs and, above all, acts as a watchdog against authoritarian tendencies.

In *Decentralisation and civil society* Nsibambi edited a collection of essays which analyse the legal, institutional, administrative, and financial and human resources management, achievements, challenges in the process of decentralisation in Uganda. They also explain how the quest for good governance is intertwined with civil society institutions such as traditional leaders and non-governmental organisations. The authors argue that though decentralisation and civic organisations have made impressive progress since 1992, much work remains to be done in order to realise the goal of good governance in Uganda.

2. Rondinelli, D.A., *et.al.* 1989, 'Analysing Decentralisation Policies in Developing Countries: A Political Framework', *Development and Change*, Vol.20 No. 2.

The Journal article points out that the demand for public services and physical infrastructure in developing countries is growing steadily as populations increase, and as expectations of achieving better standards of living are raised by national development plans and international assistance programmes the Local services and infrastructure not only contribute to social welfare but also enhance the productivity of labour, allow markets to work effectively, and create opportunities for employment and entrepreneurship. But many developing countries local services and infrastructure are either provided by central government ineffectively and inefficiently or by community organisations and private businesses only sporadically.

3. Olowu Dele, and Wunsch, James, S., 2004, *Local Governance in Africa: The Challenges of Democratic Decentralisation*, London: Lynne Rienner Publishers.

This book takes an overview of the evolution of local governance in Africa.. Its goal is to understand the factors that explain why some decentralising states made more progress toward local governance than others. The book begins by reviewing Africa's history of decentralisation and then explores the factors that have led to the expansion of 'democratic decentralisation' since the late 1980s, recurring problems of decentralisation, and the institutional initiatives affecting decentralisation.

The book also focuses on seven cases of decentralisation and the outcomes of each for local governance. Implicit in the analysis of the authors is the conviction that decentralisation reforms only make sense if they lead to a working political outcome:

effective local governance. They observe that the first decentralisation is a lengthy and complex process of reform that, beginning with constitutional and/or statutory changes at the centre, ideally progressively distributes responsibilities, resources, authority, and autonomy, from centre to periphery. The second, local governance, is the situation that obtains when localities are able effectively to manage their public affairs in a way that is accountable to local residents.

4. MoLG, 2015, *The second phase of the 10<sup>th</sup> joint annual review on decentralisation: Alignment, Revitalisation and Wealth Creating for Local Development*, Kampala

JARD is a vital annual conference which brings together key actors in the implementation, management and monitoring of the Decentralization Policy in Uganda. The process of Decentralization continues to generate debate and concurrence on Strategic Policy and Programming issues with regard to wealth creation, household income, good governance, transparency and accountability for improved service delivery and local development at international, national and local government levels.

The 10<sup>th</sup> JARD aimed at taking stock of the achievements of the Decentralisation Policy, in order to consolidate the gains realized in the implementation of the policy.

## UNDERTAKINGS

- **Governance and Fiscal Systems for LGs** - Increase Local Government Allocation of the National Budget to at least 38%; **REC:** Re-orientation of the Higher Local Government Planning Function to create the needed connection between the National Development Plan, LG Plans, and effective LED C:
- **Wealth Creation through Trade and Cooperatives** - Revitalize the Trade and Cooperatives function at the LG level; Every LG should have an initiative of promoting production, marketing and finance in every Sub County. **REC:** Enhance productivity; Establish market linkages Resource pooling; Improve funding for the function
- **Alternative Energy Sources:** Addressing Deficits to Promote Industrialization in Local Governments - **REC:** Ministry of Energy/MOLG to initiate a mechanism such that LGs should participate in energy resource identification and utilization; create awareness on the alternative clean energy sources
- **Using ICT as a tool for Wealth Creation** : A case for Local Governments - Every District/ Municipality shall create a District Profile using a Web Portal , and setup a Local Area Network for the Headquarters with Wi-Fi for Internet Sharing. **REC:** ICT in Education: Training of all Head Teachers and Heads of Departments at all Districts/ Municipalities
- **Responding to the Demands of Wealth Creation through Agriculture** - Functionalizing the Agriculture extension structure in a bid to sensitize, select and prepare communities as a pillar of PMA (MAAIF,MoPS,LGs); **REC:** Government

should increase budgetary allocations to local governments through a standard formula based on zonal farmer's demands.

- **Branding Local Governments as Tourism Hubs:** Resources Available for Local Governments - Identify LGs tourism niches, profile and market them. REC: Make LG websites functional and furnish them with information on the existing tourism sites

5. DENIVA, 2011, *The dynamics of District Creation in Uganda*, Kampala

The study on the Dynamics of District Creation in Uganda was commissioned by the Development Network of Indigenous Voluntary Associations, (DENIVA) with the aim of informing the decentralisation policy framework in Uganda through the Joint Annual Review of Decentralisation (JARAD). The study examined the underlying factors that influence the creation of new district administration and analysed the benefits of this trend in Uganda. Whereas district creation in Uganda has several benefits, there is a growing concern amongst some stakeholders that the creation of new sub-national entities is increasingly fragmenting the country and hence undermining the envisaged benefits of cohesiveness and rational utilisation of scarce resources.

Creation of districts has been attributed to; increased globalization; increased people's awareness and civic consciousness on participation and governance; decentralised governance and biased political motivations. Overall, there is no common agreement on the optimal number of sub governments that any given country should have.

The study further revealed that no single factor can explain the creation of new Districts and other administrative units. Thus, factors like; the popular demand for self-governance due to increased people's awareness and civic consciousness on participation and governance; the inability of central government to deliver effective services; the need to manage ethnic tensions and differences and the political gains (votes) after district promises have made demands for such districts inevitable.

The creation of districts to government is a strategic move to reduce rural urban migration and thus minimize the pressures on the existing few urban centres. Thus, new districts present an opportunity for citizens to take on political positions in the local councils thereby actualising the notion of democracy, devolution and local participation.

Largely the study established that creation of new districts undertaken hurriedly has generated many challenges namely: the high public administration costs; fragmented service delivery with reduced economies of scale; increased ethnicity; human resource constraints<sup>23</sup> to deliver decentralised services which all undermine national unity and regional integration.

Creation of new districts has promoted ethnicity which has undermined service provision. The study recommends that the creation of any new administrative units should come

<sup>23</sup> It was reported that 50% of the districts in Uganda (December, 2010) were manned by acting Chief Administrative Officers while an equivalent number has Deputy Chief Administrative Officers in Acting capacity

out of a felt need of the local people and thereafter a proper analysis of the scientific and quantifiable set of indicators and pre-requisite factors such as population, service delivery and access, revenues and general economic viability before approval and district creation should follow. In addition, there should be an assessment of the resource endowment of the proposed locality to ensure sustainability of new the districts. Also, the current administrative structure of Uganda should be reviewed and rationalised.

6. MoLG, 2005, *Decentralisation Policy Strategic Framework*, Kampala

Decentralisation Policy is premised on the notion that local governments are better placed to respond to the needs of the local communities. It is further based on the understanding that it is the programme beneficiaries who can easily hold government accountable for the use of public resources, resulting in a more equitable allocation and distribution of resources among higher and the lower local governments.

This Decentralisation Policy Strategic Framework (DPSF) provides a one-stop platform which all stakeholders involved in supporting Decentralisation would draw on when assisting the Ministry of Local Government in its effort to consolidate and deepen the Decentralisation process. The Policy and Strategic Framework guides all stakeholders in supporting those activities which are consistent with government priorities and their own mandates and/ or interests

Decentralisation Policy Strategic Framework ensures efficient and effective delivery of services to the population in a coherent and coordinated manner. It further reinforces coordination mechanisms and inter-linkages not only amongst the members of the Local Government family but also with our development partners and communities at the national, sub-national, district/municipal, and village levels in all areas of emphasis for the Local government sector

7. Nicholas Awortwi, 2011, *An unbreakable path? A comparative study of decentralization and local government development trajectories in Ghana and Uganda*, <https://doi.org/10.1177/0020852311399844> (accessed on 30 April 2019)

The article shows that Uganda pursued a sequence of political, administrative and fiscal decentralization whereas in Ghana the order was administrative, political and fiscal. As a result, Uganda has made a little progress, more than Ghana, in strengthening LG institutions. However, given that neither Uganda nor Ghana followed an ideal sequence of decentralization reforms that would have strengthened LGs against unbridled central government (CG) interference, currently CGs in both countries are retaking much of what was initially decentralized. The article concludes that recentralization and further weakening of LGs are likely to continue in both countries because the initial path that was created benefited CG politicians and bureaucrats and they are committed to staying on that course.

8. Sabiti Makara, 2010, Local Governance, Decentralised patronage and Service

Delivery in Uganda, in *MAWAZO, The Journal of the Faculties of Arts and Social Sciences*, Kampala: Makerere University.

This Journal article is premised on the need to underscore the link between democratic governance, social accountability and popular participation in decision making. It is based on realisation that worldwide, there has been a growing consensus amongst scholars, policy makers and development practitioners since 1970s that social development, good policy making and practice are not a preserve of central bureaucratic agencies alone. The dominant thinking over the last three decades has shifted towards strengthening the interface between local government structures, markets, voluntary organisations and community based associations to produce and maintain services needed by society.

The paper argues that in Uganda, the promise of decentralisation to reform state-society relations started on a good note, to deliver good governance. While a structural transformation did take place, behavioural, ethical and professional conduct in public management remained froze in the old order of doing things. This situation was not helped by excessive politics of patronage that ran from top to bottom of the hierarchy of government. The paper concludes that there is need to concretise the members of the public to loathe corruption and impropriety that take place in their mind set. These measures will require two strategic actions: one is open and tolerant politics and the other is the introduction of new laws that will empower various stakeholders to “guard the guardians”.

9. Egbenya, G.R.K., 2009, ‘The effectiveness of decentralization policy in Ghana: A case study of Komenda-Edina-Eguafo-Abrim (KEEA) and Abura –Asebu- Kwamankese (AAK) districts in Ghana’, in *African Journal of Political Science and International Relations* Vol. 4(1), pp. 013-028, January 2010 Available online at <http://www.academicjournals.org/ajpsir> ISSN 1996-0832

This journal article aims at assessing the effectiveness of decentralization policies in Ghana with a case study conducted at Komenda–Edina–Eguafo–Abaim (KEEA) and Abura–Asebu–Kwamankese (AAK) districts in the Central Region of Ghana, the formulation and implementation of the policies and how they relate to the health, education and water sectors in the country. An interview guide was used to obtain answers from respondents numbering fifty-six. The population for the study comprised all stakeholders concerned with decentralization in the education, health and water sectors in the Central Region of Ghana. They included the Head, Policy Planning, Development partners, Co-ordination Unit - Ministry of Education, Director General - Ghana Education Service, Deputy Director Administration, Ghana Health Service, Managing Director of the Community Water and Sanitation Unit. Frequencies, percentage, and tests of independence were used to analyze the data. From the study, majority of respondents were males who were 40 years and above with high educational background, reflecting males’ dominance over females in influential positions in the country. Some respondents had gone through secondary education or higher. In addition, most of them had been working in the communities and

the Sectors for a long time. In sum, responses on the research questions indicate that the decentralization exercise in the two districts has been effective and secondly, the level of integration of the three sectors at the district level has been quite high and met the decentralization objectives.

10. Tam O'Neil, T and Diana Cammack, D., eds., 2014, *Fragmented governance and local service delivery in Malawi, Report*, ODI

Ahead of the local council elections in May 2014, the Overseas Development Institute (ODI) carried out this study to help government and donors better understand how local government works in Malawi and how decentralisation affects local service delivery. Importantly, the research also set out to understand why local government and service delivery work the way they do, to explain variation across the country, and to assess whether the return of local councils is likely to improve the functioning of local government and the delivery of services.

This study is based on case studies of two districts (Dedza and Rumphu) and one city (Blantyre) and three services – health, education and water and sanitation. In mid-2013 more than one hundred interviews were carried out by a research team of four, with key informants from central and local government, front-line services, funders, civil society and local communities

The authors identified policy incoherence as the principal cause of the functional fragmentation found in local government and in sectors at local levels, and of the unclear mandates and overlapping jurisdictions that characterise local government. Further, they argue that these governance failures arise directly out of the deeply entrenched political settlement that has been crafted since the democratic transition. It is characterised by competitive clientelism, which shapes the social contract between state and society. Patronage relationships reach from the executive through intermediaries to villagers and urbanites. Some forms of donor aid may have unintentionally helped entrench the political settlement.

11. Ndi, D., 2010, *Decentralization in Kenya: Background Note*.

This paper provides background, context and analysis of the key strategic and implementation issues that are evident. This overview section highlights the critical issues in fiscal decentralization and a discussion of the current state of fiscal decentralization in Kenya. The second section discusses the implications on the structure and functions of government. The third is on public financial management, and the fourth and final section is on implementation issues.

12. Ndereba, I.M., 2017, *The Movement for Community-led Development: Lessons from Decentralisation in Rwanda*

This paper discusses implementation of decentralisation in Rwanda. It is observed that Rwanda legislated and began implementation of decentralisation to address the



social, political and economic marginalisation of communities that precipitated the 1994 genocide. The decentralisation would achieve this by increasing the voice of the people to have a say in the running of their affairs. The paper identifies greater control of local governments, lack of substantive participation, lack of downward accountability as major challenges. The paper recommends entrenching and protecting the envisioned tenets of decentralisation in law; reinstating nation-building and reconciliation as the underlying end goal of the decentralisation process.

13. Gubser, M., 2011, 'The View from Le Chateau: USAID's Recent Decentralisation Programming in Uganda'. In *Development Policy Review*, 29(1): 23-46.

This article examines USAID contributions to Uganda's recent decentralisation efforts as an instance of wide donor aid practices. The article makes three linked arguments (i) USAID's decentralisation portfolio in Uganda was launched, ironically, at precisely the time when the government was reorienting itself toward recentralisation. (ii) Because of the prevalence of dehistoricised approaches to policy, design, practice and evaluation, USAID programmers could not fully assess the contextual situation of their decentralisation projects. (iii) Greater attention to historical context would have allowed USAID planners to design and assess their Uganda programmes more carefully.

14. Tumushabe, G.W. et.al, 'Uganda Local Government Councils Scorecard 2012/13': The Big Service Delivery Divide, *ACODE Policy Research series, No. 60, 2013*.

The report contains interesting messages based on the assessment. There was remarkable improvement in the performance of elected leaders since the scorecard was introduced in 2009. There was no change in the external factors that had consistently identified as major constraints to the performance of these leaders in their efforts to ensure effective delivery of public services in their jurisdiction. There was also increased awareness about the accountability relationship that should exist between citizens and their elected leaders.

Building on the conclusions of the previous assessments, the report highlights five obstacles to the attainment of a fully functional local government system that is not only responsive but also accountable to the electorate in their respective jurisdictions. These are: multiple leadership conflicts, low levels of revenue collection and lack of autonomy; failed multiparty politics at the local government level; distortions inherent in the decentralisation policy; and centralised control of the national budget resources.

15. Bainomugisha, A., et.al. 'Local government Councils Scorecard Assessment 2013/14: A combination of Gains, Reversals, and Reforms' *ACODE Policy Research Series No. 64, 2014*.

The report observes a remarkable improvement not only in the overall performance of the elected leaders but also in planning and budgeting; and monitoring of priority programme areas. However, the assessed districts still faced a myriad of challenges, including inadequate financing and overdependence on central government for financing their day-

to- day operations. The report also notes that while there was increased awareness about the accountability relationship that should exist between citizens and their elected leaders, the low levels of human resource capacity, instances of elite capture, marginalisation by minority groups, low levels of civic competence, political conflicts and low levels of democratic culture modest education of many of elected leaders, marginalisation of women and youth and reluctance by the central to decentralise all combine to weaken the functioning of local government

The report includes several recommendations, including but not limited to: improving human capacity in local governments, impose a moratorium on creation of new districts, reform the Local Government Act, and build the capacity of citizens to effectively demand better service delivery.

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## APPENDICES

### Appendix 1 (a) Interview Guide For: MOLG, LGFC, LGS, UAAU, ULGA AND SELECT MINISTRIES DEPARTMENTS AND AGENCIES

#### Understanding of decentralisation

1. What is your understanding of Decentralisation? Probe for the pillars of decentralization including devolving of political, administrative and fiscal powers.
2. Who are the major actors within the decentralization framework?
3. What is your role in the implementation of decentralisation?
4. How effective has been Devolution as the Chosen Model of Decentralization for Uganda?
5. What are the advantages and disadvantages of Devolution in the context of Uganda's Decentralisation?
6. What Legal Framework supports the Decentralisation Policy in Uganda? How effective has it been? What gaps exist?
7. What is the Institutional Framework for implementing the Decentralisation Policy in Uganda? How effective has it been? Are there any gaps?
8. What have been the key milestones in implementing Uganda's Decentralization Policy?
9. What other systems exist to support Decentralisation?
10. What have been the major achievements of the Decentralisation Policy?
11. How have such achievements been institutionalized for further uptake by Government?

#### Implementation of decentralization

12. Comment on the Efficiency of decentralisation (Value for money)
13. Economy (Production using the cheapest means :) In your view is decentralisation it the best model of governance vis-à-vis the cost?
14. To what extent have we achieved objectives of decentralisation been achieved (Effectiveness)
  - Transfer real power to districts and thus reduce the load of work on remote and under-resourced central officials.
  - Bring political and administrative control over services to a point where they are actually delivered, thereby improving accountability and effectiveness, promoting people's feeling of ownership of programmes and projects executed in their districts.
  - Free local managers from central constraints and, as a long-term goal, allow them develop organisational structures tailored to local circumstances.

- Improve financial accountability and responsibility by establishing a clear link between the payment of taxes and the provision of services they finance.
- Improve the capacities of the councils to plan, finance and manage the delivery of services of their finance and manage the delivery of services of their constituencies.
- Enhance local economic development in order to increase local incomes

On a Scale of 1-5 rate the decentralized services provided by the various levels

District/Sub-county level						
	Quality	Quantity	Coverage	Accessibility	Cost	Time
Education						
Water						
Health						
Roads						
Agriculture						
Environment and natural resources						
Municipality Level						
Education						
Water						
Health						
Roads						
Agriculture						
Environment and natural resources						

15. How would you assess Accountability under decentralisation?

- Political Accountability: Are local leaders at LG levels accountable to the electorate
- Administrative Accountability: Are technical officers able to meet the targets within the available resource envelopes?

**Intergovernmental Relations**

16. In what ways does the Decentralisation Policy foster the national development agenda?

17. How do key National and Sub-national Policies and Practices impact on Decentralisation? Please relate to the following:

- New Legal and Policy Frameworks
- Sector Strategic Plans Vs District Development Plans
- Local Government Financing Vs Emerging LG Needs
- Conditional Grants and their Effect on Decentralisation
- Expansion of District Administrations and the impact of the numbers on resources and capacities

- Urbanization and its New demands
18. How effective is the relationship between Ministries, Department and Agencies (MDAs) and Corresponding Departments and LG Level? Please relate to:
- Planning (NDP Vs LGDP)
  - Education
  - Water
  - Environment
  - Roads
  - Agriculture
  - Community Services
19. How can the uptake and implementation of Decentralization be improved at the national and Local Government Level?

### **Decentralisation Review Mechanisms**

How effective are the available monitoring and review mechanisms

20. Annual Assessment
21. Monitoring and Inspection by ministry of local government
22. Sector review mechanisms (JARD)
- a) What mechanisms exist to Review the Decentralisation Decentralisation Policy?
  - b) How adequate are the review mechanisms?
  - c) What critical issues have emerged out of these reviews, over time?
  - d) How have the emerging issues and proposals been treated and/or taken forward?
  - e) On a scale of 1-10, how would you rate the progress on implementing successive JARD Undertakings and Recommendations?
  - f) What outstanding JARD Undertaking that still merit the attention of Government
  - g) What are some of the proposals that have been previously made by stakeholders to give fuller effect to Decentralisation?
  - h) How were these proposals been generated and how were they implemented?
  - i) What are the key unimplemented Decentralisation reforms? Why have they not been implemented?

### **Performance of Decentralisation**

23. What challenges does Uganda's Decentralisation face? How have these been dealt with?
- Legal/Policy
  - Institutional
  - Financial

- Political

### **Impact and Offshoots of Decentralisation**

24. What has been the impact of Decentralisation on the Cost of Doing Business at the Local Government level?
25. What added value (advantage) did Decentralisation bring to the governance and service delivery framework of Uganda, as a country?
26. What are some of the undesired effects and practices that are attributed to the decentralization policy?

### **Recommendations**

27. What major reforms and actions need to be undertaken to improve the efficacy of the Decentralisation Policy?
  - Legal/policy
  - Constitutional
  - Administrative
  - Fiscal
  - Political
28. What are the key amendments to the Local Governments Act Cap 243? What was the spirit behind these amendments? What was their impact on the implementation of the Decentralisation Policy?



## Appendix 1(c) Knowledge, Attitudes and Practices about Decentralisation Tool for Eminent persons/ Decentralisation Champions

No	Statements on Decentralisation	Responses					
		Strongly Agree	Agree	Neutral	Disagree	Strongly disagree	I don't know
1	The decentralisation policy and Concept is well understood by various stakeholders						
2	Decentralisation policy has been desirable for governance in Uganda since its design and adoption						
3	There are sufficient institutional mechanisms in place for implementation of decentralisation in Uganda						
4	Decentralisation has adequate inbuilt review mechanism that has kept the policy relevant						
5	The creation of more local governments was a good initiative under the decentralisation policy						
6	There have been achievements through fiscal decentralisation and financial management systems						
7	Local governments have been the strongest beneficiaries of the decentralisation policy						
8	The sector ministries and departments have been strong supporters in driving the decentralisation policy						
9	The Local governments Act CAP 243 is in harmony with other laws such as Public Finance Management Act, that affect local governance						
10	Over the years the trend of implementation of decentralisation and the outcomes is going down						
11	The two top most factors affecting implementation of decentralisation are inadequate financial resources; and corruption (misuse of public resources).						
12	Decentralisation policy should be reviewed to open way for appropriate reforms						
13	Decentralisation as a form of local governance should be dropped from our constitution and other legislations						
14	A Comprehensive study on decentralisation is timely and should be supported						
15	The Ministry of Local Government should take the lead on what should be done to the decentralisation policy						

## Appendix 1 (d) FGD Discussion Guide

1. What is the impression of the participants with regard to quality of service (roads, water, education, agriculture, health)

District/Sub-county level						
	Quality	Quantity	Coverage	Accessibility	Cost	Time
Education						
Water						
Health						
Roads						
Agriculture						
Environment and natural resources						

2. What is the role of a citizen in service delivery (planning process, holding political leaders accountable, community structures, payment of user fees, monitoring services)
  - Where issues of service delivery are reported
  - Responsiveness to the issues raised
3. How accountable are the elected leaders?
4. How are citizens involved in budgeting and planning process
5. How do the citizens interact with their political leaders for development
6. How do the citizens monitor local government projects implemented by contractors?
7. How many have received development grants from the local government?
8. How do citizens raise their concerns with the local governments? (Probe for: Meetings with their leaders; budget conferences; letters and petitions to councils; suggestion boxes; barazas etc..)
9. Why do you think there is a low level of citizen participation in local governance processes?
10. What are the major challenges facing local governments in Uganda? (probe for: corruption; staffing; staff absenteeism; inadequate staffing; inadequate resources; failure to address local needs; poor quality services etc...)
11. What do you think are effective strategies for active citizen participation in local governance?
12. In what ways do you think government can improve the participation of youth and women in local government processes
13. How do you think we can improve the performance of local governments in Uganda?

## Appendix II: KAP Analysis for Practitioners in the Districts

	Strongly Agree	Agree	Neutral	Disagree	Strongly disagree	Total
Decentralisation is well understood by various stakeholders	23.9	43.3	4.5	20.9	7.5	100
The local governments have been implementing all decentralised functions	17.9	26.9	4.5	32.8	17.9	100
Decentralisation has been implemented as it was envisaged	9	17.9	11.9	38.8	22.4	100
Decentralisation should be driven by the ministry of local government	37.3	37.3	3	11.9	10.4	100
Decentralisation should be driven by local governments	47.8	32.8	1.5	11.9	6	100
The ministry of local government has coordinated all other relevant stakeholders	9	22.4	17.9	23.9	26.9	100
Decentralisation has ensured financial autonomy of local governments	1.5	13.4	3	47.8	34.3	100
The ministry of local government has done enough to empower local governments	6	23.9	14.9	26.9	28.4	100
Decentralisation has improved the quality of services in Uganda	7.5	47.8	11.9	22.4	10.4	100
Decentralisation has caused development at the local level in Uganda	6	62.7	11.9	11.9	7.5	100
Local governments support the private sector	4.5	43.3	10.5	23.9	17.9	100
The community determines the nature of services that the district spends money on	3	29.9	16.4	31.3	19.4	100
The communities have been empowered to actively participate in their local government	7.5	26.9	20.9	26.9	17.9	100
Decentralisation has deepened the administration of local justice	3	29.9	20.9	28.4	17.9	100

## Appendix III: KAP Analysis of Eminent persons/ Decentralisation Champions

Statements on Decentralisation	Strongly Agree	Agree	Neutral	Disagree	Strongly disagree	Total
The decentralisation policy and Concept is well understood by various stakeholders	13.3	33.3	13.3	13.3	26.7	100
Decentralisation policy has been desirable for governance in Uganda since its design and adoption	40	46.7		13.3		100
There are sufficient institutional mechanisms in place for implementation of decentralisation in Uganda	6.7	60	13.3	13.3	6.7	100
Decentralisation has adequate inbuilt review mechanism that has kept the policy relevant		33.3	26.7	20	20	100
The creation of more local governments was a good initiative under the decentralisation policy		13.3	26.7	13.3	46.7	100
There have been achievements through fiscal decentralisation and financial management systems		53.3	26.7	20		100
Local governments have been the strongest beneficiaries of the decentralisation policy	6.7	20	33.3	13.3	26.7	100
The sector ministries and departments have been strong supporters in driving the decentralisation policy	6.7	6.7	6.7	60	20	100
The Local governments Act CAP 243 is in harmony with other laws such as Public Finance Management Act, that affect local governance	13.3	6.7	13.3	53.3	13.3	100
Over the years the trend of implementation of decentralisation and the outcomes is going down	60	26.7		6.7	6.7	100
The two top most factors affecting implementation of decentralisation are inadequate financial resources; and corruption (misuse of public resources).	46.7	26.7	13.3	6.7	6.7	100
Decentralisation policy should be reviewed to open way for appropriate reforms	73.3	20		6.7		100
Decentralisation as a form of local governance should be dropped from our constitution and other legislations			6.7	33.3	60	100
A Comprehensive study on decentralisation is timely and should be supported	80	13.3	6.7			100
The Ministry of Local Government should take the lead on what should be done to the decentralisation policy	33.3	53.3		6.7	6.7	100

## Appendix IV: List of some of the Decentralisation Champions/ Persons

No.	Respondent	Responsibility
1	Hon. Tom Butiime	Minister of Local Government
2	Hon. Jennifer Namuyangu	Minister of State for Local Government
3	Mr. Kumumanya Ben	Permanent Secretary Ministry of Local Government
4	Mr. Patrick Ocalap	Ministry of Finance Planning and Economic Development
5	Mr. Swizen Kinga Mugyema	Commissioner Local Council Development/MOLG
6	Mr. Felix Charles Olarker	Ag. Commissioner Local Economic Development /MoLG
7	Mr. Justinian Niwagaba	Commissioner, Urban Administration/MoLG
8	Mr. Guard Twesigye	Commissioner for District Inspection MoLG
9	Mr. Chris Kisinde	Programme Officer, MoLG
10	Mr. John Muheirwoha	Assistant Commissioner Budget Policy and Evaluation Department /MoFPED
11	Mr. Matyama	Commissioner Planning /MoES
12	Dr. Mukasa Lusambu	Commissioner Primary Education/MoES
13	Dr. Mwebesa	Ag. Director general Health Services /MoH
14	Mr Were H	Director Audit, Local Governments /Office of the Auditor General
15	Mr. Godfrey Mugisha Masereka	Head Planning, Monitoring and Evaluation (NAADS)
16	Mr Paschal Ntanda	Governance and Institutional Development Specialist
17	Mr Domic Kashaki	Governance Specialist
18	Mr Joel Atim	Principal Inspector, MoLG
19	Mr Abdu Waweyo	Member National LED Resource Team
20	Ms Angella Nakafeero	Gender Specialist /MoES
21	Mr Abel Kahara	Mayor, Sheema Municipal Council
22	Ms Carol Warugaba	Physical Planner/Mbarara Municipal Council
23	Mr Patrick Mutabwire	Former Ag. Permanent Secretary, MoLG
24	Mrs. Sarah Birungi Nahalamba	Senior Planner/Health and Nutrition/NPA
24	Mr David Katungi	Director/Local Government Planning/NPA
26	Mr Johnson Gumisiriza	Principal Economist, LGFC
27	Mr Anthony Ruyooka	Mindset Change Specialist, National SEAMAUL Centre
28	Mr Kuruhira Godgfrey	CAO Luwero
29	Edward Bagarukayo	Former DCDO, Rakai District
30	Ms Agripina Amuge Akol	Former Commissioner, District and Urban Administration/ MoLG
31	Ms Gertrude Rose Gamwera	Secretary General/ULGA
32	Mr Darlington Kaswarra	Secretary general/UAAU

33	Mr Richard Okuku	Economist/ULGA
34	Mr Alfred Ogwang	Economist/UAAU
35	Ms Oliva Nakyanzi	Former Chief Administrative Officer
36	Mr Francis Kiyonga	Chairperson, Amudat District

i The First Secondary School, Pokot SS, was built in 2010

ii A Select List of Undertakings is contained in Annex 3.

## ABOUT THE AUTHOR

**Elijah Dickens Mushemeza** is an academic, and author. He is a Professor of Development Studies. Previously, he was the Dean Faculty of Business and Development Studies at Bishop Stuart University, Mbarara, Uganda. He is also Visiting Professor at Ankole Western Institute of Science and Technology/ University Project. He holds BA, in Social Sciences, an MA in Development Studies and a PhD in Political Science of Makerere University. He is also a consultant on Education, Governance, Poverty, Politics, Conflict, Forced migration, Security, Oil and Gas, and Development issues generally in the Great Lakes region of Africa. He was previously a Coordinator of the MA programme in International Relations and Diplomatic Studies in the Department of Political Science and Public Administration, Makerere University. He has taught at Mbarara University of Science and Technology. Professor Mushemeza is a past alternate Executive Committee member of the Council for the Development of Social Science Research in Africa (CODESRIA). He has published widely in international journals. He is the Editor of the Journal of Development Issues. Outside academia, Prof. Mushemeza is active in Ugandan politics. He was a member of the Constituent Assembly 1994-95 that debated, scrutinized, enacted and promulgated the Constitution of Uganda, and a Member of Parliament of Uganda in 1996 among other responsibilities.

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