



# **PUBLIC SECTOR MANAGEMENT**

## **ANNUAL BUDGET MONITORING REPORT**

**FINANCIAL YEAR 2019/20**

**NOVEMBER 2020**

Ministry of Finance, Planning and Economic Development  
P.O. Box 8147, Kampala  
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## ABBREVIATIONS AND ACRONYMS

ADB	African Development Bank
ASAP	Adaptation for Smallholder Agricultural Program
CAO	Chief Administrative Officer
D/CAO	Deputy Chief Administrative Officer
DDA	Dairy Development Authority
DLGs	District Local Governments
DSC	District Service Commission
DRDIP	Development Response to Displacement Impacts Project
EAC	East African Community
EDMS	Electronic Document Management System
FGDs	Focus Group Discussions
FY	Financial Year
GoU	Government of Uganda
HR	Human Resource
IDPs	Internally Displaced People
IFAD	International Fund for Agricultural Development
IFMS	Integrated Financial Management System
IPF	Indicative Planning Figure
IPPS	Integrated Personnel and Payroll System
KCCA	Kampala Capital City Authority
LDC	Law Development Centre
LGFC	Local Government Finance Commission
LGs	Local Governments
LGMSD	Local Government Management Service Delivery Programme
LRDP	Luweero Rwenzori Development Project
MDAs	Ministries, Departments and Agencies
MEACA	Ministry of East African Community Affairs
MFPED	Ministry of Finance, Planning and Economic Development
MoLG	Ministry of Local Government
MoPS	Ministry of Public Service
MPS	Ministerial Policy Statements
MSP	Market Stakeholder Platforms
NAGRIC	National Animal Genetic Research centre and Data Bank
NARO	National Agricultural Research Organization
NDP II	National Development Plan
NFA	National Forestry Authority
NMS	National Medical Stores
NPA	National Planning Authority
NARC	National Archives Records Centre
OPD	Out Patient Department
OPM	Office of the Prime Minister
PFT	Project Facilitation Team
PHRO	Principal Human Resource Officer



PPDA	Public Procurement and Disposal of Public Asset
REA	Rural Electrification Agency
UBOS	Uganda Bureau of Statistics
UCDA	Uganda Coffee Development Authority
UCDO	Uganda Cotton Development Organization
UIRI	Uganda Industrial Research Institute
UNEB	Uganda National Examination Board
URA	Uganda Revenue Authority
URSB	Uganda Registration Service Bureau
UTB	Uganda Tourism Board



## FOREWORD

The Financial Year 2019/20 strategy focused on stimulating import substitution and export promotion, and incentivising private sector development. The government prioritised agriculture and agro-industrialisation, manufacturing, and mineral development to ensure inclusive growth and the creation of jobs, while promoting development of other key primary growth sectors. The economy grew despite the challenges experienced during the year. The wellbeing of Ugandans, and infrastructure necessary for development also improved considerably.

The above achievements notwithstanding, majority of the second National Development Plan (NDPII) outcome indicators were not achieved. This report by the Budget Monitoring and Accountability Unit (BMAU) shows that majority of the sectors monitored posted a fair performance, despite receiving a substantial amount of their budgets.

I encourage all government institutions, the private sector, development partners, and other key players in the development of this country, to harness the strengths coming with Programme Based Budgeting (PBB), and take cognizant of the lessons learnt during the NDPII to improve service delivery during this NDPIII period.

Keith Muhakanizi

**Permanent Secretary/Secretary to the Treasury**





# EXECUTIVE SUMMARY

## Introduction

This report presents findings of a review of selected key Votes within the Public Sector Management (PSM) sector based on approved plans and budget allocations. Emphasis was placed on projects/programmes with large development expenditures, although some recurrent expenditures were tracked.

Projects visited were selected basing on regional representation, level of capital investment, planned annual outputs and intermediate outcomes and releases during Financial Year 2019/20. The methodology adopted for monitoring included literature review of annual performance reports; interviews with the respective responsible officers or representatives; and observations on site. Physical performance was rated using weighted achievement of the set output targets and intermediate outcomes by 30<sup>th</sup> June, 2020.

## Financial Performance

The Public Sector Management budget allocation to the eight Votes visited (excluding Vote 501-850-133 in Local Governments), for FY 2019/20 was Ug shs 929.71bn (inclusive of external financing in Office of the Prime Minister and Ministry of Local Government), of which Ug shs 758bn (82%) was released and Ug shs 647bn (85%) spent by 30<sup>th</sup> June, 2020. This was good release and absorption.

## Highlights of Sector Performance

The overall annual physical sector performance at output and intermediate outcome levels was fair (61%) by 30<sup>th</sup> June, 2020 similar to what was achieved in FY 2018/19.

**Decentralised Payroll Reforms in MDAs and Central Government:** Performance was satisfactory. A total of Ug shs 8.429bn for salary arrears and Ug shs 75.432bn for pension and gratuity arrears released to Local Governments (LGs) and Ministries, Departments and Agencies (MDAs). Absorption capacity was good in local governments (LGs), while accountability for salary, pension and gratuity arrears was still slow in especially LGs that had large releases such as Tororo, Bushenyi, and Arua, Busia. In Central Government, absorption in Ministry of East African Affairs (MEACA) was not satisfactory. Generally, the unpaid pensioners had issues with non-validation and inconsistent dates of birth that were submitted to Ministry of Public Service (MoPS) for verification.

On wage and staff, there was a slight increase in employees accessing the payroll in 2019 by 2% (5,572) compared to its 314,501 employees in 2018. Absorption capacity for wage in LGs was poor arising out of the COVID-19 pandemic where District Service Commissions (DSCs) could not carry out recruitment of teachers and health workers. In the health sector, there was poor absorption of wage because of delayed recruitments by the Health Service Commission (HSC) and delayed deployments by Ministry of Health.

A National Database of Pensioners was established and pension processing was fully decentralized in the 143 Votes by MoPS. A total of 1,107 positions costing Ug shs 27,447,305,976 were cleared for 32 central Votes; while 5,669 positions costing Ug shs 52,807,337,375 were cleared for 118 Votes/LGs.

**Public Service Selection and Recruitment programme:** Public Service Commission (PSC), registered good performance, attributed to continuous use of e-recruitment systems. 78% out of 80% planned staff were recruited against the declared posts by 30<sup>th</sup> June, 2020. A total of 40 planned selection instruments for assessing the applicants' suitability for appointment to various posts were developed. A total of 92



selection tests for LGs, MDAs, including both competence and aptitude tests were administered to 3,395 applicants.

**Ministry of Public Service: *Inspection and Quality Assurance Programme***; the level of adherence to service delivery standards was at 47.7% against the planned 62%; technical support was provided to 18 Votes on the development and implementation of client charters. However, the implementation of client charters was minimal in all MDAs and LGs monitored.

*Management Services Programme*: The percentage of MDAs and LGs with staffing structures responsive to their mandates was 80% against the planned 40%; staffing structures for 11 newly created cities were developed, job descriptions for ICT cadre, community development, management analysts, and economists were developed.

*Human Resource Management Programme*: The percentage reduction in vacancy rates against the established positions including hard-to-reach areas was 1.4% against the planned 5%. There was no percentage increase in the salary for public officers, only universities and scientists were considered. A readiness assessment report for Human Capital Management (HCM) was conducted in 60 pilot Votes and a service provider for the design, supply and implementation of HCM was contracted.

*Policy, Planning and Support Services Programme*: The Civil Service College trained 1,611 officers against the planned 3,000; including 978 out of 1,000 Post Primary Secondary School teaching and non-teaching staff in 34 schools. Under Support to MoPS, construction of Kasese Service Centre was at 90% physical progress and quality of works was good. It was noted that the development budget covers unplanned capacity building initiatives for first degrees, long-term courses and travels abroad contrary to the Development Committee guidelines from the Ministry of Finance, Planning and Economic Development (MFPED).

**Disaster Preparedness and Refugees Management Programme, Office of the Prime Minister:**

*Under the DRDIP infrastructure component*: A total of 23 out of the 30 planned wards (outpatient department (OPD) and paediatric wards) were constructed in nine districts. The completed health facilities have contributed to improved access to health services and increased inpatient numbers from by (35%) 18,440 to 24,969 with more females at 56% being served OPD attendance increased by 59% from 395,574 to 629,017 with more females attending at 68% being served.

Classroom blocks were completed in Hoima (05), Kiryandongo (08), and Kyegegwa (03) districts and enrolment increased by 14% from 31,794 to 36,124 pupils in primary schools, and by 93.5% from 1,447 to 2,800 students in Secondary schools. The pupil stance latrines increased from 426 to 960 stances. A total of 247.8km out of 650km of community access roads in Kyegegwa, Kiryandongo, Koboko, Hoima and Arua districts were completed. The quality of works was observed to be satisfactory.

The rehabilitation (bush clearing, grading and shaping, culvert installations and gravelling) of Migongwe – Migamba – Rwentuuha - Kazinga (24km) access road in Kyegegwa; and Maya-Kentomi road (6km) in Hoima District enabled farmers easily transport their farm produce and cattle to market areas. The Nyakadote-Panyadoli-Kimogoro-Kawiti Road (43Km) in Kiryandongo eased transportation of goods from village points to market places.

*Livelihood Support Programme*: A total of 14 groups in refugee hosting districts were financially supported in crop farming, animal husbandry, aquaculture, bee keeping, small scale businesses and vocational skills. A total of 16,709 households (65% female) and 83,545 people benefitted. In Kikuube District, each group received Ug shs 18 million for maize growing, whereas in Hoima District, each



group got Ug shs 18.9 million to purchase goats. Goat sheds were constructed for groups that procured more than 50 goats, however the results are yet to be realised.

*Sustainable Environmental Management Component:* Funds were disbursed to beneficiary districts to implement Natural Resources Management and access to energy sub-projects which included construction of fish ponds, cook stoves and biogas. In Hoima District, implementation had commenced and 70 out of the planned 86 acres of land were cleared, and 26 eucalyptus tree species planted. Mangoes, avocado, and jackfruit tree species were planted on 22 acres of land. The impact of this component at intermediate outcome level had not yet been realised as some sub-projects implemented are seasonal, and can only be implemented in the dry season, in addition, sub-projects were waiting for implementing partners to be brought on board.

*Humanitarian Assistance Project:* A functional Disaster Monitoring, Early Warning and Reporting System was in place (National Emergency Coordination and Operations Centre), disaster vulnerabilities at community level were addressed and human suffering lessened. Communities affected by floods in Kasese were temporarily resettled in schools. Relief food and non-food items were provided to displaced persons in Sironko, Omoro, Bulambuli, Kyegegwa, Kabarole districts.

A total of 135 households affected by landslides in Sironko, Mbale, Bududa and Namisindwa were resettled in Bunambutye sub-county. Each household was allocated a two-bed roomed house and two acres of land. Ongoing civil works were observed on the primary school administration block and classroom which were at ring beam level. The quality of works was good as corroborated by the Acting District Engineer and all reports availed.

**Affirmative Action Programme:** Under the Office of the Prime Minister (OPM):

(i) A total of 6,272 out of 18,600 cattle were procured and distributed under the Peace, Recovery and Development Plan for Northern Uganda (PRDP); Acholi (1,903), Lango (1,640), West Nile (1,222), and Teso (1,507). In Kumi Sub-County, Kumi District received 86 cattle; Serere and Kadungulu Town Councils in Serere District got 27 cattle; and Lungulu and Alero sub-counties in Nwoya District received 135 cattle; Lira and Dadamu sub-counties received 118 cattle; Bukedea Town Council received (48). There was a significant increase in farming acreage through animal traction.

(ii) A total of 750 planned ox-ploughs, and 3,000 out of 5,000 handhoes were distributed to eight districts in Teso to help vulnerable farming communities increase ploughing acreage. However, distribution of agricultural items and micro projects in Bunyoro sub-region was minimal on ground.

(iii) Community driven enterprises/micro-projects in Luweero-Rwenzori, and Teso were supported to enhance household incomes for youth, women, persons with disability and other vulnerable groups. In Luweero, Wakiso, Kumi, Serere, and Nakasongola districts beneficiary groups visited started cattle, poultry, turkey and rabbit rearing, resulting into creation of employment opportunities for vulnerable persons.

iv) Parish Community Associations (PCAs) in five districts of Busoga and 15 in Luweero-Rwenzori regions were mobilised, trained and supported to enhance financial inclusion and commercial agriculture at parish level. Beneficiary groups in Kamuli, Iganga, Wakiso, and Nakasongola districts set up small community Savings and Credit Cooperative Society (SACCOs) at parish level and this increased their savings, livelihoods, and investments. However, Luweero District was not allocated funds for PCAs in FY 2019/20 because they did not account for funds in FY 2018/19.



**Regional Integration:** This was strengthened through sensitisation meetings in the eight sub-regions of Uganda and coordinating the implementation of the Common Market Protocol. There was an increase in the number of people aware of East African Community integration. The number of Ugandans employed in the other EAC Partner States increased by 94% and the value (in US dollars) of intra EAC trade increased from US\$2,576 to US\$2,785.

**Local Government Administration and Development:** Through the Markets and Agricultural Improvement Project (MATIP-2) under Ministry of Local Government (MoLG):

- (i) Civil works for the 10 markets in the districts of Arua, Soroti, Busia, Tororo, Mbarara, Lugazi, Entebbe, Masaka, Moroto and Kasese averaged at 93%, against a time progress of 95% by 30th June, 2020.
- (ii) Construction of shelters to house the high-level value addition equipment for Arua and Busia Markets were completed and machines installed at both sites. The Arua Maize Mill was currently under test run to determine the actual performance and efficiency. Civil works on value addition machines in Soroti District visited was at 27.7%.
- (iii) Through PRELNOR, 1,800 Farmer Groups (FGs) were supported with farmer institution strengthening and agriculture extension interventions in five districts. Through field demonstrations, farmers adopted good performing crop varieties and good agricultural practices.

*Household mentoring:* A total of 7,000 vulnerable households were mentored, reaching 70% of the target. The lives of the mentored households changed through; increased household ownership of assets, and improved food security and welfare (saving money from food sales, having three months' food reserves). However, the vulnerable household outcome surveys, the implementing partner reports and the project annual outcome surveys contain a wealth of information, most of which is not included in the annual report.

- (iv) *Improving Market Access and Infrastructure:* Upgrading the existing and new construction of 606 community access roads (CARs), under Batch A, which started in March 2019 was in progress with works at 92% physical and 80% financial progress. Out of the total 48 roads, 30 (356km) were completed and 12 (167km) were below 90%. The progress of these roads was slow with the contract execution period having to be extended by over seven months due to a combination of unusually high rainfall, poor performance of the contractors, and recently by COVID-19 lockdowns.

*Local Economic Development Programme in the MoLG,* progress of the zonal hubs in 12 DLGs was minimal. The hubs are intended to advance skills development, value addition, wealth creation and integrated farming to tackle unemployment and enable LGs generate their own revenue in order to deliver delegated services to the people.

**Coordination of Local Government Financing under Local Government Finance Commission (LGFC):** A total of 11 out of 20 local revenue databases were rolled out in LGs to help track their revenue performance from tax payers and as a result LGs easily track historical data on revenue collected.

**Development Planning:** Under the National Planning Authority (NPA), 84% (104/127) of MDAs and 91% (127/148) of LGs had aligned their sector strategic plans to NDP III. A Human Resource Planning framework aligned to the NDP III was produced to establish human resource requirements for economic growth.



**Local Government Management Service Delivery:** The KCCA performance was poor. Funds for organisational restructuring worth Ug shs 580 million were re-allocated without authority from the Permanent Secretary/Secretary to the Treasury (PS/ST) to procure office desks and chairs instead of human resource issues. KCCA still had non-validated pensioners mostly retrenched in 1992. Accountability for all funds released under the decentralised reforms is slow. Poor recruitment practices and records management resulted into inflated wage bill, hence some names are not on the Integrated Personnel and Payroll System (IPPS) payroll.

### Key Challenges

- i) The COVID-19 pandemic slowed down implementation of civil works for projects like the Development Response to Displacement Project (DRDIP), MATIP II, and PRELNOR amongst others, resulting in most planned outputs in the 3<sup>rd</sup> and 4<sup>th</sup> quarter not executed. Decentralised payroll reforms also slowed down. Some pensioners failed to access the payrolls and others were not paid pension and gratuity arrears; while recruitments in LGs for teachers and health workers was not implemented.
- ii) Poor planning for all affirmative projects monitored under OPM, as it is top-down (beneficiary lists come from OPM especially for Support to Bunyoro, Luweero- Rwenzori). District Councils were not involved in the planning and appraisal of projects, resulting in the projects not achieving intended objectives.
- iii) Poor implementation of Establishment Notice of No. 1 of 2020 from MoPS on guidelines on payroll, wage bill, pension and gratuity management. The non-adherence to the guidance on wage analysis on a quarterly basis has contributed to wage, pension and gratuity shortfalls. Non-compliant entities monitored included: Mukono, Bududa, Moroto, Nakapiripirit, Tororo, Bushenyi and Bugiri districts; Ministry of East African Affairs; and Ministry of Agriculture.
- iv) Unpaid pensions arising out of pensioners that were not validated. This was evident in Mayuge, Kabale, Mubende, Jinja and Mbale Municipal Councils, and districts of Kasese, Tororo, Bushenyi, Gulu, Kumi, Kyankwanzi, Luwero and Bugweri.
- v) A total of 19 Government agencies pay salaries using their own systems hence staffing data is not captured in IPPS report. These include Dairy Development Authority, NAADs, National Animal Genetic Research centre and Data Bank, NARO,

Rural Electrification Agency, UBOS, Cotton Development Organization, UNEB, KCCA, National Forestry Authority, National Medical Stores, Public Procurement and Disposal of Public Assets, Uganda Road Fund, Uganda Registration Service Bureau, Uganda Tourism Board, Uganda Revenue Authority, Uganda Industrial Research Institute, and Law Development Centre,

### Recommendations

- i) The MDAs and LGs should include business continuity plans in their strategic plans to cater for occurrences of pandemics and other disasters.
- ii) The MFPED in consultation with OPM should allocate IPFs to all projects under Affirmative Action, and funds sent directly to DLGs to cater for groups identified by district councils.
- iii) Wage analysis and monitoring is a core function of human resource management department therefore



a key performance indicator that should be included in the performance plan; non-adherence to the guidelines from MoPS should attract sanctions in accordance with Public Service regulations by MFPED and MoLG

- iv) The MoLG should sanction Accounting Officers still paying invalidated pensioners in accordance with Public Service regulations.
- v) The respective entities should endeavour to ensure the staff are on the IPPS payroll as per directives of the PS/ST.



## CHAPTER 1: BACKGROUND

### 1.1 Introduction

The mission of the Ministry of Finance, Planning and Economic Development (MFPED) is, “*To formulate sound economic policies, maximize revenue mobilization, and ensure efficient allocation and accountability for public resources so as to achieve the most rapid and sustainable economic growth and development*”. It is in this regard that the ministry gradually enhanced resource mobilization efforts and stepped up funds disbursement to Ministries, Departments, Agencies and Local Governments in the past years to improve service delivery.

Although some improvements have been registered in citizen’s access to basic services, their quantity and quality remains unsatisfactory, particularly in the sectors of health, education, water and environment, agriculture and roads. The services being delivered are not commensurate to the resources that have been disbursed, signifying accountability and transparency problems in the user entities.

The Budget Monitoring and Accountability Unit (BMAU) was established in FY2008/09 in MFPED and is charged with tracking implementation of selected Government programmes/projects and observing how values of different financial and physical indicators change over time against stated goals and targets (how things are working). This is achieved through Semi and Annual field visits to verify receipt and absorption capacity of funds by entities. Where applicable, beneficiaries are sampled to establish their level of satisfaction.

BMAU prepares Semi and Annual monitoring reports of selected Government programmes/ projects. The monitoring is at the level of inputs, intermediate outputs and outcomes in the following areas:

- Accountability
- Agriculture
- Infrastructure (Energy and Roads)
- Industrialization
- Information and Communication Technology
- Social services (Education, Health, and Water and Environment)
- Public Sector Management
- Science, Technology and Innovation

### 1.2 Sector Mandate

The mandate of Public Sector Management (PSM) is to promote sound principles, systems, structures and procedures of managing the Public Service. The Vision is accessible, timely, reliable, affordable and competitive Public Service, while the Mission is to establish a sector able to design and promote mechanisms to strengthen the capacity of PSM in readiness to anticipate and deliver public service reforms that will promote relevant and competitive Public Service.



### 1.3 Strategic Objectives and Outcomes

The sector objectives are to: (i) Promote development planning, (ii) Prioritize management and institutional development of Sciences in Government, (iii) Streamline talent management, (vi) Strengthen monitoring, evaluation and learning.

The sector outcomes are: (i) Harmonized government policy formulation and implementation at Central and Local Government levels; (ii) improved institutional, human resource management at Central and LGs; and (iii) coordinated monitoring and evaluation of policies and programmes at Central and LGs.

The sector priorities as avenues of contributing to the National Strategic Objectives and Vision 2040 are:

- i. Reviewing the architecture of Government service systems to act as a unit, harness synergies and deliver competitive public services.
- ii. Harmonizing policies, laws and regulations at the local government, national, regional and international levels.
- iii. Taking the lead in developing and implementing public service reforms and reviewing performance of the previous reforms leading to a better service delivery.
- iv. Pursuing policies aimed at kick-starting areas of human resource management, and development in the public sector management.
- v. Spear heading comprehensive and integrated development planning at Local and National levels.
- vi. Reviewing and strengthening the foreign policy to enhance collaboration in accordance with the existing and future agreements, standards and protocols within the EAC.
- vii. Contributing to enhancing Uganda's importance and constructive regional role in especially within the EAC framework and great lakes region.
- viii. Developing mechanisms for Local Government Financing.
- ix. Reviewing the architecture of Local Governments to enable them carry out the central role of delivering competitive services to the people.

Financing of the Sector is through nine Votes consisting of: (1) Vote 003- Office of the Prime Minister (OPM), (2) Vote 005- Ministry of Public Service (MoPS), (3) Vote 011-Ministry of Local Government (MoLG), (4) Vote 021- Ministry of East African Community Affairs (MEACA), (5) Vote 108- National Planning Authority (NPA), (6) Vote 122- Kampala Capital City Authority (KCCA), (7) Vote 146- Public Service Commission (PSC), (8) Vote 147- Local Government Finance Commission (LGFC), and (9) Vote 501-850- 133 Votes in the Local Governments (LGs).





## CHAPTER 2: METHODOLOGY

### 2.1 Scope

The report presents annual performance for selected PSM programmes for FY 2019/20. Monitoring visits covered 17 projects/programmes from eight Votes as shown in Annex 1. Selection to visit was based on a number of criteria:

- Budget allocations to Votes in sector budgets with a focus on large expenditure programmes.
- Programmes that had their progress reports submitted for FY2019/20 were followed up for verification against output and intermediate achievements.
- Projects/Programmes that contribute to sector and national priorities.
- For completed projects, the visits focused on quality, value for money and beneficiary satisfaction.

### 2.2 Methodology

Physical performance of projects, outputs and intermediate outcomes were assessed through a range of indicators and linking the progress to expenditure. Across all the projects and programmes monitored, the key variables assessed included: performance objectives, targets; inputs, outputs and the achievement of intermediate outcomes.

#### 2.2.1 Sampling

A combination of random and purposive sampling methods were used in selecting projects from the Ministerial Policy Statements and progress reports of the respective departments. Priority was given to monitoring outputs that were physically verifiable. In some instances, multi-stage sampling was undertaken at three levels: i) Sector programmes and projects ii) Local Governments and iii) Project beneficiaries. Outputs to be monitored are selected so that as much of Government of Uganda (GoU) development expenditure as possible is monitored during the field visits. Districts are selected so that as many regions of Uganda as possible are sampled throughout the year for effective representation.

#### 2.2.2 Data Collection

This was collected from various sources:

- Review of Secondary data included: Ministerial Policy Statements for FY2019/20; National and Sector Budget Framework Papers; Sector project documents and performance reports from the Programme Budgeting System (PBS), Sector Quarterly Progress Reports and work plans, District Performance Reports, Budget Speech, Public Investment Plans, Approved Estimates of Revenue and Expenditure, and data from the Budget Website.
- Review and analysis of data from the Integrated Financial Management System (IFMS) and IPPS; quarterly performance reports (Performance Form A and B) and bank statements from some implementing agencies.
- Consultations and key informant interviews with project managers in implementing agencies both at the Central and Local Government levels.
- Field visits to project areas for primary data collection, observation and photography.



- Call-backs in some cases to triangulate information.

### 2.2.3 Data Analysis

The data was analysed using both qualitative and quantitative approaches. Comparative analysis was done using the relative importance of the outputs and outcomes and the overall weighted scores.

Relative importance (weight) of an output monitored was based on the amount of budget attached to it; thus the higher the budget the higher the contribution of the output to the sector performance. This was derived from the approved annual budget of each output divided by total annual budget of all outputs of a particular programme/project. The weight of the output and percentage achievement for each output were multiplied to derive the weighted physical performance. The overall programme/project performance is a summation of all weighted scores for its outputs. On the other hand, the overall sector performance is an average of individual programme performances that make up the sector.

The performance was rated on the basis of the criterion in Table 2.1.

**Table 2.1: Assessment guide to measure performance of projects/programmes visited in FY2019/20**

SCORE	COMMENT
90% and above	<b>Very Good</b> (Most of the set targets achieved and funds absorbed)
70%-89%	<b>Good</b> (Some core set targets achieved and funds absorbed to 70%-89%)
50%- 69%	<b>Fair</b> (Few targets achieved and funds absorption is 50%-69%)
Less than 50%	<b>Poor</b> (No targets achieved and or funds absorption is less than 50%)

### 2.3 Limitations of the Report

- Limited access to information on the overall performance of the decentralised payroll reforms on gratuity, pension and salary arrears in some local governments (LGs) and Ministry of Finance, Planning and Economic Development (MFPED).
- Lack of detailed procurement details on items procured, outputs and intermediate outcomes implemented by some projects/sub-programmes.
- Lack of detailed performance work plans, targets, progress and evaluation reports in line with the project objectives,
- Lack of clear information on expenditures especially under GOU Markets and second Agricultural Trade Improvement Project (MATIP 2) and Support to Ministry of Local government.



## CHAPTER 3: SECTOR PERFORMANCE

### 3.1 Overall Sector Performance

#### Financial Performance

The approved budget for the eight Votes (inclusive external financing in Office of the Prime Minister, and Ministry of Local Government for FY 2019/20 was Ug shs 929.71 billion (exclusive of LGs, taxes and arrears), of which Ug shs 758 billion (82%) was released, and Ug shs 647 billion (85%) spent by 30<sup>th</sup> June, 2019/20. This was good release and absorption.

Public Sector Management accessed from the World Bank (WB) to support Development Response to Displacement Impacts Project (DRDIP) and Islamic Development Bank (IDB to finance Dry Land Integrated development project under OPM; African Development Bank (ADB), Internal Fund for Agricultural Development (IFAD), and one grant Adaptation for Small Holder Agricultural Program (ASAP) to support the MATIP II; and Project for the Restoration of Livelihoods in the Northern Region under MoLG. The detailed GoU performance is shown in table 3.1.

**Table 3.1: PSM Annual Financial Performance as at 30<sup>th</sup> June, 2020 Ug shs in billions**

Institution	Budget	Released	Expenditure	% Budget released	% Release Spent
Office of the Prime Minister (OPM)	157.509	193.507	189.188	122.90	97.80
OPM External Financing	460.862	308.001	213.35	81.10	80.30
Ministry of Public Service (MoPS)	31.373	27.269	22.615	86.90	82.90
Ministry of Local Government (MoLG)	40.938	38.712	36.865	94.60	95.20
MoLG External Financing	137.494	100.553	96.329	73.10	95.80
Ministry of East African Community Affairs (MEACA)	52.242	42.846	42.408	82.00	99.00
National Planning Authority (NPA)	33.567	32.285	32.263	96.20	99.90
Kampala Capital City Authority (KCCA)	2.057	1.875	1.471	91.20	78.50
Public Service Commission (PSC)	8.857	9.136	9.037	103.20	98.90
Local Government Finance Commission (LGFC)	4.814	4.1	4.086	85.20	99.70
TOTAL	929.713	758.284	647.612	82	85

Source: PBS, MFPED, July 2019 - June, 2020

#### Physical Performance

The performance of Public Sector Management for FY2019/20 in terms of planned outputs and intermediate outcomes was fair at 61%. There was partial implementation of planned outputs and intermediate outcomes in all programmes monitored except those that had challenges such as setting of performance targets and outcomes indicators in line with program objectives. The COVID-19 pandemic delayed implementation of planned activities scheduled in the third and fourth quarters.



Absorption capacity for pension and gratuity payments was good except for pensioners not validated however accountability is still slow especially for districts that received large pension and gratuity arrears. E.g. Tororo, Sironko, Bushenyi, Kotido, Busia, and Lira with a cumulative amount of Ug shs 13 billion not unaccounted for. Wage absorption was not satisfactory in most LGs monitored due to COVID-19 where districts could not recruit teachers and health workers. Recruitment and attraction of officers in strategic positions in LGs remain a challenge partly due to poor remuneration. In Central Government, there was poor wage absorption because of delayed recruitments by the Health Service Commission and deployments by Ministry of Health. The Ministry of East African Community Affairs (MEACA) and still had poor performance. Detailed performance of PSM at Vote level as at 30<sup>th</sup> June, 2020 is shown in Table 3.2.

**Table 3.2: Overall Performance of the PSM Votes as at 30<sup>th</sup> June 2020**

Vote		% Programme Performance
003	Office of Prime Minister	59
005	Ministry of Public Service	67
011	Ministry of Local Government	45
021	Ministry of East African Community Affairs	66
108	National Planning Authority	60
122	Kampala Capital City Authority	49
146	Public Service Commission	79
147	Local Government Finance Commission	63
	Average performance	61

Source: BMAU field findings

### 3.2 Vote 003: Office of the Prime Minister

The mandate of Office of the Prime Minister (OPM) is to lead Government business in Parliament and coordinate Government policies across Ministries, Departments, Agencies and other Public Institutions. The Vote consists of three programmes namely: Strategic Coordination, Monitoring and Evaluation; Disaster Preparedness and Refugees Management; and Affirmative Action.

#### 3.2.1 Strategic Coordination, Monitoring and Evaluation

The programme objective is coordination and implementation of Government Policies, Plans, Programmes and Projects; and to lead and coordinate harmonized monitoring and evaluation at the National and Local Government levels. The programme outcome is improved coordination, monitoring and evaluation. The sampled projects/sub-programmes under this programmes included: (i) Policy Implementation and Coordination; and (ii) Government Evaluation Facility Project.

#### Performance

The approved budget for FY 2019/20 for the sampled projects was Ug shs 1.284 billion, all of which was released and Ug shs 1.257 billion (98%) spent by 30<sup>th</sup> June, 2020. This was good release and absorption. The detailed programme performance at output level is shown in table 3.3.



**Table 3.3: Performance of Strategic Coordination, Monitoring and Evaluation as at 30<sup>th</sup> June, 2020**

Output Performance							
Project-Sub programme	Out put	Annual Budget (Ug shs)	Cumulative receipts	Annual target	Cum. Achieved	% physical performance	Remarks
17 Policy Implementation and Coordination	01 Government policy implementation coordination	0.698	0.698	6	2.5	22.667	The planned output is not in tandem with planned activities; however, the Nutrition Paper for NDP III and second Uganda Nutrition Action Plan were developed.
1294 Government Evaluation Facility Project	06 Functioning National Monitoring and Evaluation	0.585	0.585	4	2	22.800	(i) A study for process evaluation of the Green Jobs Programme was conducted; and (ii) a Consultant to undertake a process evaluation of PSD strategy, Green Jobs Programme, and Cooperatives Policy was procured and evaluation was underway.
	Total	1.284	1.284			45.5	
Outcome Performance							
	Outcome Indicator		Annual Target	Achieved	Score (%)		
	Proportion of the recommendations from the Coordination platforms implemented		60	30	50		
	Proportion of key government priorities fast tracked for effective service delivery		100	30	50		
	Percentage of agreed actions from Government performance assessments implemented		70	70	100		
	Programme Performance (Outcomes)				67		
	Overall Programme Performance				52		Fair

Source: IFMS data/OPM Project report/ field findings -August 2020

## Conclusion

The overall programme performance was fair at 52%; however, the programme planned outputs and outcome indicators are not aligned to the programme objective.

## Recommendations

- The OPM Planning Unit and Head of Department of Monitoring and Evaluation should streamline planned activities, outputs, outcome indicators with the programme objective.
- The MFPED in consultation with OPM should review the Government Evaluation Facility (GEF) project under OPM which is more of recurrent in nature than development.

### 3.2.2: Disaster Preparedness and Refugees Management Programme

The programme objective is to strengthen capacities for mitigation, preparedness and response to natural and human induced disasters, and to lead and enhance National response capacity to refugee emergency management and the outcome is effective disaster, preparedness and refugee management. Two projects including Development Response to Displacement Impacts Project (DRDIP) and Humanitarian Assistance Project were monitored.



## Performance

The approved GoU budget for Humanitarian Assistance for FY 2019/20 was Ug shs 11.898 billion, of which Ug shs 9.816 billion (83%) was released, and Ug shs 8.824 billion (90%) spent by 30<sup>th</sup> June, 2020. This was good release and absorption.

The approved budget for DRDIP was Ug shs 110.836 billion, of which Ug shs 108.045 billion (98%) was released and Ug shs 89.934 billion (83%) spent by 30<sup>th</sup> June, 2020. This was a good release and absorption. The detailed programme performance is shown in table 3.4.

**Table 3.4: Performance of the Disaster Preparedness and Refugees Management Programme as at 30<sup>th</sup> June, 2020**

Output Performance							
Pro-ject-Sub pro-gramme	Output	Annual Budget (Ug shs)	Cumulative receipts	Annual target	Cum. Achieved	% physical performance	Remarks
Pro-ject:0922 Humanitarian Assistance	03 IDPs returned, resettled, Refugees settled and repatriated	5.098	5.046	3	2	2.424	(i) A total of 135 out of the planned 150 IDP households were resettled in the 140 constructed houses in Bulambuli District; and 2,000 out of planned 10,000 tree seedlings planted. However, the highest expenditure was of Ug Shs 1.8bn spent on unplanned short term consultancy. Details on the consultancy and reports for justification were not availed.
	04 Relief to disaster victims	3.700	2.669	180369	281450	3.037	A total of 281,450 households out of the planned 250,000 were supplied with 112,650 bags of 100kgs of rice; 943,252 100kgs bags of maize and beans; and 22,026 pieces of assorted non-food items to 69 disaster affected districts.
	72 Government Buildings and Administrative Infrastructure	2.200	2.100	3.8	0.9	0.426	(i) There were ongoing civil works for 3 classroom blocks, administration block and (two 5-stance and 2 single-stance) pit latrines; (ii) Civil works for the Health Centre III facility had not yet commenced. (iii) 6km of access roads in the settlements were opened.
Project: 1499 Development Response for Displacement IMPACTS Project (DRDIP)	06 Refugees and host community livelihoods improved	11.216	8.455	1720.3	1508	8.069	(i) 4,285 out of planned 650 households were supported with funds for non-traditional livelihoods activities such as bee keeping, fish farming, crop and livestock farming.  (ii) Funds were used to monitor and supervise construction of 370 classrooms; 247.8Km of CARs; 30 wards (OPDs, paediatric and general wards) at health centres; and 18 staff houses in 14 districts.  (iii) 717 sub-projects in 44 water shades were supported.



Output Performance							
Pro-ject-Sub programme	Output	Annual Budget (Ug shs)	Cumulative receipts	Annual target	Cum. Achieved	% physical performance	Remarks
	051 Transfer to other Government units	97.787	97.787	1	0.45	36.118	Funds to 14 refugee hosting districts were disbursed for: (i) Construction of 370 out of 1,200 classrooms; 247.8kms out of 650kms of CARs; 18 staff houses and 30 (OPDs, paediatric and general wards) at health centres; (ii) procurement of value addition facilities such as grain millers, cassava, soya and peanut processing machines to 51 community groups; and supporting 4,285 households with non-traditional livelihoods activities; and 12,379 households with traditional livelihood activities.
	72 Government Buildings and Administrative Infrastructure	0.038	0.009	0.2	0.1	0.006	Funds worth Ug shs 9 million were spent on branding and engraving office equipment and maintaining air conditioners
	Purchase of Motor Vehicles and Other Transport Equipment	1.795	1.795	15	12	1.179	Eight double cabin pickups and four Motorcycles were procured for districts.
	Total	121.834	117.862			53.02	
Outcome Performance Analysis							
	Outcome Indicator			Annual Target	Achieved	Score (%)	
	Level of implementation of the Settlement Transformative Agenda			60	49	82	
	Functional Disaster Monitoring, Early warning and Reporting System			100	70	70	
	Programme Performance (Outcomes)					70	
	Overall Programme Performance					59	Fair

Source: IFMS Data/OPM Project Report/ Field Findings

## Conclusion

The Disaster Preparedness and Refugees Management was fair at 59%. Though relief food and non-food items were distributed in disaster affected districts, the disaster committees in the districts were still dormant. However, expenditure and reports on procurements of relief food and non-food items and consultancies were not readily available. The DRDIP has improved access to basic social services through completed outpatient and paediatric wards; classroom blocks and Community Access Roads (CARs).

Under the Livelihood Support Programme, community groups in 14 refugee hosting districts were financially supported in crop farming, animal husbandry, aquaculture, bee keeping, and small scale businesses. Under the Sustainable Environmental Management funds were disbursed to beneficiary districts to implement Natural Resources Management and access to energy sub projects which included construction of fish ponds, cook stoves and biogas and this was evident in Hoima District. However, in other districts this component has not yet been implemented as they are yet to get implementing partners.



## 1) Sub-Programme: Humanitarian Assistance

### Background

The project objective is to coordinate timely response to disasters, provide and distribute food and non-food relief to disaster victims in 194 districts. The relief food items included maize, beans, rice from China and other assorted foods while the non-food items included tarpaulins and blankets. The project period is from 1<sup>st</sup> July 2015 to 30<sup>th</sup> June, 2020.

### Findings

**IDPs returned and resettled, refugees settled and repatriated:** By 30<sup>th</sup> June 2020, 140 planned housing units were constructed in Bulambuli District. The contracts for civil works for phase II cost Ug shs 7.272 billion with a value of each house costing approximately Ug shs 51 million. UPDF, Police and Prisons were on site. A total of 135 households were resettled in 138 out of the planned 140 housing units. Field interactions with the Chief Administrative Officer and District Engineer corroborated this information. Each family was provided with a two-bedroom house and supported with 8kgs of maize seed, 6kgs of beans, seeds for green vegetables and five mango seedlings for planting. Interviews with most beneficiaries revealed that they were appreciative.

Community Access Roads (6kms) were opened for accessibility within the resettlement area and civil works for the primary school were ongoing. Mr. Makoko was visited and his family were among the IDPs relocated and he appreciated the gesture. However, connections to UMEME and solar for the Phase II housing units were pending.



**Constructed access roads in resettled communities under Phase II in Bunambutye Town Council, Bulambuli District**



**The Makoko family in their resettled house in Bunambutye sub-county, Bulambuli District**

**Relief to Disaster Victims:** During FY 2019/20, a total of 112,650 bags of 50kgs of rice (food items) a donation from China Government; and 943,252 100kgs bags of maize and beans; and 36,328 pieces (non-food items) including blankets, sim-sim, buckets, spades and fortified foods were procured and distributed to 69 disaster affected regions. Central, Bugisu, West Nile and Ankole-Kigezi regions were mostly affected, whereas Sebei region was least affected as shown in Table 3.5. However, the unit costs of procurements were not provided.



**Table 3.5: Distribution of Food/ Non-Food Items by Region by 30<sup>th</sup> June 2020**

Sub-regions	Rice (bags of 50kgs)	Maize flour (bags of 100kgs)	Beans 100kgs (bags)	Others (blankets, simsim, fortified foods) boxes / pieces)	No. of districts
Acholi	10,960	19,060	9,530	8,826	5
Ankole-Kigezi	12,300	152,600	72,300	3,070	7
Bugisu	15,500	0	0	1,400	7
Busoga	3500	30,250	5,625	1,130	2
Central	22,050	129,838	55,919	2,240	15
Eastern	8,400	80,000	15,000	650	3
Lango	1,800	15,000	5,000	550	2
Others	420	0	0	0	2
Sebei	500	0	0	0	1
Teso	7,720	5,000	2,500	13,452	6
Toro-Bunyoro	6,800	139,400	69,700	410	5
West Nile	11,400	22,000	9,500	900	7
Western	1,200	100,000	5,000	3,130	2
Karamoja	10,100	20	10	570	5
Total	112,650	693,168	250,084	36,328	69

*Source: Humanitarian Assistance Progress Reports; Field Findings*

The districts of Bulambuli, Sironko, Omoro, Serere and Nakasongola were visited to confirm receipt of food items to districts and beneficiaries. The CAOs, District Community Development Officers confirmed receipt and distribution of food and non-food assorted items.

Officials from Serere District confirmed receipt of assorted non-food items in October 2019 which were distributed to over 100 vulnerable homesteads (widows, sick, elderly and child headed households) in four counties. The items included 360 pieces of blankets, 100 pieces of Jerricans, 30 cartons (240pcs) of soap, 100 buckets, 600 pieces of spades, and 500 sleeping mats. Bulambuli District officials and records availed confirmed receipt of 500 bags of 50kgs of rice that were distributed to over 230 homesteads in eight sub-counties affected by floods, mudslides and landslides. Nakasongola District received 11,838kgs of maize; 5,919kgs of beans and 100 tarpaulins in May 2020.

**COVID-19 Relief Food Distribution in Kampala, Mukono and Wakiso districts:** According to the OPM Programme Budgeting System (PBS) report, a total of Ug shs 1,829 billion was spent on procurement of agricultural items, however, details on expenditure on procurements to ascertain value for money was not availed. In April 2020, Uganda distributed relief food to about 1.5 million urban poor who were affected by the lockdown as a measure to contain the COVID-19 outbreak in the country. The beneficiaries included the vulnerable in Kampala and neighbouring central district of Wakiso and Mukono. The beneficiaries received rations of 6kg of maize flour per person, 3kg of beans per person, and salt (the lactating mothers and the sick received 2kgs of powdered milk and 2kgs of sugar).

A total of 683,131 households in Kampala, Wakiso and Mukono inclusive of 15,242 households and 22,521 persons served by Uganda Red Cross Society Donations in Seeta Ward-Goma, Mukono received food items worth 11,329,398kgs of maize flour; 1,235,357kgs of beans; 26,221 tins of milk and 50,448kgs of sugar as shown in table 3.6.

**Table 3.6: Summary of COVID-19 Relief Food Distribution as at 30<sup>th</sup> May 2020**

Division	Households	Persons	Maize Flour (Kgs)	Dry Beans (Kgs)	Milk (Tins)	Sugar (Kgs)
<b>Kampala</b>						
Central	21,795	60,169	361014	180702	913	961
Kawempe	103,472	282,843	1,697,898	856,987	7,483	13,462
Makindye	124,943	392,676	2,350,886	1,182,419	3,498	7,074
Nakawa	111,066	315,049	1,894,224	944,404	1,850	4,794
Rubaga	144,329	372,662	2,217,512	1,166,987	5,234	13,530
<b>TOTAL</b>	<b>505,605</b>	<b>1,423,399</b>	<b>8,521,534</b>	<b>4,331,499</b>	<b>18,978</b>	<b>39,821</b>
<b>Mukono</b>						
Goma	27,382	53,461	320,704	156,697	2,672	2,467
Mukono Central	15,577	40,536	243,216	121,008	892	799
<b>TOTAL</b>	<b>42,959</b>	<b>93,997</b>	<b>563,920</b>	<b>277,705</b>	<b>3,564</b>	<b>3,266</b>
<b>Wakiso</b>						
Bweyogerere	7,899	23,393	140,406	70,195	362	377
Kasangati	6,398	16,613	99,678	49,834	554	884
Nabweru	47,319	128,818	772,892	441,423	1,151	2,805
Namugongo	46,243	130,776	784,172	450,507	762	1,591
Nansana	26,708	74,476	446,796	223,398	850	1,704
<b>TOTAL</b>	<b>134,567</b>	<b>374,076</b>	<b>2,243,944</b>	<b>1,235,357</b>	<b>3,679</b>	<b>7,361</b>
<b>Cumulative total</b>	<b>683,131</b>	<b>1,891,472</b>	<b>11,329,398</b>	<b>5,844,561</b>	<b>26,221</b>	<b>50,448</b>

Source: OPM Progress Report, May 2020; Field Findings August, 2020

### Challenges

- Majority of vulnerable households did not benefit from the food donations including many urban and rural dwellers. This includes the sick and persons with disabilities (PWDs).
- Lack of disaggregated data on the distribution lists to determine equitable distribution in terms of gender and equity.
- Inadequate information management by the Local Councils (LCs) on beneficiaries hindered effective distribution of food items.
- No details and expenditures were availed for the items distributed.

### Recommendations

- The Office of the Prime Minister (OPM) together with relevant stakeholders should consider using already established systems to undertake nationwide food distribution and get disaggregated data to include the gender and equity aspects
- The OPM should consider LC representatives and Village Health Teams during the design and implementation of relief food programs to ease identification and estimations of households.



**Government Buildings and Administrative Infrastructure:** A primary school under construction in the Bunambutye resettlement was visited in Bulambuli District. The contract was awarded to Uganda Police at a sum of Ug shs 500 million with a contract period of five months (19<sup>th</sup> June 2020 to 31<sup>st</sup> October 2020). By August 2020, the civil works were at 60% physical progress. The quality of works was good and this was verified by the Acting District Engineer, Bulambuli District. The contract for construction of the health centre was awarded to the Uganda Red Cross Society at a contract sum of Ug shs 300 million. However, by 30<sup>th</sup> August, 2020 civil works had not yet commenced.



Current resident of Bunambutye Primary School for students in the settlement, Bulambuli District



Ongoing civil works on new classroom blocks

## 2) Sub-Programme: Development Response to Displacement Impacts Project (DRDIP)

### Background

Government of Uganda secured a loan from World Bank towards the Development Response to Displacement Impacts Project (DRDIP). The five year Project (2017-2021) seeks to improve access to basic social services, expand economic opportunities, and enhance environmental management in 14<sup>1</sup> refugees hosting districts and is coordinated by OPM. The project aims to alleviate the negative environmental and economic impacts by improving economic opportunities for refugees and host communities.

The project has four components: (i) Social and Economic Services and Infrastructure (SESI); (ii) Sustainable Environmental Management (SEM) through Integrated Natural Resources Management (INRM) and access to Energy; (iii) Livelihoods Programme (LP) through Support to Traditional and Non-Traditional Livelihoods and (iv) Project Management, and Monitoring and Evaluation.

### Performance

The total budget for the 14 districts was Ug shs 162,477,180,684, of which Ug shs 88,819,393,631 (55%) was disbursed and Ug shs 73,627,787,053 (83%) accounted for. Table 3.7 shows the detailed financial performance of funds disbursed to districts per component.

<sup>1</sup> Adjumani, Arua, Hoima, Isingiro, Kamwenge, Kikuube, Kiryandongo, Koboko, Kyegegwa, Lamwo, Madi-bOkollo, Moyo, Obongi, and Yumbe

**Table 3.7: Sub-Project Disbursements to Districts in US\$ as at 30<sup>th</sup> June, 2020**

Districts	SESI	Accounted for	LSP disbursed	Total Accounted for	Total INRM Disbursed	Accounted For
Adjumani	6,581,241,840	5,429,127,503	2,247,700,000	1,884,897,400	1,637,728,358	130,782,500
Arua	5,566,233,400	4,966,495,988	1,846,600,000	1,221,000,000	1,605,257,062	-
Hoima	3,794,500,000	3,215,394,499	569,580,000	511,760,256	574,651,424	29,441,787
Isingiro	12,330,362,594	11,036,892,488	2,242,023,200	1,572,500,000	2,318,025,448	-
Kamwenge	12,384,178,000	11,238,659,984	2,281,200,000	1,628,000,000	2,066,200,000	-
Kikuube	1,560,000,000	394,491,300	1,669,800,000	1,581,548,850	1,122,746,651	-
Kiryandongo	8,802,196,920	6,789,506,373	2,225,300,000	1,572,500,000	1,443,800,000	-
Koboko	7,694,544,247	6,723,307,276	2,232,500,000	1,628,000,000	1,397,122,898	36,029,400
Kyegegwa	8,654,635,121	7,289,464,787	2,358,600,000	1,628,000,000	1,589,796,502	-
Lamwo	10,232,719,655	7,603,000,000	2,215,200,000	1,674,709,950	2,398,493,312	22,293,500
Madi Okollo	506,314,876	-	407,000,000	407,000,000	243,708,354	-
Moyo	9,425,701,250	8,009,686,583	1,131,800,000	814,000,000	1,530,910,464	-
Obongi	710,000,000	-	1,174,000,000	814,000,000	1,031,515,232	-
Yumbe	13,229,438,314	10,519,624,187	2,233,200,000	1,628,000,000	2,886,400,000	-
Total	101,472,066,217	83,215,650,968	24,834,503,200	18,565,916,456	21,846,355,705	218,547,187

Source: DRDIP Progress reports, September, 2020

The districts of Arua, Koboko, Hoima, Kikuube, Kiryandongo and Kyegegwa were sampled and visited.

## Findings

### Social and Economic Services and Infrastructure Component

*Construction of classrooms:* Completed primary schools in Hoima, Kyegegwa, and Koboko were visited. Field findings and interactions with the district engineers and project coordinators verified the construction completions of a three-in-one classroom block at Kasenyi Lyato Primary School in Hoima District; a block of three classrooms with headteacher's office in Kyegegwa District, and a classroom block in Lobule Primary School, Koboko District and classroom furniture supplied. The classroom blocks have increased from 278 to 512 in DRDIP supported schools. Pupil stance latrines have increased from 426 to 960 stances, and desks supplied increased from 5,041 to 9,596. This has increased enrolment and attendance of pupils.

*Construction of health infrastructure:* A total of 18 (OPD, paediatrics, general ward, drug stores) out of planned 30 health facilities were completed in the 14 districts. Some of the completed health facilities visited included; a general ward and paediatrics ward at Kyegegwa HC IV which were functional. The general ward at Lobule HC III in Koboko was also completed and handed to community for use. These health facilities have increased inpatient numbers in the DRDIP supported communities with more females at 56% being served. However, the operating theatre and OPD block at Kyegegwa HCIV were at 68% completion, whereas the OPD in Kikuube district was at 45% physical progress.

*Construction of roads:* The Kichanga–Kisaruru road (8km) in Hoima; and Migongwe-Migamba-Rwentuaha-Kazinga 24km CAR in Kyegegwa and Nyakadote- Panyadoli-Kimogoro-Kawiti road (43Km) in Kiryandongo were completed. The CARs were reshaped, gravelled and culverts installed along the roads. These CARs have eased the movement of agricultural produce from the villages to main market centres and created interconnection among sub counties. The monitoring team confirmed that the actual kms were completed and this was verified by the district engineer and quality of roads was fairly satisfactory.



**Contractual Obligations:** The total amount of contractual obligations for civil works on 46 contracts for the second disbursement was Ug shs 17,566 billion, of which Ug shs 17.279 billion was paid out to contractors, whereas the 31 contractual obligations for the third disbursement was Ug shs 13.154 billion, of which Ug shs 8.111 was paid out by 30<sup>th</sup> June 2020. The balance of Ug shs 5.33 billion was for pending certificates. The contractual obligations of selected sites visited by August, 2020 is shown in Table 3.8.

**Table 3.8: Completed and ongoing projects monitored as at 30<sup>th</sup> June, 2020**

No.	Category	Contractor	Contract Amount (Ug shs)	Cumulative Payments (Ug shs)	Remarks
1.	Construction of General Ward at Lobule HC III, at Lobule HC III, Lobule Sub-county, Koboko district	M/S Big General Stores G	0.547	0.520	The classroom block was completed, painted and handed over to the school.
2.	Construction of an operating theatre and OPD block at Kyegegwa HC IV	AZU Properties Limited	1.063	0.259	Work progress was at 68%. The superstructure was completed. Contactor was at roofing stage. However works were affected by the lock down due to COVID-19 pandemic.
3.	Construction of 2 - three in one classroom blocks, 01 blocks of 5 stances drainable latrine Supply, delivery and installation of 10,000 ltr capacity stainless steel rainwater harvesting tanks for each block in Mbegu primary school, Hoima/Kikuube district	M/s King Star Construction Ltd	0.499	0.230	Work progress was at 68%. The contractor has finished walling preparing for roofing.
4.	Full rehabilitation of Kyegegwa-Nkomangani—Kasenene-Hamwogo-Buraro, 27 Kilometers Kyegegwa District	Net orld (U) Limited	0.977	0.607	Work progress was at 76% completion. Gravelling of the CAR was ongoing, however works were affected by the lock down due to COVID-19 pandemic.
5.	Construction of an OPD, Supply, delivery and installation of lightening protection and 10,000 ltr capacity stainless steel rainwater harvesting tank, a block of 5 stances drainable latrine at Kabwoya Health Centre III, Hoima district	Richo Investments Ltd	0.400	0.093	Works were at sub-structure level progress was at 45% completion. Contractor was finalizing with walling and superstructure. Project duration was 22/11/2019-22/4 /2020; however, works were affected by the lock down due to COVID-19 pandemic.

*Source: DRDIP progress reports, Quarter 4, August2020; field findings*



**Completed and functional paediatrics ward at Kyegegwa HC IV**



**Ongoing civil works on three in one classroom blocks at Mbegu Primary School, Kikuube District**

**Sustainable Environmental Management Component:** The districts of Kikuube and Hoima were visited. Ug shs 574,651,424 was disbursed to Hoima, of which Ug shs 29,441,787 was accounted for. The funds were meant for woodlot, nursery establishment and tree planting. Implementation had commenced in eight villages where 70 out of the planned 86 acres of land were cleared and 26 eucalyptus tree species planted. Mangoes, avocado, and jackfruit tree species were planted on 22 acres of land. Kikuube District received Ug shs 1,527,841,725 for Natural Resource Management and access to energy, whereas Kyegegwa District received Ug shs 2,168,270,737 for implementation of Natural Resource Management and access to energy activities, however implementation had not yet begun.

This component aims to address environmental challenges brought about by unsustainable exploitation and use of natural resources by host and refugees. The impact at intermediate outcome level has not yet been realized on ground. Some sub-projects implemented under this component are seasonal and can only be implemented in the dry season, in addition, other sub-projects were waiting for implementing partners to be brought on board.

**Livelihoods Programme (LP) Component:** The component supports traditional and non-traditional livelihoods activities in host and refugees' communities to increase their income and expand economic opportunities. A total of 16,709 households (65% female) and 83,545 people benefitted. The districts of Kikuube and Hoima were visited and groups were engaged in crop farming, produce buying and selling, animal husbandry, aquaculture, bee keeping, small scale businesses and vocational skills.

The maize group in Kikonda village, Kikuube District was visited. It comprised of 10 members including the women and youth. The group was given Ug shs 18million to plant maize on 26 acres and each acre would fetch 25 bags. The package comprised of fertilizers, seeds, sensitization, land preparation, and mechanization using a tractor. By August 2020, the maize had been harvested and stored awaiting an increase in prices, so at household level, there is no impact yet since this was the first cycle.

In Hoima District, goat sheds were constructed for groups that procured more than 50 goats, and all the goats and the kids were in good health. The Karamwang Goat Rearing Group was given Ug shs 18.9 million. They used the funds to procure 70 in-calf goats and 05 boer goats and construction of a goat shed. The group intends to sell off some goats after maturity at an average of Ug shs 200,000 in the cycles of six months. Members will share 70% of the profits and re-invest the 30% in an enterprise of their own choice. However, implementation of fish production was affected by swelling waters and floods, and high cost of fish feeds



Harvested maize belonging to Kikonda Maize Group in Kikuube District



Karamwang Goat Rearing Group in Hoima District

**Project Management, Monitoring and Evaluation Component:** A total of US\$3,750,000 was budgeted for under this component, which was all was released and US\$3,369,544 (90%) spent by 30<sup>th</sup> June, 2020. No information was availed on expenditures.

### Challenges

- Project implementation under all components was affected by the total COVID-19 lockdown. This prolonged execution time of most planned outputs, like completion of civil works in schools, health and roads. Crop and animal farming, produce buying and tree planting were also affected.
- There was still minimal implementation of Sustainable Environment and Natural Resources Management component, this hinders the achievement of project objectives. Most districts awaited OPM's deployment of implementing partners for the cook stoves, solar, tree planting and energy sub projects.
- Livelihood Support Programme activities such as fish production and trade were affected by swelling waters and floods, high cost of transportation of materials and fish fry due to the floods on the landing sites.

### Recommendation

- The project coordination teams should implement activities in the other components if the project objectives are to be met.

### 3.2.3 Affirmative Action Programme

The programme objective is to coordinate and monitor the implementation of Government affirmative action programmes in disadvantaged regions. The programme outcome is improved incomes and sustainable livelihood in the disadvantaged areas through improved production and wealth creation and the

The five sub-programmes sampled and visited included: (ii) Post-War Recovery and Presidential Pledges; (iii) Support to Bunyoro Development; (vi) Support to Luwero Rwenzori Development Programme (LRDP; and (vii) Support to Teso Development Project.



## Performance

The FY 2019/20 budget for the sub-programmes was Ug shs 52.291 billion, of which Ug shs 37.667 billion (72%) was released and Ug shs 37.138 (99%) spent by 30<sup>th</sup> June, 2020. This was a good release and absorption. The detailed programme performance is shown in table 3.9.

**Table 3.9: Performance of Affirmative Action Programme as at 30<sup>th</sup> June, 2020**

Output Performance							
Project-Sub programme	Output	Annual Budget (Ug shs)	Cumulative receipts	Annual target	Cum. Achieved	% physical performance	Remarks
Project:0932 Post-War Recovery and Presidential Pledges	01 Implementation of Peace, Recovery and Development Plan (PRDP) coordinated and monitored	2.376	2.375	7	0.5	0.397	Funds were spent on co-ordination and monitoring PRDP activities in Northern Uganda. High expenditures were on consultancies (Ug shs 500 million) on PRDP evaluation that is still in draft form.
	06 Pacification and Development	0.955	0.955	5	0.3	0.134	Procured and distributed hand hoes; iron sheets; maize mills; motorcycle repair kits; and bicycle kits to districts in Northern Uganda.
	07 Restocking Programme	19.550	10.146	9653.3	6272	29.717	A total of 6,272 (65%) out of 9,653 cattle had so far been procured and distributed to 10 districts.
	72 Government Buildings and Administrative Infrastructure	0.900	0.508	1.1	0.1	0.187	Funds worth Ug shs 58 million were spent on procurements of a supervision consultant
Project:1252 Support to Bunyoro Development	06 Pacification and development	0.229	0.229	11000	450	0.022	No distribution lists and items purchased were availed to the monitoring team upon request.
	51 Transfers to Government units	0.200	0.200	1	0.01	0.005	Integrated Financial Management System (IFMS) records showed that Ug shs 172 million was spent on 34 micro projects in four districts, however not all districts and vulnerable groups benefitted.
Project:0022 Support to Luweero Rwenzori Development Programme (LRDP)	06 Pacification and development	3.545	2.951	3.3	1.1	2.740	(i) Funds were used to conduct technical and political monitoring of LRDP projects; and training of 148 PCAs in 20 districts. (ii) A total of Ug shs 660 million was spent on procurement of handhoes and iron sheets
	51 Transfers to Government units	12.837	8.803	1.4	0.86	18.831	(i) A total of Ug shs 2.898 billion was sent to seven districts in Busoga. (ii) Ug shs 2.866 billion to 15 districts in Luweero Rwenzori, and Ug shs 2.9 billion was disbursed to LRDP micro projects in 22 districts.





Output Performance							
Project-Sub programme	Output	Annual Budget (Ug shs)	Cumulative receipts	Annual target	Cum. Achieved	% physical performance	Remarks
	78 Purchase of Office and Residential Furniture and Fittings	0.100	0.100	1	0.10	0.23	Funds were used to procure furniture for the Luweero Rwenzori Office which is still vacant to date for unclear reasons.
Project 1251: Support to Teso Development Project	01 Implementation of PRDP coordinated and monitored	0.050	0.050	1	0.1	0.012	Paid contract staff salaries for the period July 2019 June 2020 including gratuity.
	06 Pacification and development	0.990	0.990	3	1	0.772	The 750 ox-ploughs; 3,000 out of 5,000 hand hoes; and 5,000 out of 15,000 iron sheets were procured and allocated to Members of Parliament for distribution to vulnerable households in Teso sub-region districts. No beneficiary lists were seen.
	51 Transfers to Government units	0.312	0.312	1	0.5	0.365	Funds worth Ug shs 146 million paid for completion of a four classroom block and toilets at Kaler Primary School in Ngora District; however, construction of a valley tank in Kaberamaido District had not yet began.
	72 Government Buildings and Administrative Infrastructure	0.700	0.500	0.7	0.35	0.802	Funds worth Ug shs 500 million paid for civil works for Soroti Regional Office Effects of the lock down affected completion of civil works.
	Total	52.291	37.667			54	
Outcome Performance Analysis							
	Outcome Indicator			Annual Target	Achieved	Score (%)	
	% reduction in vulnerability			10%	5%	50	
	% increase in average household incomes			10%	7%	70	
	Programme Performance (Outcomes)					60	
	Overall Programme Performance					56	Fair

Source: IFMS data/OPM Project report/ field findings – July 2019-June, 2020

## Conclusion

The Affirmative Action Programme performance was fair at 56% for both planned outputs and intermediate outcomes. Implementation of some planned outputs was carried forward to FY 2020/21 due the COVID-19 pandemic. In the 12 districts monitored, there was evidence of procured animals, implementation of micro projects and PCA programmes. However, Kaliro, Kyankwanzi and Bugiri districts had not spent the money due to delays in approval by the District Councils. While the Support to Bunyoro Project implementation of micro projects and distribution of agricultural inputs was minimal.



## 1) Sub-programme: Post-War Recovery and Presidential Pledges

### Background

The project objective is to initiate, design, coordinate and implement special programmes and projects for the troubled and disadvantaged areas of Northern Uganda and Karamoja regions and reducing vulnerability of women, youth, PWDs, children, ex-combatants, and the elderly by supporting them out of poverty. The coverage includes 55 districts and nine municipalities in the greater North covering eight sub-regions of West Nile, Acholi, Bunyoro, Lango, Teso, Karamoja, Elgon and Bukedi. The project period is 1<sup>st</sup> July, 2009 to 30<sup>th</sup> June, 2020.

### Performance

The approved GoU budget for FY 2019/20 was Ug shs 24 billion, of which Ug shs 13,985 billion (59%) was released, and Ug shs 13.535 billion (97%) spent as at 30<sup>th</sup> June, 2020. This was fair release, but good absorption.

### Findings

**Restocking Output:** The objective of the restocking programme is to enhance household incomes in West Nile, Acholi, Lango and Teso sub-regions; and contribute towards the depleted livestock population. A total of Ug shs 10 billion was spent and 10 out of 19 districts benefitted. Acholi sub-region got 1,903, Lango-1,640, Teso-1,507 and West Nile-1,222 cattle making a total of 6,146 out of 9,653 cattle. A total of 10 districts received 6,146 cattle worth Ug shs 5.479 billion. However, a total of 1,928 cattle awaited delivery to vulnerable groups in nine districts by August, 2020. The target was not achieved by 30<sup>th</sup>

June 2020 due to the effects of COVID-19 pandemic. Only 64% of the cattle were distributed.

Nwoya, Serere and Kumi districts were visited to assess the receipt of cattle (short horned East African Zebu) and beneficiary satisfaction. M/s Teso Investment Limited supplied 465 cattle to Nwoya District at a unit cost of Ug shs 900,000; M/s Sirann Mixed Farm Ltd, M/s Teso Investment Limited and M/s OPED Contractors and Suppliers supplied 664 cattle to Kumi District at a unit cost of 870,000. For Serere District; M/s OPED Contractors and Suppliers supplied 117 cattle at a unit cost of Ug shs 870,000, whereas M/s Sirann Mixed Farm Ltd supplied 300 animals at a unit cost of Ug shs 900,000.



**Mr. Julius Euku, a PWD with seven children living in Osugun Ward Parish, Serere District got a young heifer for his livelihood**

The beneficiaries and sub-county officials of these districts acknowledged receipt of 1,546 cattle in FY2019/20. Kadungulu and Serere Town Councils got 25 cattle, whereas Lungulu sub-county in Nwoya District got 75 cattle. In Kumi District, Alero and Kumi sub-counties got 60 and 86 cattle respectively.

The distribution lists were availed according to OPM guidelines. However, given that the animals distributed were young heifers but of good quality the intended impact is yet to be realized at household level. The distribution as per OPM guidelines was as follows: Serere and Kadungulu Town Councils: PWDs (02); 06 youth (06); women (03); vulnerable households (10) and elders' (06) whereas for



Procured hand-hoes at OPM stores in Kampala

Lungulu and Alero sub-counties in Nwoya: youth (19), widows (18), orphans (09), ex-combatants (10), veterans (19), PWDs (18), elderly (29), and vulnerable households (18).

**Pacification and Development:** A total of 26,168 hand hoes; 5,550 iron sheets; 40 motorcycle repair kits for vulnerable groups (women, youth, elderly, PWDs and poor households); and 100 bicycle kits for youth in Northern Uganda were procured and disbursed to various districts under the Presidential Pledges.

## 2) Sub Programme: Support to Bunyoro Development

### Background

The project objective is to support households to improve the livelihoods and socio-physical infrastructure in the districts of Hoima, Kibaale, and Bullisa, Masindi, Kiryandongo, Kagadi and Kakumiro. The project period is from 1st July 2010 to 31<sup>st</sup> December 2020 and it is coordinated by OPM.

### Performance

The FY 2019/20 approved GoU budget was Ug shs 419 million, which was all released and Ug shs 392 million (93%) spent by 30<sup>th</sup> June, 2020. This was good release and absorption.

### Findings

Hoima, Kiryandongo, and Kikuube districts and Masindi Municipal Council were sampled and visited to assess progress on implementation of micro projects and distribution of iron sheets and hand hoes.

**Pacification and Development:** Identification of beneficiaries was from top to bottom and not directly benefitting the vulnerable in the region. A number of iron sheets were distributed to upgraded sub-counties in Kigorobyia sub-county that had not been planned for. As a result, the iron sheets were still being kept in the stores by August 2020 waiting sub-counties to purchase land for construction.

A total of 6,336 iron sheets against the planned 2,500 were distributed as follows: Hoima 950; Kikuube 600; Masindi 1,878; Kakumiro 1,500, Kiryandongo 350; Kagadi 400; Kibaale 200 and Bullisa 458. Masindi Kitara Diocese has never been roofed despite the expenditure of 200 million received through Masindi Municipal Council.

Distribution of hand hoes was as follows: Hoima-4,200; Kikuube-3,500; Masindi-37,100; Kakumiro-3,200; Kiryandongo-3,200; Kagadi-4,500; Kibaale-3,200; Bullisa-3,200. There were no distribution lists for the hoes distributed in the region to determine who benefitted.



The stored iron sheets belonging to Bombo sub-county, Kigorobyia Town Council



A total of 34 out of planned 50 micro projects were supported for livelihood enhancement targeting vulnerable groups. Ug shs 172 million was released to support various projects such as piggery, SACCOs, catering, bodaboda associations, poultry farming and tree planting in the region. The money was to be apportioned as follows: Masindi District-Ug shs 65 million; Hoima -Ug shs 84 million, Kagadi-Ug shs 11 million and Kakumiro-Ug shs 12 million. The other districts had not benefitted by 30<sup>th</sup> June, 2020.



**M.K Poultry Farm in Masindi District**

Mr. Isingoma, a beneficiary of MK Poultry Farm was visited in Masindi Municipal Council. He had 500 birds and produces 10 trays a day. The proceeds are benefitting his family. The monitoring team also visited Mr. Bigirwa in Hoima Municipality who was allocated Ug shs 15 million to purchase coffee seedlings, however there was no documented evidence for the purchase of seedlings and there was no focus group met.

### Challenges

- Poor planning and budgeting which is top-bottom (beneficiary lists come from OPM) without consulting the respective Accounting Officers and the political leadership.
- The Bunyoro Coordinating Office is managed by a secretary and an office attendant
- The project has been highly politicised and not achieving the intended objectives in the Bunyoro region

### Recommendations

- The MFPED should consider remitting all funds for this project to the respective District Local Governments (DLGs) depending on the workplans and projects appraised and approved by Accounting Officers and sub-county chiefs in the respective LGs. The OPM should be at policy level.
- The MFPED in consultation with OPM should consider operationalizing the Bunyoro Coordinating Office with full time project staff to coordinate the project and develop better productive projects to alleviate the vulnerable from poverty.

## 3) Sub-Programme: Support to Luweero Rwenzori Development Programme (LRDP)

### Background

The project objective is to enhance household incomes and is implemented in 13 districts in the sub-regions of Luweero and Rwenzori Triangle. The project period is from 1<sup>st</sup> July 2009 to 39<sup>th</sup> June 2021. The districts of Kyankwanzi, Kiboga, Kyegegwa, Luweero, Nakasongola, Kabarole, Kasese, Wakiso, Iganga, Kamuli and Mayuge were sampled and visited to ascertain receipt and utilization of funds for Parish Community Associations (PCAs) and micro projects.



## Performance

The approved GoU budget for FY 2019/20 was Ug shs 16.482 billion, of which Ug shs 11.854 billion (72%) was released, and Ug shs 11.802 billion (99%) spent by 30<sup>th</sup> June, 2020. This was good release and absorption.

## Findings

**Parish Community Associations (PCA):** The PCA model aims at improving the livelihood of communities at the parish level. It provides funding modalities to farmers and other groups within a parish in a coordinated manner of self-regulation, appraisal, supervision and monitoring of funding to their members. Under the programme, a group of 30 members with a common income-generating activity are availed funds by the Government. Each PCA is supported with a revolving fund of Ug shs 30 million.

In Busoga sub-region, Iganga and Kamuli, Kaliro and Bugiri districts were visited. Whereas for Kaliro and Bugiri districts, funds were still on the district general accounts awaiting approval of the district councils, beneficiaries in other districts had accessed and used the funds. This information was corroborated with the Community Development Officers. Detailed information on allocation of PCA funds for Busoga region is shown in table 3.10.

**Table 3.10: PCA funds transferred to districts in Busoga Region as at 30th June 2020**

District	FY 2019/20	
	No of PCAs	Amount (Ug shs)
Kamuli	33	1,039,500,000
Kaliro	19	598,500,000
Mayuge	15	472,500,000
Luuka	10	315,000,000
Namutumba	5	157,500,000
Bugiri	5	157,500,000
Iganga	5	157,500,000
Total	92	2,898,000,000

*Source: DLG PCA reports, field findings, September 2020*

## Findings

**Kamuli District:** In June, 2020 Ug shs 120 million was allocated to four parishes of Mbulamuli sub-county and each parish was allocated Ug shs 30 million revolving fund to be paid back within a period of six months. A total of 62 groups benefitted from all the parishes. The monitoring team visited beneficiaries in Mbulamuli sub-county.

May Mutesi, a resident of Busobya Zone accessed Ug shs 400,000 from Mbulamuli PCA which she used to purchase two sacks of 100kg of rice each at Ug 200,000 and sold a kilo at Ug shs 2,500 and hopes to make a profit of Ug shs 50,000. The proceeds will go towards maintaining her family without waiting for help from her husband.



**May Mutesi in her merchandize shop in Mbulamuli sub-county, Kamuli District**



Steven Kitamirike a resident of Mbulamute Town Council accessed credit worth Ug shs 500,000 which he used to buy three bales of second hand clothes, and so far he had made a profit of Ug shs 300,000. He was able to support his family.

Daizy Nakimuli a nurse accessed credit of Ug shs 500,000, which she used to buy medicine supplies for her drug store. After two months, Daizy had sold drugs worth Ug shs 300,000 and paid back her monthly interest of Ug shs 98,000. She is able to look after her household.

**Iganga District:** In June, 2020 Ug shs 150 million was availed to five parishes, and each parish was allocated a tune of Ug shs 30 million revolving fund to be paid back within a period of six months. The Zukuka Bwanalira Village Savings Group, a women’s group in Bwanalira Parish accessed credit of Ug shs 2.5 million from Bwanalira PCA in Bulamagi sub-county.



**Akiroli Rovinsa in her hardware shop in Bulamagi sub-county, Iganga District**

Rovinsa Akiroli, a member of the group accessed credit of Ug shs 200,000 to buy stock for her hardware shop. She bought building nails worth Ug shs 200,000 and in a month she had sold nails worth Ug shs 150,000. She is able to look after her family.

Sarah Nabirye, a widow accessed credit of Ug shs 500,000, to start her restaurant business where she bought a sack of rice; two sacks of charcoal; a carton of baking floor and a 10 litre jerrycan of cooking oil and supplies food to residents of Bwanalira Trading Centre. She had earned Ug shs 300,000 from her restaurant business in a month.

Sauda Fatuma accessed credit of Ug shs 700,000 which she added to her soap making business. She had bought a jerry can of palm oil, 05kg sack of caustic soda, sodium silicate and one sack of soap stock. She made 50 bars of soap in one month which she sold at Ug shs 3,500. She had so far earned Ug shs 175,000. With the boost in her business, Sauda is hoping to keep her two children in school.

**Luwero Rwenzori sub-region:** The districts of Luweero, Nakasongola, Wakiso and Kiboga were visited. However, beneficiaries in Kyankwanzi, had not accessed the funds, as they were still on the general account. Detailed information on allocation of PCA funds for the sub-region is shown in table 3.11.

**Table 3.11: PCA funds transferred to districts in Luweero Rwenzori Region as at 30<sup>th</sup> June 2020**

District	Number of PCAs	Total Transferred to District
Butambala	3	94,500,000
Gomba	3	94,500,000
Kalangala	3	94,500,000
Kamwenge	3	94,500,000
Kayunga	5	157,500,000
Kiboga	15	472,500,000
Kyankwanzi	5	157,500,000
Lwengo	5	157,500,000



District	Number of PCAs	Total Transferred to District
Mityana	10	315,000,000
Mubende	9	283,500,000
Nakaseke	9	283,500,000
Nakasongola	10	315,000,000
Ntoroko	3	94,500,000
Wakiso	3	94,500,000
Kyenjojo	5	157,500,000
Total	91	2,866,500,000

Source: OPM, DLGs, September 2020

**Nakasongola District:** In June 2020 a total of Ug shs 300 million was allocated to 10 parishes and each parish received Ug shs 30 million as a revolving fund to be paid back within a period of six months. The Owesiga Mukama Women's Group comprised of 18 women accessed Ug shs 4.5 million and purchased 100 chairs and a 100-seater tent for their event management business. The group had so far one booking for an event in September 2020. They hire each chair at Ug shs 1,000 and the tent at Ug shs 250,000. The business is meant to empower the women.

**Wakiso District** was allocated Ug shs 90 million for three parishes and each parish was allocated Ug shs 30 million shillings revolving fund to be paid back within a period of 12 months. The team visited Kyeyune George who accessed credit of Ug shs 500,000 out of Ug shs 3 million that was allocated to Bweya Agaliwamu Development Association Group in Kajjansi Town Council. He used the money to buy fire wood for his brick making business. He intends to sell the bricks and further boost the business.

Ssisa Development Group in Kajjansi Town Council comprised of 15 PWD members accessed Ug shs 3.5 million which they used to improve their charcoal stove making business. Within two months the group had made and sold off 2,500 charcoal stoves.

**Micro-projects:** The districts of Wakiso, Nakasongola, Luweero and Kabarole were visited to assess receipt and expenditure.

Field findings reveal that all beneficiary groups in the districts had accessed and used the funds for various project enterprises such as catering, piggery, events management, fruit processing, green house construction and trading in grain produce. Detailed information on allocation of funds for the districts is shown in table 3.12.



Ssisa Development Disability Group at their charcoal stove business in Kajjansi Town Council, Wakiso District

**Table 3.12: Micro Project Funds for LRDP Districts visited as at 30<sup>th</sup> June 2020**

District	No of beneficiary micro project groups	Amount
Wakiso	186	2,000,000,000
Nakasongola	18	124,000,000
Luweero	04	40,000,000
Kabarole	22	244,000,000
Total	230	2,408,000,000

Source: DLGs reports, field findings, September 2020

**In Wakiso District** all 186 groups in nine town councils and six sub-counties benefitted and 5,000 people from support to micro projects. The groups had set up income generating projects. In June 2020, six groups in Kakiri Town Council benefitted from the Ug shs 110 million allocated to Kakiri Parish in Wakiso District. Three groups were visited to verify receipt and assess progress.



Workshop belonging to Kakiri Integrated Network Youth Group, Wakiso District

The Kakiri Integrated Development Network Group comprised of 13 youth accessed Ug shs 10 million for their construction and carpentry workshop business. They bought timber for making beds, door frames, door shutters, cupboards, and office and bedroom furniture for sale. The carpentry shop now employs five youth.

The Kigagga-Kwekulakulanya Micro Project in Kakiri Parish accessed Ug shs 5.8 million for their SACCO. The group is comprised of 20 members (14 female and 6 males) and had so far borrowed funds worth Ug shs 3 million to add in their small scale businesses at an interest rate of 5%. Members were expected to pay back after two months. The Youth Focus Group Busiro in Kakiri Parish comprised of 30 members was allocated Ug shs 18 million for their events management business. They had so far purchased two cameras, one laptop, camera stands, batteries and hard drive worth Ug shs 13.5 million. They had so far received three booking for events.

**In Nakasongola District**, the Mukama Afayo Twegatte Women's Group was visited. The group comprised of 14 women located in Mayirikiti Parish, Kalongo sub-county and accessed Ug shs 15 million in June 2020 for their events management business. The group purchased two- 100-seater tents, 200 chairs and cooking saucepans to hire out for functions. Through hiring of tents and chairs, the group had so far saved Ug shs 1,400,000 and would use the money to boost their business.

**In Kabarole District**, the Humura Development Association Youth Group comprised of nine members received Ug shs 20 million for a rabbit rearing project. The group used part of the funds to construct a rabbit house, purchased nine rabbits (four males and five female), and rabbit cages. So far, 64 rabbits were produced and the group intends to sell the rabbits.

The Joint Effort to support the needy (vulnerable) group in Nyakagongo Parish, comprised of 13 members (nine females and four males) accessed Ug shs 5 million for a tailoring business. They procured three sewing machines to offer tailoring classes to single mothers and school drop outs.





A total of 15 young girls and five mothers have so far have been enrolled. Items so far made were ladies African dresses and African shirts, wallets and school bags. The group has sold out items worth Ug shs 300,000.



**Rabbit rearing business for Humura Development Association Group in Kabarole District**

### Challenges

- Poor mind set in some areas of implementation. The thinking that PCA funds are tokens from government/politicians and therefore can be squandered without any consequences.
- The selection of beneficiaries is top-bottom and this delays appraisal of groups by district officials. As such beneficiary groups delay to account for funds disbursed. In addition, OPM does not avail the appraisal lists to districts to enable them appraise and verify beneficiary groups.
- Poor record keeping and financial management: Beneficiary groups lack adequate skills in proper record keeping to ensure accountability.
- Political interference: Some politicians claim ownership of the funds and as such groups do not feel obliged to pay back the money, in the case of PCAs, or follow the program guidelines. This undermines the performance of these programs.
- Delayed transfer of funds: Sometimes districts are slow in processing transfer of funds to the beneficiary accounts and in the worst case, money is returned to the consolidated fund at the end of the year.

### Recommendations

- The OPM should emphasize mind set change as a core during the mobilization and sensitization before funds are transferred.
- The planning should be bottom-top where all district councils and communities are involved. The OPM should demand for accountabilities to ensure funds are put into proper use.
- The OPM and districts should emphasize proper record keeping among beneficiaries during sensitization and appraisal of projects.
- The OPM should deposit funds for Support to LRDP directly on the TSA in Bank of Uganda.



#### 4) Sub-Programme: Support to Teso

##### Background

The project objective is to initiate, design, coordinate and implement special programmes and projects for the troubled and disadvantaged areas of Teso region. It focuses on supporting households to improve their livelihoods and socio-physical infrastructure. It is being implemented in Kumi, Ngora, Bukedea, Serere, Katakwi, Kaberamaido, Soroti and Amuria. Districts. The project period is five years (1st July 2015 to 30th June 2020).

##### Performance

The approved GoU budget for FY 2018/19 was Ug shs 2.052 billion, of which Ug shs 1.852 billion (90%) was released and spent by 30<sup>th</sup> June 2020. This was fair release and good absorption.

Soroti, Kumi, Bukedea and Ngora districts were sampled and visited to ascertain receipt of funds and progress on implementation of planned outputs.

##### Findings

**Government Buildings and Administrative Infrastructure:** The Teso Regional Office under construction is located in Soroti Municipality. The contract was awarded to M/s Dapican Engineering Limited at a contract sum of Ug shs 911 million for the period 8<sup>th</sup> August 2019 to 07<sup>th</sup> August, 2020. By August 2020, civil works were at 90%. The super structure was completed, while plastering and screeding was ongoing. The contractor had so far been paid a certificate worth Ug shs 150 million, however, works were affected by the lockdown.



Incomplete support to Teso Regional Office in Soroti Municipality

**Pacification and Development:** A total of 750 ox-ploughs and 3,000 hand hoes for beneficiaries in Teso sub-region were procured and distributed through Members of Parliament to vulnerable households and farmer groups within the Teso sub-region. The 12 beneficiary districts included Kaberamido, Kalaki, Soroti, Amuria, Kapelebyong, Kumi, Katakwi, Serere, Bukedea, Ngora, Pallisa and Butebo, At the Soroti Regional Office, there were ox-ploughs and boxes of hand-hoes awaiting distribution to vulnerable households and farmer groups. However only distribution lists of Members of Parliament for Teso districts were availed, but not actual beneficiaries.

A two in one bedroom teachers housing unit in Omito Ogule Primary School, Ngora District was at 90% completion. M/s Kidde Builders and Engineers Ltd was contracted at a sum of Ug shs 136 million for a period of four months (May-August 2020). The contractor was paid Ug shs 134 million for one certificate and pending works were painting.



L-R: Former two-unit teacher's house; newly constructed two-unit teacher's housing unit in Omiito-Agule village, Ngora District

**Transfers to Government Units Output:** Kaler Primary School in Ngora District was visited. By 30<sup>th</sup> June 2020, the classroom block was completed and handed over. A total of Ug shs 146 million was paid for civil works. The quality of works on the classroom block was good however, by August, 2020, the civil works for the construction of the valley tank had not yet begun.



Completed classroom block and toilet at Kaler Primary School in Ngora District

### Support to Micro projects:

A total of Ug shs 1.344 billion was disbursed to six districts for the establishment of 293 out of the planned 450 micro projects in the Teso sub-region. The project did not achieve the target due to inadequate funding. A detailed breakdown of funds disbursed is shown in table 3.13.

**Table 3.13: Teso Micro project funds disbursed to districts as at 30<sup>th</sup> June 2020**

	District	No of micro projects	Amount
1	Kumi	88	360,000,000
2	Kalaki	25	106,000,000
3	Kaberamaido	36	122,800,000
4	Bukedea	42	240,000,000
5	Pallisa	40	194,500,000
6	Soroti	40	201,500,000
	Soroti Municipality	22	120,000,000
	Total	293	1,344,800,000

Source: Teso Project, field findings, August 2020



## Findings

The beneficiary districts in the Teso sub-region were: Soroti Municipal Council, Pallisa, Kalaki, Soroti, Kumi, Bukedea and Kaberamaido. Of these Soroti, Kumi and Bukedea districts were monitored. According to records available at the districts, funds were received and distributed to beneficiary groups. The enterprises supported included: (i) cattle, goats, bulls, and sheep rearing; (ii) rice milling, (iii) bakery, (iv) buying and selling produce, (v) fish farming, (vi) piggery, (vii) saloon business, (viii) events management, (ix) ground nut shelling and maize hulling, (x) apiary and milling.

In Soroti District, the Akisim Youth Development Initiative Turkey Rearing Group in Akisim Parish, Soroti Municipality was monitored. The group comprised of seven members (two males and five females) received Ug shs 3 million to procure 60 birds and each cost Ug shs 50,000. The group intends to sell the birds in case they multiply.



**Akisim Youth Development Initiative Group with the birds in Soroti District**



**Ajamaka Farmers Vision Group with the purchased heifers in Bukedea District**

In Bukedea District, Kajamaka Parish - the Ajamaka Farmers Vision Group, accessed Ug shs 7 million. The group comprised 13 members (eight women and five men) used the funds to procure 11 heifers and two bulls. The bulls were being used for ploughing purposes as well as reproduction. The Ajamaka Widows Group comprised of nine widows received Ug shs 6 million and purchased nine heifers however, the animals procured by the group were still young.

## Challenges

- Inadequate funding. Not all districts benefitted. Kapelebyong, Amuria and Katakwi districts did not get funds.
- The Soroti Project Office is greatly understaffed. The Administrative Secretary acts as the Monitoring and Evaluation Officer, as well as a Community Development Officer which results in a work overload.

## Recommendations

- The OPM should prioritize planned outputs in line with the project objectives that will have impact on the communities at household level in the entire Teso region.
- The OPM should recruit more contract staff for the Soroti Office to effectively coordinate the implementation of projects in the Teso region.



### 3.3 Vote 005: Ministry of Public Service

#### Background

Ministry of Public Service (MoPS) is mandated to: (i) develop, manage and supervise implementation of human resource policies, management systems, procedures and structures for the entire Public Service and delivers its mandate through four programmes. These include: Inspection and Quality Assurance, Management Services, Human Resource Management, and Policy, Planning and Support Services. The programmes contribute to the sector outcome of Improved Institutional and Human Resource Management at Central and Local Government level.

The districts of Arua, Koboko, Soroti, Ngora, Gulu, Nwoya, Lira, Bukedea, Kabarole, Kyegegwa, Kasese, Masaka, Jinja, Mayuge, Mityana, Mbarara, Mukono and Entebbe Municipal Council, and the Civil Service College were sampled and visited.

#### 3.3.1 Inspection and Quality Assurance

The programme objective is to promote compliance with policies, standards, rules, regulations and procedures in order to enhance efficiency and effectiveness of MDAs and LGs.

#### Performance

The FY 2019/20 budget for the sub-programmes was Ug shs 1.428 billion, of which Ug shs 1.186 billion (83%) was released, and Ug shs 0.669 billion (56%) spent by 30<sup>th</sup> June, 2020. This was a good release and absorption. Detailed programme performance is shown in table 3.14.

**Table 3.14: Performance of Inspection and Quality Assurance as at 30<sup>th</sup> June 2020**

Outcome Performance							
Project-Sub programme	Output	Annual Budget (Ug shs)	Cumulative receipts	Annual target	Cum. Achieved	% physical performance	Remarks
06 Public Service Inspection	02 Service Delivery Standards developed, disseminated and utilised	0.368	0.296	31	17	13.939	Delivery standards for 12 out of planned 24 LGs; and 3 out of 12 MDAs were disseminated.
	03 Compliance to service delivery standards enforced	0.221	0.217	149	91	9.490	PAIPAS was rolled out to 2 MDAs and 33 out of 48 LGs; Annual compliance inspections was carried out in 6 MDAs and 50 LGs;
	06 Demand for service delivery accountability strengthened through client charter	0.063	0.063	37	35	4.175	I) Feedback mechanism was institutionalized in nine out of 12 LGs and two MDAs; Technical support on development of Client Charter was provided to 12 out of 13 DLGs and 6 out of 08 planned MDAs



Outcome Performance							
Project-Sub programme	Output	Annual Budget (Ug shs)	Cumulative receipts	Annual target	Cum. Achieved	% physical performance	Remarks
08 Records and Information Management	04 National Records Centre and Archives operationalised	0.394	0.340	52.7	39	20.446	Capacity of 29 Records and Archives Trainers was built and developed in Training of Trainer skills; iii) Semi-current records were appraised in 2 MDAs and 5 LGs.
	05 Development and dissemination of policies, standards and procedures	0.382	0.271	46.9	36	20.518	Guidelines for Electronic Document Management System (EDMS) were developed and disseminated to 2 Regional Centres, 9 DLGs, 6 MCs and 5 MDAs; ii) Records management system was introduced in 1 DLG (Kwania) and 2 MDAs (UPPC and UBC);
	Total	1.428	1.187			68.57	
Outcome Performance							
	Outcome Indicator			Annual Target	Achieved	Score (%)	
	Improved rating of performance of public service institutions			68	50	74	
	Level of adherence to service delivery standards ( including gender and equity)by MDAs and LGs into planning frameworks and systems			62	47.7	77	
	Programme Performance (Outcomes)					75	
	Overall Programme Performance					70.9	Good

Source: IFMS data; MoPS Progress PBS Report and Field Findings

## Conclusion

The performance was good at 71%. Although the Electronic Document Management System (EDMS) roadmap was developed, there were some personal files of pensioners not on the system which affected payment of pension and gratuity arrears in LGs. In most LGs, the client charters were still on shelves and not implemented, there was no feedback mechanism to realise the impact on service delivery; most planned activities implemented by MoPS lacked field reports in the LGs visited.

## Recommendations

- The respective LGs should make follow-ups with MoPS for pension files not on the EDMS. LGs have not been able to pay pension and gratuity arrears which have accumulated.
- The MoPS and MFPED should coordinate and carry out baseline surveys to determine the impact of client charters on service delivery in public service.
- The MoPS and implementing departments should produce detailed field reports on activities implemented in LGs and provide feedbacks to the respective LGs.



### 3.3.2 Management Services

The programme objective is to develop and review management and operational structures, systems and productivity practices for efficient and effective service delivery.

#### Performance

The FY 2019/20 budget was Ug shs 2.323 billion, of which Ug shs 2.137 billion (92%) was released and Ug shs 1.162 billion (54%) spent by 30<sup>th</sup> June 2020 which was fair release, but good absorption. Detailed programme performance is shown in table 3.15.

**Table 3.15: Performance of Management Services Programme as at 30<sup>th</sup> June 2020**

Output Performance							
Project-Sub programme	Output	Annual Output Budget ( Ug shs)	Cumulative receipts	Annual target	Cum. Achieved	% physical performance	Remarks
07 Management Services	01 Organizational structures for MDAs developed and reviewed	1.511	1.451	42.3	31	47.708	Technical support on the implementation of structures to 15 MDAs and 16 LGs was undertaken.
	02 Review of dysfunctional systems in MDAs and LGs	0.368	0.305	1.7	0.6	5.741	Production of the draft report for Agricultural Extension System in MAAIF was at 75% and Uganda National Identification Card Acquisition System under NIRA at 90%.
	03 Analysis of cost centres/ constituents in MDAs and LGs	0.445	0.382	30.9	15	9.282	Job descriptions and person specifications for nine MDAs; and Schemes of service for six cadres in public service were developed and reviewed.
	Total	2.323	2.137			62.73	
Outcome Performance							
	Outcome Indicator			Annual Target	Achieved	Score (%)	
	Percentage reduction in cumbersome systems in Public service			20	20	100	
	Percentage of MDAs and LGs with structures that are responsive to their mandate			40	40	100	
	Programme Performance (Outcomes)					100	
	Overall Programme Performance					75.8	Good

*Source: IFMS data; MoPS Progress Report and Field Findings*

#### Conclusion

The programme performance at output level was good at 76%. The LGs still had issues of staffing structures as most strategic positions were not filled because of the rigid staffing structures and remuneration issues. Commercial departments are also understaffed to spearhead the Local Economic Development (LED) programmes, while the IT Officers were under CAOs office. The issue of accelerated promotions to U1E and positions at U2 cleared by MoPS is abetting corruption in LGs.



## Recommendation

The MoPS should carry out a comprehensive study in consultation with various stakeholders to address the issue of filling strategic positions at LG level to avoid accelerated promotions of officers to U1E without the requisite experience and skills that will affect delivery of service in LGs.

### 3.3.3 Human Resource Management

The programme objective is to initiate, formulate and plan policies and management of human resource functions for the entire public service.

## Performance

The FY 2019/20 budget for sub-programmes was Ug shs 7.256 billion, of which Ug shs 6.979 billion (96%) was released and Ug shs 5.447 billion (78%) spent by 30<sup>th</sup> June 2020 which was good release and absorption. Detailed programme performance is shown in table 3.16.

**Table 3.16: Performance of Human Resource Management and Policy Programme as at 30<sup>th</sup> June, 2020**

Output Performance							
Project-Sub programme	Output	Annual Budget (Ug shs)	Cumulative receipts	Annual target	Cum. Achieved	% physical performance	Remarks
03 Human Resource Management	01 Implementation of the Public Service Pension Reform	0.732	0.684	135.5	143	10.086	Full decentralization of pension processing in 143 Votes was undertaken.
	03 MDAs and LGs Capacity Building	1.885	1.661	119	94	20.524	(i) Support supervision for implementation of HR policies was provided to 24 LGs and 21 MDAs; (ii) Technical support and capacity building of 11 LGs and three MDAs was provided.  (iii) Technical support and implementation of capacity building and training was provided in 10 LGs; (iv) 25 Heads of HR for MDAs and LGs were trained in Strategic Human Resource Planning.
	04 Public Service Performance management	0.587	0.583	88.4	65	5.947	i) Implementation of Performance Management initiatives in six MDAs and 10 LGs were monitored; (ii) Refresher training in Performance Management for Post Primary and Secondary School Teachers in 34 out of 50 schools. (iii) Induction of Rewards and Sanction Committees was carried out in 5 LGs and 10 MDAs.





Output Performance							
Pro-ject-Sub pro-gramme	Output	Annual Budget (Ug shs)	Cumulative receipts	Annual target	Cum. Achieved	% physical performance	Remarks
	06 Management of the Public Service Payroll and Wage Bill	0.203	0.203	144	143	2.771	(i) Technical support and guidance was provided to 143 Votes on the management of decentralized payroll.
	07 IPPS Implementation Support	3.849	3.849	3	2.6	45.981	Technical and functional support was undertaken at 13 Regional Support Centres.
	Total	7.256	6.979			85	
Outcome Performance							
	Outcome Indicator			Annual Target	Achieved	Score (%)	
	Percentage increase in the salary of Public officers in real terms			5	0	0	
	Percentage reduction in Vacancy rate against established in positions including hard to reach LGs			5	1.4	28	
	Percentage improvement in workforce productivity by gender			5	0	0	
	Programme Performance (Outcomes)					9	
	Overall Programme Performance					58.7	Fair

Source: IFMS data; MoPS Progress Report and Field Findings

## Conclusion

The overall programme performance was fair at 59%. Full decentralization of pension processing in 143 Votes was undertaken; however, there were delays in the management of pension files because of delays in clearance of dates of birth as a result funds not paid out are remitted to MFPED. Although MoPS cleared positions for recruitments in MDAs and LGs, there was no detailed report on the number of positions filled and currently vacant and expenditures. There are no detailed reports on the reduction of vacancy rates in the hard to reach/stay areas. While performance management in LGs is not taken seriously.

## Recommendation

The MoPS should automate all human resource functions in LGs and MDAs for efficient and effective delivery of these functions at all levels.

### 3.3.4 Policy Planning and Support Services Programme

The programme objective is to ensure effective and efficient deployment utilization of human, financial, and material resources.

## Performance

The FY 2019/20 budget for sampled sub-programmes was Ug shs 4.913 billion, of which Ug shs 2.434 billion (50%) was released and Ug shs 2.135 billion (88%) spent by 30<sup>th</sup> June 2020, which was good release but poor absorption. Programme performance is shown in table 3.17.


**Table 3.17: Policy Planning and Support Services Programme Performance as at 30<sup>th</sup> June 2020**

Output Performance							
Project-Sub programme	Output	Annual Budget (Ug shs)	Cumulative receipts	Annual target	Cum. Achieved	% physical performance	Remarks
Project: 1285 Support to Ministry of Public Service	03 MDAs and LGs Capacity building	0.549	0.351	0.6	0.2	3.489	Funds worth Ug shs 340 million were spent on trainings 14 staff on career development courses/long term training.
	11 Ministerial and Support Services	0.472	0.222	1.9	0.9	4.596	Quarterly political oversight monitoring of ministry initiatives was undertaken. A total of Ug shs 146 million was spent on allowances.
	72 Government Buildings and Administrative Infrastructure	2.574	1.285	2.5	1.7	35.672	Construction of Kasese Service Centre was at 90% completion; and remodelling of Block B at the MoPS Headquarters to provide for a ramp was 95% complete.
	76 Purchase of Office and ICT Equipment, including Software	0.518	0.270	2.1	0.7	3.540	Funds worth Ug shs 263 million were spent on procurement of 10 fire extinguishers; 29 computers including two laptops, 30 harddrives; and 28 UPS.
	78 Purchase of Office and Residential Furniture and Fittings	0.800	0.305	0.8	0.5	10.682	90 units of mobile shelves; and 10 units of workstation furniture were under procurement
	Total	4.913	2.434			57.98	
Outcome Performance							
	Outcome Indicator			Annual Target	Achieved	Score (%)	
	% Level of adherence to service delivery standards by staff at the MoPS			85	62.5	74	
	% score of MoPS in Government Annual Performance Assessments			100	71	71	
	% of outputs delivered within a given time frame			100	76	76	
	Average Outcome performance					74	
	Overall Programme Performance					63.4	Fair

Source: IFMS data; MoPS Progress Report and Field Findings

## Conclusion

The programme performance was fair at 63%. The outcomes were not in tandem with the programme objectives. The output of MDAs and LGs Capacity building under the development budget is duplicated and recurrent in nature, and reports for the capacity building accomplished were not available. It should be noted that the development budget covers unplanned capacity building initiatives for first degrees, long-term courses and travels abroad contrary to the Development Committee guidelines from MFPED.

## Recommendations

- The MoPS Planning Unit should realign the programme outputs and outcomes to achieve the NDP II and PSM objective of improved public service management, operational structures and systems for effective and efficient service delivery.



- The MoPS through the Human Resource Planning and Development Department and National Planning Authority (NPA) together with the Uganda Civil Service College should take lead and carry out a strategic comprehensive training needs assessment and develop a National Capacity Building Plan. This will minimize duplications and wastage of public resources.

## Findings

### A. Construction of Service Uganda Centres

#### Background

The focus of Service Uganda Centres is improving the efficiency and effectiveness of service delivery in Government, and increasing customer satisfaction, by delivering outcomes based on citizens' needs, expectations and preferences, at a much less or same cost. Currently, service delivery in the Public Service is characterized by complicated and cumbersome service delivery systems; overlapping and duplicated efforts by MDAs and LGs; lack of transparency; corruption; long queues at service delivery centres; inaccessible and costly services (in terms of money and time); delayed response to clients; un-coordinated movements between and within (MDAs) and (LGs); difficulties in sharing relevant information; and mandates focused services delivery, with little regard to the service recipients. Establishment of Service Uganda Centres is a deliberate effort by Government to address these challenges.

#### The new reform aims at:

- Improving customer satisfaction, by delivering outcomes based on citizens' needs, expectations and preferences, at a much less cost.
- Enhancing Government visibility, accessibility and credibility in the eyes of the citizens of Uganda.

Fighting corruption; and implementing the provisions of the existing policy and legal framework at National, Regional and International Level (i.e. World Agenda-SDGs (2015); Integration of Public Services at EAC level as provided in the EAC Treaty and various Protocols; Vision 2040; NDP II 2015/16-2019/20); NRM manifesto (2016-2021); Policy Paper on the Transformation of Public Service (2011) among others.

#### Findings

The municipalities of Mbale, Jinja, Entebbe, and Kasese were earmarked to pilot the concept. Kasese Service Centre was sampled. The approved budget for the construction of Kasese Service Uganda Centre was Ug shs 1.69 billion, of which Ug shs 1 billion was released and spent by 30<sup>th</sup> June, 2020. The contractor was M/s Muge Services. By August 2020, the building was at 90% completion. Some of the institutions to be housed under the one stop centre include: Uganda Revenue Authority, Uganda Registration Service Bureau, National Social Security Fund, Operation Wealth Creation, Microfinance Support Centre, and SACCOs. Individuals will be able to access payslips and basic information on building plans by the physical planner.



**Current residence of Kasese Service Centre, Kasese Municipality**



**Newly constructed Kasese Service Centre, Kasese Municipality**

### **Challenge**

- Inadequate funding to construct more service centres for the hard-to-reach areas and economically marginalized segments of the population in remote regions that would otherwise be the target are excluded.

### **Recommendation**

- The MFPED should consider revising the budget of this good initiative to enable construction of more centres countrywide.

## **B. Decentralized wage, monthly pension and gratuity and status of payment of salary, pension and gratuity arrears**

### **Background**

The main objective of the decentralization of the payroll is to ensure salaries and pension are paid on time, weed out invalid records on the pension payroll including ghost employees, and promote ownership, transparency and accountability of the pension payroll by the respective institutional payroll managers. The wage, pension and gratuity are expenditures from IPPS in the Ministry of Public Service, however expenditures from MFPED were not readily available.

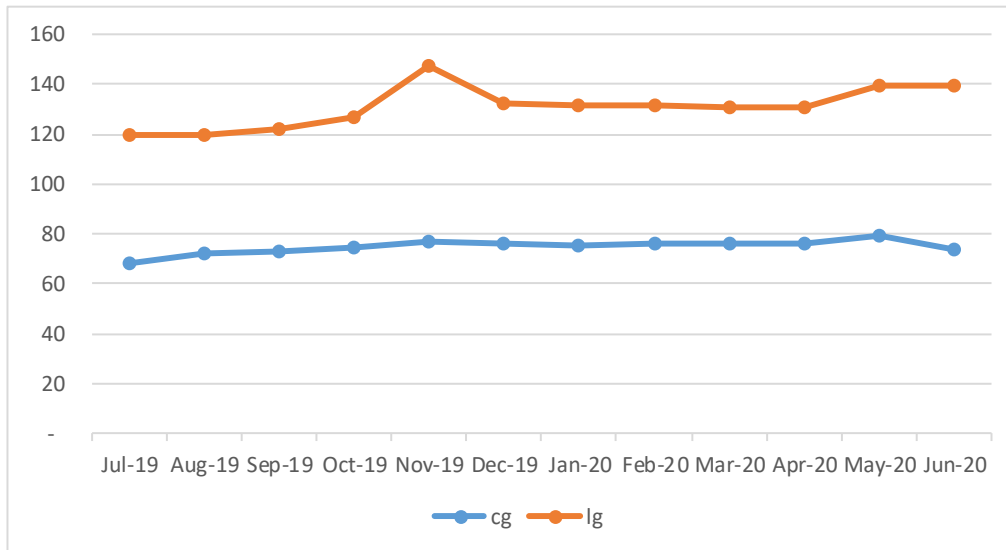
### **Findings**

The total wage budget for FY 2019/20 was Ug shs 4,672.95 billion, of which Ug shs 2.556 billion was for Central Government Votes and Ug shs 2.116.51 billion for LG Votes. In June 2020, a total of Ug shs 2.468 billion was paid out after total deductions. The CGs paid out Ug shs 0.897 billion and LGs paid out Ug shs 1.571 billion.

The total number of employees on the active payroll for the Public Service by category fluctuated from 306,138 in July 2019 to 314,895 in June 2020. The total amount of funds paid out to employees varied from Ug shs 188 billion to Ug shs 224 billion. The details are shown in Figure 3.1.



**Figure 3.1: Wages (Ug shs billions) and staff paid in FY 2019/20**



*Source: MoPS IPPS data, September 2020*

According to Figure 3.1, payments fluctuated according to the number of staff paid on the payroll each month. The number of staff fluctuated from 306,138 in July 2019 to 320,600 in March 2020 then reduced to 314,895 in June 2020. This explains the variations in payments. The reasons for the poor performance from interviews with officials from MDAs and LGs included the following:

- Wage analysis and monitoring is a key function of human resource management and a key performance indicator that should be included in the performance plan, however during our visits, it was noted that most HR managers do not carry out analysis of wage, pension, salary and pension arrears on a quarterly basis as required in Establishment Notice No.1 of 2020 by MoPS. As a result, MDAs still face challenges in recruitments, and budget shortfalls in wage. This was noted in Mukono, Bududa, Nakapiripirit, Moroto, Arua, Sironko, Tororo, Luuka, Mbarara Municipal Council, MEACA, and Ministry of Water and Environment.
- Unplanned recruitments to fill vacant positions without clearance by MoPS. This has occurred in KCCA which distorts the wage bill.
- Staffing structural issues where districts have re-advertised positions in UIE and failed to attract staff because of lack of positions at Principal Level, especially positions of District Engineers, District Health Officers and Planners.
- Most District Service Commissions (DSCs) have expired. This is worsened by the late submission of nominees to the DSC by the District Executive Committees for approval by the Public Service Commission (PSC) thus affecting recruitment processes.
- Delayed recruitments in some districts led to non-absorption of funds. For instance, Hoima had a balance of Ug shs 1,651,724,888 on wage; Kikuube had Ug shs 621,283,562; Bugweri had Ug shs 1,393,971,027; Iganga Ug shs 289,521,161; Bulambuli had Ug shs 261,428,914; Bukedea had Ug shs 290,006,447. Masaka Referral Hospital submitted a recruitment request on 25<sup>th</sup> September 2019 and received clearance from MoPS on 14<sup>th</sup> January 2020. In Gulu District there was a balance of Ug shs 3,848,807,289 employees were deleted from the payroll due to non-validation.



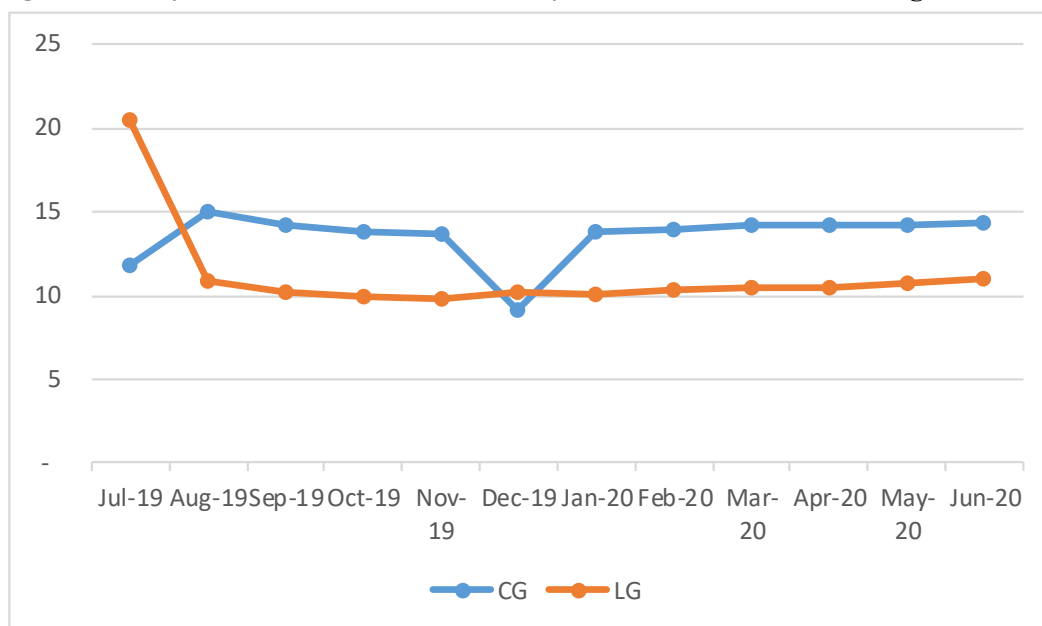
- Poor wage absorption due to delays in recruitments and deployment of health workers e.g. 230 out of 900 were recruited yet Ug shs 1.407 billion had been budgeted for recruitment, Ug shs 664 million was spent, and Ug shs 743 million was unaccounted for.

### Monthly Pension

#### Findings

A total of Ug shs 364.8bn was approved for monthly pension in FY 2019/20, of which Ug shs 231bn was for Central Government and Ug shs 133.8bn for LGs. Pension decentralization has so far been implemented in 143 Votes. In June 2020 an average of 73,730 pensioners were processed on the IPPS amounting to Ug shs 25.296bn. Of this, Central Government Votes paid out Ug shs 14.335bn, and LGs paid out Ug shs 10.961bn (figure 3.2).

**Figure 3.2: Payroll Pension Performance July 2019 to 30<sup>th</sup> June 2020 in Ug shs billions**



Source: MoPS IPPS data, September 2020

In July 2019, the number of pensioners on the payroll for the CG was 20,905 and by June 2020 the number had increased to 34,132, whereas for LGs, the number of pensioners in July 2019 was 32,585 and by June 2020 it had increased to 41,598. The increase in number of pensioners is attributed to the fact that most pensioners that had previously been dropped off the payroll were reinstated. The details are shown in table 3.19.

**Table 3.19: Number of Pensioners on the Payroll from July 2019 to June 2020**

	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb -20	Mar-20	Apr-20	May-20	Jun-20
CG	20,905	14,971	42,669	40,449	40,577	18,181	40,581	40,811	41,086	41,086	41,387	34,132
LG	32,585	32,624	32,835	30,826	30,889	31,494	31,711	32,138	32,598	32,598	33,139	41,598

Source: MoPS IPPS Data, September 2020



## Findings

- Clearance of dates of birth by MoPS causes delays in payments. This cut across in all LGs monitored. In Bukedea District, pension amounting to Ug shs 34,388,675 for five pensioners was not paid. In Soroti District, pension worth Ug shs 38,530,740 for three pensioners was not paid.
- Unpaid pension due to cases of pensioners not on the access payroll, and estate cases that were removed from the payroll due to lack of validation for beneficiaries. In Gulu District, Ug shs 237,925,051 for 16 pensioners was not paid.
- In some districts, pensioners failed to turn up for filing pension forms, and failure to present letters of administration for estate administrators. In Gulu, Ug shs 10 million pension for six pensioners was not paid because they failed to turn up for filing pension forms.

## Gratuity

### Findings

In August 2019, the Central Government paid out Ug shs 20 billion to 764 employees in 15 Votes, whereas LGs paid out Ug shs 8 billion to 248 employees in 70 Votes.

### Challenges

- Inadequate funding despite the budgets submitted in most LGs monitored. In Iganga District, only Ug shs 1,611,471,847 was released against so many pending files. A total of 25 new retirees with gratuity worth Ug shs 828,471,424 were not paid.
- Inconsistencies in dates of birth delayed payments. Gratuity for five new retirees worth Ug shs 216,175,079 was not paid in Bukedea, while in Soroti, gratuity worth Ug shs 38,530,740 for three new retirees was not paid.

### Recommendations

- The MFPED and MoPS with the respective LGs should address the problem of inadequate funding by respecting the IPFs submitted from districts to avoid accumulation of arrears.
- The MoPS should follow-ups on the issues of inconsistencies in dates of birth.

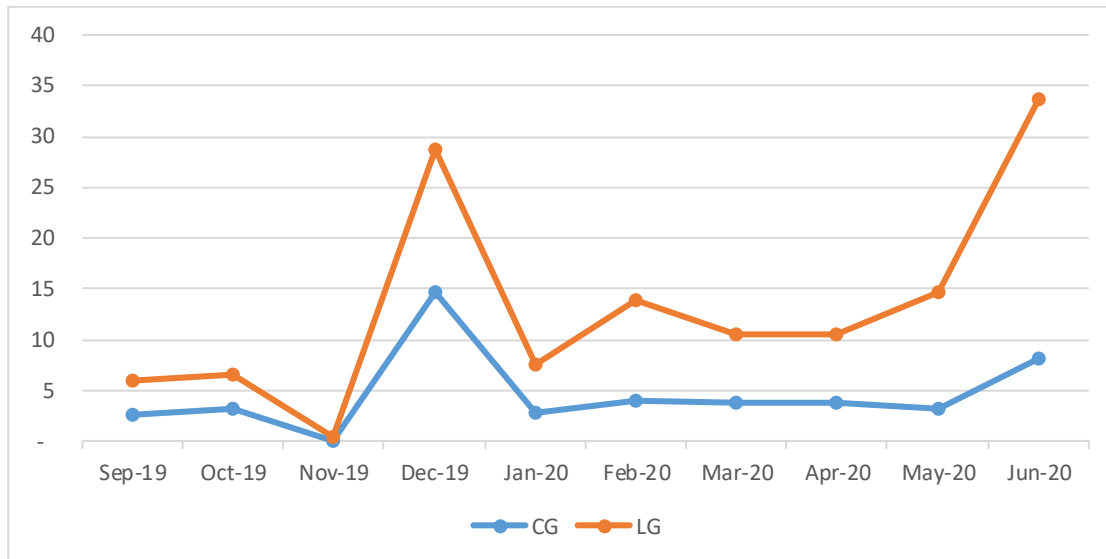
## Gratuity Payroll and Pension Arrears under Ministry of Public Service

### Findings

For FY2019/20, payments to CGs and LGs were high in the months of December 2019 and June 2020, attributed to clearance of gratuity and pension arrears on the Integrated Personnel and Payroll System (IPPS) payroll; compared to the months of September, October and November 2019. The months where payments were low was attributed to pensioners' failure to acquire supplier numbers and correction of account numbers. In Gulu District, pension worth Ug shs 4 million was not paid. In other cases, MFPED released less funds, for instance in Bulambuli District, pension of Ug shs 80,552,384 for seven pensioners was not released. Details on gratuity payroll and pension arrears are summarized in the figure 3.4.



**Figure 3.4: MoPS Gratuity Payroll and Pension Arrears for FY 2019/20 in Ug shs billions**



Source: MoPS IPPS data, September 2020

- Some districts did not utilize all the funds for salary and pension arrears mainly due to duplicates appearing on the verified schedule, some names that had been paid during the previous year 2018/19 still appeared for payment. Iganga District had not spent pension funds worth Ug shs 77,017,698, while Luwero District had unspent pension arrears worth Ug shs 188,141,178.
- Due to inadequate releases not all pensioners were paid their gratuity and pension arrears, as evidenced in Nwoya District with Ug shs 332,130,387 for 17 pensioners not paid.

### Recommendations

- The MoPS should hasten the clearance of personal files with issues of date of birth and validation so that funds are spent, and any outstanding pension files at the MoPS should be submitted to the districts.
- The MFPED and MoPS should harmonize information on payments of salary, pension and gratuity arrears to minimize fraud in the DLGs.

## 3.4 Vote 011: Ministry of Local Government

The mandate of the Ministry of Local Government (MoLG) is to guide, harmonize, mentor and advocate for all Local Governments (LGs) in support of the vision of Government to bring about socio-economic transformation of the country. The vote consists of the Local Government Administration and Development; and General Administration, Policy, Planning and Support Services Programmes.

### 3.4.1 Local Government Administration and Development Programme

The sub-programmes monitored included: Markets and Agricultural Trade Improvement Project (MATIP-2), and Project for Restoration of Livelihoods in Northern Region (PRELNOR).

The MoLG accessed funding from the African Development Bank (AfDB), Internal Fund for Agricultural Development (IFAD), Adaptation for Smallholder Agricultural Programme (ASAP), and World Bank to finance development projects and programmes on loan and grants.





## Performance

For FY 2019/20, the GoU budget for sampled sub-programmes/projects was Ug shs 10.234 billion, of which Ug shs 9.349 billion (91%) was released and Ug shs 8.851 billion (95%) spent by 30<sup>th</sup> June 2020, which was a good release but fair absorption. Detailed performance of the GoU Local Government Administration and Development Programme is shown in table 3.20.

**Table 3.20: Performance of the Local Government Administration and Development Programme under GoU as at 30<sup>th</sup> June 2020**

Output Performance							
Project-Sub programme	Output	Annual Budget (Ug shs)	Cumulative receipts	Annual target	Cum. Achieved	% physical performance	Remarks
1360 Markets and Agricultural Trade Improvements Programme (MATIP 2)	01 Monitoring and Support Supervision of LGs	1.029	0.539	5.2	4.8	10.534	Funds were reallocated to Consultancy Services-Long-term; Advertising and Public Relations; and Staff Training. However, no reports were availed.
	72 Government Buildings and Administrative Infrastructure	0.120	0.120	3.0	2.6	1.162	Funds were spent on supervision and monitoring of capital works on the 10 markets of Arua, Soroti, Busia, Tororo, Mbarara, Lugazi, Entebbe, Masaka, Moroto and Kasese.
	79 Acquisition of Other Capital Assets	7	7	1	0.5	39.096	Funds worth Ug shs 7 billion were released as a supplementary to clear arrears for MATIP I. however, no evidence on expenditure was availed to the team.
1381 Restoration of Livelihoods in Northern Region (PRELNOR)	01 Monitoring and Support Supervision of LGs	0.603	0.369	1.8	1.6	5.865	Funds were used to (i) monitor and supervise construction of civil works for Community Access Roads (CARs) in all nine districts in Acholi sub region.
12 Local Economic Development Department	01 Monitoring and Support Supervision of LGs	0.140	0.056	0.8	0.6	1.082	Monitoring of LED programme under Lira, Gulu, Masaka Mbarara, under MATIP I was undertaken, however there were no reports availed.
	03 Technical support and training of LG officials	0.060	0.019	0.3	0.2	0.434	LG training needs Assessment for LED was conducted in Kyankwanzi DLG, however there were no reports availed.
	Total	8.952	8.103			58	
Outcome Performance							



Output Performance							
Project-Sub programme	Output	Annual Budget (Ug shs)	Cumulative receipts	Annual target	Cum. Achieved	% physical performance	Remarks
	Outcome Indicator			Annual Target	Achieved	Score (%)	Remarks
	% of LGs with requisite and functional institutional structures for carrying out their mandates			70	35	50	
	Programme Performance (Outcomes)					50	
	Overall Programme Performance					55	Fair

Source: IFMS data; MoLG Progress Report and Field Findings

## Conclusion

The overall programme performance was fair at 55%. The average physical progress of the 10 markets was 89.5% against a time progress of 93.4%. Four out of the 10 markets and the agro-processing machines in Arua were completed. However, GoU funds worth Ug shs 7 billion were released by MFPED and spent under the Arrears output for the MATIP I Project, however these expenditures are not reflected in MoLG reports and no details were availed. The GoU counterpart funding is not transferred to project accounts but directly spent by the line Ministry contrary to the provision of the project operations manual.

Under PRELNOR, with the rural livelihood component; mentored households have changed by increased household ownership of assets (cows, gats and chicken); improved food security and welfare (saving money from food sales, having three months' food reserves), and improved hygiene and sanitation with latrine coverage increasing to 90% from 72%. Institutions and mentored households were benefitting from renewable energy technologies. However, the impact of the market linkages and infrastructure component has not yet been realized. The construction of 606Km CARs were at 60% physical progress, and the procurement of consultants to carry out the design of markets had just been concluded. Implementation of LED activities was minimal.

### 1) Markets and Agricultural Trade Improvement Project

#### Background

The Markets and Agricultural Trade Enhancement Project (MATIP-2) objective of the programme is to contribute to Poverty Reduction and Economic Growth in Uganda through enhanced commercialization of agricultural produce and other merchandise. MATIP-2 which is an extension of MATIP-1 was launched in March 2016 and is being implemented over a period of seven years (revised from five years) (2015-2022).

The MATIP-2 has three components namely: Market Infrastructure Development; Value Addition and Trade Facilitation; and Capacity Building and Project Management. The project was originally designed to re-develop markets in 11 municipalities of Busia, Masaka, Kasese, Arua, Soroti, Mbarara, Entebbe, Moroto, Tororo, Lugazi and Kitgum, but later added Kabale Central Market after realizing savings on the loan. The project team conducted routine supervision across the 12 Municipal Councils and it is continuous.



## ADB Loan Performance

The absorption capacity for the ADB loan was at 63.4%. The disbursement from July 2019 to June 30<sup>th</sup> 2020 is shown in table 3.21.

**Table 3.21: ADB loan statement of comparative annual budget and actual amount from July 2019 to June 30<sup>th</sup> June 2020 (Ug shs billions)**

Category	Budget	Actual	Balance	Remarks
Goods	13,000,000,000	7,033,444,918	5,966,555,082	Balance of funds were earmarked for installation and full testing running of the the High-Level Value Addition Facilities for Arua and Busia.
Works	84,000,000,000	54,385,904,179	29,614,095,821	Remaining balances were earmarked for payments of certificates on 10 markets, but this was affected by the COVID-19 lockdown.
Services	5,890,000,000	3,937,248,500	1,952,751,500	Funds are tagged to progress of civil works. The COVID-19 lockdown halted works progress, and therefore the supervision costs were not spent.
Operating Costs	1,070,000,000	559,241,356	510,758,644	The planned costs are meant for relocation and resettlement of vendors in the new markets.
Total	103,960,000,000	65,915,838,953	38,044,161,047	

Source: MoLG, MATIP 2 Progress Reports, August 2020

## Findings

The markets of Kasese, Mbarara, Masaka and Soroti were visited to assess progress of works. The Kasese and Soroti markets were due for completion in July 2020, however this was affected by the COVID-19 lockdown. By August 2020, Kasese market was 99% complete; gazeting and fixtures of iron bars for the child dare care centre was ongoing. The food stalls were being labelled by category, and signage posts were being installed. The Soroti market was 95% complete. The external walls of the market were painted and signage of the main market was fixed. Polishing of the terrazzo and installation of CCTV were ongoing. The quality of works on the completed markets was good.



Front view of Kasese Central Market, Kasese Municipality



Completed lockup shops in the Soroti Market

On the other hand, civil works on the Masaka Main Market were at 72% against 97%-time progress. Roofing, blockworks, demarcation of stalls and lockups and metal fabrications were ongoing at the site. For the Mbarara Main Market, physical progress was 89% against time progress of 97%; the workers were installing roof trusses on the building. Painting and fixing doors on stalls and lockups, and electrical fittings and installations was also ongoing.



Roofing and plastering ongoing at Masaka Central Market



Side view of external works at Mbarara Main Market

**Contractual obligations:** The total contract sum for the 12 markets - Kabale and Kitgum inclusive was Ug shs 235,117,370,260, of which Ug shs 147,821,567,232 (63%) was paid by ADB. The total consultancy sum for the 12 markets was Ug shs 11,732,291,490, of which Ug shs 7,076,022,506, (60%) had been paid as at 30<sup>th</sup> June 2020. For the three value addition facilities in Arua, Busia and Soroti the budget was Ug shs 35,692,634,397, of which Ug shs 7,033,444,918 (20%) was paid by 30<sup>th</sup> June 2020. The detailed contractual obligations and payments by ADB as at 30<sup>th</sup> June 2020 is shown in table 3.22.

**Table 3.22: Contract Details for Monitored Markets as at 30<sup>th</sup> June 2020**

Lot No.	Contractor	Market	Contract Sum (ADB)	Amount Paid by ADB	Outstanding Bal	Financial Perf. in % ADB
1	Yanjian Uganda Company Ltd	Lugazi	13,425,512,474	8,458,072,858	5,100,038,404	63
2	Seyani International Co. Ltd & Seyani Brothers & Co. (Kenya) Ltd JV	Kitooro	24,684,949,043	16,045,216,878	8,313,250,283	65
3	China New Era Group Corporation & China Overseas Engineering Group Co. Ltd	Kasese Central	12,706,543,724	10,800,562,165	1,316,707,914	85
4	Multiplex - AlShams Construction JV	Masaka Central	15,300,500,275	7,191,235,129	8,084,656,506	47
5	Roko Construction Ltd	Mbarara Central	17,891,465,795	10,734,879,477	6,599,622,089	60
6	Techno Three Uganda Ltd in Joint venture with PS Construction	Soroti Central	19,803,801,338	15,645,003,057	4,368,086,257	79
	Total		235,117,370,260	139,652,937,775	83,491,912,362	59

Source: MoLG, MATIP 2 Progress Reports April - June, 2020

**Value Addition and Trade Facilitation:** The value addition facilities for Arua and Busia were visited. For the facility at Arua, physical progress was at 95%; machine installation was completed and test running ongoing. For the Busia facility, physical progress was also at 95% completion; machines installation to determine performance and efficiency was ongoing. However, test running of the machine awaited completion of the silos and electrical installation at the facility. By August, 2020 only 20% of the contractual obligation had been paid (table 3.23).

**Table 3.23: Contract Details for 3 Value Addition Facilities**

Lot	Contractor	Market	Contract Sum	Amount Paid by ADB	Unpaid Balance	% paid
1	Hebei Pingle Flour Machinery Group Co. Ltd	Busia	12,812,833,410	4,484,491,693	8,328,341,717	35
2	CHINA HUANGPAI FOOD MACHINERY (U) LTD	Arua	7,282,723,500	2,548,953,225	4,733,770,275	35
3	Coronation Developers (U) Ltd	Soroti	15,597,077,487	-	15,597,077,487	0
	Total		35,692,634,397	7,033,444,918	28,659,189,479	20

Source: MoLG MATIP-2 Progress Reports April-June 2020; Field findings

## 2) Project for Restoration of Livelihoods in Northern Region (PRELNOR)

### Background

The project objective is increased sustainable production and climate resilience of smallholder farmers with increased and profitable access to domestic and export markets. It is comprised of three components: Rural Livelihoods; Market Linkages and Infrastructure; and Project Management and Coordination. It is implemented in Gulu, Kitgum, Lamwo, Agago, Pader, Amuru, Nwoya, Omoro and Adjumani districts. It became effective on 05<sup>th</sup> August 2015 and ends 31<sup>st</sup> December 2020.

### Donor Financial Performance

The project is financed by the GoU, International Fund for Agricultural Development (IFAD) loan, an Adaptation for Smallholder Agricultural Programme (ASAP) grant and beneficiaries' contributions (table 3.25). IFAD is financing 70.8% of the project costs (US\$50.2 million); the ASAP grant financing 14.1% of total costs (US\$10 million); GoU is financing the taxes and duties (US\$ 9.2 million, representing 13% of total costs). The MoLG coordinates and manages the GoU, IFAD loan and ASAP grants funds which are unified and mainstreamed through all the planned activities. The financial performance for the PRELNOR project as at 30<sup>th</sup> June 2020 is shown in table 3.24.

**Table 3.24: Financial Performance in Ug shs'000 as at 30<sup>th</sup> June 2020**

Funders	Budget	Disbursed	% disbursed
IFAD Loan	56,239,299	39,426,071	70
ASAP Grant	12,967,772	7,449,419	57
Government	8,475,956	6,114,968	72
TOTAL	77,683,028	52,990,459	68

Source: PRELNOR progress report July 2019- May 2020

By 30<sup>th</sup> June 2020, 68% of the funds were disbursed.

### GoU Financial Performance

The FY 2019/20 budget was Ug shs 0.500 million, of which Ug shs 0.266 million (53%) was released and Ug shs 0.265 million (99%) spent as at 30<sup>th</sup> June 2020. This was fair release but good absorption. According to IFMS and MoLG PBS reports, funds under GoU are spent on workshops and seminars, staff training and operation costs.



## Findings

A total of Ug shs 5.240 was remitted to districts for implementation of project activities in FY 2019/20 and Ug shs 3.899 billion (74%) had been accounted for by September 2020 (table 3.25).

**Table 3.25: Financial Performance of Beneficiary Districts in Thousands as at September, 2020**

DLGs/DFA	Total Remittances	Funds Accounted for	Funds unaccounted for
Gulu District Farmers Association	962,474	713,948	248,526
Gulu DLG	354,044	114,484	239,560
Lamwo DLG	432,975	366,280	66,695
Nwoya DLG	467,797	326,278	141,519
Omoro DLG	68,741	47,249	21,492
Agago DLG	615,122	411,828	203,294
Kitgum DLG	418,602	339,543	79,059
Amuru DLG	398,915	379,505	19,410
Adjumani District Farmers Association	743,211	504,487	238,725
Adjumani DLG	391,788	315,304	76,484
Pader DLG	387,040	380,109	6,931
Total	5,240,709	3,899,014	1,341,696

Source: PRELNOR Progress Reports, September, 2020

The districts of Omoro and Gulu were sampled. The monitoring focused on the Rural Livelihood, and the Market Linkages and Infrastructure components.

**Component One: Rural Livelihoods:** Under Community Planning and Capacity Development: A total of 1,800 Farmer Groups (FGs) were supported with farmer institution strengthening and agriculture extension interventions in Nwoya, Gulu, Omoro, Lamwo and Adjumani districts. Through field demonstrations farmers have adopted good performing crop varieties and good agricultural practices.



Farmers learning from a Rice Demonstration Field in Lalogi Sub-county, Omoro District

The farmers have also, appreciated the extent to which crop yields can be increased with improved management practices when they follow recommended practices and move away from their current farmer practices such as planting in row with a basal fertilizer (DAP), timely weeding at least twice and top dressing with a nitrogen fertilizer (UREA).

Under household mentoring: 7,000 vulnerable HHs were mentored, reaching 70% of target. The lives of mentored households have been changed by; increased household ownership of assets (like cows, goats, and chicken); improved food security and welfare (saving money from food sales, having three months food reserves); increased household participation in FGs and savings and credit groups; more households producing commercial crops (maize, groundnuts, soybean, and sorghum). However, the vulnerable household outcome surveys, implementing partner reports, and the project annual outcome surveys contain a wealth of information, most of which is not included in the annual report.



PRELNOR through renewable energy technologies, trained 400 members as planned (200 females and 200 male) to support their communities, including the vulnerable mentored households in the operations, maintenance, and promotion of energy-saving cook stoves. Trainings were conducted in Lamwo, Gulu, and Pader districts. Installation of 30 institutional cook stoves in 30 beneficiary institutions was ongoing. Schools where cook stoves were installed reported savings of over 75% in firewood used for cooking significantly reducing expenses on firewood, less smoke produced; better kitchens with clean cooking environment and food kept warm by the cook stoves. Paicho Secondary School in Paicho sub-county, Gulu District was visited to verify benefits of project intervention.



**L-R: Traditional stove used before; improved twin energy cook stove at Paicho Senior Secondary School, Gulu District**

**Component B: Improving Market Access and Infrastructure:** The objective of this component is to improve market access by connecting agricultural production areas to the markets. The upgrading of existing and construction of 606 new roads, under Batch A, which started in March 2019 was in progress with works at 92% physical and 80% financial progress. Of the total 48 roads, 30 (356km) were completed and 12 (167km) were below 90% with over 200% of the initial contract time. Progress on the development of these roads was slow with the contract execution period having to be extended by over seven months due to a combination of unusually high rainfall, poor performance of the contractors, and recently by COVID-19 lockdowns.

The districts of Gulu and Nwoya were visited to assess progress of works. In Nwoya District, civil works on the Oyinya-Daga-Kululela 8.9km CAR was at 85% completion. The CAR was gravelled and culverts were installed. On the other hand, the Akara Hill-River Aswa-Cuku 17.1km CAR was at 60% completion. The road was gravelled, and the contractor was installing box culvers along the different sections of the road. According to the Nwoya District Engineer, once the roads are completed, farmers will get easy access to markets to sell their produce.

However, the design of three strategic markets (Gulu, Kitgum and Elegu) and eight satellite markets (Mungula, Lukole, Pabbo, Cwero, Agoro, Purongo, Opit, and Porongoli) had just been completed and procurement of consultants was ongoing.

**Component C: Project Management and Coordination:** A total of 120 motorcycles were provided to the DLGs and District Farmers Associations (DFAs) to facilitate extension services. The 200 Community-Based Facilitators were provided with bicycles to improve their levels of agricultural production and productivity.



## Challenges

Implementation of planned outputs and activities was affected by the COVID-19 lockdown. Data collection; construction works and monitoring activities came to a standstill.

- Delays by implementing partners to submit adequate accountability with full supporting documents on time led to non-release of quarter four funds hence low absorption. Funds amounting to Ug shs 3 billion which is 4% of the budget, were not released.
- The process of acquisition of documents for land for the markets is tedious.

## Recommendations

- The PRELNOR should enforce stringent measures to ensure that partners in the beneficiary districts submit adequate accountability with full supporting documents on time.
- The MoLG and beneficiary districts should sensitise communities on the importance of market infrastructure and encourage them to donate land for the markets. The district should ensure proper documentation of the land, acquire ownership in the name of the authority.
- The project should compensate the owners of the land where markets will be constructed.

## 3) Local Economic Development (LED)

### Background

Following Government's adoption of the promotion of Local Economic Development (LED) as a sixth objective of the Decentralization Policy and a subsequent development of the Uganda National Local Economic Development Policy of 2014. Through the LED Department, the Ministry specifically aims to:

- Support to LGs to incorporate LED activities into the LG planning and budgeting.
- Promote employment and wealth creation through support to the development of new industrial/business parks to promote skilling of women and youth, production and wealth creation.
- Re-orient LGs from a consumptive nature into business orientation and investment through enhanced production with a view to expanding local revenue generation by LGs.
- Creating awareness within LGs aimed at causing a paradigm shift from consumptive nature into business orientation and investment

### Performance

The FY 2019/20 budget was Ug shs 0.200 billion, which was all released and Ug shs 0.131 billion (66%) spent as at 30<sup>th</sup> June 2020 on monitoring and support supervision; and consultation visits. This was good release but fair absorption.

### Findings

The LED Programme is one of the mandates of LGs yet it is still underfunded. Under the Monitoring and Support Supervision of LGs output: the districts of Mbarara, Kayunga, Jinja, Kibuuku, Mbale, Kween, Kasese, Gulu, Ntoroko, Mubende, Kyenjojo and Kabale were monitored to assess progress of





Zonal hubs for skills development, value addition, wealth creation, and integrated farming. However, implementation was affected by the COVID-19 lockdown.

### Challenges

- Lack of clear institutional frameworks and technical staff to spearhead LED initiatives in the LGs.
- Lack of a clear capacity building plan in LGs on the LED initiatives.
- Non- involvement of the political leadership and resource LED pools in LGs.

### Recommendations

- The LGs should be assisted to create proper LED institutional setups with efficacious frameworks of participatory planning involving key actors and stakeholders, for effective LED implementation.
- A capacity building and capacity development programme on LED should be designed and implemented using the district planning units as the fulcrum of those activities and extending that capacity training to all other actors.
- A governance framework with appropriate local and institutional systems should be worked out to allow the sharing of information for participatory planning, resource mobilization and resource allocation for development.

#### 3.4.2: General Administration, Policy, Planning and Support Services

The programme outcome under this vote is effective and efficient ministry administration and support services; and strengthened and coordinated policy and planning processes. The Support to Ministry of Local Government Project and related outputs were monitored to assess progress.

#### 1) Support to Ministry to Ministry of Local Government (MoLG)

##### Background

The project objectives are to provide facilities to support effective implementation of the decentralization policy, and ensure coordinated and effective delivery of service at the local levels.

##### Performance

The approved budget for FY 2019/20 was Ug shs 16.699 billion, of which Ug shs 14.476 billion (87%) was released and Ug shs 14.423 billion (99%) spent as at 30<sup>th</sup> June 2020. This was good release and absorption. The detailed performance as at 30<sup>th</sup> June 2020 is shown in table 3.25.



**Table 3.25: Performance of General Administration, Policy, Planning and Support Services as at 30<sup>th</sup> June 2020**

Output Performance							
Project-Sub programme	Out put	Annual Budget (Ug shs)	Cumulative receipts	Annual target	Cum. Achieved	% physical performance	Remarks
Project:1307: Support to MoLG	19 Human Resource Management Services	0.647	0.518	0.8	0.4	1.938	Funds worth Ug shs 419 million were spent on capacity building in LGs, however no training reports from the beneficiaries were availed.
	21 Policy, planning and monitoring services	0.200	0.140	0.7	0.3	0.513	MoLG reports indicate a total of Ug shs 139 million was spent on facilitation of top management and MoLG staff to monitor implementation of Government programmes, however, no reports were availed to the monitoring team.
	22 Ministry Support Services (Finance and Administration)	0.500	0.277	0.6	0.3	1.619	Funds worth Ug shs 90 million were spent on meetings to conduct LG Sector Working Groups, however, no report was availed to the team.
	24 LGs supported in the policy, planning and budgeting functions	0.400	0.294	1.5	1	1.628	High expenditures were on workshops and seminars (Ug shs 72 million); staff training (ug shs 69 million; and consultancy services- short term (Ug shs75 million).
	72 Government Buildings and Administrative Infrastructure	8.902	8.327	1.9	0.5	14.247	<p>i) Funds worth Ug shs 07 billion were paid to the contractor for Busega Market which was still incomplete.</p> <p>ii) A total of Ug shs 1.187 billion was sent to 13 DLGs for construction of offices under Non-Residential Buildings Output.</p> <p>ii) A total of Ug shs 100 million was sent to Mpigi DLG to complete Mpigi HC IV; and Ug shs 300 million to Kabale District to construct Administrative infrastructure under Other Structures.</p> <p>iii) MoLG reports indicate Ug shs 325 million was spent on Monitoring, Supervision and Appraisal of Capital works.</p> <p>The were no detailed reports on progress of planned outputs availed to the team</p>
	73 Roads, Streets and Highways	0.300	0.300	1	0.1	0.180	Funds were sent to Kitumbi sub-county in Kasanda District and Kyenjojo DLGs for construction of bridges.



Output Performance							
Pro-ject-Sub pro-gramme	Out put	Annual Budget ( Ug shs)	Cumula-tive re-ceipts	Annual target	Cum. Achieved	% physical performance	Remarks
	76 Purchase of Office and ICT Equipment, including Software	0.200	0.200	1	0.1	0.120	Funds worth Ug shs 198 million were spent on procurement of 13 desktop computers and one heavy Duty photocopier. However no report was availed.
	78 Purchase of Office and Residential Furniture and Fittings	0.200	0.120	0.6	0.2	0.399	Though MoLG reports Ug shs 120 million was spent on procurement of furniture; no reports were availed.
	79 Acquisition of Other Capital Assets	5.350	4.300	0.8	0.4	15.944	A total of 90 new Town Councils were supported each with Ug shs 50 Million in July 2020 to undertake start-up activities.
	Total	16.699	14.476			36.59	
Outcome Performance							
	Outcome Indicator			Annual Target	Achieved	Score (%)	Remark
	% of policy, planning and budgeting processes successfully accomplished.			85	40	47	
	Programme Performance (Outcomes)					47	
	Overall Programme Performance					40	Poor

Source: IFMS data/MoLG progress report, field findings January 2020

## Conclusion

The performance was poor at 40%, however the outcomes were not in tandem with the planned outputs and activities. The Support to MoLG Project lacks clear performance work plans and targets in line with the project objective. Most funds were spent on unplanned capacity building initiatives that lacked training reports and duplicated activities on policy planning and monitoring. No reports were availed to justify the expenditures. Funds under Roads, Streets and Highways Output are sent directly to Town Councils and sub-counties which makes it difficult for the CAO's office to monitor implementation.

## Recommendation

- The MoLG through the planning unit should review the planned activities, outputs, outcomes of Support to MoLG Project in line with the project objective and the overall mandate of the Ministry.

**Findings on Busega Market:** The Busega Market under Kampala Capital City Authority was visited. The contractor for Phase II is M/s China National Complete Plant Import and Export Corporation Ltd contracted for a period of 16 months (25th April to 25th August 2020) at a sum of Ug shs 13,532,361,596 VAT inclusive. By 30th June 2020, Ug shs 7 billion was paid to the contractor against five certificates. Physical progress of the market was 72% against a time progress of 98%. However, the market is still incomplete as the contractor lacks adequate resources to complete the project. The supervising consultant is M/s Joadah Consult.



## Recommendation

- The MFPED should consider additional funding for completion of Busega Market.

## 3.5 Vote 021: Ministry of East African Community Affairs

### Background

The Mandate of the Ministry of East African Affairs (MEACA) is to steer Uganda's regional integration agenda in accordance with the objectives of the Treaty for Establishment of East African Community. The project period is from 1<sup>st</sup> July 2007 to 30<sup>th</sup> June, 2020. The programmes under this vote include: (i) Regional Integration, and (ii) Administration, Policy and Planning.

#### 3.5.1: Regional Integration

The programme outcome is regional integration deepened in Uganda. The programme objective is to provide policy coordination and strategic leadership on matters of East African Community integration with a view of ensuring; market access, competitiveness, joint decision-making and collaboration.

#### Performance

The approved budget for both development and recurrent was Ug shs 0.812 billion, of which Ug shs 0.583 billion (72%) was released and spent by 30<sup>th</sup> June 2020. This was good release and absorption. The detailed performance of MEACA as at 30<sup>th</sup> June 2020 is shown in table 3.26.

**Table 3.26: Performance of Regional Integration Programme as at 30<sup>th</sup> June 2020**

Output Performance							
Pro-ject-Sub programme	Output	Annual Budget (Ug shs)	Cumulative receipts	Annual target	Cum. Achieved	% physical performance	Remarks
sub-pro-gramme:02 Political Affairs; 04 Economic Affairs and 06 Social Affairs	01 Regional Policies, Laws and Strategic Frameworks domesticated	0.203	0.141	2.8	1.4	12.577	(i) Reports on the EAC Regional Experts' consultations on the EAC Political Confederation Constitution; and (ii) Monetary Union Protocol were prepared and shared with the relevant stakeholders. Target was not achieved as only 65% of funds were released.
	02 Compliance with implementation of EAC decisions and directives Monitored and Evaluated	0.141	0.101	2.9	1.3	7.888	(i) A report on implementation of the Common Market Protocol related to Free Movement of Goods and Services and capital was produced. Target was not achieved as only 70% of funds were released.
	03 Strategic leadership, Guidance and Support for EAC regional Integration strengthened	0.387	0.276	2.9	1.5	25.081	(i) The National consultations on EAC initiatives were conducted to strengthen regional integration; and (ii) 6 country position reports on regional integration were produced.
Project 1005: Strengthening Min of EAC	76 Purchase of Office and ICT Equipment, including Software	0.060	0.060	1.0	0.6	4.456	Funds worth Ug shs 60 million were used to procure ICT equipment.



Output Performance							
Pro-ject-Sub programme	Output	Annual Budget (Ug shs)	Cumulative receipts	An-nual target	Cum. Achieved	% physical performance	Remarks
	78 Purchase of Office and Residential Furniture and Fittings	0.020	0.004	0.2	0.02	0.248	Funds worth Ug shs 4 million were used to procure furniture and fixtures.
	Total	0.812	0.583			50.25	
Outcome Performance							
	Outcome Indicator			An-nual Target	Achieved	Score (%)	
	Value (in US Dollars) of intra EAC trade			2576	2576	100	
	Value (in US Dollars) of Uganda's exports to the EAC that are accorded preferential tariff treatment			700	700	100	
	Number of Ugandans employed in the other EAC Partner States			2500	2347	94	
	Programme Performance (Outcomes)					98	
	Overall Programme Performance					66.9	Fair

Source: IFMS data/MEACA Progress Report

## Conclusion

The performance for the Regional Integration Programme was fair at 66%. The MEACA popularized the National Policy on EAC integration through regional policy sensitization meetings with LGs, and coordinated the implementation of the Common Market Protocol. Regional integration was strengthened through public awareness and public participation in EAC; dissemination of research reports on political, economic, social, production and Infrastructural affairs programmes.

## Challenges

- The MEACA faces challenges of slow absorption of pension funds due to difficulties in locating pensioners that do not have birth certificates, documentation such as appointment letters, conformation letters, promotions and postings; as well as accessing letters of administration.
- The MEACA is still underfunded to effectively meet the obligation and requirements of the Ministry.

## Recommendations

- The MoPS should enhance the process of transferring files of pensioners to allow timely payment.
- The MFPED should release adequate funds to MEACA to implement its planned outputs.

## 3.6: National Planning Authority

### Background

The mandate of National Planning Authority (NPA) is to produce comprehensive and integrated development plans for the country elaborated in terms of the perspective vision and the long term and medium plans. The programmes under this vote include: Development Planning; Development Performance; and General Management, Administration and corporate planning with an outcome of efficient, effective and inclusive institutional performance.



## Performance

The approved budget for both development and recurrent outputs for the three monitored programmes was Ug shs 21.178 billion, of which Ug shs 19.637 (93%) was released and Ug shs 19.628 billion (99%) spent by 30th June 2020. This was good release and absorption.

### 3.6.1: Development Planning Programme

The programme outcome is functional and robust development planning system and frameworks. The programme objective is to establish and strengthen functional systems for comprehensive, participatory and inclusive integrated development plans and frameworks. The overall programme performance as at 30th June 2020 is shown in table 3.27.

**Table 3.27: Performance of Development Planning Programme by 30<sup>th</sup> June 2020 (Ug shs billions)**

Output Performance							
Project-Sub programme	Output	Annual Budget	Cumulative receipts	Annual target	Cum. Achieved	% physical performance	Remarks
Program 1325 Development Planning	01 Functional Planning Systems and Frameworks/ Plans	3.764	3.747	2	1.1	29.838	(i) The third National Development Plan (NDPIII) was developed; and (ii) a draft for the five-year National Human Resource Development Plan; however most funds were spent on workshops and seminars (Ug shs 1 billion); consultancy services (Ug shs 969 million).
08 Sector Planning	02 Strengthening Planning capacity at National and LG Levels	3.206	3.171	2	0.8	17.436	Reviewed and integrated Crosscutting issues into the NDP III (population, ECD, gender, youth, social protection, nutrition, disability, culture, HIV/ AIDS)
09 Local Government Planning	02 Strengthening Planning capacity at National and LG Levels	1.057	1.044	2	0.8	5.756	The Authority held sector and LGs NDPIII consultative meetings throughout the country.  ii) Integrated sector and LGs issues into NDPIII and also reviewed crosscutting issues into the NDPs (Population, Gender, Youth, Social protection, nutrition, disability, culture, HIV/ AIDS)
	Total	6.969	6.918			53.03	
Outcome Performance							
	Outcome Indicator			Annual Target	Achieved	Score (%)	
	% of SDP/MDA Planning instruments aligned to the NDP			100	96	96	
	% Proportion of global and regional initiatives integrated into planning frameworks and systems			100	100	100	
	Programme Performance (Outcomes)					98	
	Overall Programme Performance					68	Fair

Source: IFMS/NPA Progress Report



## Conclusion

The performance for Development Planning was rated fair at 68%. The National Human Resource Development Planning Framework is in place. The NDP III is in draft form and the Sectors and LGs were also supported to develop their development plans. The percentage of Sector Development Plans (SDPs)/MDAs aligned to the NDP III stood at 96%. However, the planners in LGs are understaffed and lack capacity. The Strengthening Planning Capacity at National and LG Levels at sector and Local Government levels are duplicated and activities are not in tandem with planned outputs.

## Recommendations

- The National Planning Authority should conduct a comprehensive human resource audit at MDA and LG levels and develop a comprehensive capacity building plan to equip the staff with skills to enhance performance.
- The NPS should liaise with MoPS to have positions at LGs level filled.

### 3.6.2: Development Performance Programme

The objective of the programme is to provide evidence based public policy advice and inform public policy debates; monitor and evaluate the effectiveness and impact of development policies, plans and programmes on the well-being of all Ugandans and performance of the economy of Uganda. The programme outcome is functional Planning M&E system and research. The overall programme performance as at 30<sup>th</sup> June 2020 is shown in table 3.28.

**Table 3.28: Development Performance Programme by 30<sup>th</sup> June 2020 (Ug shs billions)**

Output Performance							
Project-Sub programme	Output	Annual Budget ( Ug shs)	Cumulative receipts	Annual target	Cum. Achieved	% physical performance	Remarks
Program 1326 Development Performance	01 Functional Think Tank	9.795	9.586	4.9	2	40.870	i) Maps for NDP III Core Project were developed. ii) The Second Self-Country Assessment Report was disseminated in Western and Eastern regions. iii) In Support to foreign Missions, strategic plans, NPA participated in four APRM meetings in Egypt, Kenya, Addis Ababa and South Africa.
	Total	9.795	9.586			40.87	
Outcome Performance							
	Outcome Indicator			Annual Target	Achieved	Outcome Performance (%)	
	Proportion of NPA Research papers informing policies			75%	75%	100	
	Proportion of reviews and evaluation informing policies, plans and programmes			100%	80%	80	
	Programme Performance (Outcomes)					90	
	Overall Programme Performance					58	Fair

Source: IFMS/NPA Progress Report



## Conclusion

The Development Performance Programme was rated fair at 58%. Most funds were spent on travel abroad (Ug shs 1 billion); workshops and seminars (Ug shs 723 million) and consultancy services- short term (Ug shs 938 million), however no reports were availed to the monitoring team.

### 3.6.3: General Management, Administration and Corporate Planning

The programme objective is to strengthen the capacity of the Authority to efficiently and effectively deliver its mandate in a participatory, equitable and gender responsive manner. The programme outcome is efficient, effective and inclusive institutional performance. The performance as at 30<sup>th</sup> June 2020 is shown in table 3.29.

**Table 3.29: Performance of National Planning Authority by 30<sup>th</sup> June 2020**

Output Performance							
Project-Sub programme	Output	Annual Budget (Ug shs)	Cumulative receipts	Annual target	Cum. Achieved	% physical performance	Remarks
Project: 0361 National Planning Authority	05 Functional Planning Systems and Frameworks /Plans	0.200	0.070	0.4	0.3	3.495	The Function Analysis Report for NPA was prepared, although it was not shared with the monitoring team. Funds worth Ug shs 70 million were spent on allowances, and printing and stationery.
	19 Human Resource Management Services	0.400	0.180	0.5	0.3	6.444	The highest expenditure (Ug shs 120 million) was on trainings for NPA staff but no report was availed.
	72 Government Buildings and Administrative Infrastructure	0.423	0.161	0.4	0.2	5.037	Funds were spent on refurbishments of NPA offices.
	75 Purchase of Motor Vehicles and Other Transport Equipment	2.893	2.224	0.8	0.4	34.101	Four motorcycles; eight Board and management vehicles and one Mini Bus were procured.
	76 Purchase of Office and ICT Equipment, including Software	0.198	0.198	1.0	0.7	3.140	Funds were spent on procurement of seven laptops.
	78 Purchase of Office and Residential Furniture and Fittings	0.300	0.300	1.0	0.6	4.214	Funds were spent on procurement of office and residential furniture and fittings.
	<b>Total</b>		<b>4.414</b>	<b>3.133</b>			<b>56.43</b>
<b>Outcome Performance</b>							
	Outcome Indicator			Annual Target	Achieved	Outcome Performance (%)	
	Average time taken (days) to deliver planned outputs/provide feedbacks			100	70	58	
	Programme Performance (Outcomes)					58	
	Overall Programme Performance					55	Fair

Source: IFMS/NPA Progress Report; Field Findings





## Conclusion

The performance for General Management, Administration and Corporate Planning was fair at 55%. There were no clear performance work plans and performance targets, reports in line with the program objectives.

## Recommendations

- The NPA Planning Unit should develop clear work plans, performance targets and planned outputs in line with NPA strategic plan.
- The NPA should develop internal capacity of staff to reduce engagement of expensive consultants in doing routine work of technical staff.

### 3.7 Vote 122: Kampala Capital City Authority

The mandate of Kampala Capital City Authority (KCCA) is to govern and administer the Capital City on behalf of the Central Government. The programme under this vote is Economic Policy Monitoring, Evaluation and Inspection.

#### 3.7.1: Economic Policy Monitoring, Evaluation & Inspection

The programme objective is to coordinate and monitor policies, planning processes in the capital city in order to ensure improved service delivery. The Programme Outcome is KCCA programs and policies effectively implemented and aligned to the national priorities. Project 0115 Local Government Management Service Delivery Programme (LGMSD) was monitored to assess progress.

#### 1) Local Government Management Service Delivery Programme

##### Background

The programme outcome is KCCA programs and policies effectively implemented and aligned to the national priorities. The objectives under PSM are to; i) build capacity of KCCA staff; and (ii) retooling of KCCA. The Local Government Management Service Delivery Programme (LGMSD) was initiated to support implementation of the decentralization policy and enable LGs to provide services to the communities. The project period is from 1<sup>st</sup> July 2015 to 30<sup>th</sup> June, 2020.

##### Performance

The approved GoU budget was Ug shs 2.087 billion, which was all released and Ug shs 1.772 (85%) billion spent as at 30th June, 2020. This was good release and absorption. The COVID-19 lockdown affected absorption of funds released. The detailed performance of LGMSD as at 30th June 2020 is shown in table 3.30.



**Table 3.30: Performance of Economic Policy Monitoring, Evaluation and Inspection as at 30<sup>th</sup> June 2020**

Output Performance							
Project-Sub programme	Output	Annual Budget (Ug shs)	Cumulative receipts	Annual target	Cum. Achieved	% physical performance	Remarks
Project:0115 LGMSD (former LGDP)	37 Human Resource Development and organisational restructuring	1.309	1.309	2	0.9	28.220	Though KCCA reports funds worth Ug shs 327 million were spent on trainings for career transition and planning, financial literacy and strategic human resource management. There were no reports to determine the impact of the trainings.  Funds worth Ug shs 580 million were reallocated to procurement of office furniture.
	41 Policy, Planning and Legal Services	0.375	0.375	1	0.3	5.395	Although Ug shs 122 million was spent on consultancy and hire of venue and chairs, these funds were not in tandem with the outputs.
	71 Acquisition of Land by Government	0.170	0.170	1	0.5	4.072	Funds worth Ug shs 169 million were spent on service leases on all KCCA land and administrative installations in Kampala.
	76 Purchase of Office and ICT Equipment, including Software	0.233	0.233	1	0.4	4.465	Funds worth Ug shs 213 million were spent on retooling of machines and equipment
	Total	2.087	2.087			42.15	
Outcome Performance							
	Outcome Indicator			Annual Target	Achieved	Outcome Performance (%)	
	Extent of the Central Government policies and priorities harmonized.			72%	45%	63	
	Programme Performance (Outcomes)					63	
	Overall Programme Performance					49.3	Poor

Source: IFMS Data; KCCA Progress Report; Field Findings

### Conclusion

The overall programme performance was poor at 49%. The outcome indicators are not in tandem with the planned outputs. Despite KCCA having a strategic plan, there were no clear quarterly workplans, targets, and progress/capacity building reports. Additionally, this project has persistently duplicated outputs under recurrent and development budgets. For the trainings carried out, there is need for a training plan for every activity to ensure effective accountability.

### Recommendation

The KCCA should streamline the project planned outputs to be in tandem with the outcome indicator and the Auditor General should audit the use of the capacity building funds and unplanned recruitments, different categories of payrolls and pension and gratuity payments under KCCA.



### 3.8: Vote 146: Public Service Commission

#### Background

The Public Service Commission (PSC) is a complementary Statutory Body under the Ministry of Public Service but with institutional autonomy. It performs the function of advising the President, processing appointments, confirmations and promotions in Public Service and disciplinary control over public officers; among others. Its mission is to provide Government with competent human resources for effective public service delivery. The programme under this vote is Public Service Selection and Recruitment.

#### 3.8.1: Public Service Selection and Recruitment Programme

The programme objective is to provide Government with competent human resources for effective and efficient public service delivery.

#### Performance

The approved budget for FY 2019/20 was Ug shs 2.404 billion, of which Ug shs 2.149 billion (89%) was released and Ug shs 2.141 billion (99%) spent, which was good release and absorption. The performance of the project by 30th June 2020 is presented in table 3.31.

**Table 3.31: Performance of Public Service Selection and Recruitment Programme as at 30<sup>th</sup> June 2020**

Output Performance							
Project-Sub programme	Output	Annual Budget (Ug shs)	Cumulative receipts	Annual target	Cum. Achieved	% physical performance	Remarks
02 Selection Systems Department	02 Selection Systems Development	0.521	0.504	96.7	85.0	19.049	GRE aptitude tests were administered to 3,395 applicants; 40 planned selection instruments were developed and administered for various posts; 10 out of 20 draft competence job profiles were developed; Selection exams were administered to 35 out of 40 DSCs.
03 Guidance and Monitoring	05 DSC Capacity Building	0.779	0.648	208.1	152.0	23.667	A total of 50 out of 25 DSCs planned were visited and respective secretaries mentored; 53 out of 50 DSC Monitoring visits conducted; Performance Audits carried out in 49 out of planned 25 DSCs.
	06 Recruitment Services	0.919	0.914	1.0	0.6	23.088	The Commission appointed 89 Graduate Officers; and 1,000 cases were handled, of these 1,312 were appointments.
0388 Public Service Commission	76 Purchase of Office and ICT Equipment, including Software	0.100	0.040	0.4	0.1	1.343	Funds worth Ug shs 40 million were spent on procurement of ICT Equipment.



Output Performance							
Project-Sub programme	Output	Annual Budget (Ug shs)	Cumulative receipts	Annual target	Cum. Achieved	% physical performance	Remarks
	78 Purchase of Office and Residential Furniture and Fittings	0.084	0.042	0.5	0.3	2.102	Funds worth Ug shs 41 million were spent on procurement of assorted furniture for the new Boardroom and offices.
	Total	2.404	2.149			69.25	
Outcome Performance							
	Outcome Indicator			Annual Target	Achieved	Score (%)	
	Percentage of staff recruited against the declared posts			80	78	98	
	Programme Performance (Outcomes)					98	
	Overall Programme Performance					79	Good

Source: IFMS Data/PSC Progress Report; Field Findings

## Conclusion

The overall programme performance was good at 79%. By June 2020, 119 of 134 (88.8%) districts had functional District Service Commissions (DSCs), whereas 15 of 134 (11.9%) districts had non-functional DSCs. A number of DSCs such as Kikuube, Kasanda, Kwania, Kabarole, Bugweri, Nabilatuk, and Kapelebyong were not yet functional. In most LGs visited, the DSCs had expired and were yet to elect new members. They had acting PHROs who were unqualified to advise the DSCs, and the newly elected members of the DSCs lacked comprehensive training in human resource management issues, ethics and integrity to execute their duties.

## Challenges

- Non-functionality and insufficient facilitation for some DSCs owing to the low revenue base in LGs. In some instances, the had DSCs expired and were not renewed, thus delaying recruitments especially in the Education Sector leading to return of monies meant for recruitments to the consolidated fund.
- The most appropriate means of developing job competence profiles requires interfacing with the participants; which is being discouraged due the COVID-19 pandemic.

## Recommendations

- The MFPED in consultation with MoLG and DLGs should revise the budgets of PSC and DSCs in LGs upwards for efficient and effective delivery of service and the reforms.
- The PSC should carry out a human resource audit of all PHROs under the DSCs in LGs and accordingly advise them. Additionally, advice on recruitments of unqualified staff that has abetted corruption and affecting service delivery in LGs.



### 3.9 Vote 147: Local Government Finance Commission

#### Background

The mandate of the Local Government Finance Commission (LGFC) is advising Central and Local Governments on issues of fiscal decentralization. The programme under this vote is Coordination of Local Government Financing.

#### 3.9.1: Coordination of Local Government Financing Programme

The programme objective is to promote adequate financial resources for service delivery by LGs. The programme outcome is financially sustainable LGs with steady growth and equitable distribution of grants.

#### Performance

The approved budget for FY 2019/20 was Ug shs 4.205 bn, of which of which Ug shs 3.572bn (85%) was released and Ug shs 3.568bn (99%) spent as at 30th June, 2020. This was a good release and absorption. The overall programme performance is shown in table 3.32.

**Table 3.32: Performance of Coordination of Local Government Financing Programme by 30<sup>th</sup> June 2020**

Output Performance							
Project-Sub programme	Output	Annual Budget (Ug shs)	Cumulative receipts	Annual target	Cum. Achieved Quantity	% physical performance	Remarks
01 Administration and support services	05 Institutional Capacity Maintenance and Enhancement	2.889	2.476	2.6	1.6	42.756	This output is recurrent in nature. The commitments and expenditures were on general operations and management of the commission to ensure proper functionality of the Commission.
02 Revenues for Local Governments	03 Enhancement of LG Revenue Mobilisation and Generation	0.428	0.398	33.5	19.0	5.766	11 out of 20 LGs were supported to produce registers, issue demand notes and receipt payments using the LR databases; and support provided to exploit the local revenue potential in eight districts.
	04 Equitable Distribution of Grants to LGs	0.522	0.438	1.7	1	7.389	i) Sector Conditional Grant negotiations between LGs and sector ministries were conducted.
03 Research and data management	02 LGs Budget Analysis	0.210	0.152	2.2	1.6	3.695	i) Data collection, verification and validation was done in Obongi, Rwampara and Karinga to address existing gaps and inconsistencies in data.
0389 Support LGFC	76 Purchase of Office and ICT Equipment, including Software	0.157	0.108	0.7	0.5	2.693	Five printers, 7 computers, 1 shredder, 1 laptop and 2 iPads, 6 office desks, Boardroom table and 10 Boardroom chairs were procured for members of staff
	Total	4.205	3.572			62.3	



Output Performance							
Project-Sub programme	Output	Annual Budget (Ug shs)	Cumulative receipts	Annual target	Cum. Achieved Quantity	% physical performance	Remarks
Outcome Performance Analysis							
	Outcome Indicator			Annual Target	Achieved	Score	Remark
	% increase in annual revenue generated across all Local Governments			10	3	30	
	ratio between the highly funded and the least funded local government			0.06	0.06	100	
	Programme Performance (Outcomes)					65	
	Overall Programme Performance					63.2	Fair

Source: IFMS data; LGFC progress report; field findings

### Conclusion

The performance was fair at 63%. The LGFC planned outputs, outcome indicators and achievements were in line with the core mandate. The databases enable LGs have historical data in regards to revenue collected for easy tracking of performance.

### Challenge

- Increasing number of new districts, urban councils and administration units amidst declining resources to the Commission.

### Recommendation

- Advocacy for a compliance system on decentralization by central governments Votes so that funds are released to where most of the service delivery is done in all LGs.



## CHAPTER 4: CONCLUSION AND RECOMMENDATIONS

### 4.1 Conclusion

The sector's overall physical performance was fair at 61%. Good performance was observed under Public Service Selection and Development Performance Recruitment under PSC and Management Services and Inspection and Quality Assurance under MoPS. Fair performance was observed under Policy Planning and Support Services Programme and Human Resource Management under MoPS; Strategic Coordination, Monitoring and Evaluation; Disaster Preparedness and Refugees Management; and Affirmative Action under OPM; Coordination of Local Government Financing under LGFC; General Management, Administration and Corporate Planning; and Planning under NPA; General Administration, Policy, Planning and Support Services and Regional Integration under MEACA; and Local Government Administration and Development under MoLG.

Poor performance was registered under Economic Policy Monitoring, Evaluation and Inspection under KCCA which has poor records management practices failing the decentralized reforms. The project still has duplicated work plans under the recurrent and developed activities under Human Resource Development and Legal Affairs. Under Support to MoLG, outputs under Policy Planning and Support Services had unplanned capacity building initiatives. No training reports were availed to justify the expenditures.

Under decentralised payroll management reforms, a total of Ug shs 8.429 billion for salary arrears and Ug shs 75.432 billion was released for salary, pension and gratuity arrears to LGs and MDAs. Most LGs monitored had improved on the status of accountability and received supplementary funding from MFPED to clear pending salary and gratuity arrears. A national database of pensioners was established and pension processing was fully decentralized in 143 Votes and technical support provided to 145 Votes.

Sector performance was hampered by: COVID-19 pandemic which slowed down the implementation of civil works, capacity building, and distribution of agricultural inputs; poor planning resulting to politicization of the projects hence not achieving the intended objectives in most LGs and project coordinators that are more of traditional managers than agile managers. Due to poor planning and setting of performance targets not related to the key programmes, most funds are used to implement activities not planned for. This was seen in Support to MoLG Project and in most LGs.

### 4.2 Recommendations

- 1) The MDAs and LGs should in their strategic plans include business continuity plans to cater for occurrences of pandemics and other disasters.
- 2) The MFPED in consultation with OPM should allocate IPFs to all projects under Affirmative Action, and funds sent directly to DLGs to cater for groups identified by district councils.
- 3) The MoLG through the planning unit should review the planned activities, outputs, outcomes of Support to MoLG Project in line with the project objective and the overall mandate of the Ministry



## REFERENCES

FY 2019/20; Performance Reports for Projects/Programmes under Development Budget for; OPM, MoPS, MoLG, KCCA, MEACA, NPA, PSC and LGFC.

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MFPEd, Public Investment Plan for FY 2016/17-2019/20. Ministry of Finance, Planning and Economic Development, Kampala

Strategic Plans for Ministry of East African Community Affairs, Local Government Finance Commission, Public Service Commission, National Planning Authority and Kampala Capital City Authority.

National Planning Authority Strategic Plan FY 2015/16-FY 2019/20

Integrated Financial Management System data for FY 2019/20

National Development Plan II, 2015/16-2019/20





## ANNEX

### Programmes/projects monitored for annual FY2019/20

Vote	Project/Programme	Sampled institutions/ districts
Vote 003: Office of the Prime Minister	Project 0922: Humanitarian Assistance	Bulambuli, Kabarole, Omoro, Gulu, Mbarara, Hoima, Soroti, Bukedea, Kasese, mukono, Wakiso, Kampala
	Project 1499: Development Response for Displacement IMPACTS Project (DRDIP)	Arua, Koboko, Kiryandongo, Kyegegwa, Hoima, Kikuube
	Project 1317: Drylands Integrated Project	Napak, Nakapiripirit, Amudat, Nabilatuk
	Project 0932: Post-war Recovery and Presidential Pledges	Arua, Lira, Bukedea, Serere, Kumi, Nwoya
	Project 1251: Support to Teso Development	Soroti, Ngora, Kumi, Bukedea
	Project: 1252 Support to Bunyoro Development	Hoima, Masindi, Kikubbe,
	Project 0022: Support to Luwero-Rwenzori Development Programme	Luwero, Kyankwanzi, Kiboga, Wakiso and Mayuge, Kyegegwa, Kasese, Kabarole
Vote 005: Ministry of Public Service	Project 1285: Support to Ministry of Public Service	Ministry of Public Service Headquarters
	Public Service Reforms under MoPS: The Civil Service College; NARC, Public Performance Management; Management of the Public Service Payroll and Wage Bill and decentralized payroll reforms under MFPED.	Soroti, Gulu, Bukedea, Kasese, Jinja, Mbarara and Masindi Municipal Councils, Hoima, Masindi, Kikubbe, Arua, Koboko, Luwero
Vote 011: Ministry of Local Government	Project 1381: Project for Restoration of Livelihoods in Northern Region (PRELNOR)	Gulu, Omoro, Nwoya
	Project 1360: Markets and Agricultural Trade Improvements Programme (MATIP 2)	Kasese, Masaka, Entebbe, Mbarara, Soroti Municipal Councils
	Project 1307: Support Ministry of Local Government	Ministry of Local Government Headquarters; Busega Market under KCCA
Vote 021: East African Community	Project 1005: Strengthening Ministry of EAC Affairs	Ministry of EAC Affairs Headquarters
Vote 108: National Planning Authority	Project 0361: National Planning Authority	National Planning Authority and all planning units in all the above LGs
Vote 122: Kampala Capital City Authority	Project 0115: LGMSD (Local Government Management Service Delivery)	KCCA Headquarters
Vote 146: Public Service Commission	Project 0388: Public Service Commission	Public Service Commission and all DSCs in the above LGs
Vote 147: Local Government Finance Commission	Project 0389: Support Local Government Finance Commission (LGFC)	Local Government Finance Commission and all above LGs

*Source: Authors' Compilation*







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