DECENTRALIZED REVENUE MANAGEMENT AND HEALTH SERVICE DELIVERY IN LOCAL GOVERNMENTS IN UGANDA: A CASE STUIDY OF KABALE DISTRICT LOCAL GOVERNMENT

BY

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DECLARATION

This dissertation titled '***Decentralized Revenue Management and Health Service Delivery in Local Governments in Uganda: A Case Study of Kabale District Local Government***' is my original work and has not been presented for a degree or any other award in any other university.

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APPROVAL

This dissertation titled '***Decentralized Revenue Management and Health Service Delivery in Local Governments in Uganda: A Case Study of Kabale District Local Government***' has been submitted with our approval as University supervisors.

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DEDICATION

I dedicate this research dissertation to my family and friends who have supported me throughout the research process. I will always appreciate all they have done.

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LIST OF ABRREVIATIONS

DDHS	: District Director for Health Services
FDS	: Fiscal Decentralization Strategy
HSSP	: Health Sector Strategy Plan
KMC	: Kabale Municipal Council
LCs	:Local Councils
LG	: Local Government
LGA	:Local Government Act
LGDP	: Local Government Development Plan
MoFPED	:Ministry of Finance, Planning and Economic Development
MOH	: Ministry of Health
MoLG	:Ministry of Local Government
PHC	: Primary Health Care
RDT	: Resource Dependency Theory
UNDP	: United Nations Development Programme
UNHCO	: Uganda National Health Consumers Organisation
USA	: United States of America
USAID	: United States Agency for International Development
WHO	: World Health Organisation
SP	: Sulfadoxine-Pyrimethamine
CAP	: Chapter

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ABSTRACT

The study aimed to assess the extent to which revenue management affects health service delivery in Kabale District Local Government. Specifically, the study set out to establish the relationship between decentralized planning and health service delivery in Kabale District Local Government; analyse the effect of revenue control on health service delivery in Kabale District Local Government; and, establish how revenue allocation influences health service delivery in Kabale District Local Government. A cross-sectional research design was adopted to collect both qualitative and quantitative data from 137 respondents. Data collection was done using questionnaires, interview guide and documentary checklist; and analysis was done using Statistical Package for Social Sciences (SPSS Version 20). Results indicate a strong positive correlation ($r= 0.958^{**}$) between decentralized planning and health service delivery. In addition, there was a significant positive relationship between revenue control and health service delivery ($r= 0.957^{**}$), and a significant positive relationship between revenue allocation and health service delivery in Kabale District Local Government ($r = 0.953^{**}$). Generally, findings show that there was a significant relationship between decentralized planning and health service delivery in Kabale District Local government. Therefore, the study concluded that revenue enhancement plan/strategies, increased revenue mobilization/collection, participatory planning and budgeting improve on the quality of health service delivery. The results indicated a significant positive relationship between revenue control and health service delivery in Kabale District Local Government. The study concluded that allocating adequate funds to Kabale District Local Government, better allocation and proper use of financial resources in the delivery of quality services and monitoring revenue allocation in health improves on health service delivery. The study recommended that there is a need to strengthen decentralized planning for health services by allowing the input of local policy makers and creation of funding for that input. There is need for Kabale District Local Government to strengthen and increase on revenue management strategies in order to mobilize adequate revenues to finance the delivery of health services.

CHAPTER ONE
INTRODUCTION

1.0 Introduction

This chapter gives an overview of revenue management and performance of local governments. In this study revenue management is conceived as the independent variable while performance is the dependent variable. Revenue management refers to how stakeholders in local government plan, budget, monitor and evaluate, implement and utilize revenue in order to deliver effective services to the citizens (Bitarabeho, 2015).

Health service delivery is the provision and method of making health care services available to a population (World Health Organisation, 2016). Service provision or delivery is an immediate output of the inputs into the health system, such as the health workforce, procurement and supplies and financing. Increased inputs should lead to improved service delivery and enhanced access to services. Ensuring availability of health services that meet minimum quality standard and securing access to them are key functions of a health system. This chapter covers the background of the study, statement of the problem, objectives of the study, research questions, scope of the study, significance of the study, definition of key terms and the conceptual framework.

1.1 Background to the Study

1.1.1 Historical Perspective

Globally, decentralization policy has taken root in all countries but this differs from one country to another based on its forms and the extent of decentralization (Rondinelli, 1989). In Africa, many states have pursued substantial decentralization reforms in the previous years in the areas of planning and capital investment, budgeting and fiscal management, personnel systems and management and finance and revenue management.

In Uganda, decentralization was introduced in 1993 with many finance and revenue reforms, prominent among which was local revenue management. Under Fiscal Decentralization, local revenue management is an important aspect of financial management which involves resource mobilization or revenue generation, revenue sharing, budgeting, budget implementation,

monitoring and accountability. This understanding of revenue management is consistent with the work of Akonyo (2014) that focuses local revenue management in the broader perspective of financial management as financial decision (acquiring finances), investment decision (allocating finances) and conserving finances (controlling financial resources). However, prior to the adoption of decentralization policy in Uganda, local revenue management can be traced way back to the British colonial administration. At the time, the focus was on local revenue generation through taxation. The main objective of taxation was to develop the colonies and ensure that they were also self-sufficient (Atama, 2011). Opio (2012) underscored the importance of taxation in sustaining the existence of the state in terms of providing and maintaining public services or financing local government spending on goods and services.

As far as public institutions are concerned, revenue management is traceable in early 18th and later 19th centuries, when Great Britain initiated some of its projects that required continuous flow of resources from the subjects in form of taxes (Rose, 1950). The need for public revenues required that more taxes become imminent and many people got concerned on how public revenues realized from taxes was planned for and eventually spent to cater for public demands (Agrawal & Ferguson, 2007). To further note, revenue management in public departments is as old as when public institutions started to offer public services to the people without charging for them. For the case of the United States of America, public revenue management can be traced during the deregulation of the USA airline industry in the early 1970s (Rose, 1950). The variable of revenue management is tied to numerous governments and has evolved as one of the best ways of boosting revenue bases and be able to fund budgets which are intended to benefit citizens in form of roads, markets, health centres, safe water, among others, to the citizens (Ssenjala, 2017).

At the time of independence in 1962, the Constitution of Uganda provided for comparatively strong local government systems and devolved significant powers to Kingdoms, Urban councils and District councils, with meaningful financial resource arrangements. Local governments rendered services to relative satisfaction of their constituents. Revenue management is still a very sensitive area and this stemmed from the time when Uganda got independence in 1962 from Britain as its colonial ruler. It is during this period that Uganda was structured into districts with

each district segmented to manageable departments was tasked to administratively manage its routine operations supported with locally generated revenue (Ugandan Constitution, 1995).

Revenue management has since evolved under different systems of governance. According to Karugire (1980), the Buganda Agreement of 1900 defined the financial provisions among others. The financial provisions dealt with the imposition of hut and gun taxes and control by the protectorate government of the revenues derived from these sources. In 1954, the concept of graduated tax was introduced for all local authorities in Uganda as a main source of revenue. The graduated tax stemmed from the poll tax which later replaced the Hut tax in 1905. This was as a result of the weaknesses in their administration as expounded by Atama (2011).

To date, the issue of revenue management is a task that is closely executed by government departments, specifically the Local Government. These LGs see revenue management as a very sensitive role that has been provided and guided by the Local Governments Act of 1997 and enshrined in Chapter XI of the Constitution (Local Governments Act of 1997). The structure of Kabale District Local Government is based on a five-tier structure of the LG including sub-counties and town councils. It is at these entities that local revenue management needs to be closely managed through ensuring that planning, coordination, staffing are well managed and therefore be able to improve revenue collections, not forgetting using it to provide better services to taxpayers (Organisation for Economic Co-operation and Development, 2016).

Under fiscal decentralization, local governments were empowered to levy, charge, and collect fees as a means to generate local revenue for the delivery of health services (LGA, CAP 243, section 80). The fifth schedule of the Act, also spells out the regulations governing the Local Government revenue. In addition to graduated rates and grants from central government , local government revenue (local revenue) consists of Property rates; Fees and fines or licenses and permits; Interest on investments; Rents from lease of property; Donations, contributions and endowments; Charges or profits arising from any trade, service or undertaking carried on by the council; Parking fees; Charcoal burning licenses; Any other revenue which may be prescribed by the Local Government and approved by the minister; Local service tax and Local Hotel tax. Local revenue from these different sources is critical in the maintenance of the physical

infrastructure, hence the need for its effective collection mechanisms in local governments. In view of the above, decentralization policy was not meant to be simply a policy goal to shift responsibility for development to local authorities, but a policy instrument aimed at improving local democracy, effectiveness, increased efficiency and sustainability in the delivery of essential health services countrywide. It also aimed at introducing efficiency and effectiveness in the generation and management of resources and delivery of services (MoLG, Induction of Local government council participants' handbook, 2012).

Nonetheless, as later observed in the work of Wunsch (2001), many of these reforms are still experiencing problems in bringing about effective local governance especially in regard to translating general reform initiatives into specific working arrangements at the local level that are effective in several key processes and operations. Furthermore, fiscal decentralization strategy (FDS) designed to ensure efficient provision of local services that align with local needs, and to improve accountability to residents has in few cases been achieved. Consistent with the aforementioned, Kikwete (2013) asserts that local expenditure and local revenue generation is not in close proximity in local governments. As a result, adverse effects of deficient health services and general problems of providing them are not addressed (Rioja, 2015).

Uganda is among the countries in Sub Saharan Africa that are implementing reforms in the Health Sector in the framework of fiscal decentralization. This process started in 1999 when the National Health Policy was launched (Ongodia, 2016). This was done as a way out of the broken health system since the 1970s due to a combination of economic, political and social factors. Before the fiscal decentralization was introduced in Uganda by the central government in accordance with Article 176 of the 1995 National Constitution and Sections 78-86 of the Local Governments Act (Cap. 243), Uganda was faced with many problems related to the quality of primary health care services, including high infant mortality rates, high maternal mortality rates, poor facilities, inadequate personnel, poor responsiveness and reliability (Ongodia, 2016). Health services were not reliable and responsive and the associated infrastructure was not meeting the standards.

Kabale District Local Government provides a number of required health services namely, provision of safe water, improvement in primary health care, HIV/AIDS prevention and treatment, construction of health centres, among others.

1.1.2 Theoretical Perspective

The Resource Dependency Theory (RDT) was used for this study. The core argument of RDT as advanced by Pfeffer and Salancik (1978), cited in Nyakato (2009) is that organizations would respond to demands made by external actors or organizations upon whose resources they are heavily dependent, even if those organizations will try to minimize that dependency as much as possible. In this theory, the management style in a given organization will follow, and to that extent, will depend on external circumstances. This theory is one of many theories organizational studies have used in understanding the behaviour of organizations. From the fiscal decentralization point of view, local governments heavily depend on central government financial transfers (LGA, CAP 243) and donor funds, as argued in the work of Rioja (2015). The Resource Dependency Theory proposes that actors lacking in allocation resources will seek to establish relationships with (i.e. be dependent upon) others in order to obtain needed resources. This questions the argument that local governments are autonomous and have powers of planning and budgeting. In this case the relationship between central government and local governments in Uganda is based on the Resource Dependency Theory. Local Development Grants are an incentive-based policy instrument predicated on resource dependency theory. This theory puts forth that changes in resource availability would threaten organizations and encourage adaptation for continued existence.

The Resource Dependence Theory also focuses on the exercise of power, control, and negotiation of interdependencies to secure a stable inflow of vital resources and reduce uncertainty. This argument is supported by the 1995 Constitution of Uganda (Article 193, section 3) that defines the utilization of the conditional grant to be determined by both central government and local government through the planning and budgeting processes (Republic of Uganda, 1995). From a resource dependence point of view, performance measurement systems, embedded in Local government revenue implementation, can be considered as tools closely linked with the exercise of power, self-interest and political advocacy. Therefore, because of the

dependency nature of local governments on external resources for executing most of their mandates, resource dependency theory is very paramount in this study.

1.1.3 Conceptual Perspective

Ansaldo and Marcotte (2017) define revenue management as the process of planning, mobilization and collection, allocation, utilization and controlling of public funds that are generated by the government to provide public services, for instance education, water, roads and sanitation to the general public nationally while Kimes (2015) asserts that local revenue management is the application of information systems and pricing strategies to allocate the right capacity to the right customer at the right price at the right time. To the scholar, the concept of revenue management encompasses setting fair prices according to predicted demand levels so that price-sensitive customers willing to purchase at off-peak times can do so at favourable prices.

Revenue management in the broader perspective of financial management refers to financial decision (acquiring finances), investment decision (allocating finances) and conserving finances (controlling financial resources) (Akonyo, 2014). Under Fiscal decentralization, local revenue management is an important aspect of financial management which involves revenue mobilization and collection or revenue generation, revenue sharing, budgeting, implementation of the budget, monitoring and accountability.

Merson (2016) defines health service delivery as a system of institutions, people, technologies and resources designed to improve the health status of the population at any time. Availability and comprehensiveness of health services offered at a health facility is critical in realizing universal health coverage (WHO, 2015).

Health services encompass all services dealing with diagnosis and treatment of diseases, or the promotion, maintenance and restoration of health. It further covers personal and non-personal health services (WHO, 2015). Health services are the most visible functions of any health system to the public. Therefore, health service refers to the way inputs such as money, staff, equipment,

infrastructure and drugs are combined to allow the delivery of health interventions (Tibandebage, 2016).

1.1.4 Contextual Perspective

The task of revenue management as far as government parameters are concerned has been given to its entities, specially districts and town councils, and the role is executed guided by Section 35 of the Local Government Act Cap 243, Amendment 2010. The act grants administrative powers to government authorities to ensure that they properly manage all local revenue which has been planned and documented in their budgets and three-five strategic plan development. This practice has remained operational in Kabale District Local Government. The LG Statute No.15 of section 44 of 1993 and the 1995 Constitution of the Republic of Uganda provide a decentralization system of governance with the districts at the top of the administrative units. These are governed by the 1995 Constitution of the Republic of Uganda and Local Government Act of 1997.

Despite the above policies and plans focusing on improving revenue management in local governments, and Kabale District Local Government in particular, there still exist inadequacies in revenue planning, allocation, utilization, revenue control, revenue mobilization and collection, revenue sharing, budgeting, budget implementation, monitoring and accountability (Kabale District Financial Statements FY 201/11 to 2014/15). In addition, as pointed out in the work of Kikwete (2013), local expenditure and local revenue generation is not in close proximity in local governments. Consequently, health service delivery continues to suffer inadequate funding. On the other hand, providing funding for the health sector from Central Government transfers would appear more a lasting solution to inadequate funding for health. The researcher observes that this kind of financing modality might override the decentralization policy objective of enhancing participation and ownership of projects by local governments and communities.

Kabale District Local Government, like any other local government in Uganda, derives its mandate to deliver social services from the 2nd Schedule (Part V) of the Local Governments Act (Cap. 243). Like other local governments in the country, Kabale District Local Government is faced with problems of poor quality in respect of primary health care services. There is limited

access to quality health services by the beneficiaries and ineffectiveness of care. The rate at which the newborn babies in Kabale die is alarming. In 2017/2018, statistics indicated that five mothers and their babies died during the delivery process and 41 babies died immediately after being born (Kabale District Health Status Report, 2017/2018).This indicates very poor performance of health service delivery.

Attaining service gratification in the whole world demands that local governments improve on the quality of services they offer (Makanyeza, 2015).Service quality, particularly in the health sector, is linked with improved human well-being and, in return, enhances productivity of life (Kimenyi, 2016). Nevertheless, in spite of the imperative role of quality health service delivery as characterized above, health service delivery in Uganda is poor (Nabukeera, 2016). Lack of trained human resources, poor organization of health services and drug inadequacy, dilapidated health infrastructure systems, among others, have combined in numerous proportions to weaken the health service quality (Nabukeera, 2016). This condition has continued in spite of several reforms such as improved training health institutions, improved health service management system, more fund allocation by various funding organizations, revamped health infrastructures, improved drug management approaches, enhanced health models, upgraded remuneration systems, among others (WHO, 2015; UNHCO, 2014).

Health service quality in Uganda is underpinned by the Health Sector Strategic Plan (HSSP) with an objective of improving the health of every person in a manner that is legitimate and quick to respond to their health needs. This is further articulated in the vision 2040 blueprint for example, that aims at enabling government to transform its society and provide citizens with better standard of living by focusing on improving the quality health. Despite this, poor service delivery in the health sector has evidently persisted (MOH, 2015).

Health service delivery in Uganda is often characterized by weak public health systems (Nabukeera, 2016). Besides, an audited report published in 2016 by Auditor General on local authorities in Uganda show that health services offered in Kabale District Local Government are unsatisfactory (Office of The Auditor General, 2016). The aforementioned report and studies indicate deficient and dilapidated infrastructure, questionable drug inventory techniques and quality, unreliable staff, unqualified and limited human resources, among others. Consequently,

there has been increased mortality rate, low life expectancy, questionable health conditions, lack of trust in health systems, among others (WHO, 2015). In view of the aforementioned, revenue management has been regarded a distinctive factor to enhance quality health service delivery (Wane and Gayle, 2016).

A survey conducted in Kabale District by Mbonye, Mohamud & Bagonza (2016) on perceptions and practices for preventing malaria in pregnancy in a peri-urban setting in south-western Uganda found that few women (19%) attended the recommended four antenatal care visits; less than a half (48.8%) accessed two doses of sulfadoxine-pyrimethamine (SP) for malaria prevention in pregnancy; while 16.3 % received at least three doses of SP, as recommended by the current policy. Additionally, the number of pregnant mothers who seek primary health care services in form of antenatal and post-natal care at Kamukira Health Centre dropped from twenty in 2019 to ten in 2020 in a period of one week (Health Records Department, 2020). The main reasons for poor antenatal care attendance were: women feel healthy and do not see a need to go for antenatal care; long distances and long waiting hours at clinics. The reasons given for not taking sulfadoxine-pyrimethamine (SP) for malaria prevention were: women not feeling sick; they are not aware of the benefits of sulfadoxine-pyrimethamine (SP) in pregnancy. The poor customer care and long waiting hours by patients in government health centres in Kabale Municipality make service seekers prefer seeking primary health care services like antenatal, post natal, immunization and vaccination from private hospitals and health facilities like Rugarama Hospital and Rushoroza Hospital and other private clinics which are even expensive.

Although revenue management has been advocated as a powerful means to improve the quality of health services in developing countries, very little empirical work has been done to systematically analyse the effect of revenue management on health service delivery. There was therefore a knowledge gap which needed to be filled by establishing how decentralized revenue management affects health service delivery in Kabale District Local Government.

1.2 Statement of the Problem

Revenue management is a devolved responsibility to local governments which has been viewed as an instrument for addressing problems of providing and maintaining public services (MOLG,

Induction of Local government council participants' handbook, 2012). Besides, there has been increased central government funding to Local governments in Uganda.

Revenue management has enabled local governments to carry out their own budgeting with a focus on their local priorities. The local governments have been able to finance some of these priorities using the locally generated revenue. However, Kabale District Local Government is faced with problems of poor quality health service delivery as indicated by the alarming rate at which the newborn babies in Kabale die. In 2017/2018, statistics indicated that five mothers and their babies died during the delivery process and 41 babies died immediately after being born (Kabale District Health Status Report, 2017/2018). This indicates very poor performance of health service delivery. Despite the increased central government funding to Kabale District Local Government and their discretional powers over revenue management in terms of Local revenue planning, Local revenue collection and Local revenue control, Revenue allocation and utilization, there is still inadequate delivery of health care services. The health care services are not easily accessed, the expected health outputs are not being obtained and there is lack trust and respect between the service providers and clients. Based on the reviewed literature, there has been no study conducted to establish the effect of revenue management on health services delivery in Kabale District Local Government. This leaves a gap on the extent to which revenue management influences health services delivery in Kabale District Local Government. If this trend continues, the desired health results will not be obtained. This will eventually result into unbearable disease burden with unprecedented proportions of life years being lost due to premature deaths. This study therefore purposes to fill this gap.

1.3 Objectives of the Study

1.3.1 General Objective

The general objective was to establish the extent to which revenue management affects health service delivery in Kabale District Local Government.

1.3.2 Specific Objectives

i. To establish the relationship between revenue planning and health service delivery in Kabale district local government;

ii. To analyse the effect of revenue control on health service delivery in Kabale district local government;
iii. To establish how revenue allocation influences health service delivery in Kabale District Local Government.

1.4 Research Questions

i. What is the relationship between revenue planning and health service delivery in Kabale District Local Government?
ii. What is the effect of revenue control on health service delivery in Kabale District Local Government?
iii. How does revenue allocation influence health service delivery in Kabale District Local Government?

1.5 Scope of the Study

The scope of this study was considered in terms of geographical location of the area where the study was conducted, the content scope and the timeframe.

1.5.1 Geographical Scope

The study was conducted in Kabale District Local Government. Kabale District is bordered by districts Rubanda to the west, Rukungiri and Kanungu to the North, Rukiga District to the east and the Republic of Rwanda to the south. This place was chosen because there were complaints of poor health service delivery. So, the researcher wanted to know if revenue management could improve health service delivery in Kabale District Local Government.

1.5.2 Content Scope

The study was about decentralized revenue management and health service delivery in Kabale District Local Government. The study focused on revenue planning, revenue control, allocation and revenue utilization as independent variables because they ensure that there is effective health services delivery; and health service delivery was considered in terms of improved services, increased accessibility and availability of quality health services as dependent variables.

1.5.3Time Scope

Regarding the timeframe, the study covered a 5-year period, i.e. financial years 2013 to 2018. This timeframe was thought sufficient to provide sound analysis of revenue management and health service delivery in Kabale District Local Government.

1.6. Significance of the Study

This study will contribute to a valuable body of knowledge on revenue management and how the identified revenue management factors influence service delivery. Therefore, it will add to the existing knowledge on the subject and form useful material for academic and policy reference.

The research findings and recommendations will provide government and policy makers with information to enhance accountability and equity in service delivery and improve on programme management in regard to revenue.

1.7. Operational Definitions of Terms and Concepts

Revenue management: Is the application of disciplined analytics that predict consumer behaviour at the micro-market levels and optimize product availability and price to maximize revenue growth.

Revenue allocation: This is instruments of fiscal policy by which priority is developed through budgeting, i.e. how the money generated through taxation and government investment are shared among the various governmental levels and economic sectors to speed up policy implementation process.

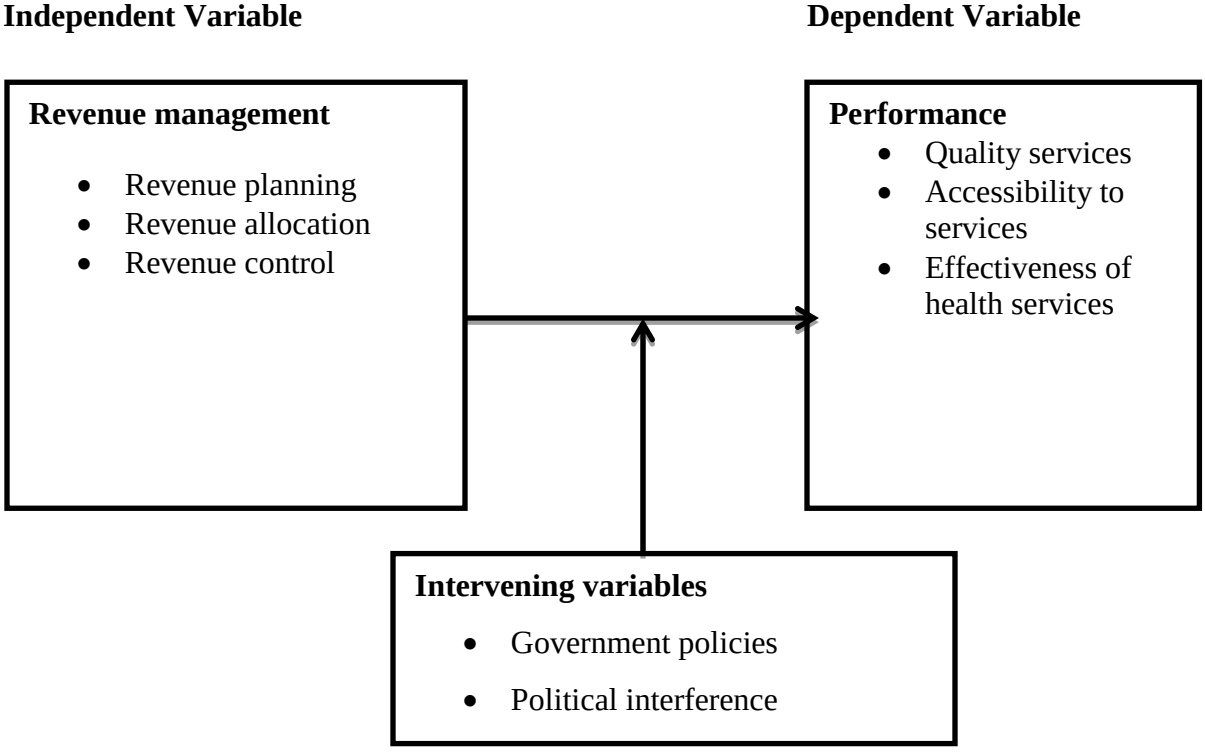
Performance: This is considered in terms of extending basic services like education, healthcare, water, transport and communication where the end users are the public or local people within the country.

Revenue: Revenue is income collected and received by a Local Government (LG). Revenue refers to a sum of payments received by a LG from individual residents and organizations and transfers by the central government for the purpose of financing service delivery and devolved expenditure functions.

1.8 Conceptual Framework

A conceptual framework is the diagrammatic presentation of variables, showing the relationship between the independent variable and the dependent variables (Mugenda & Mugenda, 2003). The conceptual framework hereunder illustrates the perceived link between the independent (revenue management) and dependent variable (health service delivery) moderated by government policies.

Figure 1.1: Summary of the conceptual framework



Source: Grace Ikirimat, 2014 and modified by the researcher 2021

The model in figure 1.1 illustrates the relationship between decentralized revenue management and health service delivery. The independent variable is revenue management while the dependent variable is performance. The independent variable is conceptualized to have four dimensions namely; (i) revenue planning, (ii) revenue allocation, (iii) revenue utilization, (iv) revenuecontrol. revenue planning for revenue is perceived to have an effect on the quality of health services. This involves decision making over the revenue investment by the relevant authorities and structures.

Revenue control as a decentralised revenue management dimension is concerned with allocation of funds collected in the local government to other sectors in accordance with the budget and local revenue sharing mechanism. Proper allocations, timely release of funds will ensure effective and efficient budget implementation. In addition, effective internal controls such as audits, accountability, monitoring and evaluation would lead to improved quality service delivery. Revenue allocation is instrumental in realizing improved health service delivery namely; provision of quality health services and accessibility to services. This study considered health service delivery in Kabale District as a dependent variable in terms of effectiveness of care, efficiency of care, quality services, accessibility to services, satisfaction and effectiveness of health services.

Meanwhile, the above interrelationships were moderated by government policies on health care services. Government policies on health care services regulate the relationship between the independent variable and dependent variable through designing the normative framework that protects and promotes the quality of health services and guarantees compliance with the existing policies, laws, rules and guidelines. If there is laxity in the existing policies, then the expected effect of revenue management on the quality of health care services may be less significant. In the study, the quality of health services was considered as a variable that is affected by revenue management. The study considered government policies on health services as a variable that moderates the relationship between quality of health services and revenue management.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter discusses the literature pertaining to the relationship between revenue planning and health service delivery, the effect of revenue control on health service delivery in Kabale district local government, and, the effect of revenue allocation on health service delivery in Kabale District Local Government. The related literature was based on the study of numerous authors and scholars' ideas about revenue management and health service delivery in local governments.

2.1 Revenue Planning and Health Service Delivery in Local Governments

Over the years, decentralization has been tipped as a perfect mechanism to improve health services. Lately, it has been viewed as a fundamental means of a wider health reform to attain 'improved equity, efficiency, quality and financial soundness. Coelho and Nobre (2014) observe that local councils should be responsible for overseeing and authorizing annual plans from the 'health service managers' at every government level. "Decentralization of health services provision has also resulted in the mandatory establishment of local health councils at state and municipal levels. As well as guaranteeing local access to national funds, these councils have come to play a key role in local politics, becoming important arenas for participation, decision-making and public accountability for the government's actions (Menino, 2012).

Mbufu (2014) argues that revenue planning for revenue includes identification of revenue sources, assessment of revenue and collection of revenue, debt and credit management. On the contrary, USAID (2017) highlights that a large portion of local government customers are indigent and therefore cannot afford to pay for health services; and this has to be factored into financial planning and strategy development. Additionally, Byrnes (2016) acknowledges that to curb and reverse the declining local revenue, many LGs come up with revenue enhancement plans that entail identifying revenue sources, among others, to increase the revenue base. The scholar adds that the actual collections could be less than the budgeted. This shows negative performance in revenue collection and it is not desirable if the Local Government is to deliver quality and sufficient health services to its people (Tregilgas, 2016). The challenge with the

above scholarly works is that local governments are time and again affected by the prevailing sources of local revenue which are fewer and therefore negatively affecting their revenue management and health service delivery.

Fjeldstad (2015), while referring to a study in Tanzania found out that LGs needed to meet certain minimum conditions in order to access development funds. The scholar goes ahead and argues that such conditions are intended to reinforce good governance -- for instance approved annual plan and budget; submission of final audits on time; no adverse opinion audit certificate awarded to latest accounts of the council; and submission of quarterly financial reports. Such requirements are seen as minimum safeguards for handling funds and aim at entrenching accountability on the part of the staff and leaders of the councils. Furthermore, Tregilgas (2016) stresses that local governments fail to avoid unrealistic increases from revenue enhancement activities, which make the realization of revenue and health service delivery such as paediatrics and gaenacology to be more of a dream than a reality.

Norton and Kaplan (2014) argue that local governments improve their local revenue collection when they deploy a team of enforcers to oversee its collection. The scholars argue that to ensure smooth financial health of an organization, a number of interrelated factors need to be considered; they argue that using strategic plans, enforcement inclusive, fulfils objectives of an organization. This task requires setting of goals, which has to do with the quality of service with other drivers directed at attaining organization goals.

Conclusively, Vazquez, Smoke and Slack (2015) stress that well designed revenue assessment strategies improve the efficiency of revenue collection, win public support, incentivize economic activity, and improve urban affordability for the poor. More still, budgetary improvements can allow municipalities to make strategic investments in their cities, stimulating a virtuous cycle of growth, revenue generation, and prosperity. On the other hand, Odd-Helge (2016) agrees that the local government ‘own revenue’ systems across Anglophone Africa are often characterized by a huge number of revenue instruments. However, the main sources of ‘own revenues’ are usually property rates in urban councils, business licenses, market fees and various user charges, often in

the form of surcharges for health services provided by or on behalf of the local government authority.

Coelho and Nobre (2014) state that local councils are responsible for the overseeing and authorizing annual plans from the 'health service managers' at every government level. "Decentralization of health services provision has also resulted in the mandatory establishment of local health councils at state and municipal levels as well as guaranteeing local access to national funds, these councils have come to play a key role in local politics, becoming important arenas for participation, decision-making and public accountability for the government's actions" (Menino, 2014). In addition, Litvack and Seddon (2015) contend that the general argument for decentralizing health care is that greater citizen/community participation in health policy and local accountability could lead to improved quantity (including coverage) and quality of health services. The authors' studies focused on decentralized health services but did not show how decentralized planning affects health services in Uganda. This was thus the essence of this study.

Decentralization has been linked with enhanced local level internal health sector resource mobilization through allowing districts to make local decisions on user fees and health service prorovision (Bossert, 2015). The use of both discretional block grants and conditional grants as mechanisms for resource allocation to decentralized units has been reported in many countries. Increase in discretional authority over local level health sector priority setting has been linked with reduced allocations for Primary Health Care (PHC) in decentralized units in some counties (Glenngard, 2014). It is therefore evident that despite its growing popularity as an approach to tackling poor health system governance, the experiences of health sector decentralization in most developing countries have been varied, irrespective of the form or mode of decentralization adopted (Glenngard, 2014).

The decision making process through participatory, bottom-up planning, local needs focused at all levels of local governments are a very important aspect of revenue management and health service delivery (Steffensen, 2010). This is in line with the principles of decentralization. Wong and West (2015) point out in their study that setting conditions while planning minimizes ambiguous decision making and tends to depend on local leaders' personal decisions. This is in

agreement with the reason for conditional grants. In Uganda, the legal instruments such as the Constitution of Uganda, 1995 and Local Government Act 1997 empower the local governments with responsibility of delivering health services and promoting participatory decision making.

Steffensen (2010) contends that in planning for revenue for local governments, across and within health sector, decision making and budgeting in the local government play a major role in determining the efficiency and effectiveness of local governments in delivering services to their citizens. The Constitution of the Republic of Uganda (1995) and the Decentralization Policy empower the local governments with the responsibility of service delivery and promotion of popular participation and empowerment of local communities in decision making on matters that concern them. Article 190 of the Constitution of Uganda (1995) specifically provides that District/Municipal councils shall prepare comprehensive and integrated development plans incorporating the plans of lower local governments and thereafter submit to the National Planning Authority.

Anwar (2013) asserts that there is always some degree of conflict among priorities established by various levels of government and one way to induce local governments to follow priorities established by central government is for central government to use its spending power in providing conditional grants. This is in agreement with the resource dependency theory. Contrary to the above, by central government overly getting involved in local government decision making, this biases the system towards centralized outcomes and yet the grants are intended to facilitate decentralized decision making for the delivery of services.

WHO (2018) declares a new approach for primary health care which advocates for community participation and greater responsiveness to the needs of the community through decentralized planning. The approach recognizes that there is need to involve the local community in planning so as to promote participation and control for a community-oriented quality health system (Bhattacharyya & Murray, 2017). The democratic theory considers involvement of the beneficiaries in planning as a social value in an ideal and standard decision environment. It argues that decision making is improved when there is participation of the beneficiaries, increment in responsiveness and cooperation among stakeholders. This leads to a rise in

productivity as a result of correct decision making. Putting decision making in the hands of those who have the information that outsiders lack gives them a strong incentive advantage. Local information can often identify cheaper and more appropriate ways to deliver public services (Dethier, 2015).

Shah (2017) asserts that in local government revenue planning, the citizenry should be involved in each stage of the process, as a means of making government responsive to public interests and as a means of monitoring the results of government programmes to improve health service delivery. Citizen participation has traditionally been political, that is; involving voting, lobbying, and sometimes testifying at hearings, aimed at influencing public representatives and officials. However, a new philosophy and system of participatory planning incorporates citizens' views as stakeholders identify and rank priorities. So, citizen input is considered earlier in the process than has been traditionally the case. Participatory planning has been successfully used by local governments in Brazil, the Philippines, Ecuador, India, Indonesia, Serbia, South Africa, Sri Lanka, Tanzania, the United Kingdom and Uruguay. The above studies did not focus on Uganda, therefore there was a need to conduct this study on decentralized planning and health service delivery in Uganda with a focus on Kabale District Local Government because the situation would be different.

Rondin (2015) notes that the problems of providing and maintaining public services have increased calls for decentralization to improve on revenue management. Many decentralized developing countries, however, have not translated the policy to address the problem of maintenance of public infrastructure due to inadequate funding for infrastructure maintenance. Consistent with this, Therkildsen and Semboja (2016) argue that whereas rural local governments in Tanzania were introduced in 1984, they face a serious problem of financing the operation and maintenance of basic services. A similar view was held by Grundy, Healy, Gorgolon and Sandig (2014) adding that since the advent of devolution in the Philippines the under-financing of public health services had resulted in their slow decay in terms of un-maintained infrastructure and unrepaired or unreplaced equipment, among others. Accordingly, the researcher believes that these phenomena negate the aim of decentralization which is meant to widen decision making space of middle level managers, enhance resource allocations from

central to peripheral areas and to improve the efficiency and effectiveness of services delivery. The above studies focused on revenue management and infrastructure maintenance yet the dependent variable is health services delivery. Thus, this study was done on the effect of decentralized planning as a component of revenue management on health service delivery in Kabale District Local Government.

Decentralized revenue planning has become crucial and the need for proper revenue planning practices has been identified as essential for developing nations, including those in Africa. Siswana (2014) notes that proper revenue planning assists public sector entities to ensure that expenditure patterns in relation to programmes and projects occur within a budgeted vote. Furthermore, as noted by Russell and Bvuma (2013), there is a need to plan, budget for and implement actions which have the potential of radically improving the reach, accessibility and quality of health service delivery in Africa. According to Tsheletsane and Fourie (2014), revenue management fulfils an important role in the South African public sector, because without public funds to cover operational and capital costs and without appropriate personnel, no public institution can render effective services. Although the studies focused on revenue management and health service delivery, it did not specify which dimensions improve health service delivery. It was on this basis that the study was conducted on decentralized planning and its effect on health service delivery.

Adam (2016) carried out a study in Europe and America to empirically examine the relationship between revenue planning and public sector efficiency. The study found that irrespective of whether public sector efficiency concerns education or health services, an inverted U-shaped relationship exists between government efficiency in providing these services and revenue planning. In contrast, Elhiraika (2017) used data from nine provinces in South Africa to investigate the impact of revenue planning on basic service delivery, focusing on the role of own-source revenue. The own-source revenue variable was found to have a negative and significant impact on demand for health relative to demand for other public services. The researchers argued for improved revenue planning and greater revenue autonomy in particular if sub national governments in South Africa improve service delivery by enhancing transparency and shifting accountability to the local population rather than the central government. These

studies were done in the developed world where the situation could be different from Uganda. Therefore there was need for the same study to be done in developing world such as Uganda. The studies by Adam (2015) and Elhiraika (2017) focused on fiscal decentralization and public sector efficiency but not on decentralized planning and health service delivery in Kabale District Local Government. So, me as a researcher, by doing this study, I was interested in establishing how revenue planning affected health services delivery in Kabale District Local Government which nobody in the literature talked about.

Uchimura and Jütting (2017) analysed the effect of fiscal decentralization on health outcomes in China using panel data set with nationwide county-level data. They found that counties in more fiscally decentralized provinces have lower infant mortality rates than counties where the provincial government remains the main spending authority, if certain conditions are met. The findings supported the common assertion that fiscal decentralization can lead to more efficient production of local public goods, while also highlighting the conditions required for this result to be obtained. More recently, Olatona and Olomola (2015) analysed the influence of fiscal decentralization on health and educational service delivery between 1999 and 2012. The study found that fiscal decentralization has positive link with educational service delivery, while high degree of fiscal decentralization is negatively related to health care delivery. These studies did not focus on how decentralized revenue management affects health service delivery. Hence the study was conducted in Kabale District Local Government to explain the effect of revenue management on health service delivery. Uchimura and Jütting (2017) and Olatona and Olomola (2015) talked about fiscal decentralization and health outcomes and educational services in China but not decentralized planning and health service delivery in Kabale District Local Government. This was the essence of conducting this study.

Kigochi (2018) did a study on Survey of operational Budgeting Challenges in the insurance industry in Kenya. The study surveyed the challenges of operational budgeting system in the insurance industry in Kenya. The study sought to bring out the challenges in formulating operational budgets in the insurance industry in Kenya and to propose solutions to the major challenges. The objectives of the study were to determine the challenges faced when formulating an operational budget in the insurance industry in Kenya and to establish the effectiveness of

those operational budgets. This study was descriptive in nature and the researcher used the survey method. The population of this study consisted of 42 currently licensed insurance companies in Kenya. Data for the study was collected using a structured questionnaire. The data collected was then analysed with the help of Excel Spreadsheets.

From the findings, the researcher found that operational budgets were effective in the insurance industry as they served their purpose of forecasting the future, assisted in control, acted as a means by which management communicates to other levels of department, acted as a means of performance appraisal and motivated employees to do better. The study also found that the challenges faced when formulating the operational budgets were inability to achieve the required value of new business, management of acquisition and maintenance costs, time constraints, desire for comfort budgets, lack of continuity in the committee, competence levels of budgeting teams, non-adherence to the laid down budgets by departments, lack of adequate authority to spend despite allocation, non-achievement of the main top line income earners, cost fluctuation or inflation on costs, lack or poor participation, poor coordination of the exercise, x measurement of some factors was difficult (estimations) and at times it is inflexible to changes/adjustments and it was expensive as a control/monitoring tool.

Obulemire (2016) did a study on survey of budget practices in secondary schools. The study aim was to look at benefits of budgeting by Public Secondary Schools Managers and to establish factors that secondary schools consider when undertaking a budgetary process. The study established that most secondary schools do not have a strategic plan to guide them towards achievement of both long-term and short-term objectives. The head of schools had received training in financial management on preparing budgets and the commonly prepared budget was income and expenditure budget with only a few schools preparing the cash budget and long-term assets acquisition budget, despite the fact that most of them had incurred expenditure on long-term investments. He notes that there is lack of a solid base to enforce budgetary approach. The research finding concluded that activity-based accounting was commonly used, but this could not be proved if it was actually done based on the principle of ABB. Obulemire's (2016) study focused on budget practices in secondary schools, yet the present study was on revenue planning

as a dimension of revenue management and health service delivery in Kabale District Local Government. This was therefore the motivation for this study.

Diaz-Serrano and Rodríguez-Pose (2015) assert that the impact of decentralization on satisfaction with government, democracy, and the economic situation of a country is ambiguous. More specifically, they indicate that fiscal decentralization, measured by the expenditure capacity of sub national governments, exerts a positive influence on satisfaction with political institutions. In addition, they reported that if fiscal decentralization is proxied by revenue, the impact is negative. Consistent to the above are the findings of Balunywa (2015) who established that fiscal decentralization helps to reduce corruption, leads to improved revenue performance, enables better planning for revenue collection, reduces on tax evasion, enables the local government to get more sources of revenue, makes it easy to handle taxation disputes and that fiscal decentralization reduces on taxation bureaucracies, hence better revenue performance.

Decentralization has been linked with enhanced local level internal health sector resource mobilization through allowing districts to make local decisions on user fees (Bossert, 2015). The use of both discretional block grants and conditional grants as mechanisms for resource allocation to decentralized units has been reported in many countries (Mayhew, 2013). Increase in discretional authority over local level health sector priority setting has been linked with reduced allocations for Primary Health Care (PHC) in decentralized units in some counties (Glenngard, 2014). It is therefore evident that despite its growing popularity as an approach to tackling poor health system governance, the experiences of health sector decentralization in most developing countries have been varied, irrespective of the form or mode of decentralization adopted (Glenngard, 2014).

Rioja (2015) maintains that maintenance disregard, for example, may lead to road deterioration, power line breakdowns reducing the economy's productive capacity. Furthermore, he submits that in developing countries, new public projects are mostly financed by international donors (typically by governments of industrialized countries or international organizations) and the maintenance of existing public infrastructure, conversely, is financed by taxation. Whereas this was a good attempt to demonstrate the significance maintenance of physical infrastructure to the

economy's productive capacity and source of its financing, the study did not explore how different dimensions of revenue management, for instance how revenue planning affected health service delivery, which gaps this study attempted to explore and fill.

Furthermore, Rondin (2015) notes that the problems of providing and maintaining public services had increased calls for decentralization. Many decentralized developing countries, however, have not translated the policy to address the problem of maintenance of public infrastructure due to inadequate funding for infrastructure maintenance. Consistent with this, Therkildsen and Semboja (2016) argue that whereas rural local governments in Tanzania were introduced in 1984, they face a serious problem of financing the operation and maintenance of basic services. A similar view was held by Grundy, Healy, Gorgolon and Sandig (2014) adding that since the advent of devolution in the Philippines, the under-financing of public health services had resulted in their slow decay in terms of unmaintained infrastructure and unrepaired or unreplaced equipment, among others. Accordingly, the researcher believes that these phenomena negate the aim of decentralization which is meant to widen decision making space of middle-level managers, enhance resource allocations from central to peripheral areas and to improve the efficiency and effectiveness of services delivery. The above studies focused on revenue management and infrastructure maintenance yet the dependent variable is health service delivery. Thus, this study was done on the effect of revenue planning on health service delivery in Kabale District Local Government.

In many countries, governments are utilizing decentralization tools for poverty reduction, improving representation of the poor and better targeting of health service delivery (Jütting et al., 2014). Revenue planning has thus become crucial and the need for proper revenue planning practices has been identified as essential for developing nations, including those in Africa. Siswana (2014) notes that proper revenue planning assists public sector entities to ensure that expenditure patterns in relation to programmes and projects occur within a budgeted vote. Furthermore, as noted by Russell and Bvuma (2013), there is a need to plan, budget for and implement actions which have the potential of radically improving the reach, accessibility and quality of health service delivery in the Africa. According to Tsheletsane and Fourie (2014), financial management fulfils an important role in the South African public sector, because

without public funds to cover operational and capital costs and without appropriate personnel, no public institution can render effective services.

2.2 Revenue Control and Health Service Delivery in Local Governments

Revenue expenditure control entails three indicators namely, budget implementation reviews, quarterly audit reports and quarterly progress performance reports. The indicators are explained below in line with health service delivery by several scholars. For instance, Todd (2015) argues that accountability as a revenue control is often best strengthened by working through a multi-stakeholder approach involving citizens, government and health service providers to improve health service delivery. Todd (2015) further argues that it is important to recognize and strengthen systems of mutual accountability and partnership at local level inclusive of LGs since accountability ensures proper utilization of financial resources for improved health service delivery. The ability to ensure joint responsibility for health service delivery runs the risk of everyone's responsibility becoming no-one's responsibility. In addition, Mbufu (2014) further argues that formalizing revenue enhancement plan, budget priority allocations and effectively implementing the plan are issues that can ensure availability, accessibility of improved health service delivery.

On the contrary, Namanya (2015) recommends that in order to enhance local government revenue, accountability of such revenue would be seen in terms of the quality and quantity of health services extended to the local communities. The scholar further notes accessing such services would drive more people to pay tax that are allocated to the provision of such services; however, an LG would register more taxes if it strengthened enforcement of laws and adherence to revenue controls.

Furthermore, Miller and Svars (2016) argue that budgetary expenditure controls within LGs improved local revenue availability, decreased misappropriation of public funds, decreased unnecessary spending and improved the delivery of health services. Additionally, Kadiresan (2015) states that the creation of new districts has put more expenditure pressures on the local governments, reducing and in some cases taking away completely resources that would have been used in increasing and improving service delivery. These authors did not talk about how

revenue control in local governments in Uganda affects health service delivery. Thus, this study was conducted to fill this information gap by establishing the effect of revenue control on health service delivery in Kabale District Local Government.

Luzige (2016) recites that sources of revenue, for instance parking fees, rent, licenses, and permits, among others, are instrumental in realizing service delivery in LGs including expenditure on health, education. To the scholar, any increase in local revenue collection improved health service delivery, thus a significant relationship between local revenue control and health service delivery. Efozie (2010) agrees that management of any company should be acquitted with internal control procedures that would ensure effective health service delivery and the desired revenue generation.

Serem (2013) examined the budgetary control in Non-Governmental Organizations and its effects on their performance. The study found that there is a weak positive effect of budgetary control on the performance of NGOs in Kenya and suggested the need of sensitizing employees on budgetary controls so as to improve its consequent effect of performance. In addition, Manoharan (2017) examined some aspects of budgeting and budgetary control system and organizational performance in the case of selected Indian companies with the objective of investigating the relationship between budgetary control and organizational effectiveness by using statistical method. The study found that there is strong relationship between budgetary control system and organizational efficiency and it was concluded that there are some barriers in proper implementation of budgetary control system in the organization. More still, Sidhaam (2011) conducted a study on expenditure and budgetary control in urban local bodies in India using the prism model with the objective of achieving expenditure control through strengthening the budgetary control. It was concluded that many public expenditure management professionals are trying different approaches to their tasks.

Furthermore, Nyambura (2014) conducted a descriptive survey on the effect of budgetary control on effectiveness of non-governmental organizations in Kenya with the aim of determining the effect of budgetary control on effectiveness of non-governmental organizations in Kenya. The study found that there is a low positive relationship between budgetary control and performance

and planning contributed the highest towards the positive performance of the NGOs followed by monitoring and control and finally budget participation. It was concluded that the NGOs generally have budgetary control at different levels of the organization and most of them have planning, monitoring controlling, controls and budget participation. The above studies talked about budgetary control yet the current study focused on revenue control as a dimension of revenue management and its effect on health service delivery in local governments in Uganda. Thus, there was a need to fill the gap by establishing the effect of revenue control on health service delivery in Kabale District Local Government.

Lambe (2015) made a systematic review of budgeting and budgetary control in government owned organizations of Nigerian national petroleum corporation by using descriptive survey research design with the objective of determining how budgeting and budgetary control affects quality service delivery in government-owned enterprises. It was concluded that budgetary control aids in effective cost control most especially in government-owned organizations.

Nicoleta (2010) conducted a study on public budgeting with the Republic of Moldova as a case study by reviewing both theoretical and practical analysis done by World Bank with the objectives of illustrating if public budget is efficient or not and impact of applications of practice. The study found that the general trend concerning the Budget method and procedures is directed to the achievement of results, performance indicators and performance information. Additionally, Fadi (2013) conducted an investigation of the effect of tight budgetary control on management behaviour at Swedish public sector emphasizing on motivation, commitment, satisfaction and stress using a survey questionnaire with the objective of determining the effect of using TBC on managerial behaviour. The result of the study found that first; the study suggests that the majority of managers working in the public sector actually experience TBC. Second, the first hypothesis, which tested the effect of TBC on motivation and stated a negative relationship between the variables did not result in a significant relationship and the null hypothesis could not be rejected. Third, the alternative hypothesis that investigated a negative relationship between TBC and organizational commitment resulted in a significant relationship between the variables. This means that the second hypothesis is true. Fourth, the study's results find evidence for a positive relationship between managerial stress and TBC. Finally, the fourth hypothesis that considered the relationship between TBC and satisfaction was not supported,

which means that managers that face TBC are not necessarily less satisfied than managers that do not face TBC at their organization.

Geletaw (2017) conducted a research to investigate the determinants of budget control in the Benishangul Gumzu regional state public organizations using descriptive research design. The study found that the composite measure of information and communication, cost reduction, competent internal audit staff, management support, budget monitoring and evaluation, organizational commitment and budget planning processes for 78% (Nagelkerke modified R2 =0.78) variance for the budget control in the public sector offices. That means, the impact of these seven independent variables contributed for the dependent variable budget control were 78%, and the remaining 22% were other variables that are not included in this study. It was concluded that existence of effective budget control in the office links with internal control management system, improves organizational efficiency and effectiveness, reduces information asymmetry during decision making, and ensures internal reliability of financial reporting process. The study by Geletaw (2017) investigated the determinants of budget control using descriptive research design, not the effect of revenue control on health service delivery in Kabale District Local Government. However, the current study was conducted to establish the effect of revenue control on health service delivery using cross-sectional research design.

Ifra Ahmed, Kerosi Evans, and Ondabu Ibrahim (2015) studied the effectiveness of budgetary control techniques on organizational performance at Dara salaam Bank to analyse the effectiveness of budgetary control techniques on organizational performance using descriptive and retrospective research. The study had proven that there was a positive relationship between Organization's responsibility accounting system and performance. The study recommended that in order to enhance the effectiveness of budgetary control techniques in the Organizations, the management should put in place measures to solve the budgetary control system problems such as enhancing better understanding of budgetary control techniques, their behaviour and institutional dynamics among the staff, developing strong financial integration with performance management, quarterly revision of financial plan to redirect resources at frequent intervals, better engagement between organizational leaders, managers, finance staff with timing of the financial plan. Moreover, Governments should set yearly objectives for each performance indicator of

their budgetary control system so that Civil workers, the business owners and other employees should bear in mind the yearly objectives to be achieved, business owners and employees should work hard to achieve the yearly set objectives for each indicator.

Olaoye and Ogunmakin (2014) examined the budgetary control and performance in government parastals in Osun state, Nigeria, with the primary objective of determining the relationship between revenues and expenditures estimates and actuals using Pearson Product Moment Correlation. Five parastatals were sampled using budgetary performance for five fiscal years (2007-2011) and the study revealed that there existed strong and weak negative relationship in the revenues and expenditures of the establishments over the periods selected, viz: Agricultural Corporation -0.28 (weak), Broadcasting Corporation -0.58 (strong), College of Education -0.41 (weak), Property Development Corporation -0.64 (strong) and Water Corporation -0.33 (weak). The study concluded that the budgeting process in those corporations needed a re-engineering to reflect the true picture of their fiscal ability and to be a guide to action and performance. This study was done to examine the budgetary control and performance in government parastals in Nigeria and not the effect of revenue control on health service delivery in local Governments in Uganda. Therefore, the findings may not be applicable in the context of revenue control and health service delivery. This is why the study was conducted in Kabale District Local Government focusing on revenue as a dimension of revenue management and health service delivery.

Edvine (2013) conducted a study to examine the role of budgetary control in enhancing financial management in Local Government Authorities at Kinondoni Municipal Council (KMC). The study employed a case study using a sample of 50 respondents who were purposively selected in which questionnaire and interview were the data collection instruments and data were analysed by using MS Excel computer programme. The study found that information sharing, budget participation; organizational commitment, role ambiguity and job performance as the characteristic features of budgeting, budgeting and Planning and Analysing & Feedback were not being effectively practiced at KMC and that there was little impact of budgetary control principles on financial management at KMC. The researcher recommended the KMC to ensure there is openness in accurate, current, and complete disclosure of the financial results of

financially assisted activities in accountability is maintained for all grant and sub grant cash, real and personal property, and other assets, to maintain records which adequately identify the source and application of funds provided for financially assisted activities, and also to ensure that the terms of grant and sub grant agreements were not followed in determining the reasonableness, allowability of costs. The study by Edvine (2013) used different variables and research design thus it could not be relied upon, prompting the researcher to conduct a study on the effect of revenue control on health service delivery in Kabale District Local Government.

2.3 Revenue Allocation and Health Service Delivery in Local Governments

Revenue allocation process is to ensure the fulfilment of the financial and economic aspects of the revenue. The financial tasks include: spending the amounts for the purposes specified, minimizing savings and avoiding lapses or rush of expenditures during the end of the year. The economic tasks on the other hand are: ensuring that the physical targets of programmes and projects are achieved and the macro-economic aspects of the budget such as borrowing and deficit levels are also achieved. In managing revenue allocation, one of the key areas of focus is the government spending pattern (Nyamongo, 2017). Two key factors influence revenue allocation process for government spending namely, the level of local revenues collected and the availability of external resources to bridge the gap occasioned by shortfall in revenues. When revenues fall short of the projected level, then budget implementation is affected to the extent that the expenditures have to be reduced and some projects and programmes postponed altogether. External resources in the form of loans and grants are also factored into the budget following commitment by donors. The funds may however not be available at all or may be released late into the financial year as the budgeted amount may be reduced or a result of some donors refusing to release funds as result of the non-fulfilment of donor conditions (Pollitt & Bouckaert, 2014).

Studies that have compared allocation of public expenditure on infrastructure investment and maintenance in an endogenous growth framework have shown that maintenance spending affects both the durability and efficiency of public capital (Agenor, 2015). In line with the foregoing, the study was to give a thorough assessment of the contribution of allocation of public revenue or expenditure on maintenance of infrastructure. Increased funding for new infrastructural

investments has been witnessed in many African countries (Foster and Morella, 2016). In addition, Stiefel, Rubenstein and Schwartz (2016) analysed the relationship between the spending of public schools in Chicago and patterns of budget allocation by constructing and using adjusted performance measures. They concluded that even though the total spending differences between low-performing schools and high-performing schools were small, there were significant differences in the distribution of discretionary spending across function. They concluded that "high performing schools average almost five percentage points more discretionary spending on instruction and less on instructional support and administration".The above authors focused on the relationship between the spending of public schools in Chicago and patterns of budget allocation by constructing and using adjusted performance measures yet the current study was on revenue allocation as a dimension of revenue management and health service delivery which indicated that there was a gap to be filled by investigating the effect of revenue allocation on health service delivery in Kabale District local government.

Studies have been carried out on revenue allocation of government budgets. The majority of these studies, such as Adedokun (2016), Oriakhi (2015), Baghedo (2016) and Nebo & Chigbo (2015) were on revenue allocation at the Local Government level or revenue generation and utilization at the Federal level. These studies did not relate revenue generation to social service delivery at the state level, except for Oriakhi (2015) that considered the relationship between revenue allocation and service delivery in the federation (Federal, States and LGs) as a whole. Most of these studies used exploratory research design. However, this study intended to find the impact of revenue allocation on health service delivery in local governments in Uganda with a focus on Kabale District local government using cross-sectional research design. This study was motivated on the premise of deficiencies in empirical researches on state revenue allocation for the provision of public service. Researches in this area could not fully utilize the use of the study's variables at local government level, which is revenue allocation and health service delivery. Therefore, a study of this kind pushed the frontier of existing knowledge in this area.

Furthermore, studies have been conducted in the field of revenue allocation and spending but focused on different aspect other than the relationship between revenue allocation and health service delivery in Uganda. Mwangi (2016) studied on the relationship between donor funding

and performance contracting score of state-owned enterprises in Kenya. Nkanata (2017) studied on the factors affecting government spending on the budget allocations by accounting officers, a case of Ministry of Education, while Kirimi (2014) studied the factors affecting budget utilization by government ministries in Kenya, Also, Biwott (2015) studied the budgetary allocation process in the public sector institutions, a case of University of Nairobi. These studies did not cover the relationship between revenue allocation and health service delivery in Kabale District Local Governments in Uganda. The purpose of the study therefore was to fill this gap in literature by addressing the following question: what is the effect of revenue allocation on health service delivery in Kabale District Local Government?

Limi (2015) argues that allocating budgetary resources to less productive levels of Government is harmful to economic efficiency and could curb overall growth. He further argues that by Uganda creating so many political districts, it runs the risk of excessive decentralization, which could contribute to lowering local-level economic growth. In addition, the MoLG survey conducted in 2005-006 revealed that resource allocation to LGs was result-oriented. For instance, it was found out that 66.0% of the sampled households were within 2 kilometres from a health facility, 54.0% were within 2 Kms from a primary school and 51.0% were within half a kilometre from a water source.

The local government financial and accounting regulation (2007) section (27) reveals that an application for reallocation shall be made by the vote control concerned to the chief executive showing the amounts to be transferred from one sub programme to another and the vote affected, but reallocation should not be used to create a new post or alter an approved claim. According to International Monetary Fund (2017), there should be effective means of achieving a resource allocation that reflects policy priorities. Allocation of resources should reflect the policies that the government implements using revenue from conditional and discretionary transfers. According to the IMF (2017) appropriation of claims without accompanying changes in expenditure make budget provisions less than objective which may result into overspending against appropriation and emergence of payment arrears. Approval of claim should be done through expenditure control system such as administrative and financial sanctions, ascertain availability of budgets, verification and certification, approval and disbursing payments which

may allow the local government to maintain a high level of fiscal discipline but will also be able to implement the planned activities within the approved appropriations, financial resource management accountability index, (2018).

Lee and Wang (2009) analysed the effect of budget allocation practices on spending behaviour across three countries, the United States, Taiwan, and China (Guangdong Province) over multiple years before and after budget allocation. They reported that that budget allocation had differential impact on the spending growth rate in different countries (regions): there was a significant relationship between budget allocation and spending growth in Taiwan (coefficient of 20.103). However, the regression coefficients were negative for the United States (- 0.192) and China (-0.1903) but not statistically significant.

A more recent study by Hou, Lunsford, Sides, and Jones (2015) examined variations in budget allocation practices in 11 sample states in different time periods using a series of anonymous interviews. They concluded that budget allocation had not been fully exploited and that just a part of its design purpose had been achieved. They also concluded that budget allocation was relied on much more by the states during economic upturns than during economic downturns. Additionally, Crain and O'Roark (2014) examined the impact of budget allocation innovation on state expenditures in Nigeria by using panel data from 1970 through 1997. They concluded that budget allocation did have an impact on state spending per capita by at least two percentage points, but also found that budget allocation did not affect all state government programmes equally.

Ho (2011) conducted a case study of budget allocation exercise in Zambia in the years from 2008 to 2010 to examine the budget implications of applying performance information at the sub-departmental programme level. The regression results indicated that the number of performance measures in a department was significantly and positively correlated with programme budget variation. However, after controlling for other factors, he also found that the number of outcome-related performance measures had significantly negative effects on programme budget variation.

In Pakistan, revenue allocation in the public sector is primarily instrumentalist. There are various weaknesses such as mismatches between the needs of citizens in terms of service delivery by key government institutions, the requirements of existing facilities as well as the budgets set. The strategy adopted by the government to ensure effective revenue allocation in the public sector has involved the analysis of previous revenue allocation patterns; development of proposals aimed at the modification of revenue allocation systems; and development of necessary support systems and policies for ensuring that the budgetary allocation process is effective in the government's budgeting systems. Despite the policies being put in place for revenue allocation, the revenue allocation has been unable to produce significant changes in the performance of government institutions in the country. This is mainly because of failure to ensure accountability by civil servants mandated to run the public sector organizations (Green, 2017). Furthermore, Gildenhuys (2013), states that the factor besides financial need which necessitates the allocation of revenue to the different spheres of government is financial capacity. Before sources of revenue can be allocated to the different spheres of government, the financial capacity of such government must be determined. This means that the capacity of a specific government to generate income, relative to other governments and subjected to the same tax effort and tax base, must be determined. Gildenhuys, (2014) puts forward a criterion for determining the financial capacity of the government. These are per capita income of a community, revenue potential of an ideal tax system and the representative revenue system, in which the financial capacity of a government may be regarded as the potential revenue which may be collected within a demarcated area, as compared to the national average per capita rate for each of the various revenue sources applied to similar areas.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This chapter covers the research methodology which includes; research design, study population, sample size determination, sampling techniques, data type and sources, data collection methods, data collection instruments, data collection procedures, validity and reliability, data analysis, ethical considerations and limitations of the study.

3.1 Research Design

A cross-sectional survey research design was used in the study. This design was chosen because cross-sectional research design helped to collect data from a large number of cases at a particular point in time (Sekaran, 2009). Quantitative and qualitative approaches were used to support the research design. Qualitative approach was of particular importance to this research because of its ability to penetrate into the different expressions and experiences of respondents to the subject matter. Quantitative approach was used due to the desire of establishing the magnitude of the problems using statistical data and evidence.

3.2 Study Population

A study population is one that was affected by the problem under investigation, enabled generalization of the findings to the entire population and led to the selection of a sample that did not destroy the characteristics of the elements of the entire population (Amin, 2005). The study targeted 208 employees of Kabale District Local Government from administrative staff, revenue mobilizers, health staff, finance, district councilors and health service users.

3.3 Sample Size Determination

The researcher used a sample of 137 respondents which was reached using Israel Glen (2012) formula $n=\frac{N}{1+Ne^2}$ where N is the target population, n is the sample size, e is the level of precision (0.05)

$n=\frac{208}{1+208(0.05^2)}$ = $n\frac{208}{1+208(0.0025)}n=\frac{208}{1.52}$ = 137

The distribution of the sample was indicated in the table below;

Table 3.1: Distribution of the Sample Size

Categories	Study population	Sample size	Sampling techniques
Administration staff	6	6	Purposive sampling
Medical staff	25	25	Purposive sampling
Revenue mobilisers	15	15	Purposive sampling
Finance department	2	2	Purposive sampling
District councilors	40	20	Simple random sampling
Health service users	120	69	Simple random sampling
Total	**208**	**137**	

Source: Kabale District Local Government Records Office, 2020

3.4 Sampling Techniques

The researcher used the following sampling technique to select respondents:

3.4.1 Purposive Sampling

The respondents in six categories of administration and medical staff, revenue mobilizers and staff from finance department were purposively sampled for the study. This enabled the researcher to obtain the data necessary for the study, because these categories are key stakeholders for revenue management and health services delivered. Purposive sampling was preferred because of these categories' unique skills, knowledge, central role and responsibility in revenue management in local governments and access to other information of interest to the study, hence, they were regarded the key informants in this study.

3.4.2 Simple Random Sampling

The selection of 69 service users and 20 councillors/policy makers was through simple random sampling because it gave all the respondents an equal chance of being selected in the sample and avoided bias on side of the researcher (Mugenda & Mugenda, 2003). Service users were selected from Health Centre IIs and Health Centre IIIs. Names of service users were got from registers at Health centre IIs and IIIs and these names were written using initials on tags that identified elements of the population to be sampled. The tags were placed in a container and well shuffled.

A tag would then be drawn from the container and the process would be repeated until the required number of tags were obtained. The 69 names were then randomly picked giving each an equal opportunity to be picked.

3.5 Data Type and Sources

Both primary and secondary data sources were the main sources of data used in the study. Concerning the primary data, the study used questionnaires and interview guide. The researcher collected secondary information from different sources like local government reports, Ministry of Health Reports; health centres reports and textbooks.

3.6 Data Collection Instruments

3.6.1 Questionnaires

A questionnaire is method that utilizes a standardized set or list of questions given to individuals or groups, the results of which can be consistently compared and contrasted. This method is mainly used to generate quantitative data. In this study, it involved the use of self-administered questionnaires to respondents who were health workers, 10 administrative officers, finance officers, councillors and tax collectors. These instruments aided the collection of quantified data from the field of study. The questions designed in the instruments were based on five-point Likert-type scale to measure variables (strongly agree, agree, undecided, disagree, strongly disagree). The five-point Likert-type scale provided less bias in mean, variance, correlation coefficient and the reliability of scores. In addition, using questionnaires helped to elicit primary information and respondents provided their opinions from alternative answers and also express their feelings about the study.

3.5.2 Interview Guide

This instrument was used to collect qualitative primary information. Interview is face-to-face interpersonal communication in which an interviewer asks participants questions aimed at eliciting answers related to the research questions. The structured interviews comprised open-ended questions that elicited a variety of responses which were elaborate and truly reflected the opinions of the respondents and were used on personnel officer and municipal health inspector. It usually yields rich data, details, new insights and permits face-to-face contact with respondents;

provides an opportunity to explore topics in depth and allows the interviewer to experience the affective as well as cognitive aspects of responses; it also allowed interviewer to explain or clarify questions; increased the likelihood of useful responses and allowed the interviewer to be flexible in administering interview to particular individuals or in particular circumstances (Amin, 2005). Therefore, a face-to-face interview with personnel and health inspector was conducted because they had key information about local government administration and management of health service delivery.

3.5.3 Documentary Review Checklist

The following documents were reviewed during the study: Kabale District Local Government reports on health outcomes and finances, health center's performance reports, health unit management committees' minutes, staff work schedules, primary health care implementation guidelines and health policy, Annual expenditure performance reports, Work plan Revenues and Expenditures by source, 2018/2019, Kabale District Local Government Quarterly Performance Report for Financial Year 2018/2019) and Ministry of Health Annual Health Sector Performance Report Financial Year 2018/2019 and Section 35 of the Local Government Act Cap 243, Amendment (2010). This constituted a secondary source of data for the study. Documentary review checklist was preferred because of advantage in gathering written information to back up primary data collected using questionnaires and interview guide.

3.7 Validity and Reliability of the instrument

3.7.1 Validity

Validity refers to the ability of the instrument to measure what it is expected to measure. The study used face, content and constructs validity to ensure validity of the instruments (Questionnaires and interviews). Face validity refers to the appropriateness of the instruments by appearance. Content validity focuses on whether the full content of a conceptual definition is represented in the measure. Thus, two steps are involved in content validation; specifying the content of a definition and developing indicators which sample from all areas of content in the definition (Punch, 2005). Construct validity aims at linking the instruments used and the theories of the study. A validity test was carried out prior to the administration of the research instruments. This was done in order to find out whether the questions were capable of capturing

the targeted data. Content validity index of the instruments was determined by giving a list of objectives, research questionnaires and interview guides to experts in the area of study and questionnaire construction. The experts were requested to evaluate each item in the questionnaire to determine the relevant items. It was then calculated using the formula as follows:

$$CVI = \frac{\text{Number of Valid items}}{\text{Total number of items}} \quad CVI = \frac{23}{23} = 1.0$$

The content validity index was which was greater than 0.7 according to George and Mallery (2003). Thus, the questionnaires were considered valid because the items in the instruments were relevant and sufficient to cover the content validity index.

3.7.2 Reliability

Reliability means the measure of consistency in producing similar results on different but comparable occasions. This means that even if other researchers administer the instrument, it should produce the same results. Reliability was obtained using Cronbach's Alpha coefficient and a score of 0.5 suggested that the instrument was reliable (Amin, 2005).

The reliability alpha coefficients for the dimensions of decentralized revenue management and health services were as follows:

Table 3.2: Reliability Statistics of Variables

	Number of Items	Cronbach's Alpha
Revenue planning	6	.990
Revenue control	6	.987
Revenue allocation	5	.993
Health service delivery	6	.985

Source: Primary Data, 2020

The results showed a Cronbach-alpha coefficient of greater than 0.60 for each variable which indicated that the instruments were reliable (Suhr & Shay, 2009).

3.8 Data Collection Procedure

The researcher respected human dignity by not revealing the identity of the respondents in the study. A letter of introduction was obtained from the Directorate of Postgraduate Studies. This letter was presented to the Chief Administrative Officer of Kabale District Local Government where the study was conducted so that permission to carry out the study would be granted to the researcher. After being granted permission, the researcher administered questionnaires and carried out interviews within a period of two weeks and then coding was done and report compilation followed.

3.9 Data Analysis

Analysing of data was done both qualitatively and quantitatively as indicated below.

3.9.1 Qualitative analysis

The qualitative data from the interview responses, documentary review was analysed using the thematic procedures. This involved organising the statements and responses (through summaries, coding and testing out main study themes) and useful conclusions and interpretation was generated based on patterns and explanations of the study findings and research objectives.

3.9.2 Quantitative analysis

After data collection, tallying of the information started immediately. Frequencies and percentages were used to determine the profile or demographic characteristics of respondents while basic descriptive statistics such as mean and standard deviation together with correlation analysis was used to characterize the data. Descriptive statistics enabled the researcher to meaningfully describe a distribution of measurements and summarize data. In this study, a mean score of below 3.00 indicated that many respondents disagreed, a mean score above 3.0 meant that many respondents agreed. On the other hand, the standard deviations were used to show the extent of variance on employee performance. A standard deviation of more than one was interpreted as high variation while a standard deviation of less than one indicated less variation. Standard deviation is the most widely used and stable measure of dispersion and takes into account each score in the distribution (Kothari & Garg, 2014). In the study, correlation analysis was also performed using Pearson rank correlation analysis (r) to determine the relationship between revenue management and health service delivery.

3.10 Ethical Considerations

In the context of research, ethics refers to the appropriateness of the researcher's behaviour in relation to the rights of those who become subjects of the study or are affected by it. The researcher considered ethical issues throughout the period of the research and remained sensitive to the impact of his work on the respondents and stakeholders affected by the study (Saunders et al., 2009). The researcher obtained an introductory letter from Kabale University to the Chief Administrative Officer of Kabale District Local Government prior to conducting research, seeking permission to conduct research in the District.

The researcher emphasized confidentiality of all her research findings and used research assistants where she anticipated bias during data collection. The researcher ensured that information obtained from respondents remained confidential. The researcher sought consent of the respondents before administering the questionnaires. This aimed at ensuring that respondents participate in the study basing on their own free will. In addition, the researcher proved the authenticity of the research being conducted and acknowledged all sources where information

was got to ensure that there was no plagiarism. The respondents' names were withheld to ensure anonymity and confidentiality in terms of future prospects.

Voluntary participation: Participants were not forced to answer the questionnaire. Participation in the study was voluntary. Respondents were required to participate in the study without force. Every respondent made all the effort to provide data willingly because they were aware of the purpose of the study.

3.11 Limitations of the study

There was limited local literature on the subject under study. In order to overcome this, the researcher utilized local sources, research reports, the Internet and published documents.

The time frame in which the research report was expected to be produced was not enough because it was affected by lockdown due to the effect of Covid 19. This made the researcher fail to exhaustively conduct the study and this limited the findings. Moreover, during interviews, some respondents did not easily disclose certain information which reduced the amount of data collected. However, this was minimized by explaining to the respondents the purpose of the study so that they avail enough information.

The researcher was initially denied access to some documents at the district which reduced the amount of data collected. However, she convinced the relevant authority who allowed that the documents be provided.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND DISCUSION OF FINDINGS

4.0 Introduction

This chapter presents the key findings of the study that sought to establish the extent to which revenue management affects health service delivery in Kabale District Local Government. The findings begin with the response rate and also provide a detailed analysis of descriptive and inferential statistics showing how objectives were analysed. The study linked the findings with reviewed literature to enable interpret the data, draw implications and make recommendations.

4.1 Response Rate

During the study, the number of the sampled respondents who participated in the study was computed to establish their adequacy for the generation of the required study data. The response rate of each category of the study respondents is presented in table below.

Table 4.1: Response Rate

Categories	Study population	Sample size	Response rate	% Response rate
Administration staff	6	6	6	100%
Medical staff	25	25	25	100%
Revenue mobilisers	15	15	15	100%
Finance department	2	2	2	100%
District councilors	40	20	15	75%
Health service users	120	69	49	71%
Total	**208**	**137**	**112**	**81.8%**

Source: Primary Data, 2020

As presented in the table, the sample size of 137 was selected from the six categories of respondents. Out of the 137 selected respondents, 112 respondents actually participated in the study (81.8%).

Neuman (2000) gives the formulae for calculating response rate as:

Total Number of responses

Total Number in the sample- (ineligible and unreachable)

Using the above named formulae, the study obtained the following response rate:

112/137=81.8%

4.2 Revenue Planning and Health Service Delivery in Kabale District Local Government

In this study, revenue planning was measured using seven items which solicited the respondents' opinions. This was done on the basis of the 5-point Likert scale. The results are presented in Table 4.2.

Table 4.2: Statements on Revenue Planning in Kabale District Local Government

Statement	SA	A	UD	D	SD	Mean	Std Dev
Kabale District Local Government has revenue enhancement strategies	24(21.4%)	30(26.8%)	22(19.6%)	20(17.9%)	16(14.3%)	3.23	1.356
Kabale District Local Government has revenue enhancement plan which has helped in resource mobilization and collection	24(21.4%)	30(26.8%)	22(19.6%)	20(17.9%)	16(14.3%)	3.23	1.356
I usually participate directly or indirectly in financial planning for improved quality health services	32(28.6%)	36(32.1%)	0(0%)	26(23.2%)	18(16.1%)	3.34	1.498
My views are considered during planning for quality health services	25(22.3%)	35(31.3%)	20(17.9%)	22(19.6%)	10(8.9%)	3.38	1.275
Financial planning helps in making correct decisions for health services to increase	26(23.2%)	32(28.6%)	13(11.6%)	26(23.2%)	15(13.4%)	3.25	1.392

satisfaction services							
Revenueplanning improves access to health services	24(21.4%)	28(25.0%)	0(0%)	35(31.3%)	25(22.3%)	2.92	1.525

Source: Primary Data, 2020

From Table 4.2, the findings on Kabale District Local Government had revenue enhancement strategies was strongly agreed by 24(21.4%) of the respondents, 30(26.8%) agreed, 22(19.6%) of the respondents were undecided, 20(17.9%) disagreed while 16(14.3%) of the respondents strongly disagreed. Data provided evidence that the majority of the respondents 54(48.2%) agreed that the District had revenue enhancement strategies. This means that Kabale District Local Government tries to fulfil its mandate of having revenue enhancement strategies which are critical for increased local revenue generation. The mean value of this sub contracts was 3.23 while the standard deviation was 1.356. The mean score implies that the majority of the respondents agreed while the standard deviation implies difference in responses.

"An administrator at Kabale District Local Government stated that

> "*The we first assess tax payers before paying tax as a component of revenue enhancement planning which helps us to ensure that we properly identify local revenue sources, provide timely assessment of revenue and its collection and ensure debt and credit managements. These when well-handled results in improved local revenue bases that is used to finance health sector in the district*" (Interview held on 18th Jan 2020)

Findings revealed that 24(21.4%) of the respondents strongly agreed, 30(26.8%) agreed, 22(19.6%) were undecided, 20(17.9%) disagreed while 16(14.3%) of the respondents strongly disagreed that Kabale District Local Government has revenue enhancement plan which helped in resource mobilization and collection. This can further be supported by a mean score of 3.23 and standard deviation score of 1.356. From the findings, a mean score of 3.23 indicates that 54(48.2%) of the respondents agreed, implying that the revenue enhancement plan helped in resource mobilization and collection in Kabale District Local Government. However, a standard deviation of 1.356 indicated that there was variation in respondents' views. The findings are in agreement with Byrnes (2016) who acknowledges that to curb and reverse the declining local

revenue, many LGs come up with revenue enhancement plans that entail identifying revenue sources, among others, to increase the revenue base.

The findings were also confirmed by the key respondents that included the Chief administrative officer and the district planner who confirmed that:

> *"Revenueplanning had created an enabling environment for local revenue generation but it has not generated adequate resources for districts to meet their responsibilities of generating local revenue to finance health service delivery"*(Interview held on 18th Jan 2020)

Statistics representing 32(28.6%) of the respondents strongly agreed, 36(32.1%) agreed, 26(23.2%) disagreed while 18(16.1%) strongly disagreed that they usually participated directly or indirectly in planning for improved quality health services. From the findings, a mean score of 3.34 shows that 68(60.7%) of the respondents agreed they usually participated directly or indirectly in planning for improved quality health services. A standard deviation of 1.498 showed that there was much variation in the views of the respondents. In support of the findings, Litvack and Seddon (2015) contend that the general argument for decentralizing health care is that greater citizen/community participation in health policy and local accountability could lead to improved quantity (including coverage) and quality of health services.

In support of the above findings, WHO (2018) declares a new approach for primary health care which advocates for community participation and greater responsiveness to the needs of the community through decentralized planning. The approach recognizes that there is need to involve the local community in planning so as to promote participation and control for a community-oriented quality health system (Bhattacharyya & Murray, 2017). The democratic theory considers involvement of the beneficiaries in planning as a social value in an ideal and standard decision environment. It argues that decision making is improved when there is participation of the beneficiaries, increment in responsiveness and cooperation among stakeholders. This leads to a rise in productivity as a result of correct decision making. Putting decision making in the hands of those who have the information that outsiders lack gives them a strong incentive advantage. Local information can often identify cheaper and more appropriate ways to deliver public services (Dethier, 2015).

The findings are also in harmony with Shah (2017) who asserts that in local government revenue planning, the citizenry should be involved in each stage of the process, as a means of making government responsive to public interests and as a means of monitoring the results of government programmes to improve health service delivery. Citizen participation has traditionally been political, that is: involving voting, lobbying, and sometimes testifying at hearings, aimed at influencing public representatives and officials. However, a new philosophy and system of participatory planning incorporates citizens' views as stakeholders identify and rank priorities. So, citizen input is considered earlier in the process than has been traditionally the case. Participatory planning has been successfully used by local governments in Brazil, the Philippines, Ecuador, India, Indonesia, Serbia, South Africa, Sri Lanka, Tanzania, the United Kingdom and Uruguay. The above studies did not focus on Uganda; therefore there was a need to conduct this study on financial planning and health service delivery in Uganda with a focus on Kabale District Local Government because the situation would be different.

'My views were considered during planning for quality health services' was strongly agreed by 25(22.3%) of the respondents agreed, 35(31.3%) agreed with the item. However, 20(17.9%) were undecided, 22(19.6%) disagreed while 10(8.9%) strongly disagreed which suggests that the views of the people were considered during planning for quality health services. The mean value of this subcontract was 3.38 while the standard deviation was 1.272. The mean score implies that the majority of the respondents agreed that their views were considered during planning for quality health services.

However, one key informant attested that:

> "*Though people views are considered in planning for health services, the problem of inadequate revenue limits monitoring of health services, purchase of health facilities which contributes to ineffective health service delivery".*(Interview held on 20thJan 2020)

'Revenue planning helped in making correct decisions for health services to increase satisfaction services' was strongly agreed by 26(23.2%) of the respondents, 32(28.6%) agreed, 13(11.6%) of the respondents were undecided, 26(23.2%) disagreed while 15(13.4%) of the respondents strongly disagreed. From the findings, the mean score of this item was 3.25 while the standard

deviation was 1.392. This indicates that the majority of the respondents agreed that financial planning helped in making correct decisions for health services to increase satisfaction services. The standard deviation of 1.392 meant that there was much variation in responses regarding financial planning helped in making correct decisions for health services to increase satisfaction services. Bossert (2015) states that decentralization has been linked with enhanced local level internal health sector resource mobilization through allowing districts to make local decisions on user fees and health service provision.

The findings are also in agreement with Steffensen (2010) who stated that the decision-making process through participatory, bottom-up planning, local needs focused at all levels of local governments is a very important aspect of revenue management and health service delivery. This is in line with the principles of decentralization. In support of the findings, Wong and West (2015) also pointed out that setting conditions while planning minimizes ambiguous decision making and tends to depend on local leaders' personal decisions. This is in agreement with the reason for conditional grants. In Uganda, the legal instruments such as the Constitution of Uganda, 1995 and Local Government Act 1997 empower the local governments with responsibility of delivering health services and promoting participatory decision making.

'Revenue planning improved access to health services' was strongly agreed by 24(21.4%) of the respondents, 28(25.0%) agreed, 35(31.3%) whereas 25(22.3%) of the respondents strongly disagreed, indicating that the majority of the respondents 52(46.4%) disagreed that revenue planning improved access to health services. This was supported by a mean score of 2.92 while the standard deviation of 1.525 meant that there were differences in responses.

The findings are supported by Steffensen (2010) who contends that in planning for revenue for local governments, across and within health sector, decision making and budgeting in the local government play a major role in determining the efficiency and effectiveness of local governments in delivering services to their citizens.

In an interview with one administrator, it was reported that:

"Kabale District Local Government had approved budget and development plan signed by the district chairperson and the chief administrative officer and sub counties also had the approved budget and development plan"."The budget is consistent with the development plan since only what has been planned is budgeted for implementation". "It should be noted that Kabale District comply with the guideline because of assessment from ministry of local government in order to received local government development grant and failure to comply leads to penalty and reduction in funding while compliance led to bonus & increased in funding for health service delivery".(Interview with an administrator held on 22th Jan 2020)

Another interviewee said,

"*Local revenue collection is not an easy task, to realize local revenue, enforcements must be done and are therefore inevitable yet the town council needs local revenue to foster service delivery*"(Interview held on 20th Jan 2020).

A respondent reported that

"*Although there are approved revenue enhancement strategies to guide the collection of revenue in in our district, revenue collection is not well performing and not all the revenue approved by the district is collected; this is so because of poor taxpayer education and sensitization coupled with tax evasion and avoidance by tax payers"* (Interview with a Staff held at Kabale District Local Government on 23th Jan 2020).

The correlation in this study was determined using the Pearson correlation technique and the results for revenue planning and health service delivery are provided in Table 4.3 below.

Table 4.3: Correlation results for Revenue Planning and Health Service Delivery

		Revenue Planning	Health Service Delivery
RevenuePlanning	Pearson Correlation	1	.958**
	Sig. (2-tailed)		.000
	N	112	112
	Pearson Correlation	.958**	1

Health Service Delivery	Sig. (2-tailed)	.000	
	N	112	112

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

Table 3 shows a strong positive correlation between revenue planning and health service delivery (r=.958**; p<0.05). The study found out the presents of revenue enhancement plan/strategies, increased revenue mobilization/collection, participatory planning and budgeting will increase health service delivery. The above quantitative results are supported by a related qualitative observation in which one respondent was quoted as having remarked that: "*It is true revenue planning has had a relative contribution towards health service delivery".*

The findings are in agreement with Adam (2016) carried out a study in Europe and America to empirically examine the relationship between revenue planning and public sector efficiency. The study found that irrespective of whether public sector efficiency concerns education or health services, an inverted U-shaped relationship exists between government efficiency in providing these services and revenue planning. In contrast, Elhiraika (2017) used data from nine provinces in South Africa to investigate the impact of revenue planning on basic service delivery, focusing on the role of own-source revenue. The own-source revenue variable was found to have a negative and significant impact on demand for health relative to demand for other public services.

4.3 Revenue Control and Health Service Delivery in Kabale District Local Government

Revenue control and health service delivery in Kabale District Local Government was also assessed to establish the extent of agreement and the following were the findings.

Table 4.4: Statements on Revenue Control in Kabale District Local Government

Statements	**SA**	**A**	**UD**	**D**	**SD**	**Mean**	**Std Dev**
Local revenue collected is spent according to the	22(19.6%)	30(26.8%)	16(14.3%)	24(21.4%)	20(17.9%)	3.09	1.411

budget to provide quality health services							
Local revenue collected is shared among local governments and administrative units	35(31.3%)	40(35.7%)	12(10.7%)	15(13.4%)	10(8.9%)	3.67	1.290
District has mechanisms for internal revenue control to avoid wastage and improve the quality of health services	30(26.8%)	35(31.3%)	15(13.4%)	18(16.1%)	14(12.5%)	3.44	1.367
Local revenue control measures have enhanced accessibility to health services	20(17.9%)	24(21.4%)	18(16.1%)	30(26.8%)	20(17.9%)	2.95	1.387
The council monitors the management of local revenue to ensure that the whole revenue is used to increase access to services	25(22.3%)	28(25.0%)	12(10.7%)	30(26.8%)	17(15.2%)	3.13	1.421
Accountability for revenue has improved delivery of quality health services	18(16.1%)	22(19.6%)	14(12.5%)	30(28.6%)	28(25.0%)	2.75	1.436

Source: Primary Data, 2021

From Table 4.4, 22(19.6%) of the respondents strongly agreed and 30(26.8%) agreed with a mean score of 3.09 and a standard deviation of 1.411 agreed that 'local revenue collected is spent according to the budget to provide quality health services' compared with 24(21.4%) who disagreed and 20(17.9%) who strongly disagreed while 16(14.3%) were undecided, which

implies that local revenue collected is spent according to the budget to provide quality health services.

Regarding the item that 'local revenue collected is shared among local governments and administrative units', 35(31.3%) of the respondents strongly agreed, 40(35.7%) agreed, 12(10.7%) of the respondents were undecided, 15(13.4%) of the respondents disagreed while 10(8.9%) strongly disagreed. The mean score 3.67 was obtained with a standard deviation of 1.290, which implies that there was sharing of local revenue collected among local governments and administrative units to finance the delivery of health services.

From Table 4.4, 'the district has mechanisms for internal revenue control to avoid wastage and improve the quality of health services' was strongly agreed by 30(26.8%) of the respondents, 35(31.3%) agreed, 15(13.4%) were undecided, 18(16.1%) disagreed while 14(12.5%) of the respondents strongly disagreed. From the findings, 65(58.1%) who were the majority of the respondents agreed, indicating a mean score of 3.44 and the standard deviation of 1.367 meant that there was variation in responses which the respondents gave on this item. In support of the findings, Efozie (2010) states that management of any company should be acquainted with internal control procedures that would ensure effective health service delivery and the desired revenue generation.

A fraction of 20(17.9%) and 24(21.4%) of the respondents strongly agreed and agreed respectively that 'local revenue control measures enhanced accessibility to health services', 18(16.1%) of the respondents were undecided, 30(26.8%) disagreed while 20(17.9%) strongly disagreed. The findings generated a mean score of 2.95 which indicated that majority of the respondents disagreed whereas a standard deviation of 1.387 indicated that there were differences in participants' responses. The findings concur with Miller and Svars (2016) who argue that budgetary expenditure controls within LGs improved local revenue availability, decreased misappropriation of public funds, decreased unnecessary spending and improved the delivery of health services. Additionally, Kadiresan (2015) noted that the creation of new districts has put more expenditure pressures on the local governments, reducing and in some cases taking away completely resources that would have been used in increasing and improving service delivery.

Furthermore, 25(22.3%) of the respondents strongly agreed, 28(25.0%) agreed that the 'council monitors the management of local revenue to ensure that the whole revenue is used to increase access to services', 12(10.7%) were undecided, 30(26.8%) of the respondents disagreed while 17(15.2%) of the respondents strongly disagreed, indicating that 53(47.3%) of the respondents who were the majority agreed, implying that the council monitors the management of local revenue to ensure that the whole revenue was used to increase access to services. The mean value of this item was 3.13, which meant that the majority of the respondents agreed while the standard deviation of 1.421 meant a higher variation in responses.

Additionally, 18(16.1%) respondents strongly agreed, 22(19.6%) agreed, 14(12.5%) of the respondents undecided, however, 30(28.6%) of the respondents disagreed while 28(25.0%) of the respondents strongly disagreed that accountability for revenue had improved delivery of quality health services. The findings concur withTodd (2015) who argues that accountability as a revenue control is often best strengthened by working through a multi-stakeholder approach involving citizens, government and health service providers to improve health service delivery. Todd (2015) further argues that it is important to recognize and strengthen systems of mutual accountability and partnership at local level inclusive of LGs since accountability ensures proper utilization of financial resources for improved health service delivery.

It was noted in an interview that:

> *"Community priorities are implemented after planning and budgeting due to political interest however; most of them are decided at higher levels with authority and not all community priorities are taken into consideration"(Interview with District Chairperson held on 22th Jan2020 at Kabale District Local Government).*

One respondent noted that

> *"Not all activities and/or projects for health budgeted for are implemented in a transparent way this is because many stakeholders have different interests in the different activities budgeted for and above all work plans are not shared with other stakeholders. In addition to this, misappropriation of funds is greatly affecting implementation of*

revenue plan for health service delivery" (Interview with District Chairperson held on 22th Jan 2020 at Kabale District Local Government).

Based on the information obtained through interviews, both the administrators and patients complained that there were few health practitioners in the health centres. There was shortage of different cadres in the health centres and this made health workers overloaded with work, making implementation of the revenue plan difficult.

One of the health workers was quoted saying,

"*As there are few health workers in this health center, we are forced to do both administrative and clinical duties" ((Interview with a Health Inspector held on 22th Jan 2020 at Kabale Regional Referral Hospital)*

This statement clearly indicates that there is shortage of human resource at the health centres in Kabale District Local Government. This implies that implementers of revenue plans were not adequate to ensure effective health service delivery in Kabale District Local Government.

Through interview method, respondents also confirmed that they tend to get discouraged whenever they come for services and health officials fail to attend to them. This suggests that if health centres are well equipped with human resource, services are likely to be effective and people's access to health services is likely to improve.

This is testified by one of the health service users who said,

"*What discourages me most whenever, I go to health centers is to keep waiting in pain and health officials are not there to attend to you. Sometimes you think of looking for other ways rather than going again to suffer in Health center whose official cannot attend to you easily".*

The correlation analysis of revenue control and health service delivery in Kabale District Local Government was determined using the Pearson correlation technique and results are provided in Table 4.5 below.

Table 4.5: Correlation results for Revenue Control and Health Service Delivery

		Revenue control	Health service delivery
Revenue control	Pearson Correlation	1	.957**
	Sig. (2-tailed)		.000
	N	112	112
Health service delivery	Pearson Correlation	.957**	1
	Sig. (2-tailed)	.000	
	N	112	112

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

The study found out that a significant positive relationship existed between revenue control and health service delivery in Kabale District Local Government as indicated by a correlation coefficient of .957** which means that spending revenue according to the budget to provide quality health services to support health service delivery, sharing revenue among local governments and administrative units, putting in place mechanisms for internal revenue control to avoid wastage and improve the quality of health services and revenue control measures improves on health services delivery. In addition, monitoring the management of revenue and ensuring accountability increases heath service delivery.

The findings are supported by Luzige (2016) who states that sources of revenue, for instance parking fees, rent, licenses, and permits among others, are instrumental in realizing service delivery in LGs including expenditure on health, education. To the scholar, any increase in local

revenue collection improved health service delivery, thus a significant relationship between local revenue performance and health service delivery.

4.4 Revenue Allocation and Health Service Delivery in Kabale District Local government

Table 4.6 shows findings on revenue allocation and health service delivery in Kabale District Local Government.

Table 4.6: Statements about Revenue Allocation in Kabale District Local Government

Statements	SA	A	UD	D	SD	Mean	Std Dev
There is better allocation and proper use of financial resources in the delivery of quality services	20(17.9%)	27(24.1%)	15(13.4%)	28(25.0%)	22(19.6%)	2.96	1.417
The allocated funds are adequate for the local government to increase access to health services	19(17.0%)	26(23.2%)	14(12.5%)	29(25.9%)	24(21.4%)	2.88	1.425
Revenue allocation to priority sectors is monitored to avoid delay in health service delivery	25(22.3%)	28(25.0%)	13(11.6%)	29(25.9%)	17(15.2%)	3.13	1.417
Through revenue allocation the Kabale district local government can prioritize and put into action its programs and policies within the constraints of its financial capability to	28(25.0%)	30(26.8%)	10(8.9%)	24(21.4%)	20(17.9%)	3.20	1.476

improve health service delivery							
Revenue allocation determines the priority areas for spending the conditional grants is critical in determining quality of health services delivered	22(19.6%)	30(26.8%)	16(14.3%)	24(21.4%)	20(17.9%)	3.09	1.411

Source: Primary Data, 2021

Findings in Table 4.6 revealed that 'there was better allocation and proper use of financial resources in the delivery of quality services' was agreed by 47(42%) of the respondents, 15(13.4%) of the respondents were undecided while 50(44.6%) of the respondents disagreed. The mean score of 2.96 indicates that the majority of the respondents disagreed with the item and the standard deviation of 1.417 shows a higher variation in respondents' opinions.

'The allocated funds were adequate for the local government to increase access to health services' was agreed by 45(40.2%) of the respondents, 14(12.5%) were undecided whereas 53 (47.3%) disagreed that the allocated funds were adequate for the local government to increase access to health services. From the findings, the mean score value for this item was 2.88 which suggests that the allocated funds were not adequate for Kabale District Local Government to increase access to health services. The standard deviation of this sub construct was 1.425, indicating higher variation in responses.

Furthermore, 53 (47.3%) of the respondents agreed, 13(11.6%) were undecided, while 47(41.1%) disagreed that revenue allocation to priority sectors was monitored to avoid delay in health service delivery. Since the majority of the respondents as indicated by a mean of 3.13 agreed, it implies that monitoring of revenue allocation to priority sectors was done to avoid delays in health service delivery. Additionally, variation in respondents' views was found to be high as indicated by a standard deviation of 1.417.

More still, a mean score of 3.20 and 58(51.8%) of the respondents agreed that through revenue allocation the Kabale District Local Government can prioritize and put into action its programmes and policies within the constraints of its financial capability to improve health service delivery. However, 10(8.9%) of the respondents were undecided while 44(39.3) disagreed. Since the majority of the respondents agreed, it implies that revenue allocation to priority areas of the health sector helped Kabale District Local Government to put in action its programmes and policies within the constraints of financial capability which improved health service delivery.

In addition, the mean score of 3.09 indicated that 52(46.4%) of the respondents agreed that revenue allocation determined the priority areas for spending the conditional grants is critical in determining quality of health services delivered, 16(14.3%) of the respondents were undecided, while 44(39.3) disagreed with the item. The responses of this sub construct were found to have variations as indicated by a standard deviation of 1.411. The findings concur with Gildenhuys (2013) who states that the factor besides financial need which necessitates the allocation of revenue to the different spheres of government is financial capacity. Before sources of revenue can be allocated to the different spheres of government, the financial capacity of such government must be determined.

The above findings disagreed with Green (2017) who states that despite the policies being put in place for revenue allocation, the revenue allocation has been unable to produce significant changes in the performance of government institutions in the country. This is mainly because of failure to ensure accountability by civil servants mandated to run the public sector organizations (Green, 2017).

In disagreement with the above findings, Limi (2015) states that allocating budgetary resources to less productive levels of Government is harmful to economic efficiency and could curb overall growth. He further argues that by Uganda creating so many political districts, it runs the risk of excessive decentralization, which could contribute to lowering local-level economic growth. In addition, an MoLG survey conducted in 2005-006 revealed that resource allocation with LGs was result-oriented. For instance, it was found out that 66.0% of the sampled households were

within 2 kilometres from a health facility, 54.0% were within 2 Kms of a primary school and 51.0% were within half a kilometre from a water source.

The above findings are not in line with a study of Lee and Wang (2009) on the effect of budget allocation practices on spending behaviour across three countries, the United States, Taiwan, and China (Guangdong Province) over multiple years before and after budget allocation where they reported that that budget allocation had differential impact on the spending growth rate in different countries (regions): there was a significant relationship between budget allocation and spending growth in Taiwan (coefficient of 20.103). However, the regression coefficients were negative for the United States (- 0.192) and China (-0.1903) but not statistically significant.

A more recent study by Hou, Lunsford, Sides and Jones (2015) examined variations in budget allocation practices in 11 sample states in different time periods using a series of anonymous interviews. They concluded that budget allocation had not been fully exploited and that just a part of its design purpose had been achieved. They also concluded that budget allocation was relied on much more by the states during economic upturns than during economic downturns. Additionally, Crain and O'Roark (2014) examined the impact of budget allocation innovation on state expenditures in Nigeria by using panel data from 1970 through 1997. They concluded that budget allocation did have an impact on state spending per capita by at least two percentage points, but also find that budget allocation did not affect all state government programmes equally.

The observation here is that there are still enormous local revenue management challenges that have had effect on health service delivery in Kabale District Local Government as articulated by one of the key informants;

> "*Very few indicate sources of revenues, inadequate revenue collectors and mobilizes, laxity on the part of the Local Government at all levels– there are still revenues that go un collected, what control do we have in the markets, who is there to monitor? Lack of commitment to collect local revenue. Local Revenue has also to do with Politics; they compromise with locals because town agents serve in their places. Existing markets*

across the border are competing. The population is poor. They produce food but excess is very little".

One respondent in an interview with him reported that "there has been improper revenue allocation which constrained the health service delivery because government funds are diverted for personal projects and there is lack of transparency in revenue management.

The correlation in this study was determined the effect of revenue allocation on health service delivery in Kabale District Local Government using the Pearson correlation technique and results are provided below.

Table 4.7: Correlation results for Revenue Allocation

	Revenue Allocation	Health service delivery	
Revenue Allocation	Pearson Correlation	1	.953**
	Sig. (2-tailed)		.000
	N	112	112
Health service delivery	Pearson Correlation	.953**	1
	Sig. (2-tailed)	.000	
	N	112	112

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

The study found out that a significant positive relationship existed between revenue allocation and health service delivery in Kabale District Local Government since the correlation value was .953** which suggests that allocating adequate funds to Kabale District Local Government, better allocation and proper use of financial resources in the delivery of quality services and monitoring revenue allocation in the health improves on health service delivery.

The findings disagree with those on the study by Lee and Wang (2009) who analysed the effect of budget allocation practices on spending behaviour across three countries, the United States, Taiwan, and China (Guangdong Province) over multiple years before and after budget allocation

and reported that budget allocation had differential impact on the spending growth rate in different countries (regions): there was a significant relationship between budget allocation and spending growth in Taiwan (coefficient of 20.103). However, the regression coefficients were negative for the United States (- 0.192) and China (-0.1903) but not statistically significant.

Table 4.8: Health Service Delivery in Kabale District Local Government

Statements	**SA**	**A**	**UD**	**D**	**SD**	**Mean**	**Std Dev**
Patients in Health Centers can easily access drugs	24(21.4%)	30(26.8%)	0(0%)	30(26.8%)	28(25.0%)	2.93	1.552
Patients can get access to doctors available in health centers	20(17.9%)	28(25.0%)	0(0%)	34(30.4%)	30(26.8%)	2.77	1.519
Many women get maternal care in the health centers	22(19.6%)	29(25.9%)	25(22.3%)	20(17.9%)	16(14.3%)	3.02	1.332
Patients who come for treatment are regularly treated in the health centers	19(17.0%)	25(22.3%)	10(8.9%)	30(26.8%)	28(25.0%)	2.79	1.465
The health centers have enough rooms for patients (as wards/ offices)	20(17.9%)	25(22.3%)	0(0%)	30(26.8%)	37(33.0%)	2.65	1.558
The health centers have sufficient beds for patients	19(17.0%)	24(21.4%)	0(0%)	32(28.6%)	37(33.0%)	2.61	1.538

Source: Primary Data, 2021

The findings in Table 4.8 indicated that 54(48.2%) of the respondents agreed while 58 (51.8%) disagreed that patients in health centres can easily access drugs. The score mean value of this item was found to be 2.93, indicating that the majority of the respondents revealed that patients in health centres in Kabale District Local Government could not easily get drugs. This implies

that there were inadequate drugs in health centres and this was attributed to limited revenue and improper allocation of revenue in the health sector.

Patients could get access to doctors available in Health Centres was agreed by 48(42.9%) of the respondents whereas 64(57.1%) of the respondents disagreed indicating a mean of 2.77 and a standard deviation of 1.519. Findings indicated that the majority of the respondents disagreed with the item that patients could get access to doctors available in Health Centres, meaning that patients did not easily get doctors. This could probably be because of limited doctors in Health centres in Kabale District Local Government and limited revenue allocation to finance the delivery of health services.

In addition, 51(45.5%) of the respondents agreed that many women got maternal care in the health centres, 25(22.3%) of the respondents undecided while 36(32.2%) of the respondents disagreed. The mean score for this sub constructs is 3.19, indicating that the majority of the respondents agreed that the majority of women sought maternal care in the health centres of Kabale District Local Government. The standard deviation of 1.332 showed that there was variation in responses.

The findings on the sub construct that is patients who come for treatment are regularly treated in the health centres was agreed by 44(39.3%) of the respondents, 10(8.9%) of the respondents were undecided, 58(51.8%) of the respondents disagreed. The scored mean value for this item was 2.79, indicating that the majority of the respondents disagreed that patients regularly got treatment from health centres. The findings imply that some patients did not regularly get treatment from health centres. Some patients could be referred to private clinics and health centres because of limited drugs from government health centres. The limited drugs could be attributed to poor revenue management in Kabale District Local Government.

More still, ‘the health centres have enough rooms for patients (as wards/ offices)’ was agreed by 45(40.2%) of the respondents with a mean score 2.65 and a standard deviation of 1.558 while 67(59.8%) of the respondents disagreed. Since the majority of the respondents disagreed, it implies that there were not enough beds in health centres of Kabale District Local Government. Therefore, there was need for the district to ensure effective revenue management that would improve health service delivery in health centres in the district.

The ‘health centres had sufficient beds for patients’ was agreed by 43(38.4%) of the respondents while 69(61.6%) of the respondents disagreed. The mean value of this item was 2.61, indicating that the majority of the respondents revealed that there were no sufficient beds for patients in health facilities in Kabale District. The standard deviation for the item was 1.538, indicating that there was higher variation in responses.

In an interview with one key informant, it was reported that:

> “*Some of our patients who seek some medical services in Level II and Level III health centers tend to be referred to private clinics and health centers because of limited drugs”.*

He further stated that *“patients also find it very hard to access specialized health services in Kabale Regional Referral Hospital because there are no specialized doctors to provide the services hence making accessibility to the health services difficult”.*

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This chapter presents the summary, conclusions and recommendations of the study based on the objectives and findings in chapter four. The chapter also suggests areas for further research.

5.1 Summary of the Study

This section presents the summary of the findings in accordance with the objectives.

5.1.1 Decentralized Planning and Health Service Delivery in Kabale District Local Government

The correlation coefficient (r) of 0.958 implied that there was a strong positive correlation between decentralized planning and health service delivery. The study found out revenue enhancement plan/strategies, increased revenue mobilization/collection, participatory planning and budgeting would increase health service delivery.

5.1.2 Revenue Control and Health Service Delivery in Kabale District Local Government

The correlation coefficient (r) of 0.957^{**}indicated that there was a significant positive relationship between revenue control and health service delivery in Kabale District Local Government. Thus, spending revenue according to the budget for health sector, sharing revenue among local governments and administrative units, putting in place mechanisms for internal revenue control to avoid wastage would improve the quality of health services.

5.1.3 Revenue Allocation and Health Service Delivery in Kabale District Local Government

The correlation coefficient (r) of 0.953^{**}confirmed that there was a significant positive relationship between revenue allocation and health service delivery in Kabale District Local Government. This suggests that allocating adequate funds to Kabale District Local Government, better allocation and proper use of financial resources in the delivery of quality services and monitoring revenue allocation in health improves on health service delivery.

5.2 Conclusions of the Study

This section of the study provides the conclusions based on the study objectives

5.2.1 Decentralized Planning and Health Service Delivery in Kabale District Local Government

The study indicated that there was a significant relationship between decentralized planning and health service delivery in Kabale District Local government. Therefore, the study concluded that revenue enhancement plan/strategies, increased revenue mobilization/collection, participatory planning and budgeting improve on the quality of health service delivery. Therefore, identifying more revenue sources and encouraging community participation in planning as a component of revenue management would help to realize more local revenue to improve health service delivery in Kabale District Local Government.

5.2.2 Revenue Control and Health Service Delivery in Kabale District Local Government

The results indicated a significant positive relationship between revenue control and health service delivery in Kabale District Local Government although there are limited local revenue control measures and accountability done for the revenue collected. Thus, it can be concluded that if local revenue control measures were properly used, proper accountability done, spending revenue according to the budget for the health sector, sharing revenue among local governments and administrative units and putting in place mechanisms for internal revenue control to avoid wastage, there would be improved quality of health services.

5.2.3 Revenue Allocation and Health Service Delivery in Kabale District Local Government

The results from the analysis indicated a significant positive relationship between revenue allocation and health service delivery in Kabale District Local Government. The study concluded that allocating adequate funds to Kabale District Local Government, better allocation and proper use of financial resources in the delivery of quality services and monitoring revenue allocation in health improves on health service delivery.

5.3 Recommendations of the Study

The recommendations provided below are linked to the objectives of the study and findings:

5.3.1 Decentralized Planning and Health Service Delivery in Kabale District Local Government

There is a need to strengthen decentralized planning for health services by allowing the input of local policy makers and creation of funding for that input. Local policy makers therefore should be given more opportunities to plan for health service activities which focus on disease prevention and concerns of the majority clients.

There is need for Kabale District Local Government to strengthen and increase on revenue management strategies in order to mobilize adequate revenues to finance the delivery of health services.

The district needs to deploy adequate enforcement staff to collect revenue since it was established that they ensure timely revenue collection to put in health sector for improved health services.

5.3.2 Revenue Control and Health Service Delivery in Kabale District Local Government

The study recommends that Kabale District Local Government should ensure that there are proper accountability practices in the execution of the local government activities such as planning, revenue control and allocation, among others.

The study also recommends that the Kabale District Local Government should implement the following accountability practices such as information dissemination, complaint mechanisms, community monitoring and public hearings and social audits to improve the delivery of health services.

Kabale District Local Government should put emphasis on revenue control measures as this will avoid wastage of financial resources and increase funding for improved health service delivery.

The Local governments need to put in place internal local revenue control mechanisms that will guarantee proper allocation of resources for enhanced health service delivery in the district.

Local governments need to promote sharing of accountability of revenue and health service delivery with all stakeholders.

5.3.3 Revenue Allocation and Health Service Delivery in Kabale District Local Government

The study recommends that bigger releases should be made for health service activities. The district should deliberately allocate a specific percentage of its budget to health service delivery activities and annually evaluate the actual releases made. This means that funds allocated to the health sector and intergovernmental transfers to local governments should be increased to finance the delivery of health services.

There is need to ensure better allocation and proper use of financial resources in the delivery of quality health services in Kabale District Local Government.

Local governments also need to ensure effective sharing of local revenue collected among themselves and administrative units.

Revenue allocation to priority sectors should always be monitored to avoid delay in health service delivery in the district.

5.4 Areas for further Research

The following areas highlighted below are the areas for further research namely:

1. There is need to carry out a study on the factors affecting revenue management and health service delivery in Uganda.
2. Further studies could be carried out on other dimensions of revenue management such revenue mobilization, revenue management planning, implementation of revenue plan and revenue utilization and their effect on health service delivery.
3. The role of decentralized budgeting in controlling expenditure of local government in Uganda.

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APPENDICES

Appendix A: Questionnaire for Member of Staff, Councilors and Health Workers

Dear Respondent

I am **Nayebare Christine** a Masters student of Kabale University carrying out a research leading to the award of a Master of Arts Degree in Public Administration and Management. My topic of investigation is;**DECENTRALISED REVENUE MANAGEMENT AND HEALTH SERVICE DELIVERY IN LOCAL GOVERNMENTS IN UGANDA: A CASE STUIDY OF KABALE DISTRICT LOCAL GOVERNMENT.** This questionnaire has been designed to assist me in collecting data for this research study. The research is purely for academic purposes and the information you will provide will be treated with utmost confidentiality. I kindly request you to provide me the necessary information having been chosen to participate in the study to enable me complete my research work successfully.

Thank you in advance for your co-operation

Note: Please fill in the spaces provided or tick in the Optional Boxes with your responses

SECTION A: RELATIONSHIP BETWEEN DECENTRALIZED PLANNING AND HEALTH SERVICE DELIVERY IN KABALE DISTRICT LOCAL GOVERNMENT.

Use the following scales: 5=strongly agree, 4=Agree, 3=undecided, 2=Disagree, 1=strongly disagree

Statements	**5**	**4**	**3**	**2**	**1**
Kabale District Local Government has revenue enhancement strategies					
Kabale District Local Government has revenue enhancement plan which has helped in resource mobilization and collection					
I usually participate in planning for improved quality health services directly to ensure quality service delivery					

My views are considered during planning for quality health services					
Decentralized planning helps in making correct decisions for health services to increase satisfaction services					
This decentralized planning improves access to health services					

SECTION B: EFFECT OF REVENUECONTROL ON HEALTH SERVICE DELIVERY IN KABALE DISTRICT LOCAL GOVERNMENT

Statements	**5**	**4**	**3**	**2**	**1**
Local revenue collected is spent according to the budget to provide quality health services					
Local revenue collected is shared among local governments and admin. units					
District has mechanisms for internal revenue control to avoid wastage and improve the quality of health services					
Local revenue control measures have enhanced accessibility to health services					
The council monitors the management of local revenue to ensure that the whole revenue is used to increase access to services					
Accountability for revenue has improved delivery of quality health services					

SECTION C: EFFECT OF REVENUE ALLOCATION AND HEALTH SERVICE DELIVERY IN KABALE LOCAL GOVERNMENT

Statements	**5**	**4**	**3**	**2**	**1**
There is better allocation and proper use of financial resources in the delivery of quality services.					
The allocated funds are adequate for the local government to increase access to health services					
Revenue allocation to priority sectors is monitored to avoid delay in health service delivery on maintenance is regularly audited					
Through revenue allocation the Kabale District Local Government can prioritize and put into action its programs and policies within the constraints of its financial capability to improve health service delivery					
Revenue allocation determines the priority areas for spending the conditional grants is critical in determining quality of health services delivered					

SECTION D: HEALTH SERVICES DELIVERY

Statements	**5**	**4**	**3**	**2**	**1**
Patients in Health Centers can easily access drugs					
Patients can get access to doctors available in Health Centers					
Many women get maternal care in the health Centers					
Patients who come for treatment are regularly treated in the health centers					
The health centers have enough rooms for patients (as wards/ offices)					
The health centers have sufficient beds for patients					

Thank you for your participation

Appendix B: Interview Guide for Administrators

1. Do people receive services effectively?
2. What is your assessment on accessibility to health services by patients?
3. Would you say that access to health services delivered in Kabale District has changed since the introduction of decentralization? Please give examples.
4. How effective are health services delivered in Kabale District?
5. Do you think decentralization contributes towards this effectiveness in any way? Give examples.
6. Are the health services delivered in Kabale District with interpersonal relations? Give description of these interpersonal relations. Would you think these interpersonal relations link to decentralization in any way? Explain.
7. How would do you rate the effectiveness of health services (in aspects of access, effectiveness, interpersonal relations) in Kabale District.
8. What challenges do you face when seeking and accessing health services?
9. What can be done to solve the challenges in Kabale District?