THE EFFECT OF PUBLIC REVENUE MANAGEMENT ON SERVICE DELIVERY IN LOCAL GOVERNMENT

A CASE STUDY OF PALLISA DISTRICT LOCAL GOVERNMENT

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A RESEARCH PROPOSAL SUBMITTED TO THE FACULTY OF MANAGEMENT SSCIENCES IN PARTIAL FULFILLMENT OF THE REQUIREMENT FOR THE AWARD OF A BACHELORS OF BUSINESS ADMINISTRATION OF BUSITEMA UNIVERSITY

FEBRUARY 2022

DECLARATION

I Mugendawala Samuel do declare that this research proposal is my original work and it has not been submitted to any other university or institution for an academic award.

Sign …………………………   …………………………………..

MUGENDAWALA SAMUEL   **Date**

APPROVAL

This research proposal is submitted to Busitema University for examination as a partial fulfilment for the award of Bachelors of Business Administration in Accounting and Finance option with my approval as Academic Supervisor.

NAME: ABBEY KALENZI

SIGNATURE..

DATE...

ACKNOWLEDGEMENT

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ABREVIATIONS

AG   Auditor general

IFMS   Integrated financial management system

LG   Local government

MOLG   Ministry of local government

PFAA   Public finance and accountability Act

PFAR   Public finance and accountability regulation

PPDA   Public procurement and disposal of public assets

TAI   Treasury accounting instruction

PTC: Pallisa Town Council

ABSTRACT

This study was to examine the effect of revenue management on service delivery in local governments. Specifically, the study sought to examine the effect of Public revenue planning on service deliver, to examine the effects of revenue mobilization on service delivery, and to examine the effects of revenue expenditure on service delivery in the Local Government. The study used a cross-sectional research design with a study population of 50 respondents. Data was collected from the 30 respondents using self-administered questionnaires as the key data collection instruments. The findings showed that Public Revenue Planning, revenue mobilization and revenue expenditure significantly affects service delivery in the Local Government. However, the study recommended that Pallisa District Local Government needs to make decisions based on the major priorities that satisfy the community needs in order to avoid public mistrust. Also, the organization should put more effort on training and equipping their staff for capacity building to enhance greater performance in satisfaction of their clients' needs and expectations.

CHAPTER ONE

INTRODUCTION

1.0 Introduction

The chapter comprises of an introduction, background to the study, conceptual frame work, statement problem and purpose of the study, objectives, research questions, significance as well as scope of the study and finally definition of key concepts or variables.

1.1 Background to the study

Revenue management as far as public institutions are concerned is traceable in early 18th and later 19th 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 department is as old as when public institutions started to offer public services to the people without charging for them

Globally, the decentralization process has progressed furthest in Latin America, beginning with efforts in Chile and Colombia in the early 1980s, to delegate increased responsibilities to municipalities (sub-national administrations) for the delivery of health and other services. In some cases, conditions of resource scarcity brought about by macroeconomic crisis spurred countries to devolve responsibility to lower tiers of government (Prawda 1993). Governments in Colombia, Argentina and Brazil devolved powers to elected municipalities as part of a wider process of political liberalization, whereas the military regime in Chile favoured administrative deconcentrating to municipalities under the control of non-elected administrators appointed by the military (Nickson 1995).

In Africa, many countries have adopted reformed public finance management in local government systems at different times. kauzya, (2009) reports that South Africa, Ghana, Nigeria and Rwanda are among the African countries that decentralized powers and resources to a great degree in search of inclusive, involving and participatory governance that is able to enhance quality of public services.

Despite the enactment of a number of public finance management reforms since the 1990s, misappropriation of public funds in Uganda remains a challenge. On one hand, the reforms aim to create a sound public finance management system that supports aggregate control, periodization, accountability and efficiency in the management of public resources and the delivery of service critical to Uganda's development goals (Ministry of finance Planning and Economic Development, 2013). These include the enactment of the Budget Act, 2001; the 2003 Public Finance and Accountability Act 1 (PFAA), Treasury Accounting Instructions (TAI), 2004; and the implementation of the Integrated Financial Management System (IFMS) among others on the other hand, the prevalence of misappropriation of public funds by public servants, delays in fund disbursement, low absorption capacity by some departments, idle, dormant bank accounts continue to have a negative impact on the delivery of public services.

Pallisa district like any other local government with decentralised powers, derives its mandate to deliver services of quality to its citizens from the 1995 constitution as amended in Article 177, and the local government Act CAP 243 section 35, 80 and 82 requires local government levy, charge and collect appropriate fees and taxes including rates, rent, royalties, stamp duties , personal graduate tax, registration, and licensing fees, section 80(2) of the same Act required each local Government to draw up a comprehensive list of all its revenue. This has been adopted under some of the fiscal documentation measures such budget transparency initiative, established accountability requirements linked to performance contracts, constitutional and statutory accountability bodies among others.

In addressing the problem of poor service delivery, the study will be guided by the benefit Theory of taxation developed by Lindahi, (1960). It assumes that for organizations to improve on service delivery, they should pay attention on revenue planning, revenue mobilization, and revenue expenditure and control.

However, most of the studies have been carried out in performance of Decentralised Local Governments (Mudalige P 2020), the influence of Government revenue collection on service delivery (Pallisa District, 2016), Decentralisation of revenue management in chili (Nickson 1995), Public revenue management service delivery in Mpatta Sub county (Nagujja,2018)

1.2 Statement of Problem

Local governments are tasked to deliver public services for instance safe water, roads, education, health facilities among others to its citizens (Smoke, 2017). To realize the above services, Local governments need sufficient financial support or funding where it is mandated to use all powers vested to plan for revenue enhancement, implementing the revenue plan, and controlling its expenditure because tax payers will continuously keep on demanding for services after they have paid taxes (Section 35 of the Local Government Act Cap 243, Amendment 2010).

Strategies have been made to improve the Local government revenue with an intention to extend public service delivery such strategies include, revenue enhancement plan, implementation of the revenue plan and appraisal, sensitization of politicians, tax payers and staff, recruiting of competent staff and training, staff motivation, quarterly audits, reports and reviews among others (Bird, 2010). However, local revenue enhancement in local governments continues to be a challenging and a worrying situation for instance, according to Pallisa District Local government revenue enhancement report (2018), the district suffered significant losses of revenue which indicates that out of 9,424 businesses that were eligible to pay trading licenses, only 7,033 paid and this resulted into a loss of shillings 24,000,000 consistently.

According to the Budget conference minutes of Pallisa District Local Government report (2016), there is still a public outcry in terms of poor service delivery associated with littering garbage, and poor state of health delay in paying and issuing local purchase order.

Despite the fact interventions employed by the central and Pallisa local government to improve service delivery still there is poor service delivery. This could have attributed to revenue management. This therefore, warrants an investigation on the effect of revenue management on service delivery in Pallisa District Local Government.

1.4 Purpose of the Study

The study is to establish the effect of local revenue management on service delivery in Pallisa District Local Government.

1.5 Objectives of the Study

The study will be guided by three objectives namely:

1. To determine the effect of public revenue planning on service delivery in Pallisa District Local Government.
2. To determine the effect of public revenue mobilisation on service delivery in Pallisa District local government.
3. To determine the effect of public revenue expenditure control on service delivery in Pallisa District Local Government.

1.6 Research Questions

The study aims at answering the following research questions namely;

1. What is the effect of public revenue planning on service delivery in Pallisa District Local Government?
2. What is the effect of revenue mobilization on service delivery in Pallisa District Local Government?
3. What is the effect of revenue expenditure control on service delivery in Pallisa District Local Government?

1.7 Scope of the study

1.7.1 Subject Scope

The study examines the effect of revenue management focusing on public revenue planning, revenue mobilisation and expenditure control on service delivery in Local Governments.

1.7.2 Time Scope

The time frame for the study will be between 2012 to 2020. From this period, we evidenced development in Pallisa district but this has been coupled with inadequate service delivery in the health, community-based activities among others. Due to the inadequacy in service delivery at the district local government, this period of time will be deemed appropriate for the study.

1.7.3 Geographical Scope

The study will be carried out in Pallisa District Local Government. Pallisa District implements a number of government projects for example youth livelihood programme, extending health services to the public through health centres and but mismanagement of funds at the LG has led to failure of government projects (Auditor general report, 2017). It was therefore necessary to have a study in this area because it enabled the researcher to have the right information pertaining service delivery in Pallisa District Local Government.

1.8 Significance of the study

The study shall guide other future researchers intending to carry out further studies in the related field

The findings of the study are likely to enlighten District local government staff on the public revenue management process in the District and the obstacles that surround their efforts to realize this.

The findings could also suggest the best or suitable remedies possible to address the situation with in the recommendation section.

The findings will help key stakeholders (the academia and other policy makers,) responsible for formulating policies.

Figure 1: Conceptual frame work

PUBLIC REVENUE MANAGEMENT (IV)

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┌─────────────────────────────────┐
│ PUBLIC REVENUE PLANNING         │
│                                 │
│   • Goals setting               │
│   • Set revenue objectives      │
│   • Budget preparation          │
└─────────────────────────────────┘

┌─────────────────────────────────┐        ┌──────────────────────────────┐
│      PUBLIC REVENUE             │        │    PUBLIC SERVICE            │
│      MOBILISATION               │        │    DELIVERY                  │
│                                 │ ──────▶│                              │
│   • Source of revenue           │        │   • Time                     │
│   • Revenue outsourcing         │        │   • Cost effectiveness       │
│     collection                  │        │   • Quality                  │
│   • Local assessment            │        │                              │
└─────────────────────────────────┘        └──────────────────────────────┘

┌─────────────────────────────────┐
│      PUBLIC REVENUE             │
│   EXPENDITURE CONTROL           │
│                                 │
│   • Revenue allocation          │
│   • Local spending              │
│   • Local Accountability        │
└─────────────────────────────────┘
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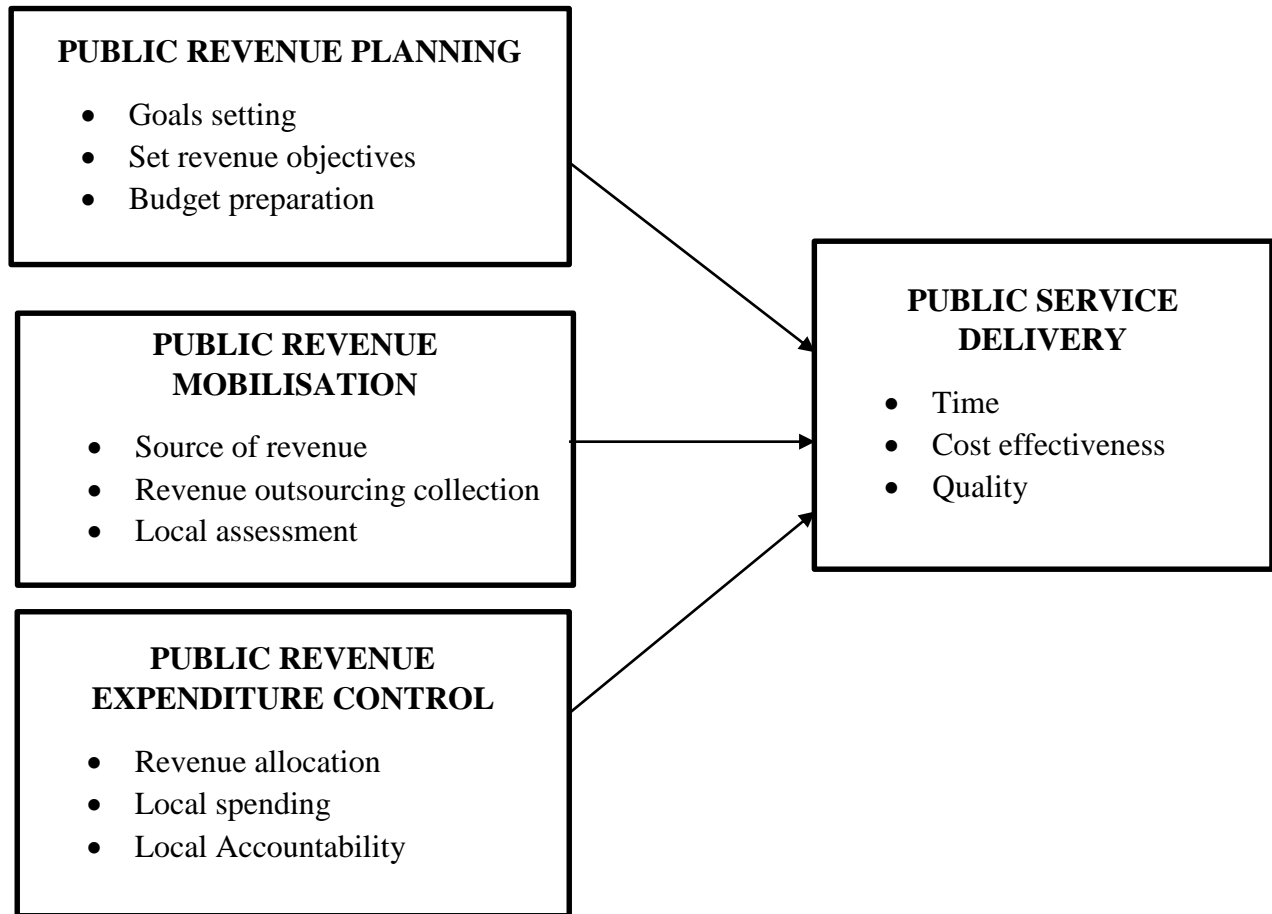
Source*: Adopted and modified from the Systems theory principle by Lawton et al, (1991) by the researcher.*

From the conceptual frame work above, service delivery in local governments is dependent on public revenue planning, revenue mobilisation and expenditure control.

Public revenue planning through setting revenue goals, revenue objectives and Budget preparation has positive effect on service delivery. Secondly, Revenue mobilisation through revenue outsourcing collection and local assessment improves on service delivery. Lastly, public revenue expenditure control through revenue allocation, local spending and Accountability enhances service delivery

1.10 Limitations to the Study

We anticipated limited financial support as one of the major problems that was encountered.

We anticipated a problem of limited cooperation from the respondents who would pretend to be very busy due to their own reasons among them being that they had limited time and interest in providing the information required, however, we explained well the purpose of the research and convince the respondents to accept participation in the study.

1.11 Definition of key terms

Public Revenue Management

This is the management of the incomes and receipts which a public authority may secure during any period government through all sources calls public income or public revenue (Dalton, 2016)

Public Revenue Planning

This is the forecasting of public revenue and then deciding how it will be allocated against expenses and investments in the organisation (Jeff, 2018)

Public Revenue Mobilization

This is the process through which countries raise and spend their own funds to provide for their people (George, 2016)

Public Revenue Expenditure

Public revenue expenditure is a cost that will be an expense in the accounting period when the expenditure takes place. (Harold, 2019)

Local Service Delivery

This is the mechanism through which public services are delivered to the public by local, Municipal or federal governments (www.igi.global.com)

CHAPTER TWO
LITERATURE REVIEW

2.1 Introduction

This chapter covers the review of the literature on the effect of revenue planning on service delivery, the effect of revenue mobilization on service delivery and the effect of revenue expenditure on service delivery in local governments. Both theoretical and empirical literature was reviewed.

2.2 Theoretical Review

The Benefit Theory of taxation

This theory was developed by fink Robert Lindahi in 2000. According to theory, the state should levy on individuals according to the benefit given to them. The more benefits a person obtains from the accomplishments of the state, the more the duty the person should reimburse to the government. This principle has been condemned because, first, if the state keeps a certain linkage between the benefits given and the benefits received, it will be in contradiction of the basic principle of the tax. A tax is principally an obligatory contribution done to the public authorities to meet the expenditures of the government and the supplies of general benefit to all citizens (Booker, 2014).

Furthermore, most of the expenses suffered by the state is for the overall benefit of its citizens, it is not likely to estimate the benefit received by a particular individual every year for it to be obvious how much duty this individual should be charged. According to this model there should be some advantage to those who pay taxes. The free-rider problem is the primary disapproval given for limiting the scope of the subsidy principle. Each individual can lower his tax cost by under reporting his aids derived from the public good or service (Brautigam, 2016). It assumes that taxes should be paid by an individual in proportion to benefits conferred by the State on that individual, is quite unrealistic because the benefits derived cannot be correctly measured in terms of money. Benefit is purely a subjective matter and there is no scientific way to measure the magnitude of benefit and its money value.

For LG to improve on the level of service delivery, they should take into consideration Public revenue planning, fund mobilisation and expenditure control.

Additionally, Byrnes (2006) 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 services to its people (Tregilgas, 2006). The challenge with the above scholarly works is that LG are time and again affected by the prevailing sources of local revenue which are fewer and therefore negatively affecting their revenue target which marked an area of interest for the study.

According to Fjeldstad et al., (2010) 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 to entrench accountability on the part of the staff and leaders of the councils. Furthermore, Tregilgas (2006) stresses that LG fail to avoid unrealistic increases from revenue enhancement activities, which make the realization of revenue and service delivery to be more of a dream than a reality.

2.3 Empirical review

2.3.1 The effect of Public Revenue Planning on Service Delivery
Public revenue planning is the management of the incomes and receipts which a public authority may secure during any period government through all sources calls public income or public revenue (Dalton, 2016). Revenue planning entails identification of revenue sources, registering the source, forecasting revenue to be collected, setting collection objectives and target, and developing work plans and budgets (Auditor General's Annual report 2016).
Public revenue planning may have both positive and negative effects on service delivery.

Positively, public revenue planning affects service delivery in the following ways: It guides resource allocation and utilization among the members who are the beneficiaries of the services; public revenue planning may also result into increased level of resource mobilisation.

It also helps the organization to achieve a good public reputation due to improved service delivery.

Public revenue planning also leads to informed decision making hence guiding actions in the allocation of resources.

It also enables the organisation to forecast, this helps the organisation to plan better hence mitigating uncertainties.

However, Public revenue planning may lead to the following negative effects as far as service delivery is concerned.

It leads to delays in implementation of service; a case in point is road construction where the plan for the road takes up to six months to be prepared, with certificates of financial implication taking six months, therefore it clear that revenue planning leads to delays in service delivery.

It is a costly exercise, the process of takes a lot of public revenue in terms of allowances.

Public revenue planning is time consuming since it involves a lot of assessments, analysis, and forecasting and all these activities takes time.

2.3.2 The Effect of Public Revenue Mobilization on Service delivery

Public revenue mobilisation is the process through which countries raise and spend their own funds to provide for their people (George, 2016). Revenue mobilization refers to how sources of revenue, assessment and eventual collection measures are in place to ensure that local revenue is obtained from the locals (Yasin 2018). In this study, public revenue mobilization is categorized into three sub dimensions of which sources of revenue, revenue outsourcing and local assessment formed the list as supported by scholarly literature laid below. Local revenue sources may refer to the numerous local revenue bases or all possible ways that can be tapped to improve on the existing revenue (Madina, 2016).

Positively, Revenue mobilization leads to increased revenue base which in turn results more collections. Revenue mobilization is important for economic and social development by allowing governments to finance critical public goods necessary for positive health and education outcomes.

It leads to increased awareness of tax requirements among the public which increases enrolment hence more revenue collection.

It leads to social and economic development in the country. When the public is sensitized, enrolled, and guided on what should be done, participation increases.

Increased rate of compliancy among the tax payers which increases the revenue collected hence improved service delivery due to availability of resources.

High enrolment rate and participation as a result of mobilization, analysis and assessment, when the public is aware of their tax obligation they can easily comply.

Revenue mobilization is important for economic and social development by allowing governments to finance critical public goods necessary for positive health and education outcomes etc.

Revenue mobilization may lead to the following Negative effects on service delivery:

Increased expenditure, revenue mobilisation is a demanding exercise which is costly and this increases the expenditure.

It leads to delays. Public revenue mobilization is a time consuming exercise which delays in service delivery.

Lack of transparency among the mobilizers may lead to low tax collection hence poor service delivery. This may be to conflicts of interests which may promote under taxation and many other challenges.

It leads to corruption. Revenue mobilization may lead corruption effect as a result of conflicts of interests among the assessors, analysis and collectors. Who may be bribed during the enrollment, mobilization, assessment and analysis of tax payers.

2.3.3 Public Revenue Expenditure and Service Delivery

Public revenue expenditure is a cost that will be an expense in the accounting period when the expenditure takes place. (Harold, 2019). According to the (International Monetary Fund,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)

(Paul 2014), In an Article on Integrated Technical Systems on Revenue Management, controlling spending that flows through one's facility is of paramount importance.

According to the Keynesian theory, government spending has a positive impact on economic growth. The Keynesian theory postulates that the more a government spends, the higher the economic growth is as a result of expansionary fiscal policy (Romer, 1986).

Public spending is a key factor in economic growth and development. It is essential for financing infrastructure, including roads, electricity, and water.

As a result of public expenditure, capacity to work and save tends to rise. Government expenditure provides various kinds of social and economic facilities stimulating the capacity to work of the people. Increased capacity implies increased efficiency and greater employment.

It leads to enhanced health and education services necessary for modern economies more efficiently and effectively than the market could provide.

It also leads to increased public reputation due to the services provided in the process. When the public receives the needed services, they gain trust and praise the implementers (LG).

It promotes productivity of public funds when good investment decisions are made which in turn increases the revenue.

public spending negatively **affects economic growth** since public spending leads to budget deficit that crowds out private investment. That is, an increase in public spending leads to the substitution of public goods for private goods.

It increases public debt due to the expenditure pressure on the state. This forces the state to borrow more funds in order to meet the public demands and needs.

It leads to increase in prices for goods and service which affects the final consumers. When the public expenditure increases, the government seeks more revenue and this causes tax increases on products.

Public expenditure which is in the form of money grants, supply of social goods and services, social security measures, subsidies etc. certainly affects the distribution of income in a country in socially desirable way.

2.4 Summary of the literature review

In all the literature that has been reviewed, the authors and researchers have tended to concentrate on the process of public revenue management. The other pieces of work on public sector have only made generalizations at District levels without deliberate attempt to link public revenue management to public service delivery in decentralized settings at the lower local council level.

Other gaps identified in previous pieces of related works are; inability to link public revenue management to public service delivery at local council level, Public Revenue management study on purely lower local councils, public revenue planning in local governments not linked to service delivery, Local revenue performance study not specific to local governments, Automation of revenue management systems despite financial limitations in local governments. This forms a basis for this intended study and a purposeful linkage and effects of public revenue management on public service delivery will be recommended

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This chapter indicates the research design, study population, sample size and sampling technique, data methods and instruments, reliability and validity, data analysis, data collection procedures and measurement of variables.

3.1 Research Design

Research design is the frame work of research methods and techniques chosen by a researcher Mark, (2018)

We adopted a cross-sectional survey design. This is due to the fact that these studies are conducted at one-time point or over a short period. The researcher used the cross-sectional design because it aids in the collection of quantified data which is factual and accurate (Amin, 2015). Quantitative method was used because it helps in obtaining numeric data that helps in establishing the relationship between the variables under study.

3.2 Population of the Study

Cooper and Schindler (2003), defines population as the subject that is measured therefore, it is a unit of observation. The population of interest in this study was 70 employees drawn from Pallisa District Local Government Staff Records (2018) and EC Voters register (2016) departments comprising of accountants, heads of departments, and administrative staffs of Pallisa District Local Government.

3.3 Sample Size and Selection

The sample size was determined using the Sample Size Determination Table developed by Krejcie & Morgan (1970). Therefore, out of a target population of 70 employees of Pallisa District Local Government, a sample size of 66 respondents was selected. The sample was considered by the researcher to be useful in providing adequate, valid and reliable data since it was drawn from all categories of people within Pallisa District Local Government.

Table 1: Sampling Frame

Category of Workers	Target population	Sample size	Sampling techniques
Accountants	25	15	Simple random
Heads of departments	10	6	Simple random
Administration staff	15	9	Simple random
Total	**50**	**30**	

3.4 Sampling Techniques and Procedure

Simple random sampling technique was used to identify the respondents for the survey. For key informants, the respondents were identified purposively because of their valuable knowledge about the subject under study. Focus groups were as well identified to and used to give their opinion on the subject under study and these were chosen purposively from the community.

3.5 Data Collection Method

We used a Questionnaire survey method in collecting information from numerous respondents. It was used to obtain quantitative data. The method involved using self-administered questionnaires on business community and comprised a set of questions arranged and printed in definite order (Kothari, 2014). This method was selected due to the fact that it was time saving, involved numerous respondents within a short period of time. This method gave time to the respondents to think and analyse the questions asked before choosing an appropriate answer.

3.6 Data Collection Instruments

We adopted self-Administered Questionnaire which was close ended in nature. These questions to be asked were based on a five level Likert scale ranging from strongly agree or SA (5), Agree or A (4), Not Sure or NS (3), Disagree or D (2) and Strongly Disagree or SD (1) linking to the public revenue management and public service delivery as supported by Meyer (2009).

3.7 Data collection sources

The sources of data aided in the research include secondary and primary data sources of which secondary data collection include data collected by any party other than the researcher including

Administrative data from programs, reports from different organizations, Dissertations, and articles from websites and journals. Primary sources include interview transcripts, photographs, novels, paintings, films, historical documents and official statistics

3.8 Data processing and Analysis

Upon receiving the questionnaires from the field, the researcher sorted it, coded it, and finally designed an entry page using SPSS (variable view), and entering of this data was done. After data entry, the researcher cleaned the data to limit on the numerous errors. On ensuring that information was obtained, the researcher obtained data descriptively and inferentially. Descriptively the researcher ran frequencies with percentages, mean and standard deviation values and these were presented in tabular and graphical form to represent demographic characteristics of respondents and key variable information specifically the responses.

3.9 Ethical Considerations

 After approval of research proposal by the Busitema University supervisor, the researcher were served with an introductory letter to go for data collection in the field which was presented to Pallisa District LG, office of the CAO for permission an Oath was taken to ensure confidentiality by the researcher and the Local Government. Upon being granted permission, two research assistants were identified and trained to assist in data collection process. Before actual data collection; one day of training was conducted for research assistants. The research assistants distributed and collected all the questionnaires after they are completely filled while the researcher fixed appointments from which he directly read and recorded responses in a note book. All interviews were face to face. The exercise lasted two months.

CHAPTER FOUR

DATA ANALYSIS AND PRESENTATION OF FINDINGS

4.0 Introduction

This chapter consisted of data analysis, and presentation of the findings. Data collected from respondents was edited, classified, coded and analyzed using percentages and presented in tables and charts. The first section presented the background information of the respondents. Other sections were presented according to the research questions.

4.1 Response Rate

The sampled respondents were 30 and the researcher was able to collect 30 questionnaires that were administered. This gave a response rate of 100% this was in line with mugenda (2003) who says that a response rate of 75% is accurate.

4.2 Demographic Information

The demographic information of the respondents was established so as to enable the researcher understand the respondents involved in the study

4.2.1 Gender of Respondents
The gender of respondents was collected so as to weigh if gender balance was considered. The table below shows the variations;

Table 2: showing the gender of the respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	male	19	63.3	63.3	63.3
	female	11	36.7	36.7	100.0
	Total	30	100.0	100.0	

Source: primary data

From the table above it is clear that 63.3% of the respondents are males, and 36.7% are females. This shows that most of the respondents were men, and the society tends to favor more men in institutions.

*Figure 2: **A pie chart showing the age of the respondents***
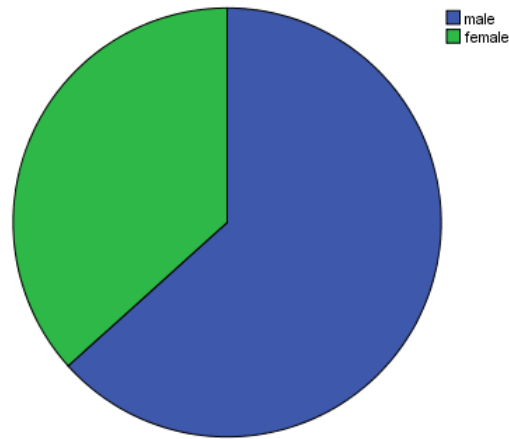
4.2.3 Age of the respondents

This section sought at determining the Age of the respondents. This was used as a measure of their maturity and experience. The findings obtained are as shown by the Table

Table 3: : showing age bracket

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 20 years	2	6.7	6.7	6.7
	21-30 years	3	10.0	10.0	10.0
	31-40 years	15	50.0	50.0	50.0
	50 years and above	10	33.3	33.3	66.7
					100.0
	Total	30	100.0	100.0	

Source: primary data

As shown by the Table above, 10% were below 20 years, 50.0% were between 21-30 years, 27.5% were between 31-40 years, while only 17.5% were between 41-50 years. This implies that majority of the respondents were above 21 years meaning they had enough experience in the field, therefore they were able to provide accurate and reliable information

Figure 3: Pie chart showing the age bracket of the respondents

Legend:
- 21-30 years
- 31-40 years
- 50 years and above
- 5.00
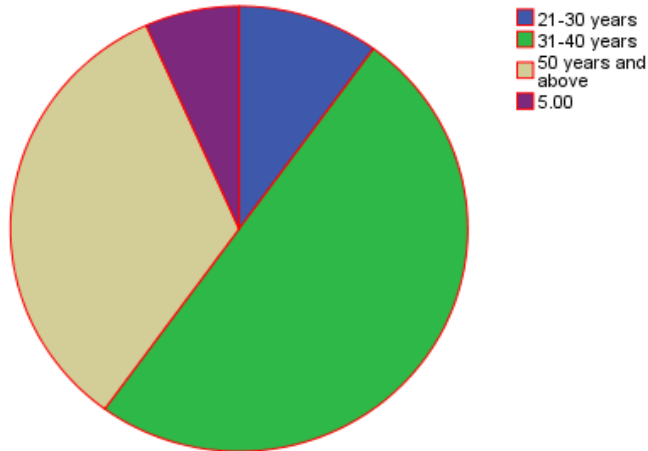
4.2.3 Education background

This section sought to determine the education background of the respondents based on the highest level of education. This can be seen in the following table.

Table 4: showing education level background

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid certificate level	3	10.0	10.0	10.0
Diploma	4	13.3	13.3	23.3
Master's	7	23.3	23.3	46.7
Degree	13	43.3	43.3	90.0
PHD	3	10.0	10.0	100.0
Total	30	100.0	100.0	

Source: primary data

As shown, majority at 43.3% were degree holders, 23.3% had reached up to master's level, 13.3% had diploma level, 10.0% had master's and 10% of the repondents had PHD. This shows that the respondents were well educated thus qualified for their respective positions in the institution hence conversant with the study topic.

-Figure 4: bar graph showing the level of education
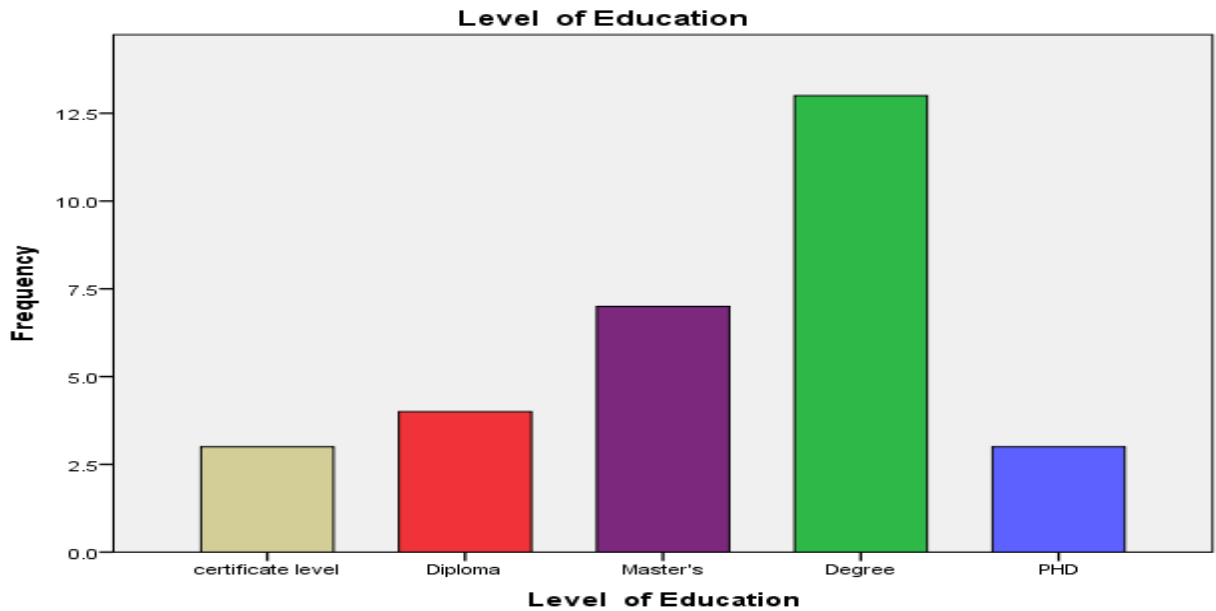
Table 5: showing position held

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Accountant	4	13.3	13.3	13.3
	Auditor	2	6.7	6.7	20.0
	Human Resource Manager	5	16.7	16.7	36.7
	Finance Manager	14	46.7	46.7	83.3
	Manager	3	10.0	10.0	93.3
	DCDO	2	6.7	6.7	100.0
	Total	30	100.0	100.0	

Source: Primary data

From the table above, it is noted 13.3% were accountants, 6.7% were Auditors, 16.7% were human resource managers, then 46.7% were finance managers, 10% being the managers and 6.7% were DCDOs. This shows that respondents had the necessary knowledge as per this study.

*Figure 5: a bar graph showing the positions held by the respondents*
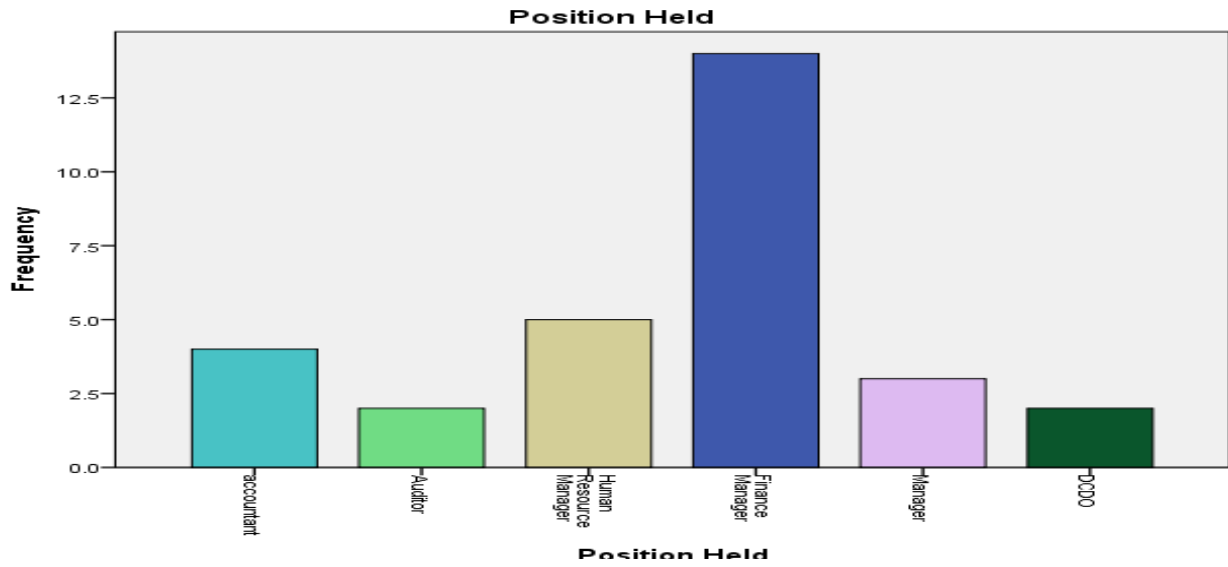
Table 6: Period Served

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 2 years and below	3	10.0	10.0	10.0
2-4 years	17	56.7	56.7	66.7
4 years and above	10	33.3	33.3	100.0
Total	30	100.0	100.0	

Source: Primary Data

As shown above in the table, it is seen that 10.0% of respondents had stayed in service for 2 years and below, 56.7% had served for 2-4 years and 33.3% had served for 4 years and above. This shows that respondents were versant with the system requirements, operations and challenges meaning that they had the ability to provide valid information as per this study.

Figure 6: a histogram showing the period served by the respondents
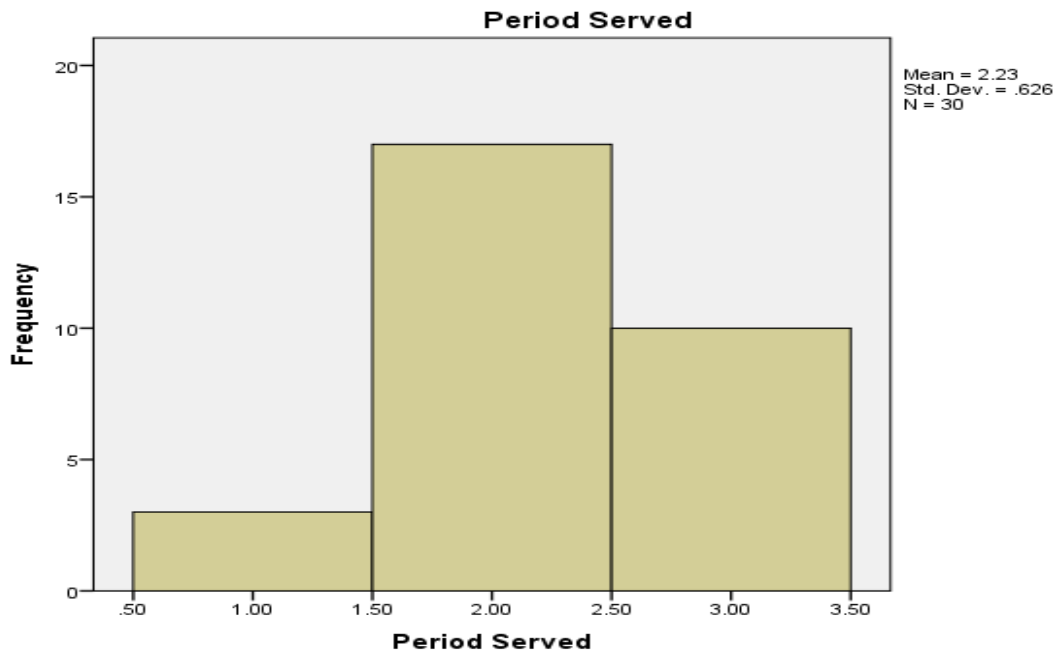
Table 7: Form of business

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Sole proprietorship	16	53.3	53.3	53.3
partnership	9	30.0	30.0	83.3
limited company	5	16.7	16.7	100.0
Total	30	100.0	100.0	

Source: primary data

The above table shows that 53.3% operated sole proprietorship which was the majority, 30.0% were in partnership businesses and 16.7% in limited company businesses. This means that majority were self-employed, managing the day to running of their businesses. Therefore, the information provided were from the intended source validating the study findings.

Figure 7: histogram showing the form of business

Figure 7: histogram showing the form of business
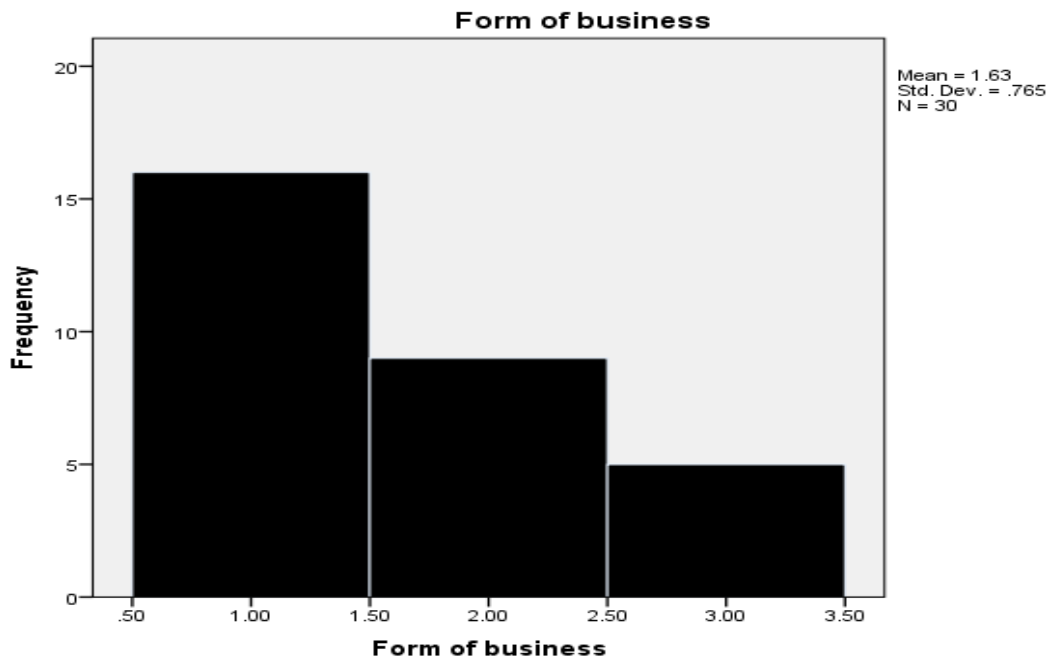
Table 8: showing the effects of public revenue planning on service delivery

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	It guides resource allocation & utilization	11	36.7	36.7	36.7
	It leads to informed decision making	8	26.7	26.7	63.3
	It leads to reduced costs of operation	1	3.3	3.3	66.7
	It leads to good public reputation to the firm	1	3.3	3.3	70.0
	It enables the firm to forecast and plan better	4	13.3	13.3	83.3
	Delays implementation of services	2	6.7	6.7	90.0
	It is costly which leads to high expenditure	3	10.0	10.0	100.0
	Total	30	100.0	100.0	

Source: primary data

From the table above, it is observed that public revenue planning guides resource allocation and utilization this means that the organization is able to distribute services in the right time, right place etc. hence enhanced service delivery. This is evident basing on the response rate of 36.7%, it leads to informed decision making this stood at 26.7% response rate.as the organization plans, its able to forecast and plan better and this effect is evidenced by a 13.3%, being a long exercise its result into high expenditure and this is evidenced by a 10% response rate. 6.7 of the respondents agreed that it somehow delays implementation of services due to the time spent while gathering data. And only 3.3%, 3.3% say it leads to reduced costs of operation, results into good public reputation respectively.

Figure 8: bar graph showing the effects of public revenue planning on service delivery
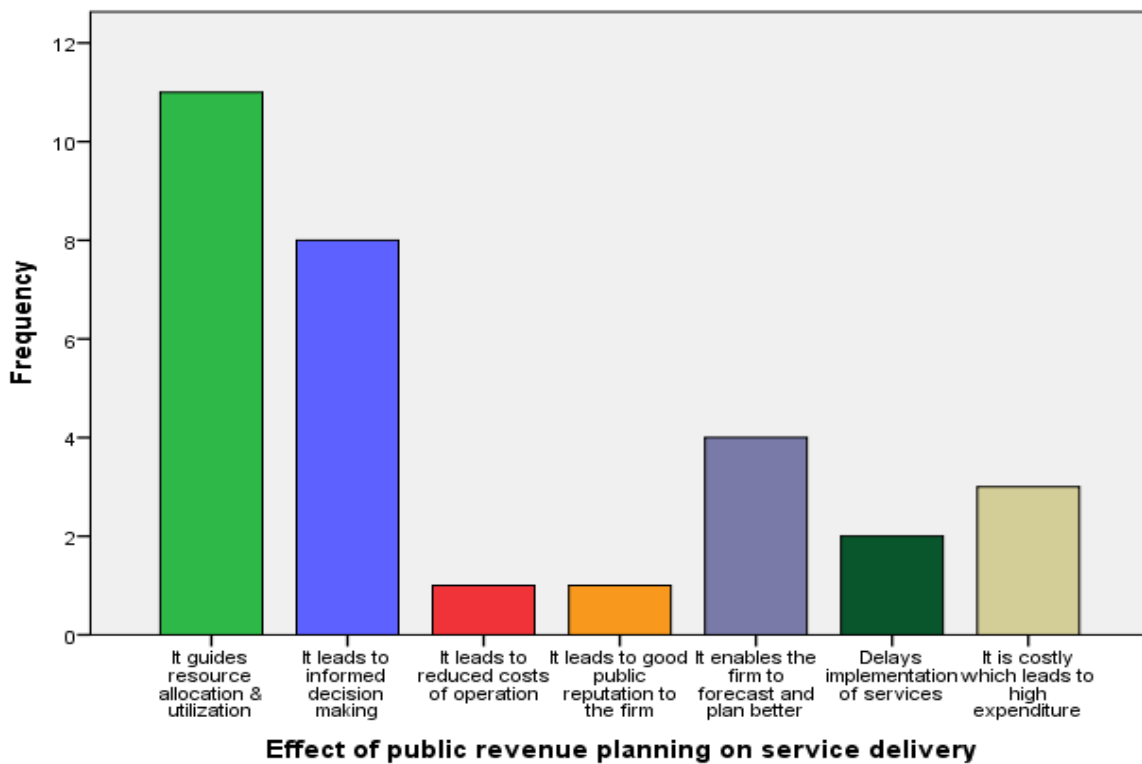
Table 9: showing the effect of public revenue mobilization on service delivery

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	It leads to increased revenue base	10	33.3	33.3	33.3
	It leads to social and economic development	3	10.0	10.0	43.3
	Increased rate of compliancy among tax payers	6	20.0	20.0	63.3
	It increases tax awareness	7	23.3	23.3	86.7
	High enrolment and participation	4	13.3	13.3	100.0
	Total	30	100.0	100.0	

Source: Primary data

From the table above, public revenue mobilization leads to increased revenue base which in turn enhances the service delivery. This is backed up by a 33.3% response rate which stands at a highest rate compared to other effects. 23.3% of the respondents accepted that it leads to increased tax awareness, 20.0% agreed that it result into increased compliancy among tax payers, 13.3% concluded that public revenue mobilization leads to high enrolment and participation which improves service delivery in an organization and lastly only 10% said it leads to social-economic development.

Figure 9: bar graph showing the effect of public revenue mobilization on service delivery
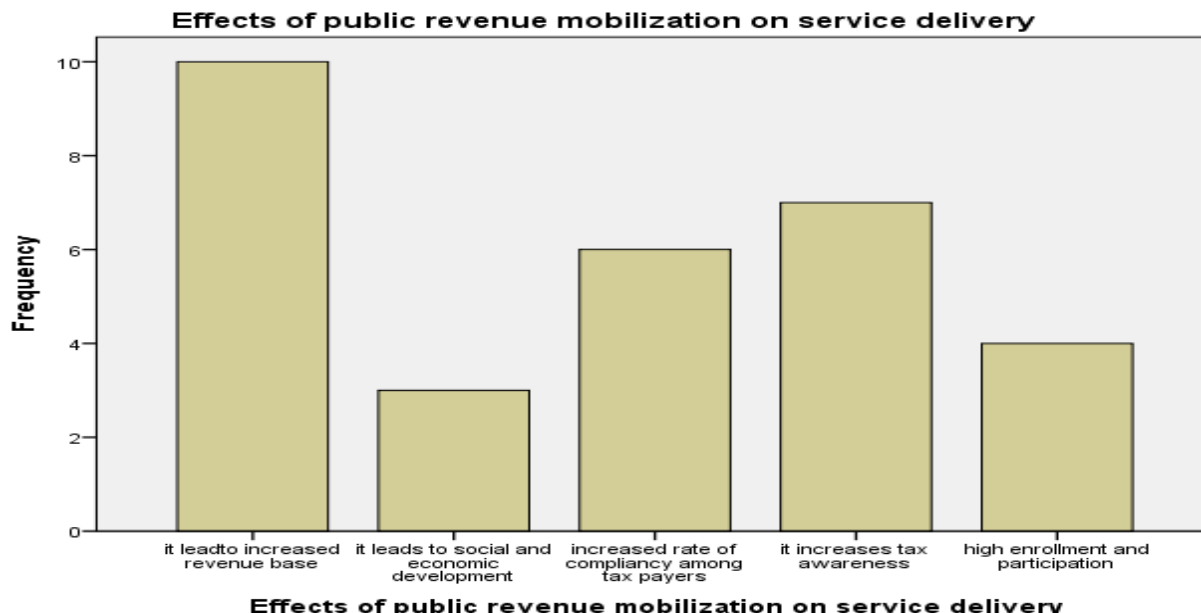

Table 10: showing the effect of public revenue expenditure on service delivery

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid it enhances service delivery	4	13.3	13.3	13.3
it promotes productivity of public funds	9	30.0	30.0	43.3
promotes development in area	4	13.3	13.3	56.7
increased public debt due to expenditure pressure	10	33.3	33.3	90.0
increased cost of goods and services	3	10.0	10.0	100.0
Total	30	100.0	100.0	

Source: primary data

As seen in the table above, public revenue expenditure increases public debt due to expenditure pressure. This is evidenced by a 33.3% response rate, it also promotes productivity of public funds 30.0%, according to the results above it can be argued that public revenue expenditure

enhances service delivery and promotes development in the area. This is supported by a 13.3%, 13.3% response rate respectively. And lastly it increases the cost of goods and services as evidenced by 10% response rate according to the results above.

Figure 10: A bar graph showing the effect of public revenue expenditure on service delivery
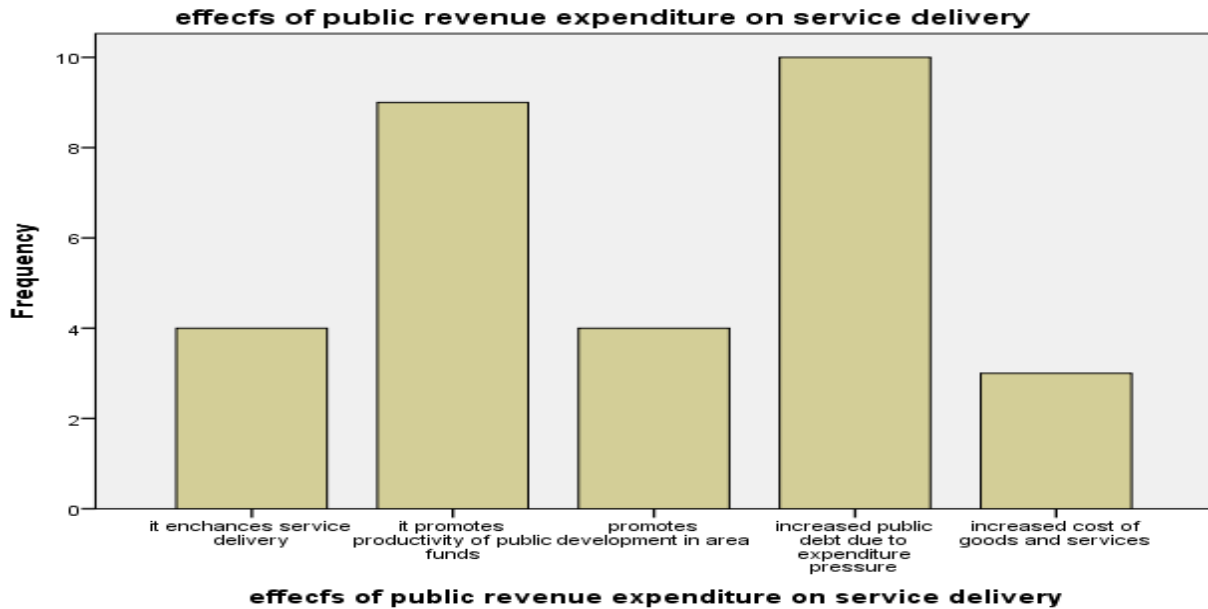
INTERPRETATION OF FINDINGS, SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.0 Introduction

This chapter focuses on discussion of the findings, conclusions drawn there from and recommendations based on the conclusions.

5.1 Interpretation of the findings

5.1.1 The effect of public revenue planning on service delivery

From the table above, it is observed that public revenue planning has a positive effect on service delivery and this is because it guides resource allocation and utilization which guarantees value for money in the institution. This effect is evidenced by a 36.7% response rate which was the highest according to the survey. It also leads to informed decision making which prevents uncertainties with a percentage of 26.7% backup, Public revenue planning enables the firm to forecast and plan better 13.3%, also leads to reduced costs of operation and good public reputation as seen and proved by a response rate of 3.3%, 3.3% respectively.

However, it has been noticed that public revenue planning may have negative effects on service delivery which include: delays in implementation of services 6.7% and since it's an activity which requires time and money it may lead to high expenditures causing deficits in the budget and this is backed up with a 10% response rate.

Nevertheless, public revenue planning is a good practice since majority of the respondents agreed that it greatly guides resource allocation and utilization (36.7%) which increases service delivery hence good public reputation and development.

5.1.2 Effects of public revenue mobilization on service delivery

As seen in the study above, it clearly shows that if public revenue mobilization is effectively initiated, it leads to increased revenue base evidenced by a 33.3% response rate according to the data in the table in chapter four. This was the highest percentage. It also increases tax awareness evidenced by a response rate of 23.3%.

Not only that but it also increases tax compliancy rate among the tax payers, high enrolment and participation as well as social and economic development in the area with 20.0%,13.3% and 10% respectively. Therefore, revenue mobilizations a good practice which has to be emphasized in local governments.

5.1.3 Effects of public revenue expenditure on service delivery

From the study above, public revenue expenditure increases public debt due to expenditure pressure. This is evidenced by a 33.3% response rate, it also promotes productivity of public funds 30.0%, according to the results above it can be argued that public revenue expenditure enhances service delivery and promotes development in the area. This is supported by a 13.3%, 13.3% response rate respectively. lastly it increases the cost of goods and services as evidenced by 10% response rate according to the results above.

It can therefore be argued that public revenue expenditure increases public debt due to expenditure pressure which may result into high cost of goods and services etc. above all it is a good practice if planned well and it can lead to productivity of public fund if properly spent which in turn improves service delivery this is evidenced by 30.0% agreement according to this study.

5.2 Summary of the findings

Results indicated that public revenue planning, public revenue mobilization and Public revenue expenditure had positive and negative effects on service delivery.

Basing on the response rate it clearly reflects that the above three dimensions have more of the positive effects than the negative effects.

Results also indicated that for quality service delivery, the organization has to consider a lot of aspects in order to mitigate any risk therein.

The result points out that for an improved service delivery, proper planning, allocation and utilization of resources is key. This makes the process smooth and the end results are pleasing hence social and economic development.

If the basic action steps are not considered pressure for implementation increases due to limited funds, limited time and other resources which results into poor service delivery.

It can also be noticed that public revenue mobilization increases the revenue base which helps to increase the income of the organization making it possible to handle most of the public demands.

For an organization to avoid budget deficits, there has to be a controlled expenditure and proper planning has to be done to allow proper allocation and utilization of public funds hence value for money due to enhanced service delivery which in turn builds a god public reputation to the firm.

5.3 CONCLUSION

The study findings indicated that public revenue management under dimensions of public revenue planning, revenue mobilization and public revenue expenditure with their specific measures had a great positive effect on service delivery of local governments in Pallisa district. Findings show that for any institution to improve service delivery the following have to be practiced: proper planning of the revenue, mobilization of revenue to increase on the revenue base and controlled expenditure guided by the work plans.

The poor service delivery is attribute to lack of public management skills in local government and this is evidenced by the level of education of the employees.
The findings also show that for an institution to gain good public reputation, services have to meet the needs and demands of the beneficiaries. In case of any deviation the trust is lost in the institution.
Lastly, social economic development is inevitable but for this to be realistic there has to be a strong public revenue management system that can foster.

5.4 Recommendations

Based on the findings of the study, the following recommendations are suggested based on study objectives and research questions.

The Pallisa local government have plan very well by setting proper and realistic goals with clear revenue objectives and a well prepared budget. This guides the organization during decision making and implementation.

The local authorities have to identify new and potential sources of revenue through local

assessment exercise and mobilization of tax payers. This increases the tax base and compliancy.

Proper guided resource allocation, local spending and local accountability need to be emphasized to avoid deficits while encouraging value for money.

Prioritization of public demands basing on feasibility. It is clear that the public has got many demands, some of them are long term, mid-term and short term, it's therefore upon the management to decide what to handle first basing on the supporting factors.

Feedback to and from the institution is very important to consider because in most cases conflicts arise from lack of information. Therefore, that organization has to communicate with the public very often to a void lack of trust form the general public.

The general public need to be educated of the tax requirement component to enable them participate. Some don't have an idea as to why they have to pay tax. This affects the tax base.

Technology need to be considered as well to eliminate some of the corruption that can be involved during tax collection.

To the university, more time need to be given to allow students to work with no pressure of beating the deadline which may affect the quality of work.

Timely responses from supervisors. This is because some take time even to review the progress of the work which takes a lot of time.

5.4.1. Recommendations for further studies

The study recommends that other similar studies be done on an industry by industry basis so as to compare the effect of Revenue management on service delivery.

The study recommends that the same kind of study be done in other districts to have a clear and general conclusion.

5.5 Limitations of the study

The study was able to identify limitations as below:

Limited time which limited the scope of the study. It would be good to have like a full year. Financial constraints Rigid staff members who were very had to provide some confidential information.

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APPENDICES

Appendix I: Letter of Introduction

<div align="center">

BUSITEMA UNIVERSITY

FACULTY OF MANAGEMENT SCIENCES

</div>

TO WHOM IT MAY CONCERN

Dear sir/ madam

<div align="center">

RE: <u>MUGENDAWALA SAMUEL</u>   **<u>REG.NO.BU/UP/2017/332</u>**

</div>

On behalf of Busitema university faculty of management sciences extends its appreciation to its organization for continued support and commitment to providing services to the community.

The Faculty of management science looks forward to partner with your organization in pursuance of excellence of our student by exposing them to practical learning experiences

It is the university requirement for every student to undertake research in order to certify the requirement of an award for a Bachelor's Degree programme of Admission

The purpose of this letter is to humbly request you to accord the Above-mentioned student the necessary information or assistance to carry out the research activities

We look forward to your supportive and positive response

Yours faithfully

…………………………………

ESUKU JOSEPH,

Ag. Head of Department,

(Economics and Management)

Appendix II: Work Plan for 2020

	APRIL	MAY	JUNE	JULY
Proposal writing	███	███		
Proposal Defence		███		
Data collection and Analysis			███	███
Writing and submitting the research project report				███

Appendix III: Questionnaire

BUSITEMA UNIVERSITY   **NO………**

FACULTY OF MANAGEMENT SCIENCES

PARTICIPANT QUESTIONNAIRE

Dear respondent,

My name is **Mugendawala Samuel** a student of Busitema University Pallisa campus, Reg NO.

BU/UP/2017/332 pursuing a bachelor's degree in business administration. I am carrying out a study on "Public revenue management and service delivery" in Pallisa district.

You have been chosen as my valuable respondent. Please kindly spare sometime of your busy schedule and fill in this questionnaire. All the information obtained will be treated as confidential and only for academic purposes. Please tick in the boxes provided.

 SECTION A: BIO DATA OF THE RESPONDENT

1.What is your gender?   a) Male ☐   b) Female ☐ c)others ☐

2. What is your age   (in years?)

 Less than 20 years ☐

21- 30 years ☐

 31- 40 years ☐

41-50 ☐

51 and above ☐

3. Highest level of education attained

Certificate level ☐　　　Diploma ☐　　　Master's ☐

Degree ☐　　　P.H.D ☐

4. what is your position?

Accountant ☐　　　☐

Manager ☐　　　☐

Auditor ☐　DCDO

Human Resource manager

Finance manager ☐

Others(specify)………………………………………………………………………………

5. How long have　you served in this business?

2 years and below ☐

2 -4 years ☐

4 years and above ☐

6. What form / type is your business?

Sole proprietorship ☐

Partnership ☐

Limited company ☐

SECTION B: EFFECT OF PUBLIC REVENUE PLANNING ON SERVICE DELIVERY

B1) what is the effect of Public Revenue Planning on Service Delivery?

It guides resource allocation and utilization ☐ It leads to good public reputation to the firm ☐

It leads to informed decision making ☐ It enables the firm to forecast and plan better ☐

It leads to reduced costs operation ☐ Delays implementation of service ☐

It leads to wastage of time ☐ It is costly which leads to high expenditure ☐

SECTION C: EFFECT OF PUBLIC REVENUE MOBILIZATION ON SERVICE DELIVERY

C.1 what is the effect of public revenue mobilization on service delivery?

It leads to increased revenue base ☐ It increases tax awareness ☐

It leads to social & economic development ☐ It leads to poor social skills ☐

Increased rate of compliancy among tax payers ☐ High enrolment and participation ☐

It leads to delays in service delivery ☐ leads to corruption due to conflict ☐

SECTION D: EFFECT OF PUBLIC REVENUE EXPENDITURE ON SERVICE DELIVERY?

D .1 what is the effects of public revenue expenditure on service delivery?

It enhances service delivery ☐ It leads to budget deficit ☐

It promotes productivity of public funds ☐ Increased public debt due to expenditure pressure ☐

Promotes development in the area ☐ Increased cost of goods and services ☐

Leads to increased public reputation due to services ☐ Poor distribution of income in a country ☐

THANK YOU FOR YOUR TIME MAY GOD BLESS YOU!

Appendix IV: Research Budget

ITEM	QUANTITY	PRICE	AMOUNT(UGX)
Stationary	1	20,000	20,000
Travelling		30,000	180,000
Research assistants	2	30,000	60,000
Typing of research work	10 times	3,000	30,000
Data collection	2 weeks	10,000	70,000
Printing	4 copies	26,400	105,600
Grand total	-	-	**465,600**