

THE LIMITATIONS FACED IN FINANCING PUBLIC  
INFRASTRUCTURE IN CENTRAL UGANDA

(A CASE STUDY: MITYANA TOWN COUNCIL – MITYANA DISTRICT)

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## DECLARATION

I Ssekate Johnmary declare that this report is my original work and it has never been submitted to any institution of higher learning for any award.

SIGNATURE: .....

**SSEKATE JOHNMARY**

DATE: 15/1/10 / 10 / 08.....

## APPROVAL

This is to satisfy that Ssekate Johnmary carried out a research on the limitation faced in financing public infrastructures - Mityana Town Council. This report has been submitted for examination with my approval as the candidate's university supervisor.

Signed..........

**ANYAMA CHARLES**

Date:..........

## **DEDICATION**

I warmly dedicate this work to my mother Kamalanshamba Ester and my beloved late father Kyabitama Micheal who have made me what I am, I out of their own vision strangle and inspiration and to my grand parents the late: Mr. & Mrs. Kasiisi Joseph plus the entire Kyabitama family to whom I extend the vision and inspiration.

## **ACKNOWLEDGEMENTS**

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## **LIST OF ACRONYMS**

UNCSHS	-	United Nations Centre for Human Settlement
USA	-	United States of America
LDCS	-	Less Developed Countries
LCS	-	Local Councils
WB	-	World Bank

## **ABSTRACT**

The study was carried out in Mityana Town Council. This area is situated in Mityana District central Uganda. The researcher assessed the challenges faced in financing public infrastructure in Uganda particularly in Mityana Town Council. It introduced the research outside Africa, the factors influencing urban infrastructures which included social, political and administrative the constraints in budgetary allocation and expenditure, the government in utilization of the funds, plus the misuse of funds.

During data collection both quantitative and qualitative methods were used to enable the researcher have a deeper analysis from all angles and give a more concrete and realistic description of the findings. The qualitative methods were in form of descriptions of respondent's procedure and behavior patterns as well as their knowledge about the challenges facing urban infrastructure were captured using structured and pre-determined list of questions asked to all interviewees in the same order and supported by the recordings of the observation made.

The researcher found out that there is a great weakness in identifying taxable units, divergent interests from different stakeholders weak urban public finance and corruption as the major challenges for financing public infrastructure. The researcher came up with recommendation for all stakeholders that is to say; improving utilization of public funds, the relationship between central and local governments should also be improved and enhancing beneficially participation of local people.

# **CHAPTER ONE**

## **INTRODUCTION**

### **1.1 Background to the Study**

Urban local governments the world over face challenges which affect service delivery to their citizens like a secure and adequate source of income, shelter, education and security. The existence of these needs calls for the performance of municipal development goals, Some of these goals according to the United Nations Centre for Human Settlement (UNCSHS) are: Improving the living and working conditions of the whole population of the municipality with special attention to those who are in weak positions to articulate their needs and safe guard their interest, promoting sustainable social and economic development and enhancing as well as protecting the physical environment (UNHCHS 1994)

In pursuit of the above mentioned goals, municipal authorities and other sub National agencies must perform certain specific tasks. According to Rondinelli (1984) these tasks include providing infrastructures to the efficient operation of municipalities and providing services that develop human resources, improving productivity and raise the standards of living of the urban residents. The urban authorities also provide services and facilities that support productive activities and allow private enterprises to operate efficiently in urban areas as well as regulating private activities that regulate community welfare and the health and safety of the urban population.

Of all these tasks the provision of urban infrastructures appears to be the most challenging and many municipal governments in developing countries face difficulties in financing and delivery of infrastructural services like access to safe water, housing, roads and health care. So as a result seventy percent of African urban population, end up living in slums. Currently, 30% of African population, like in Zambia live in areas which are economically stagnant, local

authorities don't have money and expertise to provide services to the people (Lee smith 1991). In this study, urban public infrastructures refers to those categories of infrastructure either public good characteristics especially urban feeder roads, drainage, refuse collection and disposal and street lighting while "financing " refers to the entire process of public revenue raising including budgeting and utilization of funds to improve urban planning infrastructures.

In Uganda there is evidence of infrastructure deficiencies in towns and municipalities like Mityana which has some of the worst urban infrastructures. Out of the 130kms the town has only 15% of the bituminized (Mityana town council 2003) more over the bulk of tarmac roads in the town are with in the centre. Out side the town centre, what used to be tarmac roads are mostly potholes and few traces in bitumen. During rainy season these roads degenerate into quagmires and are pitted with dangerous potholes during the dry season. The condition of the earth roads is similarly appalling due to poor maintenance because they are only graded without re- surfacing.

The poor conditions of roads are exacerbated by deficiencies in drainage and refuse collection and disposal (Attahi 1989). Mityana town is poorly drained especially along Mityana Katakala road and its tributaries. Consequently many densely populated areas are vulnerable to flooding even after a relatively moderate down pour.

These areas are characterized by semi –permanent and shanty houses and are mostly inhabited by poor people whose ability to prevent hazards or mitigate their effects is minimal. Consequently frequent flooding leads to damage and destruction of property, outbreak of waterborne diseases and disruption of economic activities.

Waste collection and disposal also poses problems in all areas of the town which has only 20 refuse skips and 2 specialized trucks. So this hindered the

effective delivery of other infrastructural services. For example it was noted that many side drains and road junctions were full of garbage which interferes with the smooth flow of water leading to floods.

The problem of poor solid waste management is more pronounced in the poor neighborhood where settlement were not planned and access is limited. The above situation has serious implications for the financing of urban public infrastructures. These areas of urban infrastructures seem to have problems that are mutually reinforcing and it would appear that any attempt to improve one of them would call for complementary investments in the other two. Otherwise the problems in the neglected area would vitiate the possible benefits of such an investment.

These problems are sometimes amplified by the residents who blame the local governments for all the failures without considering that some of the areas of infrastructure like sewage require resources beyond the means and direct control of the urban local government.

However as the closest and most visible level of government the municipal government must mobilize diverse resources to provide infrastructures to the citizens. Unfortunately one of the most vital resources, finance has been declining over many years

In Uganda the traditional sources of municipal public finance used to be current revenues and general cash reserves, renewals funds grants from central government and loans from the local authorities loan fund

During the 1960s these sources used to be buoyant and urban authorities usually realized operating surplus which accumulated as general reserves. These were used as primary sources of capital financing including infrastructures. However since 1970s political and economic events have



interacted to cause a steep decline in the financial conditions and management of urban authorities.

In spite of the notable political and economic improvement made since 1986 however the condition of urban public infrastructures in many parts of Mityana town still remains deplorable.

According to a recent study “the major problem to the improvement of infrastructures facilities and services has been funding” (government of Uganda 1999). The same study concludes that poor infrastructure facilities and services have led to higher production and distribution costs and lower standards of living making the country less attractive to investors.

## **1.2 Statement of the Problem**

The study was seeking to address the problem of the lack of knowledge on the constraints of financing urban public infrastructures in Mityana town. Much as this is a global problem, it is not clear in Uganda whether it is due to the low municipal revenue per se or the inadequate budgetary allocations for urban public infrastructures. It is also not clear whether there is co-occurrence of all the above. So it becomes important to examine more critically the various dimensions to the question of financing urban public infrastructures with a view of establishing which is the most *important aspect of this study*.

## **1.3 Objectives of the Study**

### **1.3.1 General objective**

To identify the most crucial constraints facing the financing of urban public infrastructures in local governments.

### **1.3.2 Specific objectives**

The specific objectives include:

- i) To establish whether Mityana town council met its revenue targets during the past one year
- ii) To discover the obstacles to attaining revenue targets during the three years
- iii) To establish the constraints encountered during the utilization of funds budgeted for Urban Public Infrastructure projects

### **1.4 Research Questions**

The following research questions were considered relevant to the problem under investigation.

- i) Does Mityana town council meet its revenue targets in respect of a given year?
- ii) What factors hindered Mityana town from meeting its revenue targets during the three years (2005-2008)?
- iii) Did Mityana town encounter any constraint while making budgetary allocations to the various expenditure heads?
- iv) What limitations exist in the utilization of funds budgeted for UPI projects?
- v) Which rank order exists among the constraints encountered in the financing of Urban Public Infrastructures?

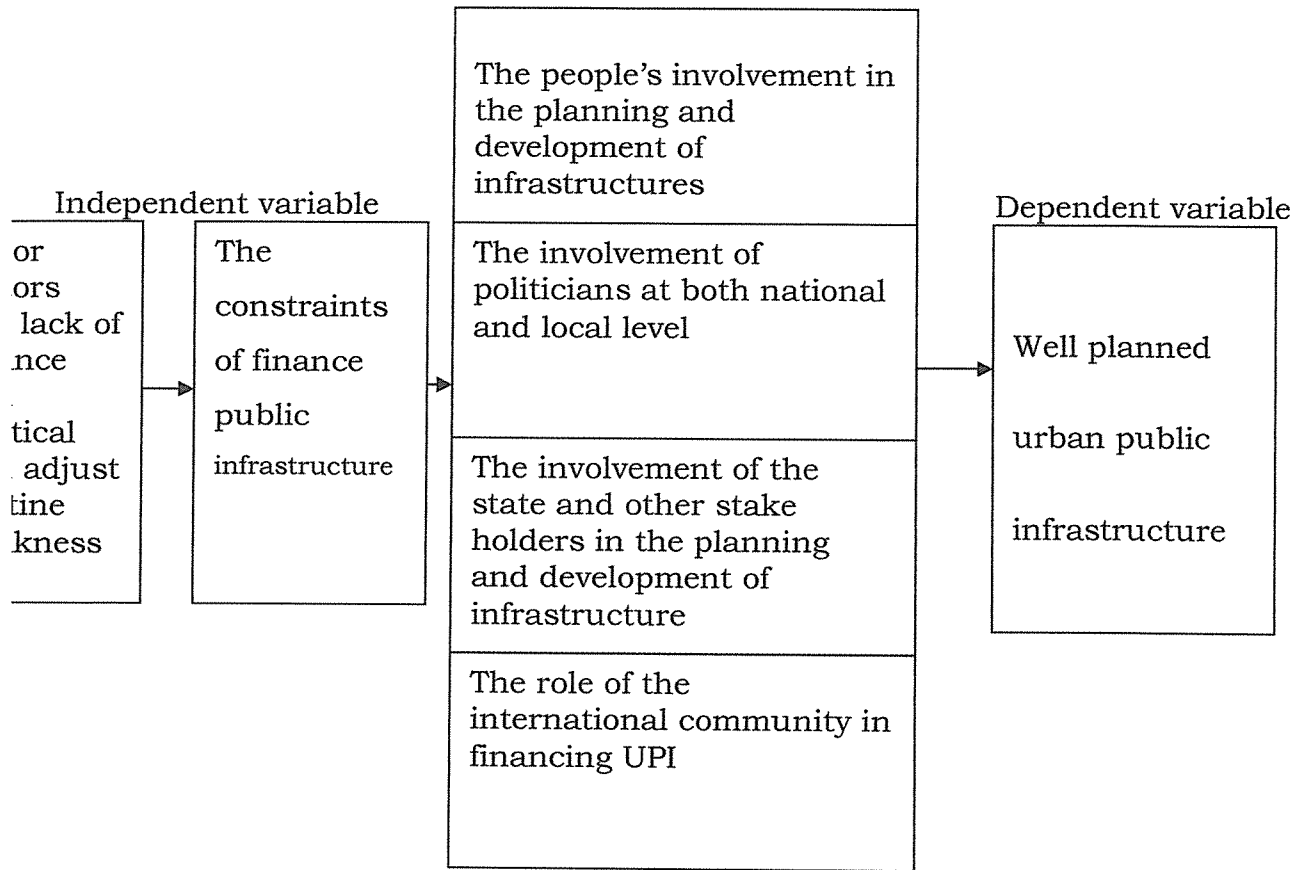
### **1.5 Significance of the Study**

- i) The significance of the study came from the fact that in Africa little research has been done on the limitations faced in financing urban public infrastructures. Most studies have been focusing on the development of urban public infrastructures hence there is need for research on the constraints faced in financing urban public infrastructures
- ii) It has earlier been noted that poor infrastructures leads to higher production and distribution costs and lower standards of living. Even in the

day to day life of an ordinary citizen infrastructure deficiency constitute at best an inconvenience and at worst a disaster. It therefore becomes imperative that the limitations to financing of infrastructure which are said to be the major obstacle to its improvement be clearly understood and ranked in order of importance to facilitate policy prescription. It is expected therefore that the findings of this study will help government, donors, policy makers, urban managers and other stakeholders in making accurate interventions in financing of urban public infrastructures and there by improve the condition of infrastructure facilities. This will ultimately lead to improvement in the quality of life.

- iii) This study elicited information on different urban public infrastructures in Uganda and the world in general and how they are developed, so this information will be useful to urban planners, and Mityana district officials
- iv) The study will further contribute to the theoretical knowledge on the limitations facing the financing of urban public infrastructures which has been lacking.
- v) Some researchers only looked at only one angle of urban public infrastructures and did not look at the limitations faced in financing them, so this will be done in this study.
- vi) The findings in this study will greatly contribute to the planning policies of Mityana district and other areas in the country at large and these proposals will not only challenge the district planners but also inspire them to design better systems of management of urban public infrastructures in the district
- vii) Lastly the findings of this research study will aid students undertaking a course in social work and social administration and social scientists at large to understand the challenges facing the financing of public infrastructures in developing countries; the study will also make a strong foundation for

**Fig1:** The conceptual model of the study



From the figure above, there are major factors like the lack of finance and political factors which lead to the problems of financing public infrastructures which requires intervention like the people's involvement in the planning and development of infrastructures involving all politicians at both national and local level and other stake holders leading to well planned urban public infrastructures.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

The financing of urban public infrastructures has always been a problem. In ancient empires like Egypt and Rome, public projects like roads and bridges were constructed using a mixture of slave labour loans and taxes. Other governments have remained on borrowing to finance major public infrastructures. In USA borrowing dates back to a period prior to 1789, in Japan it started in 2867 during the Meij era (Ibid. 1973) over many years financing of public infrastructures has remained a problem mainly because of limitations on public revenue raising expenditure and borrowing as well as high cost of capital (Kirwan, 1989).

It has been observed by the UNHCHS (1994) that municipalities in LDCS appear to have so many problems in the entire financing process. Some of the problems in the financing process appear to be rooted in the poor social organization at the community level and in administrative constraints which face the financing of urban public infrastructures.

#### **2.2 Factors influencing the generation of revenue for financing urban infrastructures**

Much as it is acknowledged that urban public infrastructure problems are due to inadequate financing, few studies have attempted to elaborate on the major manifestations of this problem and its underlying causes on LDCs like Uganda. Kirwan, (1989) cites an example of well developed public finance systems like those of USA and Japan but such problems and solutions cited in this study bear little relevancy with the under developed political, economic and social institutions of LDCs.

Other studies like those of Bahl and Linn (1992) addresses the entire problem of urban public finance and general information on LDCs but there is need to

analyze the constraints placed upon the financing of public infrastructures in Uganda.

### **2.2.1 Social Factors**

Lee Smith and Stren (1991) argued that it is not possible to study the implication of the organizational dynamics of the institutions of the state in isolation of how the society and the indigenous economy organizes itself so it follows this argument that a study about financing urban public infrastructures must put into consideration the various social attitudes and perceptions into consideration.

It has been suggested that local governments are reviewed as too big, wasteful and inefficient (Bowman, 1991). In Uganda the prevalence of negative attitudes among urban residents towards taxation appears to be deeper rooted and could be a syndrome of what (Riesman, 1964) termed as “rural nostalgia”.

### **2.2.2 Political and Administrative Problems**

In LDCs political and administrative problems together with social factors affect the financing of public infrastructures like in (Athahis) findings he illustrates the importance of the state in shaping the attitudes of the citizens and mobilizing them for their own benefit.

Bahl and Linn (1992) observed that councilors sometimes fail to make objective decisions because of role conflict. The councilors must be with triple existence as a citizen, a representative of the voters and as local authority officer. So it will be difficult for him or her to reconcile all these roles when faced.

The UNCHS (1994) put it that in most municipalities, urban local governments have failed to mobilize resources and that even the little revenue available is not spent adequately. It continues to argue that municipal budgets are

absolutely low and finances are inefficiently spent while little effort is put in assessing and mobilizing of resources.

### ***2.2.3 Constraints in budgetary allocation and expenditure***

Local government officials and politicians in LDCs lack sufficient data to make decisions about budgetary allocations and expenditure patterns (World Bank, 1998). The UNCHS also points out that the patterns expenditure in most municipalities do not reflect a set of defensible priorities with spending on civic and administrative overheads rising more sharply than that on direct services. These findings are in line with that of Nsibambi (1997) whose conclusions about Uganda district was that “there is lack of consensus and priorities were dictated by personal considerations.

### ***2.2.4 Constraints in the utilization of funds***

As it was earlier suggested in this study, there are likely to be problems at all stages of the financing process. And it is discovered that even at the stage of utilizing funds, for various activities by local government problems do raise like over expenditure needs.

UNCHS (1994) recognized that urban local governments in LDCs are under financed but the extra demands placed on such litter revenue which arise from inflation cause more problems like traffic and water shortage (Lowry, 1991) also asserts that African cities suffer over whelming costs of urban public infrastructures due to inefficient urban sprawls.

### ***2.2.5 Misuse of funds***

The available literature also points out that the negligence and wastefulness of funds have affected the development of infrastructures in LDCs (World Bank, 1997) it has also been suggested that staff productivity may be low because of lack of training and equipment as machinery is in despair through lack of simple and regular maintenance.

### **2.3 The Role of Local Revenue in the Financing of Public Infrastructures.**

Many times the ability of the local population to meet the needs and finances of infrastructures in their communities has been too little due to many factors like lack of autonomy, illiteracy among others but to a great extent a portion of funds financing public infrastructures are generated from the local population for example through revenue got from taxing the small scale business like shops. Apart from generating revenue for financing public infrastructures, for example local citizens engage in the construction of school toilets, cleaning wells and road



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coverage in the sub county and offer the best knowledge about the area. All villages were visited including Katakala, Busimbi, Namukozi and Wabigaro in order to restrict the sample selection.

### ***3.5.1 Sample size***

A sample of 40 respondents from 180 people from four villages was selected consisting of councilors at LCs and parish levels. These respondents being at the operational level provide vivid data on whether revenue targets were met or not.

### ***3.5.2 Sample technique***

A purposive sampling technique was used to select a sample of 40 respondents with responsibilities concerning financing and delivery of urban public infrastructures. Key informants were selected from the town council, district as well as the ministry of local government.

### ***3.5.3 Sample procedure***

The researcher selected a few people from a total of 2630 people from the selected villages. Due to limited funds and time, a sample of 40 respondents was selected to represent others. In the sampling process the researcher constructed a sampling frame with names of people from the selected villages. Each name was listed only once and the names numbered from 1 to 186 while evenly distributed on the sampling frame in an unbiased order.

## **3.6 Methods of Data Collection**

### ***3.6.1 Research Instruments***

#### ***i) Interview guide***

An open-ended interview schedule was used to get information from the respondents on the themes. Interview schedule were used because respondents are of different backgrounds and with different abilities.

### ***ii) Documents and past records***

These included books written by several people on population growth and its impact on land use; others were journal and research papers. Documents were used particularly because they tend to give factual information which the researcher needs to accomplish the study successfully.

### ***iii) Focus group discussion***

Focus group discussions were carried out in communities around the Town. The research selected 6-12 people with whom they discussed issues on the topic. The participants were chosen randomly from the LC.I lists of residents. The discussions were tape recorded while others were hand recorded. All participants had equal opportunities to speak, ask questions and respond to the comments of others.

## ***3.6.2 Sources of data***

The sources of data were both primary and secondary sources

### ***i) Primary sources***

Primary sources of data included visiting and interviewing people like LC chairmen, councilors, local elders, parish chiefs as well as selected district officials.

### ***ii) Secondary sources***

Secondary sources involved reviewing literature, journals and books about the topic, research papers as well as the internet.

## ***3.7 Data Processing***

### ***3.7.1 Editing***

Editing was done at the end of each day after gathering data from the field, interview guides and focus discussion guides were analyzed for accuracy, consistency and completeness of information

### **3.7.2 Coding**

For pre-coded questions, answers from research instruments were given a coding frame, all those marked with a tick during interviews were considered and participants responses. Responses to each open ended questions were grouped into main categories based on themes which reflected the research questions. Quotes from the discussions were recorded verbatim.

### **3.8 Data analysis**

#### ***i) Qualitative data analysis***

Continual analysis of data was done through writing field notes during the interviews. The notes were reviewed according to the research questions and objectives. Themes were also identified according to the conceptual frame work, and key informants on each theme were identified and responses were coded according to categories which were obtained from the objectives. These were compared in order to find out the common ones. Data from documentary sources were analyzed using content analysis and was correlated with the above sources.

#### ***ii) Quantitative data analysis***

Interview guides were edited after field interviews. The responses were then analyzed into answer categories with the help of code sheets. Coded answers were then tabulated manually and using a computer.

### **3.9 Problems faced in data collection and how they were minimized**

There were various problems that were associated with this research study, for example.

The researcher spent a lot of time in trying to persuade the unwilling respondents to answer the questions. Some respondents were stubborn and uncooperative and thus a threat to the researcher. The researcher overcame this using the representatives who already work or interact with these people.

The researcher also faced with a problem of frequent call backs that had to be made to the respondents especially those in government office, on not finding them at their residences at the agreed time of the interview. However, in this matter, the researcher made new and fresh appointments with the respondents; in order to make up for those earlier appointments which will initially prove a failure, and emphasis will be put to use of oral interview using the original questionnaires and recording the answers personally. Transport costs are expected to be a problem because of the frequent call backs which had to be done.

In addition to that using questionnaires some people found it difficult to grasp some of the questions that were asked, and others claimed that they never had time to answer them. So despite of the expenses incurred to produce at least two types of questionnaires to the different classes of interviewee's adequate information could still be hard to obtain. But the researcher went on to make fresh appointments to overcome such an obstacle.

## CHAPTER FOUR

### PRESENTATION, ANALYSIS AND DISCUSSION OF THE FINDINGS

#### 4.1 Introduction

This chapter shows the representation, interpretation and discussion of data which was collected from the field. The findings of this study correspond to the research questions and the objectives of the study. The data was analyzed through tabulation frequencies and percentages. The nature of the study was both qualitative and quantitative which called for analysis of the variables and presented statistically.

#### 4.2 Sample characteristics

Information concerning the sample characteristics was obtained during the in-depth interviews, key informants meetings and focus group discussions. It included the sex, educational level; occupation of respondents (see Tables 1-7).

##### 4.2.1 The sex category of respondents

**Table 1:** The sex category of respondents

<b>Variables</b>	<b>Category</b>	<b>Frequency</b>	<b>Percentage</b>
Sex	Male	35	36.8
	Female	60	63.2
<b>Total</b>		<b>95</b>	<b>100.0</b>

**Source:** primary data

The table shows that 35 male respondents were interviewed and 60 female respondents were interviewed. The percentage of women was high than that of men mainly because women had more time and were accessible than men

#### 4.2.2 The age distribution of respondents

**Table 2:** The age distribution of respondents

<b>Variables</b>	<b>Category</b>	<b>Frequency</b>	<b>Percentage</b>
Age	17-25	29	30.5
	26-33	40	42.1
	34-42	16	16.1
	43-54	10	10.5
<b>Total</b>		<b>95</b>	<b>100.0</b>

**Source:** primary data

The age distribution of respondents included 30.5% of the 17-25 age group, 42% were in the 26-33 age range, 16% fell in the 34-42 age range, while age range 43-54 comprised 11%.

#### 4.2.3 The Education Level of Participants

**Tables 3:** The Education Level of Participants

<b>Variables</b>	<b>Category</b>	<b>Frequency</b>	<b>Percentage</b>
Education	None	13	13.7
	Primary	37	38.9
	Secondary	22	23.2
	Post secondary	23	24.2
<b>Total</b>		<b>95</b>	<b>100.0</b>

**Source:** primary data

Basing on the educational level, 14% of the participants' fell between none and P6, 39% were in category of P7-S3, 23% were in category S4-S6, while 24.2% had undergone post secondary education.

#### 4.6 The Occupation of Participants

**Tables 4:** sources of information / participants

<b>Occupation</b>	<b>Frequency</b>	<b>percentage</b>
Town council members	5	12.5
Councilors	12	30
Parish chiefs	8	20
Farmers	10	25
Traders	5	12.5
<b>Total</b>	<b>40</b>	<b>100</b>

**Source:** primary data

The table shows that five town council members 12.5% were contacted because these are responsible for initiating the policies in Mityana town and they act as watch dogs of civil servants in the district. They were also elected by the electorate before appointment of the chairman so they best represent the views of the whole community. Councilors constituted 30%

Are concerned with formulation of policies, most of them were selected from communities with major challenges facing urban public infrastructures. 10 selected Farmers constituted 25% while 5 traders were selected and constituted 12.5%, these were selected because they are directly affected by the challenges facing urban public infrastructures.



#### 4.7 Challenges facing urban public infrastructures

**Table 5:** The respondent's perception on the challenges facing urban public infrastructures

Challenge	Number of respondent	Percentage
Incompetence of staff	24	60
Inadequate funds	23	57.5
Lack of community participation	21	52.5
Corruption of officials	17	42.5
Poor planning	15	37.5

**Source:** primary data

From the table there are several factors that hinder the development of urban public infrastructures according to the views got the local community around Mityana town, much as some agreed on the factors others completely differ on each factor for example 24 of them mostly peasants from the areas around the town thought it was incompetence and negligence of officials, 23 mostly district officials thought of inadequate funds, 21 locals thought it was lack of community participation, 17 of them corruption of officials while 15 said it was due to poor planning.

#### 4.8 The state of infrastructure in Mityana town.

Mityana town like any other developing towns in Africa is faced with a number of challenges which have kept the infrastructures in the area in a sorry state according to the findings, the roads around for example are full of potholes, schools and hospitals are not in good condition while services provided are still questionable

#### 4.9 Factors Affecting the Generation of Revenue in Mityana.

It was found that there are various factors that affect the generation of revenue in Mityana district and they include political and administrative problems like

interference from the central government and corruption. Social factors also contribute to the poor generation of revenue for example the negative attitudes people have towards local governments, as well as the constraints in the allocation and utilization of public funds plus the misuse of public funds

#### **4.10 Utilization of revenue**

It was found out that utilization of revenue collection in Mityana Town Council to a certain level was good. Revenue collection is being used in servicing infrastructures like roads, hospitals, toilets especially the tire and ware of roads to where the amount of revenue can stop.

Other revenues are used to pay the workers in the town council especially semi-skilled workers and skilled ones.

#### **4.11 Problems in utilization of revenue**

It was found out that their major problems in utilization of revenue for example misallocation to areas which are not budget in the council, limited skilled personnel. Corruption and lack of proper coordination between the central and the town council.

#### **4.12 Way forward**

The research found out that there is need to improve relationship between central and local governments, increasing the taxi base and revenue performance, improving effective use of public phone and political interference should be reduced to make the work of town councils Mityana in particular more enjoyable and valued.

## CHAPTER FIVE

### SUMMARY OF THE MAJOR FINDINGS, RECOMMENDATIONS AND CONCLUSIONS

#### 5.0 Introduction

This chapter summarizes the research findings and examines the insights they provide in to the researcher questions concerning the constraints facing the financing of urban public infrastructures. A number of lessons and recommendations were put have been put in place with particular attention on developing urban centers like Mityana and these lessons and recommendations may have a country wide application.

#### 5.1 Summary of the major Findings

##### *5.1.1 Challenges met in meeting revenue targets and budgetary allocation*

Failure to meet the set targets of the revenue is one of the major Mityana district at large is facing. There are several challenges that Mityana town council face while attaining its revenue targets. The poor revenue performance in most developing urban local governments Mityana inclusive creates a funding gap for urban public infrastructures. In addition to that the poor municipal public finance system and poorly designed grant system also affects the development of urban public infrastructures.

There is also a great weakness of failure to identify potential tax payers, poor methods of valuation, assessment, billing and collection of taxes. This is mainly due to the poor records systems and inadequate data about residents and their property.

The presence of divergent interests from different stakeholders is also a major obstacle in the development of urban public infrastructures. Conflicts in Mityana has been arising between politicians and technical official in the

district as one councilor reported, since some politicians want better urban public infrastructures and services to be set in their areas of locality which affects the fair distribution of these infrastructures within the town.

The poor attitude of the public towards the local government and its officials has remained an obstacle to the smooth running and management of urban public infrastructures, for example any attempt by the urban local government to enforce tax laws they are perceived as oppressive by the public and the media so this leads to poor relations between the public and local governments hence affecting the development of infrastructures

The weak urban public finance system for local governments is another major problem. The major problem according to the study findings is that the revenue base of most local governments was eroded by the scrapping off of graduated taxes during the 2006 elections due to political reasons which was a major source revenue for local governments; this forced them to depend on grants from the central government which are inadequate and delaying. So this left a big financial gap in the financing of urban public infrastructures.

Lastly corruption was another major obstacle affecting the development of urban public infrastructures since some government officials at the local level diverted public funds which were meant to finance urban public infrastructures. This stems from the poor supervision of the officials by the government and lack of discipline and ethics among these officials.

### ***5.1.2 Attempts done by Mityana district and town council to solve such challenges***

Much as the district is faced with the problems in financing of its urban public infrastructures, it has tried to come up with several measures too over come the problem though little success has been registered so far. These set solutions are; it has diverted to looking for other means generating revenue in

order to improve on the local revenue collections, reforms have been implemented also in order to improve its management systems, the existing laws have also been strengthened to curb down corruption.

## **5.2 Recommendations**

This study came up with a number of recommendations that can handle the critical issues identified in the study analysis. The recommendations have been categorized under different aspects; measures of improving local revenue, improving the utilization of funds, and improving the relationship between the central government and local government.

### ***5.2.1 The role of the government***

#### **Increasing the tax base and revenue performance**

Most local governments in Uganda today are facing a problem of a small tax base; this was mainly due to the removal of graduated tax in the 2001 elections, the lack of reliable data on potential tax payers and their economic activities and sometimes the negligence of some staff at the district level. So much as these factors remain a strong burden to the revenue performance of most districts; they can be minimized by improving the working conditions and welfares of their staff such that they are motivated, improving their equipments which can be used to update its data base and information systems.

It has also been noted that political interferences has negatively affected the assessment and collection of taxes, so it is recommended that in order to solve this, tax assessment and collection should be based on accurate data about the income and situation of the tax payer. In addition to that tax assessment and collection should be done in a transparent manner and favoritism should be avoided in assessment of taxes.

Mityana town council and other local governments should also improve on their public image and create a good relationship with the citizens by

punishing their official who do oppressive actions that promote negative attitudes from the public to the government. Public seminars should be also put in place in order to create awareness among the community on the relationship between paying taxes and improvement of infrastructures.

### **Improving the effective use of public funds**

The misuse of public funds has been one of the major obstacles to the development of public funds in most parts of Uganda; this is done mainly by government officials who divert public funds to their own business. This has in the end resulted into substandard work, so it is recommended that transparency and quality of financial accounting, monitoring and auditing systems be improved

In order to check on the misuse of public funds by district officials which are meant to finance and improve infrastructures.

### **Reduction of political interference**

Public infrastructures in Uganda and Mityana in particular, have been affected by pressure from political interests, as politicians dictate where, when and how the infrastructures should be put. It is recommended there fore that the technical staff in districts and town councils be given independence and operational capacity through availing them with enough funds. These district technical officials should also be employed on merit based system of recruitment but not on political and personal grounds in order to improve the efficiency of the local governments which will lead to improvement of public infrastructures.

### **5.2.2 The role of NGOs**

Since NGOs are partners in development especially in low developed countries Uganda inclusive, their role cannot go unabated. They thus provide technical assistance in form of skilled personnel who come on the ground to give advice on how public funds should be well utilized, direct the financing,

infrastructures, and carrying out monitoring and evaluation to ensure efficiency and effectiveness

### ***5.2.3 The Role of the Local Community***

At the local level matters concerning public infrastructures are addressed through a local council system. The local council is a hierarchical structure of councils and committees that stretch from village L.C1 to district L.C.5 linking up to the national level. Principally matters concerning public infrastructures at the local level are channeled through various levels to the top equally centrally planned directives are channeled through districts which allocate funds to the lower local governments, recruiting workers and construction of infrastructures until are implemented at the local level

### ***5.2.4 The Role of the International Community***

External donors are major actors in Uganda's financial and technical support, Uganda's development strategies depend on financial and technical support from external donors. These donors are not just powerful because the country is aid dependant but also because of the sophisticated relationship they have with the president, cabinet ministers, government institutions and the civil society.

### ***5.2.4 General Recommendations***

Based on the above findings, the following recommendations were suggested.

- i) Increasing the financial capacity and autonomy of local authorities to generate revenue is one of the ways through which the development of public infrastructures can be achieved. Financial resources and autonomy should be transferred to local authorities to balance their accountability.

ii) More efforts should be put also to improve on the tax base, increase the local revenue and also improve on the proper utilization of public funds in order to develop the infrastructures of Mityana district.

iii) Since the development of public infrastructures is hindered by the political pressure from politicians from the local level to the national level, one of the ways to ensure the proper planning, financing and management of infrastructures in Uganda is to make sure that political interference should be avoided if local governments are to achieve their goals

### **5.3 Suggestions for possible future research studies**

Much as a number of findings have been discovered and recommendations made in this study, a major problem still arise in inadequacy of knowledge on the external factors that limit the financing public infrastructures like Mityana. Although most local governments seem to have administrative, financial and administrative problems, there are various external factors which limit most local governments from mobilizing enough revenue to finance their public infrastructures, so there is need for future research to find out the relationship between external factors and the financing of public infrastructures. More research should also be carried out to find out the most appropriate mode of financing public infrastructures in order to create trust tax payers.



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**APPENDICES**

**APPENDIX A : QUESTIONNAIRE**

**INTERVIEW GUIDE**

Introduction

Dear respondent

This research is concerning assessing the imitation faced in family of urban infrastructures in central Uganda a case of Mityana town. This includes the factors influencing the generation of revenue for financing urban infrastructures, which are social, political and administrative as well as the constraints being faced in budgeting allocation and expenditure.

You have been identified because you are a potential user of urban infrastructures and please assist me in answering these questions. Your responses are for academic purposes and your name will be kept with confidentiality.

**Section A.**

- 1.Name:.....
- 2. Date of interviews .....

**Background**

- 3. Respondent No ..... Sub county .....
- Parish ..... village.....
- 4. Sex: (a) male..... (b) Female .....
- 5. How old are you .....
- 6. What is your religion?
  - (a) Moslem
  - (b) Catholic
  - (c) Anglican
  - (d) Others (specify) .....

7. What is your highest level of education?  
 .....
8. For how long have you been staying in Mityana town? .....
9. What I the state of infrastructures in your area? .....
10. What are the major factors that affect the generation of revenue for financing infrastructure in your area? .....
11. How do political factors affect the development of infrastructures in your area?  
 .....  
 .....
12. Do you think public funds for financing infrastructure are misused?  
 (a) Yes.....(b) No.....
13. If yes explain how .....
14. What are the problems met in the utilization of these public funds  
 .....
15. In your view what do you think are the best solutions to these factors the affect the financing of urban public infrastructures? .....

**Thank you for co-operation during this interview.**

**Space for interview comments**

1. How well did the respondent co-operation with the interview?

- (a) Honest
- (b) Questionable honesty
- (c) Cooperated
- (d) Very cooperative

2. How private was the interview

- (a) Alone with the researcher
- (b) Others present
- (c) No interference
- Others gave answers .....

**KEY INFORMATION GUIDE**

Dear respondent

This research is concerning assessing the imitation faced in family of urban infrastructures in central Uganda a case of Mityana town. This includes the factors influencing the generation of revenue for financing urban infrastructures, which are social, political and administrative as well as the constraints being faced in budgeting allocation and expenditure.

You have been identified because you are a potential user of urban infrastructures and please assist me in answering these questions. Your responses are for academic purposes and you name will be kept with confidentiality.

**Section 1**

- 1. Name of informant.....
- 2. Profession of informant .....
- 3. Length of service .....
- 4. Sex of informant .....

**Section II**

Give a brief history of Mityana town .....

- 5. How many people occupy the district .....
- 6. How is the nature of infrastructures in Mityana town .....
- 7. Does the town experience constraints in financing its infrastructures  
(a) Yes..... (b) No .....
- 9. If yes, briefly explain those major factors affecting the financing of urban public infrastructure .....
- 10. How does Mityana district meet the costs of financing the infrastructure in the towns?.....

## **APPENDIX B : FOCUS GROUP DISCUSSION**

### **Introduction**

Dear respondent

This research is concerning assessing the imitation faced in family of urban infrastructures in central Uganda a case of Mityana town. This includes the factors influencing the generation of revenue for financing urban infrastructures, which are social, political and administrative as well as the constraints being faced in budgeting allocation and expenditure.

You have been identified because you are a potential user of urban infrastructures and please assist me in answering these questions. Your responses are for academic purposes and your name will be kept with confidentiality.

### **Themes**

1. The constraints facing the facing of urban infrastructures
2. The factors influencing the generation of revenue for financing infrastructures.
3. The political, social and administrative problems facing ad district.
4. The misuse of funds necessary of financing urban public infrastructure
5. The possible solutions to the problems facing the financing of urban public infrastructures.

### **Notes on focus group discussion**

6. Date .....
7. Time .....
8. Duration .....
9. Number of participants .....

<b>Code</b>	<b>Age</b>	<b>Sex</b>	<b>Education level</b>	<b>Religion</b>
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				

*FACULTY OF SOCIAL SCIENCES*

Date: .....

To.....

.....

.....

This is to introduce to you .....  
who is a bonafide student of Kampala International University. He/she is  
working on a research project for a dissertation, which is a partial requirement  
for the award of a degree. I here by request you, in the name of the University,  
to accord him/her all the necessary assistance he/she may require for this  
work.

I have the pleasure of thanking you in advance for your cooperation!

Yours sincerely,



Ms. Sidonia Angom  
*Associate Dean*