UGANDA DEBT NETWORK (UDN)

Budget Performance Review of the Nabilatuk District FY 2021/22: Analysis of resources available for Children

INSIDE this Brief:

1.1. Background

Nabilatuk district was operationalized in July, 2018 and is located in North Eastern Uganda, Karamoja sub-region. The District has 28 schools (15 Government Aided schools, 2 community schools, 11 church funded schools)[1], one Health Centre four (HCIV), Three Health Centre two's and 190 Village Health Teams, serving a population of 89,700 people[2] (With 4,757 infants, 19,581 Children under 5 years, 23,454 children aged 6-12 years, 4,485 aged 60+ years, 22,327 Women of reproductive age 15-49 years, 11661 People with disabilities >2 years). The large number of children in the district ought to place a significant demand on the district resources due to the numerous priorities of Children for child development into adulthood; thus Government of Uganda and development partners have continued to invest in children in the region through funding activities under of sub programs like Education, Health, Water and Sanitation and Community Based Services Universal Primary and Secondary Education, Primary Health Care, access to safe water among others.

This brief is a review of the Nabilatuk District Budget FY 2021/22 and it analyses the extent to which revenue proposals prioritize the needs of children in Nabilatuk District.

2.1. Highlights of the Nabilatuk District Budget

2.1.1. Local Revenues versus Government transfers and External financing

Just as many Local Governments in Uganda, Nabilatuk District Local Government has realized a low rate local revenue that is only 0.823% of the total District Budget FY 2020/21 and is projected to increase to 0.895% of its entire resource envelope in FY 2021/22.

Despite being committed to increasing local revenue[3], Nabilatuk District derives almost of its entire budget from Central government (91.8% in FY 2020/21 and 90.28% in FY 2021/22) through central Government Transfers conditional Government transfers, discretionary Government Transfers among others and external sources (8.15% in FY 2020/21 and 9.72% in FY 2021/22). Moreover, by end of March 2021 (end of March 2020/21) the District had only realized only 32.31% of the projected amount of total revenue.

Table 1: Nabilatuk District Performance and plans by source

Nabilatuk District Revenue Performance and plans by source						
Revenue by source in Uganda Shillings (000)	**Approve budget for FY 2020/21**	**% of the approved budget for FY 2020/21**	**Cumulative Receipts by End March for FY 2020/21**	**% Cumulative Receipts by End March for FY 2020/21**	**Approved Budget for FY 2021/22**	**% of the approved budget for FY 2021/22**
Locally Raised Revenues	86,551	0.823	27,965	32.31	90,551	0.895
Discretionary Government Transfers	2,849,104	27.083	2,430,661	85.31	2,532,755	25.024
Conditional Government Transfers	6,022,534	57.248	5,178,171	85.98	5,876,408	58.059
Other Government Transfers	704,469	6.696	351,585	49.91	638,150	6.305
External Financing	857,422	8.150	193,626	22.58	983,574	9.718
Total	10,520,080	100	8,182,008		10,121,438	100

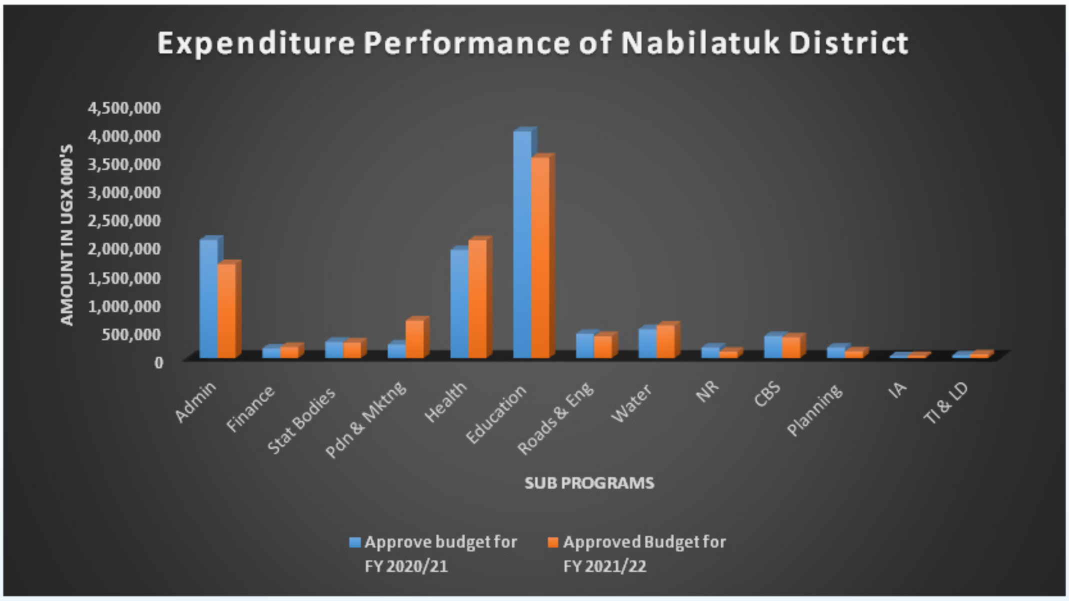
Source: LG Approved Budget Estimates 2021/22 for Nabilatuk District

1 https://ugandaschools.guide/find-a-school/district/nabilatuk
2 Uganda National Population and Housing Census 2014 report
3 Evidenced from the increase in projection of the revenue to be realized in the preceding financial Year for example the District projects to realize Shs 90,551,000 in FY 2021/22 as compared to Shs 86,551,000 in FY 2020/21

In FY 2020/21, the District had planned to acquire to a tune of Shs. 857,422,000 from external sources (donors), however, by the end of the third quota (end of March 2021), they had only received Shs. 193,626, 000 that is 22.58% of the projected funds. Lack of realization of intended local revenues hinders timely service delivery.

3.1. Expenditure Performance of Nabilatuk District FY 2020/21 - FY 2021/22 by Sub Programme

In FY 2021/22, Education Sub program took the lion share (35.05%) of the Nabilatuk District Budget followed by the Health sub program with (20.61), followed by Administration taking 16.43% and the other sub sectors[4] account for only 27.91%.



Source: LG Approved Budget Estimates 2021/22 for Nabilatuk District

Key

Admin- Administration	Stat Bodies- Statutory Bodies	Pdtn and Mkting- Production and Marketing
Roads & Eng.- Roads and Engineering	NR- Natural Resources	CBS- Community Based Services
IA- Internal Audit	TI&LD -Trade Industry and Local Development	

Despite the heavy investment in Education and Health Sub Programs, other sub programs like water and community Based Services that also contribute to Human Capital Development accounted for only 5.71% and 3.66% respectively. According to the Ministry of Water and environment, Nabilatuk District has No protected springs, 2 out of 12 functional sallow wells, 95 out of 137 Deep boreholes, 7 out of 11 rainwater harvesting tanks, one functional dam, 20 out of 30 PSP/ tap stands, 5 Yard Taps and 14 institutional connections serving a population 49,267 people out of 90179 people in the district[5]. Furthermore, clean water access rates in some area like Lolchat sub county are still as low as 38%. Unfortunately, Contaminated water can transmit diseases such diarrhea, cholera, dysentery, typhoid, and polio and is estimated to cause 485 000 diarrheal deaths each year[6]. There is need to priorities extending more water access points (especially piped water) to Nabilatuk District just as it has been done in other parts of the country.

4 Finance, Statutory Bodies, Production and Marketing, Roads and Engineering, water, Natural Resources, community Based Services, Planning, internal audit, Trade industry and local Development

5 http://wsdb.mwe.go.ug/index.php/reports/district/135

6 https://www.who.int/news-room/fact-sheets/detail/drinking-water#:~:text=Contaminated%20water%20can%20transmit%20diseases, living%20in%20water%2Dstressed%20aras.

3.1.1. Education sub Program

In Nabilatuk District, the Education Sub program budget reduced to 35.1% from 38.13% due to the need to increase the Health budget to combat the COVID 19 shock in the entire country. Spending on Preprimary and Primary Education in 2020/21 accounted for 49.58% and has increased to 64.08% in FY 2021/22 still taking the largest share of the Education sub program budget.

Intra -sub program allocation to Nabilatuk Education Budget sub program FY 2020/21 to 2021/22

	APPROVED BUDGET FY 2020/21					APPROVED BUDGET ESTIMATES FY 2021/22				
Intra sub program allocation	Wage	Non-wage	Gov Dev	Ext Fin	Total	Wage	Non-wage	Gov Dev	Ext fin	Total
Pre-Primary and Primary Education	1,640,968	160,519	187,714		**1,989,201**	1,970,554	160,519	142,252		**2,273,325**
Secondary Education	455,185	89,320	1,121,079		**1,665,584**	636,430	133,880			**770,310**
Education & Sports Manage-ment and Inspection	72,305	139,814		144047	**356,166**	77,305	61,423		365000	**503,728**
Total Education	**2,168,458**	**389,653**	**1,308,793**	**144,047**	**4,010,951**	**2,684,289**	**355,822**	**142,252**	**365,000**	**3,547,363**

Source: LG Approved Budget Estimates 2021/22 for Nabilatuk District

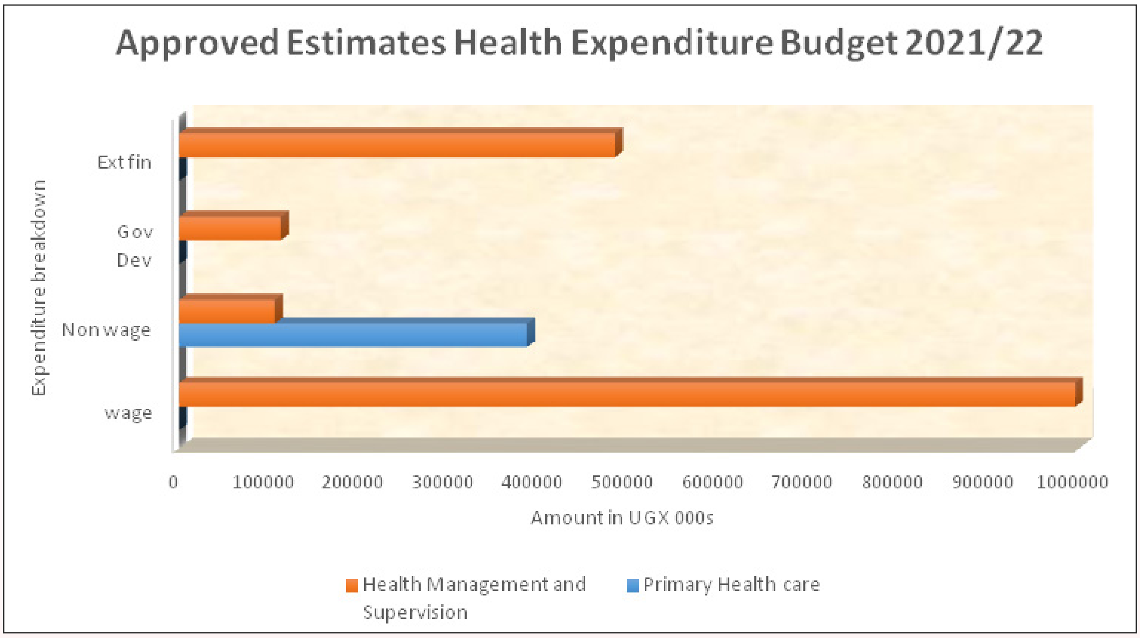
However, the lion share (86.68%) of the funds allocated to preprimary and primary Education has been allocated to staff salaries. On the other hand, Education and Sports Management and inspection only account for 14.2% of which no funds have been allocated specifically to Monitoring and Supervision of Primary and Secondary Education. This undermines the aim of inspection to provide **public assurance** about the quality of education across the country and to contribute to **improvements** in education at the level of individual schools, within sub-counties and districts and across the country as a whole[7]. Furthermore, there is no direct funding allocated towards preprimary and ECD component has been left in the hands of the private sector and development partners. It's important to note that Early Child hood Development plays a key role in the stimulation of different parts of the brain to provide social and learning advancement throughout life[8].

3.1.2. Health sub program

One of the key challenges identified in the NDP III is the inadequate functionality of health facilities and rising cases of non-communicable diseases. Government has committed to address issues in the Health Sector country wide through a number of programs like mass vaccination against the COVID 19, Mass malaria control and treatment, developing Health infrastructure among others. These commitments have been reflected in the gradual increase in the Health sub program budget at National and Local Government levels and also a number of supplementary budgets acquired to raise funds in the struggle of combating shocks like COVID 19. For the case of Nabilatuk District, the health sub program budget increased to 20.61% in FY 2021/22 from 18.2 in FY 2020/21 of the District Resource Envelope. Despite the increase, recurrent expenditures (wage and non-wage) account for 71.37% of the District Health budget while Development expenditure (Government Development and External financing) accounts for only 28.63. Furthermore, 80.09% of the Health Development expenditure will be raised from external sources. The surge share of Health spending is due to global initiatives like the Global Fund for HIV, Tuberculosis and Malaria, Global Alliance for Vaccines and Immunization (GAVI) and as well as funding from the United Nations Children's Fund (UNICEF).

7 *DIRECTORATE OF EDUCATION STANDARDS (MoES). (2012). Evaluating and improving the quality of education (Part 6; How d we inspect). Kampala.*

8 *https://www.ncdc.go.ug/content/early-childhood-development*



Source: Nabilatuk District Budget approval Estimates 2021/22

In 2021/22, 81.46% the Health Sub Program budget is allocated to the Health Management and supervision sub- sub program. However, salaries account for 50.6% of the Health Management and supervision, 28.5% of the expenditures will be from external sources. External financing towards the sub- sub program decreased by 14.07% in FY 2021/22 as from 2020/21 (reduced to UGX 484,124,000 in FY 2021/22 from UGX 563,375,000). Continuous reliance on external funding especially inform of AID and Grants from development partners to run Health Management and supervision is not sustainable for the sub_sub program since donor priorities may change at any time.

Recommendation

- Allocate funds to the preprimary section, especially the Early Childhood Development (ECD) component and also demand establishment of a comprehensive Early Childhood Development (ECD) policy Framework at National Level that's adequately funded and monitored;
- Rethink of allocating funds to the Monitoring and supervision of leaning in times of lock down and then schools in the event the lockdown is uplifted and thus physical learning conducted.
- Nabilatuk District should tap into the existing sources (like Business licenses, Market dues/ gate fees) of tax in order to increase its local revenues thus deliberately allocate locally generated revenues towards the Health Sub Program. This will lead to a gradual reduction on the huge donor reliance in supporting health programs

4.1. Conclusion

Nabilatuk District Local Government is committed to spending on children through allocating funds to child centric programs like Human Capital Development (which comprises of sub programs like Education, Water and Sanitation, Health and Part of social development). However, the ability of the District to make tremendous investment in children is highly disadvantaged by low domestic revenues and unpredictable donor funding. This has left a number of key areas like Primary Health Care underfunded while others like Monitoring and inspection and Preprimary Education have not been funded at all. Moreover, a number of activities under the Health sub program have been left in the hands of donors for financing. This is highly likely to hinder service delivery especially in child centric programs

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