UGANDA DEBT NETWORK · DEBT IS SLAVERY

Weekly Edition

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HEED THE CALL BY AUDITOR GENERAL ON MISUSE OF GOVERNMENT VEHICLES

1. PREAMBLE

A government ambulance attached to Omoro district Health department intercepted with bricks in March 2019.

The UDN campaign against misuse and abuse of Government vehicles since 2013 has attracted increasing demand for accountability and better management of public resources, the most recent one being Uganda's 2020 Auditor General (AG) report to Parliament. The report indicates that Management of government Fleet is faced with a plethora of challenges including; inability to respond to national emergencies, like COVID 19; inability to support the delivery of public service by government entities; high government expenditure on purchase and misuse of vehicles; as well as general lack of a comprehensive and standard government fleet management policy.

2. EFFICIENCY GAINS THROUGH PRUDENT MANAGEMENT OF GOVERNMENT VEHICLES

Whereas Uganda's debt burden is on the rise, huge chunks of borrowed resources are sunk into recurrent expenditure compared to capital investment. The dominance of recurrent expenditure in respective national budgets has also escalated through opulent behavior of government officials that habitually continue to purchase high caliber fuel guzzlers with attendant high end general maintenance costs. Ultimately they end up relegating service delivery outputs, outcomes and value for money from borrowed resources to the detriment of target recipients' interests in the projects.

3.VEHICLE PROCUREMENTS EXCEEDING RECOMMENDED ENGINE CAPACITY LIMITS

A review of 554 vehicles procured by the sampled entities revealed that 130 (23%) of those vehicles (including 10 cleared by MoPS) procured at a cost of UGX.33.9bn had engine capacities higher than the recommended limits. This had a negative implication in terms of unnecessary increases in fuel and maintenance costs due to operation of a fleet with excessive engine capacities.

4. LOWER CADRE STAFF ALLOCATED VEHICLES WHOSE ENGINE CAPACITIES EXCEED PRESCRIBED LEVELS

Furthermore, a review of a sample of 512 out of 709 vehicles allocated to entitled categories of officers under the Public Service Standing Orders in 17 entities revealed that 70 (14%) of the vehicles were beyond the recommended/prescribed engine capacities to those categories of staff. Furthermore, vehicles which were allocated to officials in Government Agencies, such as; Rural Electrification Agency and NAADs, did not follow the entitled officers' criteria. Moreover, those Agencies are not covered under the Public Service Circular Standing Instructions on standardization of vehicles.

5. EXCESS AND DILAPIDATED VEHICLE FLEET ATTRACTING HIGHER MAINTENANCE COSTS

The AG also noted an increasing trend of vehicle maintenance costs. He highlights that 33 of the selected entities holding a total of 4,979 vehicles spent UGX.123.4bn on vehicle maintenance, and had an increment of 35.3% of the average total maintenance costs per vehicle over the 3-year period (2017/18-2019/20). With more prudent use and handling coupled with disposal of unnecessary vehicles, government would save some funds and instead redirect them to priority sectors like health and education.

6. OTHER FORMS OF PUBLIC VEHICLE AND RESOURCE MISUSE

38 entities (76.0%) out of the 50 entities did not have a specific policy or guidelines on Motor vehicle management to guide the usage and eliminate theft, losses, wastage and misuse of motor vehicles. This was in addition to the absence of a comprehensive standardized fleet management policy of Government.

Contrary to the Uganda Public Service Standing Orders (2010 Edition), it is common to find Government Vehicles and Motorcycles laden with unauthorized items such as charcoal, matooke, firewood, pigs, beer; as well as engaged in private transportation for private gain, weddings, and private farms. Such Fleet may suffer neglect, unwarranted wear and tear coupled with ever escalating costs of repairs, fuel consumption and usage that are borne by the citizen through more taxation and/ or public borrowing, thus escalating Uganda's debt situation.

7. UDN RECOMMENDATIONS.

1) Government MDAs should only acquisition and / or Maintain essential and necessary fleet - Board-off and weed out dilapidated ones to avoid excessive maintenance costs so as to release and redirect savings thus realized to priority sectors.
2) Vehicle Procurements and allocation to staff should be guided by MOPS prescribed engine capacity limits while all MDAs should have and operationalize fleet management policies
3) We concur with the AG's recommendation that there is need for Government, to undertake a comprehensive review of the current public service vehicle standardization guidelines with a view of enhancing efficiency.

UDN appreciates support by: UDN Membership; DCA; Save the Children in Uganda; OSIEA, Inspectorate of Government; IBP, Trocaire .

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