

# MEMORANDUM OF ISSUES FROM THE PERFORMANCE ASSESSMENT OF STATUTORY BOARDS AND COMMISSIONS IN UGANDA'S LOCAL GOVERNMENTS

January 2024

Honorable Minister,

Ministry of Local Government (MoLG).

### 1. PREAMBLE

This memorandum is presented to you by the Advocates Coalition for Development and Environment (ACODE). The Memorandum highlight a number of issues generated from an ACODE recent study titled "<u>Beyond Compliance: A Performance Assessment of Statutory Boards and Commissions in Uganda's Local Governments FY2021/2022.</u>" The memorandum seeks to contribute to the improved performance of statutory boards and commissions at the local government level. This memorandum is based on the assessment of Statutory Boards and Commissions carried out for the Financial Year 2021/2022. This is very timely given the fact that the Ministry of Local Government (MoLG) is about to undertake a review of the Decentralization Policy in Uganda.

### 2. BACKGROUND

At the commencement of the decentralisation policy, the government, through several legal instruments, created an elaborate institutional framework for support and oversight at the local government level. These institutions include the District Service Commission, District Land Board, Local Government Public Accounts Committees, and the District Contracts Committees<sup>1</sup>. The functionality and strength of the Statutory Boards and Commissions are important yardsticks and litmus tests for the overall functionality of a given local government.

The assessment of these statutory boards and commissions was underpinned by a function specific scorecard that were developed based on their legal and administrative mandates provided for in the Constitution (1995 as amended), the Local Governments Act (1997 as amended), the Land Act (1998), the Standard Rules of Procedures (2019); the Local Government Financial and Accounting Regulations (2007). These scorecards were developed on the realisation that these local government structures have a bearing on the general performance of district local government councils and subsequently the quality-of-service delivery in local governments as demonstrated by a series of ACODE's studies<sup>2</sup>. Furthermore, several studies indicated structural and operational gaps in the functionality of various accountability organs at the Local Government level<sup>3</sup>. This performance assessment focused on FY 2021/2022. It was carried out in

<sup>1</sup> Mushemeza, E., D., <u>Decentralisation in Uganda: Trends, Achievements, Challenges and Proposals for</u> <u>Consolidation</u>, Kampala: ACODE Policy Research Paper Series No.93, 2019

<sup>2</sup> Bainomugisha, A., Mbabazi, J., Muhwezi, W., W., Bogere, G., Atukunda, P., Ssemakula, E.G., Otile, O., M., Kasalirwe, F., Mukwaya, N., R., Akena, W., Ayesigwa, R., <u>The Local Government Councils Scorecard</u> FY 2018/19: The Next Big Steps; Consolidating Gains of Decentralisation and Repositioning the Local <u>Government Sector in Uganda</u>. ACODE Policy Research Paper Series No. 96, 2020 ; Bainomugisha, A., Muyomba-Tamale, L., Muhwezi, W., W., Cunningham, K., Ssemakula, E., G., Bogere, G., Rhoads, R. and Mbabazi, J. <u>Local Government Councils Scorecard Assessment 2014/2015</u>: <u>Unlocking Potentials And</u> <u>Amplifying Voices</u>, Kampala, ACODE Policy Research Series No. 70, 2015.

<sup>3</sup> See Mushemeza, E., D., <u>Decentralisation in Uganda: Trends, Achievements, Challenges and Proposals</u> for Consolidation, Kampala: ACODE Policy Research Paper Series No.93, 2019 ; Ggoobi, R., and Lukwago. D., Financing Local Governments in Uganda: An analysis of Proposed National Budget FY

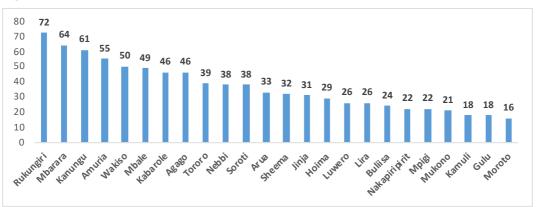
the 26 districts of Agago, Amuria, Amuru, Arua, Buliisa, Hoima, Gulu, Jinja, Kanungu, Kabarole, Kamuli, Lira, Luwero, Mbale, Mbarara, Moroto, Mpigi, Mukono, Nakapiripirit, Nebbi, Ntungamo, Rukungiri, Sheema, Soroti, Tororo and Wakiso.

### **3. SUMMARY FINDINGS**

The overall finding of the assessment was that the Statutory Boards and Commissions exist at the Local Government level and are attempting to discharge their duties and functions in spite of the stiff challenges that they face. Notwithstanding their regulatory import and function, their role as an added citizen representation and voice, the Statutory Bodies were noted to have declining visibility and significance – across all the 26 districts assessed. The findings are summarized figures 1, 2, and 3.

### 3.1. Performance of the District Land Boards (DLBs)

The overall average score for the 26 DLBs was 37 out of 100 points. The DLBs performed highly in terms of compliance with policies, processes, and procedures relating to the operations of DLB, particularly in terms of composition. The worst performance was exhibited in accountability, particularly accountability to the council. Figure 1 below presents overall performance per district.

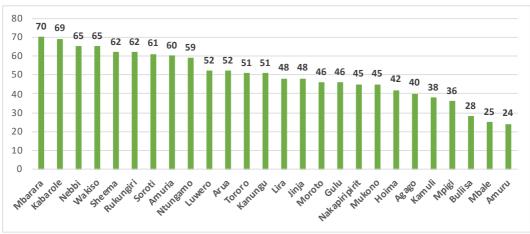


#### Figure 1: Overall Performance of District Land Boards

### **3.2 Performance of the District Service Commissions (DSCs)**

The 26 Commissions covered by the assessment scored an overall average of 50 out of 100 points. They posted their best performance under the parameter of the commission's composition, while the worst performance for DSC was under the parameter of accountability to the council and citizens. Figure 2 illustrates findings of on the Performance of the DSCs for the assessed districts.

<sup>2019/20</sup> and Proposals for Re-allocation. Kampala: ACODE Policy Research Paper Series No. 92, 2019; GOU (2020). The Local Government National Performance Assessment Report, 2019. Office of the Prime Minister, Kampala.



#### Figure 2: Overall Performance of the DSCs

### 3.3 Local Government Public Accounts Committees (LGPAC)

The 26 Committees assessed registered an average score of 38 out of 100 points, with the best performance under the parameter of the composition of the committees and the worst performance in their functionality. The overall performance of the LGPACs for the assessed districts is presented in Figure 3.

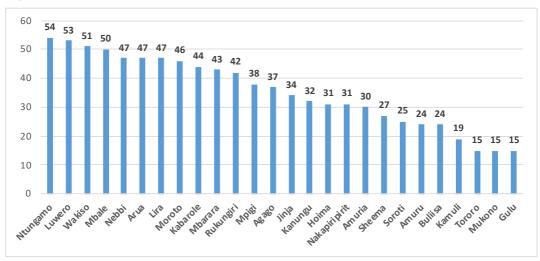


Figure 3: Overall Performance of LGPACs

Furthermore, the finding revealed that there was limited knowledge about the existence, roles and operations of the boards and commissions, especially the LGPAC, as well as concerns about the integrity, independence and efficiency of the boards and commissions. The assessment established that several factors affected the performance of the local government statutory boards and commissions in terms of compliance with regulations, policies, and processes and being accountable to citizens, the council, and the relevant ministries. The factors majorly manifested in the form of administrative processes, leadership capacity, funding and management of resources.

### 4. FACTORS AFFECTING THE PERFORMANCE OF STATUTORY BOARDS AND COMMISSIONS AT THE LOCAL GOVERNMENT LEVEL

### **4.1 Administrative Processes**

The factors that affected the performance of the Statutory Bodies included:

- (i) Inadequate technical support to statutory boards and commissions: The findings show that 80 per cent of the DLBs,70 per cent of DSCs, and 78 per cent of LGPACs did not have technical support from the district's technical officers. More so, the level of coordination between statutory bodies and related national institutions is lacking.
- (ii) Delay in the operationalization of statutory boards and commissions upon expiry: There have been significant delays across districts in the approval of nominees by relevant councils and respective ministries, which affected the composition of statutory bodies in some districts and was attributed to several factors below:
  - The absence of clear guidelines or deadlines for renewing the membership: Sections 58(1) of the Land Act, Cap 227 (As amended) and 54(3) and 88(11) of the Local Governments Act Cap. 243 (As amended) stipulates that members should hold office for a period of five years for DLB and LGPAC and four years for the DSC, all renewable once. However, for the case of DLB and LGPAC, the laws do not specify the period within which the tenures of these statutory boards and commissions should be renewed upon expiry. The absence of clear guidelines or deadlines for renewing the membership or appointing new members to the statutory bodies creates a gap that could lead to the abuse of the process.
  - Noncompliance with Section 54(2e) of the Local Governments Act, Cap 243 (As amended). Section 54(2e) of the Local Governments Act, Cap 243 (As amended), requires district councils to appoint new District Service Commissions within 3 months upon the expiry of their term of office. However, local governments have failed to comply with this provision of the Act.
  - Conflict of interest among political actors in the district, such as the District Chairperson, Members of Parliament, and Members of the Council in the nomination and approval of members of the boards and commission has also had a detrimental effect on the operation of the statutory boards and commissions. In extreme cases, this has resulted in the failure to constitute statutory boards and commissions, as district councils reject nominees by the DEC due to political interests.
  - Delays in the selection of representatives of urban authorities to the boards and commissions are majorly attributed to two factors: i) Lack of consensus among urban councils. ii) Lack of harmony in the interpretation of Section 54(2b) (2c) of the Local Governments Act Cap. 243 (As amended), especially between some District Chairpersons and leaders of urban councils, with either

side insisting that the powers to nominate/recommend a representative of the urban councils lies with them as well as Failure by district chairpersons in some cases to agree with nominations from urban authorities which creates an impasse.

- The creation of cities also affected the composition of statutory bodies in districts from which cities were curved. The hitherto urban representatives domiciled in the municipalities were subsumed into the newly created cities, leaving a gap on the boards and commissions. The Ministry of Local Government also delayed the operationalization of new town councils arising from relocating district headquarters.
- (iii) Failure to implement recommendations of Statutory Boards and Commissions: The findings revealed that 88 per cent, 88 per cent, and 85 per cent of the districts had not implemented recommendations from the DLB, DSC, and LGPAC, respectively. This was attributed to several factors, such as political influence and conflict of interest among officials who are implicated in the recommendations. In some cases, recommendations made by these statutory bodies may be beyond the powers of the local governments to implement.
- (iv) Dysfunctional structures and institutions that support the operations of the statutory boards and commissions: The findings indicate that the land tribunals that have a critical role in adjudicating conflicts on land were not operational. The National Land Policy calls for the restoration of Land Tribunals, although their continued existence is hampered by a lack of financing. The non-functional nature of the district land tribunals slows down the activities of the district land boards in cases where disputes arise.
- (v) Corruption arising from weak administrative processes: The assessment revealed that corruption is another major challenge. There are weaknesses within administrative processes that have allowed corrupt practices to manage interest on land, recruit staff and ensure value for money in delivering public services.
- (vi) Inadequate oversight role by the district councils: Under the Land Act, Cap 227 (as amended) and Local Governments Act, District Councils supervise statutory boards and commissions. However, the findings from this assessment reveal a notable deficiency in district councils' ability to ensure these organs' accountability. This deficiency is evidenced by the infrequency with which the reports of these entities were presented to and deliberated upon within the council.

#### **4.1.1 Recommendations**

- (i) Provide guidance on the composition of the boards and commissions: There is a need for the MoLG to enforce compliance with section 54(2e) of the LGA to ensure that the District Councils follow timelines for appointment and renewal of the term of office of the members for District Service Commission to remedy the vacuum created by delays by district councils and political leaders.
  - There is a need for the amendment to Section 88 (11) of the LGA and Section 58 of the Land Act, Cap 227 (As amended), to provide timelines for the appointment of new members of the LGPAC and DLB upon the expiry of their term of office.
  - The MoLG and Solicitor General should guide the interpretation of the provision relating to the nomination of representatives of urban authorities to the different boards and commissions.

- (ii) Strengthen Council's Oversight Role: Establish a robust framework that mandates the regular submission of comprehensive reports from these entities to the council. Such a framework should include enforceable mechanisms that compel the District Executive Committees to provide timely reports to the Council.
- (iii) Revitalize Land Tribunals: The findings from the study, for instance, revealed that the absence of land tribunals grossly affects the functionality of district land boards. There is, therefore, a need for the Ministry of Lands, Housing and Urban Development (MoLHUD) to revitalize the district land tribunals.
- (iv) Strengthen the supervision of technical officers to provide adequate technical support to statutory boards and commissions: The relevant Local Government Departments should be compelled to provide adequate technical support to the respective statutory bodies and ensure they are efficient and effective in terms of analysis of documents, compilation and production of reports, regular and timely reporting to their respective councils, compliance with relevant processes, regulations, policies and laws, and providing accountability to stakeholders.

## **4.2 Leadership Capacity of the Members of Statutory Boards and Commissions**

The factors that affected the performance of the Statutory Bodies included:

- (i) Inadequate skills and technical capacities of members: The lack of skills and technical capacity of members appointed to statutory boards and commissions is a significant challenge that affects their effective functioning. In many cases, the individuals nominated to these bodies lack the necessary expertise, experience, and knowledge to carry out their roles and responsibilities effectively. Findings from the assessment reveal the following challenges:
  - Lack of specific requirements for academic qualification relevant to roles and responsibilities of each board and commission: Findings revealed a significant gap in the skill sets of members of the statutory boards and commissions. Concerning District Land Boards, 17 per cent of members lacked the technical capacity to execute their mandate. The deficiency in the technical capacity of members of the DLB was majorly in relation to natural resources management. Findings also revealed that 15 per cent of the DSC lacked technical capacity, especially concerning human resource management and public service standing orders, necessary to perform their functions. Also, 39 per cent of members of the LGPAC lacked technical capacity, majorly in public finance management and public procurement, which are critical in the performance of their functions
  - Inadequate induction, orientation and training: Findings from the assessment revealed key gaps in the induction of members for the statutory boards and commissions across the 26 districts assessed. Only 8 out of 26 LGPACs noted that they received induction from the Central or Local Government. For DLBs, only 10 out of the 24 districts had been inducted, while 13 out of the 26 DSCs were inducted.
  - Limited pool of qualified and competent individuals: Some districts reported failure to attract qualified members to join the statutory boards and commissions due to a limited pool of qualified and competent individuals available for nomination and the lack of a comprehensive process for identifying and selecting suitable candidates.

- (ii) Lack of access to relevant laws, policies and guidelines: Interviews with district leaders and members of the statutory boards and commissions revealed a lack of access to the respective legal and policy documents and guidelines to empower them while undertaking their assignments. The lack of access to these legal and policy documents and guidelines of the statutory bodies to effectively carry out their responsibilities, resulting in poor performance, weak accountability and poor service delivery.
- (iii) Lack of independence of the statutory bodies: According to the assessment, political interference, intimidation, and conflict of interest among members (DLB and DSC) have been major factors hindering the effective functioning of statutory boards and commissions. The intimidation of members of the statutory bodies was also reported to be common.
- (iv)Limited Accountability to citizens: The assessment results show poor performance on the parameter of accountability to citizens by statutory boards and commissions. For instance, the average performance for the DLB was 4 out of 15 points on this parameter. Accordingly, the DSC scored 5 out of 10 points on accountability to citizens. The results for DSC further indicate that the members of DSCs did not declare a conflict-of-interest contrary to LGA<sup>4</sup>. There was no mechanism for the DSC to handle complaints from the citizens. The results for the DLB revealed a poor performance regarding public display for land applications, information on the progress of expression of interest on land, public display of processed or complete land applications, and engagement with ALCs and local physical planning committees.

#### 4.2.1 Recommendations

- (i) Enhance the Capacity of the Members of Statutory Boards and Commissions: This can be achieved through;
  - The Ministry of Local Government should amend the Local Governments Act Cap. 243 and the Land Act, Cap 227 (As amended) to elevate the minimum academic qualifications from an advanced level certificate or its equivalent and a diploma to a degree or its equivalent for the members of these statutory boards and commissions.
  - The Ministry of Local Government should prioritize the allocation of resources in the budget for the induction of members of statutory bodies
  - The Responsible Officer (The Chief Administrative Officer) for each district should ensure that procurement of the relevant laws, regulations, circulars, guidelines and policies that are relevant to the functions of the statutory boards and commissions are provided for in the district budget.
- (ii) Enhance the independence of the statutory bodies through, regular training and induction of members of statutory bodies and district councils, and provision of adequate finances to minimize vulnerability to corruption.
- (iii) Accountability to Citizens: There is a need to enhance accountability to citizens among the statutory boards and commissions. The DLB, DSC and LGPACs should regularly interact with the public. They should establish and popularize complainthandling mechanisms for their constituents.

### 4.3 Funding/Management of Resources

<sup>4</sup> See LGA, Third Schedule, Regulation 4 (1).

The factors that affected the performance of the Statutory Bodies included:

- (i) Inadequate funding for operations of the statutory boards and commissions: Findings reveal that funds provided from the Consolidated fund to DSC and LGPAC are insufficient for their ideal operations, and in some cases, the funds are delayed. Additionally, there is no evidence that local government councils allocated locally raised revenues to finance the operations of statutory boards and commissions, which is their obligation under Regulation 4 of the First Schedule to the Local Governments Act. Therefore, the inadequate funding to the statutory bodies has resulted into:
  - Irregular meetings of the boards and commissions. Findings from the assessment indicate that these statutory bodies have not been able to hold meetings as stipulated in the law due to inadequate funding.
  - Lack of office spaces, appropriate furniture equipment and tools such as computers, printers, photocopiers, safes, filing cabinets, GIS equipment, and internet among others.
  - Failure to monitor, and undertake site or field visits due to lack of transport and reliance on secondary information. This affects the accuracy and reliability of the information collected by the statutory bodies, and it can lead to incorrect decision-making.
  - Inadequate facilitation /remuneration exposes members to risks of corruption and bribery.
  - Failure to produce reports on time arises due to a lack of printing paper, toners and printers resulting from inadequate funding.
  - Failure to induct members due to a lack of resources has a negative impact on the effective and efficient performance of statutory bodies. New members need to be adequately trained, oriented and inducted to ensure they understand their roles and responsibilities.

#### **4.3.1 Recommendations**

- (I) Enhance the Financing for the Statutory Boards and Commissions: The findings indicate that the statutory boards and commissions are grossly underfunded. The allocations for their operations in the LG budgets were found to be inadequate. Thus, this can be achieved through:
  - The Ministry of Finance, Planning, and Economic Development (MoFPED) should increase the financing for the activities of statutory bodies. The MoFPED should increase indicative planning figures for these LG structures.
  - Local governments (LGs) should also allocate more local revenue to finance statutory commissions and boards. This could be done by setting aside a percentage of their budget specifically for these bodies.
  - Amendment of LGA Section 78. The Ministry of Local Government (MoLG) should amend Section 78 and the fifth schedule of the Local Governments Act in relation to revenue sharing among districts and lower local councils. This amendment would require urban councils to make financial contributions to districts to support the work of statutory bodies. Such contributions could be based on a formula that takes into account the size of the urban council, its revenue base, and the needs of the statutory bodies.

### 5. CONCLUSION

This memorandum raises critical issues in the implementation of the decentralization framework that need to be addressed in order to consolidate the remarkable achievements within the Local Government sector. In light of the foregoing analysis, it is important that the Ministry scrutinizes the proposals in this memorandum to inform the review of the decentralization. By strengthening these Statutory Bodies and Commissions, accountability will be improved in the Local Governments. Every step should therefore be undertaken to urgently remedy the declining visibility of these important structural anchors, and deal with the operational challenges as identified in this study.

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