

**PARTICIPATORY BUDGETING AND SERVICE DELIVERY IN LOCAL
GOVERNMENTS IN UGANDA**

A CASE OF AGAGO DISTRICT LOCAL GOVERNMENT

BY

ODANGA JANE PAMELA

17MBA0264

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DECLARATION

I hereby declare that this is my original work and has never been published and/or submitted for any other degree award to any other university before. In addition, all sources that have been used have been acknowledged.

Signature:.....

Date:.....

ODANGA JANE PAMELA

17MBA0264

APPROVAL

This is to certify that this dissertation has been done under our supervision and submitted for examination with our approval.

Signed:

Date:

Mr. Senyange L. Martin

Supervisor

Signed:.....

Date:.....

Ms. Nabagala Mary

Supervisor

DEDICATION

This research work is dedicated to my Mother Imelda Itela, my Dad Odanga Alfonse, ASEC and Little Sisters of Mary Immaculate of Gulu who supported and encouraged me to study.

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TABLE OF CONTENTS

DECLARATION	i
APPROVAL	ii
DEDICATION	iii
ACKNOWLEDGEMENTS	iv
TABLE OF CONTENTS	v
LIST TABLES	ix
LIST OF FIGURES	x
LIST OF ABRIVIATIONS AND ACRONYMS	xi
ABSTRACT	xii
CHAPTER ONE	1
INTRODUCTION	1
1.0 Introduction.....	1
1.1 Background to the Study.....	1
1.1.2 Theoretical Background.....	3
1.1.3. Conceptual Background.....	4
1.1.4. Contextual Background	5
1.2 Statement of the Problem.....	7
1.3 Purpose of the Study	7
1.4 Objectives of the Study.....	8
1.5 Research Questions.....	8
1.6 Scope of the Study	8
1.6.1 Geographical scope.....	9
1.6.2 Content Scope	9
1.6.3 Time Scope	10

1.7 Significance of the Study	10
1.8 Conceptual Framework.....	11
1.9 Operationalization of key terms and concepts	12
CHAPTER TWO	13
LITERATURE REVIEW	13
2.0 Introduction.....	13
2.1. Theoretical review	13
2.2. Literature Survey	14
2.3 Review of literature.....	15
2.3.1 Budget formulation and service delivery	15
2.3.2. Budget implementation and service delivery.....	18
2.3.3. Budget monitoring and service delivery	21
2.5. Conclusion	27
CHAPTER THREE	29
METHODOLOGY	29
3.0 Introduction.....	29
3.1 Research design	29
3.2 Target Population.....	29
3.3 Sample Size.....	30
3.4 Sampling techniques	31
3.4.1 Census	32
3.4.2 Purposive sampling.....	32
3.4.3 Simple random.....	32
3.5 Data collection procedures.....	32
3.6 Data collection Methods	33

3.6.1 Survey	33
3.6.2 Interview	33
3.7 Instruments.....	34
3.7.1 Self-Administered Questionnaire.....	34
3.7.2 Interview guide	35
3.8 Data Sources	34
3.8.1 Primary Data	34
3.8.2 Secondary Data	34
3.9 Data processing.....	35
3.10 Data analysis	35
3.11. Validity and reliability of the instrument.....	36
3.11.1. Validity	36
3.11.2 Reliability.....	38
3.12 Measurement of Variables	39
3.13 Ethical Considerations	39
3.14 Study Limitations.....	40
CHAPTER FOUR.....	41
DATA PRESENTATION, INTERPRETATION AND ANALYSIS	41
4.0. Introduction.....	41
4.1. Background information	41
4.1.1 Gender.....	42
4.1.2 Age of the respondents.....	42
4.1.3 Level of Education.....	43
4.1.4 Duration of stay at Agago District.....	44
4.2. Relationship between Budget formulation and service delivery	44

4.3 The relationship budget implementation and service delivery	48
4.4 Budget implementation and service delivery.....	52
4.5 Budget monitoring and service delivery	52
CHAPTER FIVE	58
DISCUSSION, SUMMARY, CONCLUSIONS AND RECOMMANDATIONS	58
5.0 Introduction.....	58
5.1. Discussion	58
5.1.1 Participatory budget formulation and service delivery.....	60
5.1.2 The relationship between participatory budget implementation and service delivery	63
5.1.3 The relationship between participatory budget monitoring and service delivery	65
5.2 Summary of the Findings.....	58
5.3 Conclusions.....	68
5.4 Recommendations.....	69
5.4 Areas for further research	70
REFERENCES	71
APPENDICES	78
Appendix A: Questionnaire	78
Appendix B: Interview guide.....	83

LIST TABLES

Table 3.1: Sample Size Determination	31
Table 3.2: Content validity Index of the study variables	37
Table 3.3: Reliability Analysis	38
Table 4.1: Response rate	41
Table 4.2: Gender.....	42
Table 4.3: Age group	42
Table 4.4: Education Level.....	43
Table 4.5: Period of stay at Agago District.....	44
Table 4.6. Budget Formulation and service delivery	45
Table 4.7. Budget formulation and service delivery.....	48
Table 4.8. Descriptive Statistics on Budget Implementation.....	49
Table 4.9. Budget implementation and service delivery.....	52
Table 4.10. Descriptive Statistics on Budget Monitoring.....	53
Table24.11 Correlation Analysis Matrix	55
Table 4.12. Prediction model for the study variable.....	57

LIST OF FIGURES

Figure 1: Conceptual framework	11
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LIST OF ABBREVIATIONS AND ACRONYMS

CAO	Chief Accounting Officer
CIPFA	Chartered Institute of Public Finance and Accountancy
IFMS	Integrated Financial Management System
LG	Local Government
M&E	Monitoring and Evaluation
PB	Participatory Budgeting
WMO	World Meteorological Organization

ABSTRACT

The study focused on establishing the relationship between participatory budgeting and service delivery of water, education and health in Agago District, Northern Uganda. The study sought to establish the relationship between budget formulation, budget implementation, budget monitoring and service delivery in Agago District.

The study employed a cross sectional survey research design and both quantitative and qualitative approaches. A total of 150 respondents participated who comprised of Local citizens of Agago, LCI Committee members, Parish committee members, Sub-county staff, District council members, Members from Civil Society, A Chief administrative officer and the District chairperson. Primary and secondary sources of data were used and data were collected using interviews and questionnaire. The Pearson correlation Coefficient and Regression Analysis were used to analyze the collected data.

The study findings revealed that there is a positive relationship between Participatory budget formulation, budget implementation and budget monitoring and service delivery in Agago District. It was concluded that, Participatory budget formulation, budget implementation and budget monitoring affects service delivery.

The study recommended proactive participation of citizens to understand their expectations and incorporate them in plans. This proactive participation ensure engagement of citizens who are interested in budget formulation, implementation and monitoring, and assure transparency by the government in the execution of the district's financial activities while holding regular community consultations through the budget formulation ,implementation and monitoring processes.

CHAPTER ONE

INTRODUCTION

1.0 Introduction

The study established the relationship between participatory budgeting and service delivery in Agago District. The independent variable which is participatory budgeting included budget formulation, budget implementation and budget monitoring. The dependent variable which is service delivery in the local government context was measured in terms of effectiveness, responsiveness, quality, timeliness and efficiency of service delivery. In this chapter the background, statement of the problem, purpose of the study, specific objectives, research questions, scope, significance, limitations and operational terms are presented.

1.1 Background to the Study

Participatory budgeting programs are part of a larger effort by many countries to extend and deepen actual, existing democracy (International Budget Office, 2001). This study is very vital because budgeting is the drive for every process, and it bears a complex execution which requires a combined effort. Therefore, involving different stakeholders is very vital for the delivery of services more especially in Agago District local government.

The background to this study is divided into four perspectives. They included historical Theoretical, Conceptual and contextual perspectives.

Historical Background

The use of participatory budgeting began in 1989 in the municipality of Porto Alegre as part of a larger effort to overturn Brazil's long history of patronage practices, social inequality and corruption. Government, Social Society, and Political Parties mobilized to experience with

participatory budgeting as a way to improve government transparency and increase citizens' voice in government decisions. Open forums are held throughout the budget process that permit the public the opportunity to allocate resources, prioritize broad social policies and monitor public spending. Participatory budgeting breaks decidedly with the tradition that the budget process should occur exclusively in the executive, with the input only of budget technicians and a few politicians (International Budget Office, 2001).

In a bid to address the problem of financial performance, the government of Uganda introduced participatory budgeting which is aimed at providing improved service delivery. Despite the reforms, service delivery at local government is still poor (Shah, 2007). The study will seek to establish the relationship between participatory budgeting and service delivery in Uganda using a case study of Agago District Local Government.

In the last quarter century, over 75 countries have attempted to transfer responsibilities of the state to lower tiers of governments significantly, most of these lower tier governments have been elected, so that the decentralization is not just administrative or fiscal but also political. The motivation for the decentralization has varied (Alnesafi & Kasumba, 2016). In Eastern Europe and the former Soviet Union, it was part of the political and economic transformation. In Latin America, it was to reinforce the tension to democracy. In South Africa, Sri Lanka and Indonesia, it was a response to ethnic or regional conflicts; and Uganda and Cote d'Ivoire, it was to improve the delivery of basic services (Shah and Thompson, 2004). Improving service delivery is an implicit motivation behind most of these decentralization efforts.

The reasons are twofold; first these basis services such as health, education, water and sanitation, all of which are the responsibility of the state, are systematically failing and especially failing poor people (World Bank, 2003). That governments are falling short of their responsibility to

ensure adequate health, education, water and sanitation to their people can be seen at various levels. The second reason why improving service delivery is behind most decentralization efforts is that these services were consumed locally and which historically were also provided locally (World Bank, 2003).

1.1.2 Theoretical Background

The study was guided by Participatory Development theory. Participatory theory of development was advanced by Hooper B. (1970) and has long been a widely discussed concept in development debates. Though its intellectual origins may be traced to the notion of development conceived and popularized by Mahatma Gandhi in India decades before independence, various institutions and agencies in the advanced capitalist countries tried to offer a recipe for development in the post-war period under various themes like community development programmes and rural development.

Participatory theory of development is a process through which stakeholders can influence and share control over development initiatives, and over the decisions and resources that affect themselves (Reyes, 2014). Participatory approach must have to ensure transformation of power relations particularly gender power relations which starts with men then with organizations and institutions (Wickenden, 2016). Participatory development does not just teach, engage, and empower communities, it teaches, engages, and empowers the organizations that work with communities, to see and do things differently (Tavangar, 2016). Participatory development theory explicitly connects participation to a redistribution of decision-making power an important yet overlooked aspect of the basis for community participation in development (Smith, 2009).

Reyes (2014) affirms that participatory theory of development strengthens civil society and the economy by empowering groups, communities and organizations to negotiate with institutions and bureaucracies, thus influencing public policy and providing a check on the power of government. It enhances the efficiency, effectiveness and sustainability of development programs. It seeks to engage local populations in development projects. The theory used is chosen to guide the study because its framework is one of the few theoretical models that provides a clear guidance to the conditions under which institutions are likely to positively respond to citizen's requests. Basing on this theory, civil servants and citizens in Agago District should all get involved in the budget process, running from formulation to monitoring, so as to attain desired service delivery.

1.1.3. Conceptual Background

Participatory budgeting (PB) is an approach of direct democracy to budgeting which offers citizens an opportunity to learn about government operations and to deliberate, debate, and influence the allocation of public resources (Shah, 2007). The concept Participatory budgeting is deeply rooted in the principle of democracy, transparency and accountability (World Bank, 2005). Dea (2005) made similar observations after the Porto Allegro experience in 1989 that involving citizens in the budgeting process enhances democracy, transparency and accountability. It has been argued that allowing citizens to participate in matters that concern them, should not be seen as means of achieving consensus, but also as an avenue to sensitize and educate citizens, to develop their highest capacities (Rossmann and Shanahan, 2012). For the purposes of this study Participatory budgeting refers to (1) participatory budget formulation, (2) Participatory budget implementation and (3) Participatory budget monitoring.

Service delivery is a component of business that defines the interaction between providers and clients where the provider offers a service, which may be in form of information or a task, and the client either finds value or loses value as a result. Byaruhanga (2013) assert that good service delivery provides clients with an increase in value. Goldfrank (2012), conceptualize service delivery as the government distribution of resources and services that the citizens depend on like water, electricity, sanitation infrastructure, land, and housing.

Byaruhanga (2013) refers service delivery to identifying problems quickly and systematically; establishing valid and reliable service performance measures and measuring customer satisfaction and other performance outcomes. For purposes of this study, service delivery refers to effectiveness of service delivery, efficiency of service delivery and quality service delivery.

1.1.4. Contextual Background

Agago District where the study was carried is one of the Local Governments, under the Uganda Government decentralization policy, located in the north of Uganda. It was established by an Act of Parliament and became fully functional in July 2010 having been carved out of Pader District. Agago District is bordered by Kitgum District to the north, Kotido District to the north-east, Abim District to the east, Otuke District to the south, and Pader District to the west. Currently, the district has 13 sub-counties and three town councils. The sub-counties include: Lira Palwo, Lamiyo, Omot, Arum, Patongo, Kotomor, Lukole, Adilang, Lapono, Paimol, Omiya, Parabongo and Wol. The town councils are Kalongo, Agago and Patongo.

The district has an estimated population of 227,792 people of whom 110,495 are males and 117,297 are females (National Population and Housing Census, 2014). It has been strongly argued that the decentralized provision of the services increase effectiveness of the services because local governments are better positioned than the central government to match the preferences of the residents to those of the

district (Local government Act, 1997). Agago District is facing a lot of challenges. For example, the health sector is still overwhelmed by the consequences of low nutritional levels, unsafe drinking water, malaria and other preventable and curable diseases that have led to high morbidity and mortality rates. This is a result of inadequate supply of drugs, equipment, personnel as well as limited awareness levels among the population. The infant mortality rate staggers at 700/100,000 live births and maternal mortality soars at around 700/100,000 (Agago District Performance Report (2017)). Furthermore the same report reveals that the District has 111 primary schools but has continued to register low completion rate of (26% for boys and 17% for girls), low teacher –pupil ratio (1:87), inadequate classrooms (87:1), inadequate desks and lack of staff houses (Agago District Performance Report (2016)). Access to safe water is still very low in Agago District, with only 64% of the population within one kilometer of safe water source. The majority of the population depends on unprotected wells and springs. During the dry seasons (December – March) the seasonal streams dry up forcing some people to walk a distance of about 10km in order to fetch water for drinking and other domestic use (Agago District Performance Report (2017)). The poor service delivery has been attributed to poor citizen's participation in the budget formulation, implementation and monitoring rendering the district's efforts counterproductive and unsustainable. This in effect has led to increased levels of poverty, illiteracy, school dropouts, teen mothers, gender inequality, hunger and poor health. Agago's situation requires serious attention and has motivated the researcher to study participatory budgeting as part of the underlying causes of the ineffective services in order to recommend appropriate interventions.

1.2 Statement of the Problem

Agago district adopted the participatory budgeting process with the aim of giving citizens an opportunity to debate, and improve service delivery in respect to water, education, health and wellbeing of its citizens (Agago District Performance Report, 2017). However, Agago District has been grappling with poor service delivery characterized by unimplemented activities. For example, there is low nutritional levels, unsafe drinking water, prevalence of malaria and other preventable/ curable diseases that have led to high morbidity and mortality rates. The infant mortality rate staggers at 700/100,000 live births and maternal mortality soars at around 700/100,000 (Agago District Performance Report (2017)). Furthermore the same report reveals that the District has 111 primary schools with the completion rate of (26% for boys and 17% for girls), low teacher –pupil ratio (1:87), inadequate classrooms (87:1), inadequate desks (Agago District Performance Report (2017)). Access to safe water is still very low with only 14% of the population within one kilometer accessing safe water; the majority of the population depends on unprotected wells and springs, some people to walk a distance of about 10km in order to fetch water (Agago District Performance Report (2017)).

Unless the services delivered are improved and trend reversed, the transformation of Uganda with special reference to Agago district from peasant to modern and prosperous society by 2040 can never be achieved. It is therefore imperative to state that quality service delivery in Agago district has exacerbated a debate that prompted the researcher to investigate the relationship between participatory budgeting and service delivery in Agago District.

1.3 Purpose of the Study

The purpose of the study was to establish the relationship between participatory budgeting and service delivery in Agago District.

1.4 Objectives of the Study

1. To establish the relationship between participatory budget formulation and service delivery in Agago District.
2. To establish the relationship between participatory budget implementation and service delivery in Agago District.
3. To examine the relationship between participatory budget monitoring and service delivery in Agago District.

1.5 Research Questions

1. What is the relationship between budget formulation and service delivery in Agago District?
2. What is the relationship between budget implementation and service delivery in Agago District?
3. What is the relationship between budget monitoring and service delivery in Agago District?

1.6. Research hypothesis

H₀: There is no relationship between participatory budget formulation and service delivery in Agago District.

H_{A1}: There is a relationship between participatory budget formulation and service delivery in Agago District.

H₀ There is no relationship between participatory budget implementation and service delivery in Agago District.

H_{A2}: There is a relationship between participatory budget implementation and service delivery in Agago District

H₀: There is no relationship between participatory budget monitoring and service delivery in Agago District.

H_{A3}: There is a relationship between participatory budget monitoring and service delivery in Agago District

1.7 Scope of the Study

The study covered three scopes. They include Content scope, Geographical scope, and Time scope.

1.7.1 Content Scope

The content scope comprised participatory budgeting as the independent variable and service delivery as the dependent variable. It mainly focused budget formulation budget implementation and service delivery and budget monitoring as well as effectiveness, efficiency and quality.

1.7.2 Geographical scope

The study was carried out in Agago District. Agago District is bordered by Kitgum District to the north, Kotido District to the northeast, Abim District to the east, Otuke District to the South and Pader District to the West. The town of Agago where the District headquarters is located lies approximately 270 kilometers (230mi), by road, north of Kampala, the capital city of Uganda. Agago District is selected because its service delivery has been reported to be poor in the last three years (2016, 2017 and 2018) hence considered as a key source of information for this study on participatory budgeting and service delivery

1.6.3 Time Scope

The study covered a period of three years from the year 2016 to 2018 because this is the time service delivery at Agago District is reported to be poor as shown in the District's performance report 2017. The data collection process was carried out during the months of February to April 2019.

1.7 Significance of the Study

The study on the relationship between participatory budgeting and service delivery in local government is of great importance to the following parties:

Future respondents

The study findings, conclusions and recommendations have provided additional literature to the existing body of knowledge about the impact of participatory budgeting on service delivery in local government.

Management

The study might help the management of Agago District to improve on the administration and better management of service delivery. This will help to consolidate their weak areas and to improve on their strong areas so as to provide more efficient, reliable and transparent services.

Agago Residents (Tax payer)

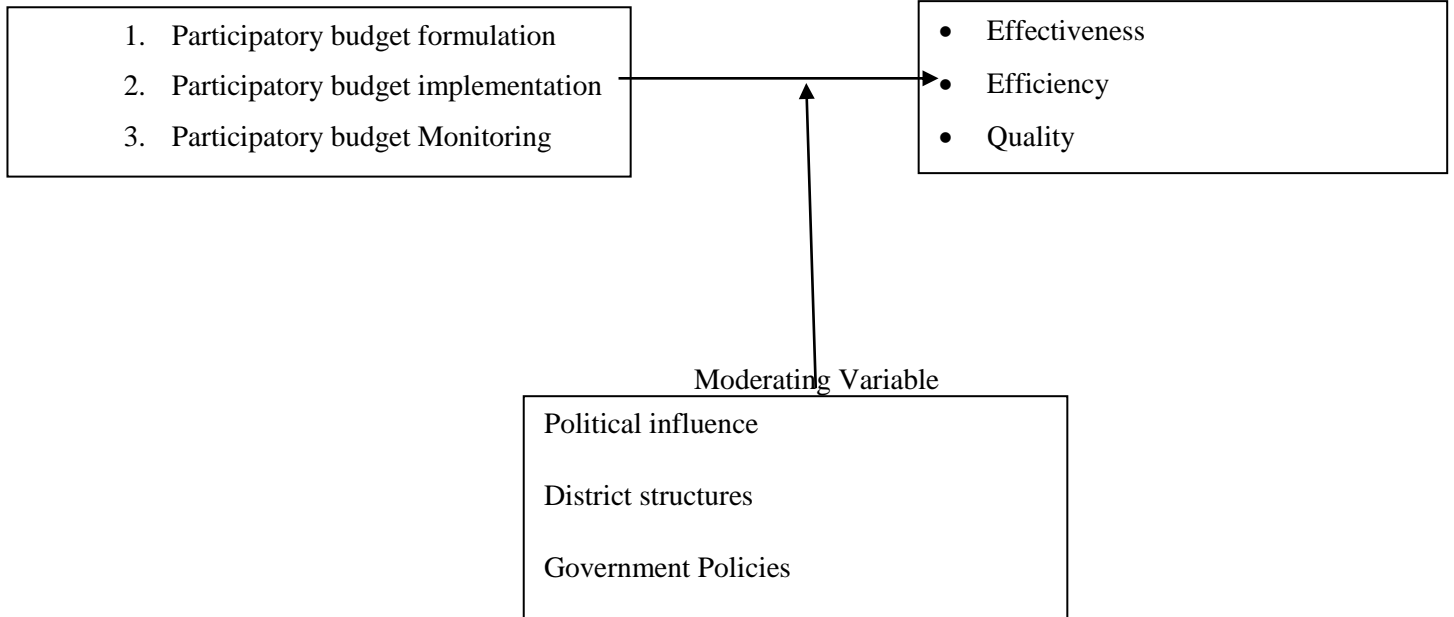
The study will create an understanding to the residents of Agago District about the nature and quality of services they are supposed to get from the district, for example efficient and reliable services, accessible and timely.

1.8 Conceptual Framework Participatory budgeting

(Independent variable)

Service Delivery

(Dependent variable)



Source: Adopted from Swaen (2015) and modified by the researcher.

Figure 1.1: Conceptual framework showing the relationship between participatory Budgeting and Service delivery

The framework in figure 1.1 shows that participatory budgeting has an influence on service delivery. It was theorized that Participatory budgeting in terms of participatory budget formulation, participatory budget implementation and participatory budget monitoring may have significant consequences on service delivery in terms of effectiveness in service delivery, efficiency in service delivery and quality in service delivery. The relationship between Participatory budgeting and service delivery was moderated by extraneous variables which included political influence, district structures and government policies. Though the extraneous variable can potentially affect relationships, the study intentionally held it constant and for that matter it was not studied in detail. The PB and capabilities of the processes are expected to lead to the improved service delivery.

1.9 Operationalization of key terms and concepts

Participatory budgeting (PB) in this study referred to an approach of direct democracy to budgeting which offers citizens an opportunity to learn about government operations and to deliberate, debate, and influence the allocation of public resources (Shah, 2007).

Budget formulation in this study referred to all the steps, actions and documentation in the budget process that are required or that properly should be taken in advance of the enactment of the bill by the district of Agago.

Budget implementation in this study referred to review for compliance (Law), Involvement of the public, availability of a clear framework for involvement, prudence in the activities and execution, Execution of activities in the work plans and monitoring and reporting.

Budget monitoring in this study referred to a continuous process by which the district will ensure the budget action plan is achieved, in terms of expenditure and income. Budget monitoring ensured that resources are used for their planned purposes and are properly accounted for to internal and external bodies.

Service delivery in this study referred to the extent to which local governments deliver services within the boundaries of quality, reliability, effectiveness and efficiency dimensions.

Effectiveness In this study referred to the degree to which objectives are achieved and the extent which targeted problems are solved.

Efficiency in this study referred to as doing the right thing in the right time

Quality in this study referred to as the standard of something as measured against other things of the similar kind.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter presents a review of literature on the topic under investigation. The chapter presents a review of the relevant theories. It also presents empirical literature on the impact of participatory budgeting on service delivery.

2.1. Theoretical review

The study was guided by Participatory Development Theory. The theory attempts to define the process through which stakeholders can influence and share control over development initiatives, and over the decisions and resources that affect them (Reyes, 2014). This theory states that participatory development does not just teach, engage, and empower communities instead it teaches, engages, and empowers the organizations that work with communities, to see and do things differently (Tavangar, 2016). Participatory theory of development strengthens civil society and the economy by empowering groups, communities and organizations to negotiate with institutions and bureaucracies, thus influencing public policy and providing a check on the power of government (Reyes, 2014).

Basing on this theory, this study assumes that Agago District will engage local population in development programmes to enhance the efficiency, effectiveness and sustainability of development programs through the use of proper budget formulation, implementation and monitoring. This will lead to provision of quality services. Muchemwa (1997) contends that a good budget is a financial tool to management tool. In reality, a budget is the best tool for making sure that key resources, especially performance resources are assigned to priorities and to

results. As Adopted in this study, participatory development theory holds that participatory budgeting impacts service delivery in Agago District. That budget formulation, implementation and monitoring adopted in the district influences effectiveness, efficiency and quality in service delivery.

Service delivery should be a priority of each local government to provide though a few have attained budget management. Faced with this noble obligation, districts have to set their goals with clear focus on how to have powerful financial arrangements and economic systems that yield to expected outcomes. To handle various challenges in the execution of this, districts should give priority to budgeting since it is both a goal and means to achieve the outcomes (Jariwawala, 2015). Operating under budgets and proper financial management practices is the way to go. This study based on the premise that participatory budgeting leads to effective use of resources to achieve desired objectives. This study therefore, established whether effective participatory budgeting directly translates in to desired service delivery.

2.2. Literature Survey

Kiondo (2017) in her study of effect of participatory budgeting on service delivery noted that even when citizens fail in the planning process for budgets early enough, they may lack the technical competence to make appropriate decisions, thereby reducing the supply and effectiveness of local government services. The researcher noted gaps in this in that sometimes it may not be all about citizens failing in the planning process but they may be let down by insufficient services they receive.

A study done by Basheka & Nabwire (2007) revealed that when budget planning is effective, it translates into desired educational services in institutions. This is linked in relationship to the

input-output linkage between resource of organization, and during the study of Basheka & Nabwire (2013), the input budgeting model of service quality was used and maintained for exploration of aspects related to budgeting in institutions of learning not in local government. However, Nabwire (2013) highlights the areas of improvement in order to enhance service delivery, she does not highlight the relationship between participatory budgeting and service delivery in local government which was the researcher's focus in this study. Maximum utilization of resources, reliable services, timely delivery of services and satisfaction of service users.

2.3 Review of literature

2.3.1 Participatory budget formulation and service delivery

Participatory formulation refers to the involvement of citizens in identifying local priorities, policies, programs, projects that require allocation of resources (Brillantes, and Fernandez, 2005). The first step of the budget process is to actually generate the budget. Done right, this process starts with careful thought at the ground level as to what is needed and what new initiatives can be started (Lander, 2015). At the same time, leadership and vision from the top officers offers some guidance as to what the departments can expect. Once each department makes the spending decisions, their requests are sent to the decision makers for inclusion in, or exclusion from, the final document (Lander, 2015)

Budget formulation motion includes budget requests, budget examinations, budget recommendations, and budget approvals. Participatory formulation provides the opportunity for peoples' involvement in participation in the allocation of resources to priority social policies, and for them to monitor public spending and policy performance. As such local constituents gain

ownership of the policies/programs/projects for local development; thus, they are committed to support local government unit (LGU) social policies and development initiatives (Brillantes& Fernandez, 2005).

While a number of studies (Bukennya, 2012, Empson 2007 and Degryese, 2011), primarily focused on budget formulation by most of Local Governments, limited studies have focused on the extent to which the budget is formulated in the right manner. A number of local governments particularly in sub Saharan Africa do not undertake the right stages in the budget formulation (Degryse *et al.*, (2011). This study shall put a wider outlook on the extent to which budget formulation is effectively undertaken and whether it leads to the expected outcome of better service delivery to the beneficiaries.

The most important role of budget formulation and in the entire budget is to meet the needs of the organization in rendering the expected services (Hadden, 2014). The right and well-undertaken budget formulation process should help the District allocate resources effectively, facilitate service delivery; enhance better financial utilization and performance (Allouche, 2014). This makes the budget formulation of the institutional works that ought to be done so as to offer individuals and organizations means of creating and maintaining institution's resources more effective (Lawrence & Suddaby, 2006). The study focused on budget formulation and service delivery in local government in Agago District.

Armstrong (2009) urged that budget making is an important function of any human resource manager. Through budget making, employees, in units and departments are in position to identify what they want. Core in the budget formulation process is the participation of all stakeholders and how they get satisfied by their way of involvement (Water Aid, 2015). The possibility of attaining this has remained less in many organizations though there have been no

empirical studies on this. This study therefore, is motivated by the desire to examine how budget formulation facilitates service delivery by enhancing professionalism and involvement of all the stakeholders.

Budget formulation is a basis for better service delivery in the public sector and community based organizations (Cannon, 2013). When the team carrying out budgeting activities is able to set better standards, formulate the budget well, it will be able to meet better service delivery practices. The same budgeting team subsequently can help the firm to offer to the public the desired service delivery. Nevertheless, this seems to not be the case, as majority of districts are seen to provide poor service delivery. This study examined how the formulation of budget activities will lead to effectiveness in service delivery in Agago District.

In the perspective of Castle & Friedberg (2009), while referring to the institutional nature and operation of private clinic centers, they revealed that budget formulation and allocations regulate financial expenditure. When the budget is formulated, it accounts for how the budget influences the formulation team to give attention to various costs and profit centers (if profit making organizations) and as such, the staff have to execute their duties in accordance to the budget vote reached at during the budget process. This study focused on examining how best the budget formulation can be useful in professionalizing the conduct of staff in Agago District.

Tommasi (2013) reaffirms that good preparation of the budget plays a vital role in the overall budgetary process and consequently affects the balance of the public financial system as a whole. In order for the budget to work as an effective instrument of public service delivery, it should first of all be credible and affordable (Vraniali, 2010). Thus, the formulation of the budget must be founded on a sound financial basis and a good estimate of revenue. In that sense the establishment and use of a coherent framework of macroeconomic assumptions in the budget

process is a key element to good coordination of the budget process. When designing an expenditure program the two starting points should include a realistic assessment of resources likely to be available to the government and the establishment of fiscal objectives (Schiavo-Campo, 2007). This study therefore, aimed at examining whether the formulation of the budget based on a sound financial basis and a good estimate of funds as well as fiscal objectives will lead to effectiveness in service delivery.

2.3.2. Participatory budget implementation and service delivery

The budget remains less useful and a mere blue print when not implemented. According to Hadden (2014), formulated but not implemented budget remains a less useful tool to the organization. This study therefore, aimed at examining the extent to which budget implementation undertook and how fundamental it was the efficiency in service delivery in Agago District.

Holzer & Kloby (2005), insist the implementation of public services and policies becomes more efficient with budgeting. However, sometimes it is difficult for citizens' participation to improve the level and quality of district service provision by making services more responsive to the needs of citizens. Thus, meaningful participation of citizens would bring their input in the public budget process (Berner, 2001). For instance, before taxes increase, the district, which holds public hearings or forums to gain suggestions and opinions from citizens will have fewer obstacles from the people to levy. Via the implementation of participation budgeting, democratic values and thoughts of people will be solid (Rossmann & Shanhan, 2012). This study therefore focused on examining how implementation of participatory budgeting results into efficiency in service delivery.

Tam, (2008), retreats that effective implementation of the budget involves mobilization of all the proposed funds and spending them as planned; and this in turn ensures effective service delivery. In addition, Ouda, (2015), stressed that while accrual budgeting is not considered as a prerequisite to the implementation of performance budgeting, however, accrual budgeting can assist in implementation of performance budgeting because it provides measures of cost/output in budgetary documentation. Nonetheless, the true impact of budget implementation on service delivery is not exposed, hence the need to carry out the study in Agago District.

Heller (2005), asserts, when the revenue falls short of the projected level, the budget implementation is affected to the extent that the expenditures have to be reduced either in capital or operating project. Effective budget implementation provides the means to better provision of quality service. Ooyi (2012), reveals that budgeting is a key to success factor for most businesses, considered as a painful process that takes too much time and effort, but it becomes more painful when the implementation does not yield expected outcomes. Poor tally of budget implementation with the outcome is a great loophole (Armstrong, 2009). The study therefore aims at examining how budget implementation should balance expenditure to yield expected outcomes.

Nkata, 2001), Pollit, 2004 and Ooyi, 2012), observed that proper budget implementation helps the organization to fit properly its budgeted amount in the economics factors such as lack of budget accuracy, lack of resources, lack of monitoring and other factors that prevail in the organization. The challenge of poor implementation remains a strong hindrance to effective service delivery in organizations (Mutuma, Ileri & Lyria, 2016).

Eker (2006) observed that participation by individuals would lead to greater group interaction, which would be a good thing if individuals valued their membership in the group and saw the

goals of the group being collective targets they all regard desirable. The major contribution of the current research will be to show how the performance implementation based budgeting process impacts service delivery. The study, however, aimed at ascertaining how budget implementation relates to efficiency in service delivery.

Awio and Northcott (2011) insist that decentralization and budgeting revealed that participatory budget implementation plays a significant role in building the skills and accountability of many local government administrative and technical staff and council members. Budget implementation procedures improve dramatically in all pilot locations. In the study by Awio & Northcott (2011), the correlation coefficient results revealed a positive significant relationship between participatory budget implementation and service delivery. Implying that participatory budgets, if effectively implemented have the capacity to strongly influence efficiency in service delivery.

Budgetary implementation involves the utilization or spending by the enterprise of all the budget finances it receives, acquires or released from all its financing sources (Muwonge, 2007). The utilization involves actual disbursement by the enterprise of acquired funds in accordance with the proposed budget programs (Ecuru & Kawooya, 2010). Therefore, participatory budgetary implementation plays a significant role in building the skills and accountability of many local government administrative and technical staff and council members. The study therefore shall aim at establishing the particular role played by participatory budget implementation in the utilization of resources in order to ensure satisfactory service delivery in Agago District.

Participatory budgeting helps central government to pay attention to national and international issues. The central government can concentrate on macroeconomic policies for the whole economy rather than being pre-occupied with delivering services to the local communities (Ooyi,

2012). This makes it less difficult for government to recover the costs of public services. Services would be more demand responsive hence households and their families are perceived to be willing to pay for and maintain services that match their demand. At the same time decentralized units may need less professionalization and can engage manpower from civil society thus administration costs will be lower and procedures simpler (Ooyi, 2012).

Enhancing competition for public goods and services may result in better public goods and services at lower prices (Eker, 2006). Participatory Budgeting may not be a panacea for all the service delivery illnesses in the public sector, especially if not well-designed and implemented. (Ooyi, 2012) outlined that decentralization could have the following disadvantages on service delivery:

Lack of capacity at lower levels of government in exercising responsibility for public services. For example, in Uganda and Tanzania, the lower levels of government lacked the capacity to manage public finances and maintain proper accounting procedures. As a result, lower levels of government received less money, especially before the decentralization process (Ahmad, 2005). Participatory budgeting may result in misaligned responsibilities either due to incomplete processes or for political reasons. For example, in Nigeria, under the Universal Basic Education (UBE) programme, the Federal Government released money to State Primary School Boards but could not hire, fire, replace or evaluate teachers (Ahmad, 2015).

2.3.3. Participatory budget monitoring and service delivery

Monitoring is a continuous process of collecting and analyzing information to compare how well a project; program or policy is being implemented against expected results (international federation of Red Cross and Red Crescent societies 2007). Monitoring aims at providing managers and major stakeholders with regular budget monitoring and early indications of

progress or lack thereof in the achievement of intended results. It generally involves collecting and analyzing data on implementation processes, strategies and results, and recommending corrective measures (international federation of Red Cross and Red Crescent societies 2007). This study focused on examining how budget monitoring process ensures desired quality in service delivery.

Herian, (2011) on local budgeting and public participation discovered that participatory monitoring yields greater results when shareholders have the opportunity to discuss and plan. His correlation results revealed that there was a positive significant relationship between budget monitoring and financial management. This implies that participatory monitoring had the capacity to check on financial management and thus utilizing budget monitoring results into quality service delivery.

In the related study Abata, (2014) on participatory budgeting and managerial performance asserted that, in determining the degree of relationship between two or more variables, coefficient of correlation denoted as R would be used. From the study, R is given as 0.351 which means that a weak relationship exists between participatory budgeting and managerial performance because the value trends below 0.50. This means that the extent to which participatory budgeting is adopted in the organization is low and this would account for a constant 35.1% overall managerial performance.

The participatory budget monitoring cycle consists of citizens and government monitoring of budget execution and implementation of public works and projects (Ebdon, 2006). Ebdon (2006) urges that, unforeseen budget cuts, poor revenue forecasts, and corruption can affect the percentage of the budget that is actually executed. It becomes critical; as a result, that citizens and government closely monitor budget execution to ensure that the budget is implemented

according to the law. Ebdon (2006) on participatory budget monitoring suggested that, participatory budget monitoring contributes 74% to service delivery with results adjusted R square=0.74 and this means that, the remaining percentage is contributed by other factors and it confirms that budget monitoring significantly influences service delivery in local government.

Krause (2010) affirms that participatory budget monitoring is one of many approaches to ensure that the implementation of the different projects within the action plan or smaller individual projects leads to the expected outcomes hence quality service delivery. The study of Krause (2010) revealed that participatory monitoring enables participating beneficiaries to increase their reliability and provide opportunity to receive useful budget monitoring and ideas for corrective actions. It strengthens ownership regarding successful outcomes of planned activities, widens the knowledge base necessary for assessment, increases the motivation of stakeholders to contribute ideas to corrective actions, creates trust in local government policy and actions and contributes to the learning of all participating stakeholders. This study was therefore; motivated by the desire to establish the extent to which budget monitoring ensures useful budget monitoring and ideas for necessary corrective measures leading to desired quality service delivery.

Byaruhanga (2013) observes that if participatory budgeting implementation is fully supported and properly done by administrators, the quality in service delivery would significantly be improved.

International Budget Project (2001) insists that non-governmental groups do have an interest in an effective and transparent monitoring system that promotes adherence to the budget and reduces mismanagement or corruption. Groups may advocate budget reforms to improve budgetary control. Similarly, they may engage in some monitoring activities. For instance,

NGOs can focus on whether resources for specific projects, such as a school or road, have been used for the intended purpose. They can also assess the quality of the spending to see if the policy goals associated with the budget allocation are being met, and if government funds are being utilized effectively. This study focused on establishing the extent to which Agago district can monitor budgets leading to quality in service delivery.

Monitoring & evaluation (PM&E) is a process through which stakeholders at various levels engage program or policy, share control over the content, the process and the results of the monitoring and evaluation (M&E) activity and engage in taking or identifying corrective actions (World Bank, 2010). Also World Bank (2011) asserts that Participatory Monitoring and Evaluation (PM&E) is an active engagement and judgment process through which stakeholders at different levels engage in monitoring and evaluation of an intervention or a program. The study concentrates on the active engagement that results into identification of a gap and suggest correction actions by primary stakeholders. Matsiliza (2012) asserts that the process of policy evaluation and monitoring can promote political and administrative accountability in the public sector. It can also be used to measure performance and efficiency, by monitoring whether the intended objectives are met/achieved. This study will focus on examining the extent to which active engagement of various stakeholders in monitoring projects may lead to desired service delivery. Powers and functions of lower levels of government must be clearly defined through an appropriate constitutional and legal framework. Through this process central government must be willing to give up control and recognize the importance of sub-national government in service delivery (Orr and Mcateer, 2004).

Orr and Mcateer, (2004) assert that one of the major decisive variables of efficiency and effectiveness of services provided by sub-national governments is the human resource or staff

which it has. In this way, sufficiency and competency of that staff is very important. Where shortages of qualified and experienced persons exist, the training, retraining and opportunities for higher education must be given in order to develop professional and technical expertise that would help to enhance the efficiency and effectiveness of the service delivery at the sub-national levels (Orr and Mcateer, 2004).

Lower levels of government must have legal authority to raising the required revenue to support its expenditure requirements. Thus, the fiscal relationship between the center and lower – levels of government must be clearly worked out on the basis of equality, fairness and justice (Orr and Mcateer, 2004).

Decentralization must be accompanied by accountability and transparency, so that there is no abuse of power. This will help to fight against corruption. Corruption implies a breakdown of cooperative behavior in which few collude to the detriment of all. Thus, devolving functions to smaller units that are closer to the population should in theory increase consensus and legitimacy concerning the choice of public services. This, in turn, can be expected to foster cooperation, vigilance, as well as acceptance of and adherence to rules of public sector integrity (Rule-obedience). This could be effective where the financing of the public services is decentralized through the assignment of tax instruments or the collection of user fees (Orr and Mcateer, 2004).

One of the important problems faced by the developing countries' public sector, is that policy-makers as well as ordinary people have limited access to information and services. Implementation of strategies like Citizen Charter, e-Government will be helpful to overcome these problems and ensure the easy access for public to information and services, and end result of that is the enhancement of efficiency and effectiveness of services (Orr and Mcateer, 2004).

It is important that both central and lower levels of government engage in dialogue to reduce tension and conflict. In addition, dialogue is necessary to face the new challenges and ensure coordination and to guarantee macro-economic stability of the country (Orr and Mcateer, 2004).

Lizelle De Bruin (2014) reveals that budget monitoring ensures that resources are used for their planned purposes and are properly accounted for to internal or to external bodies. This is to ensure the economic, effective and efficient use of resources and the identification of potential opportunities and/or problems and the taking of corrective action. Studies by the CIPFA (2008) also reveal that budget monitoring units should receive reliable in-year budget reports in a timely way. Monitoring should aim for 'no surprise'. It should be forward looking, focused on large or important items and track lead operational indicators as well as time lagged financial records. Budget reports should be timely and should explain clearly to decision makers the financial position and consequent options, so that corrective action can be taken in good time if necessary. Budget management during the year should enable outturn expenditure to match original budgets, in order to reflect original policy plans. This study aimed at establishing how budget monitoring ensures the economic, effective and efficient use of resources and the identification of potential opportunities that lead to quality in service delivery.

Budget monitoring is the continuous process by which we ensure the action plan is achieved, in terms of expenditure and income (Ahmed, 2015). Australian National Audit office (2008) contends that budget monitoring ensures that resources are used for their planned purposes and are properly accounted for. Also studies by Lewis (2009) reveal that monitoring involves comparing actual performance with plans to evaluate the effectiveness of plans, identify weaknesses and take corrective action if required. This study focused on the examination of the

extent to which budget monitoring ensures that resources are used for the planned purposes and are properly accounted for leading to quality service delivery.

According to WMO (2017), the budget monitoring process allows the NMS to keep track of capital expenditure and development projects. This can help identify project variations, such as cost overruns or delays in key milestones and enable early corrective action. Routine reporting of detailed information on individual projects, such as milestones, percentage of completion and phasing of total projected costs, provides decision-makers with useful information on current and future impacts of project activity. This study aimed at examining how budget monitoring can help identify project variations, such as cost overruns or delays in key milestones and enable early corrective action hence efficient service delivery.

2.5. Conclusion

The empirical studies reviewed agree that when budgets are properly formulated, implemented and monitored leads to an organization is likely to achieve goal of providing effective, efficient and quality service delivery. The most important role of budget formulation and in the entire budget is to meet the needs of the organization in rendering the expected services. The right and well-undertaken budget formulation process should help the District allocate resources effectively, facilitate service delivery; enhance better financial utilization and performance. This makes the budget formulation of the institutional works that ought to be done so as to offer individuals and organizations means of creating and maintaining institution's resources more effective.

Budget implementation helps the organization to fit properly its budgeted amount in the economics factors such as lack of budget accuracy, lack of resources, and lack of monitoring and

other factors that prevail in the organization that budgets, if effectively implemented have the capacity to strongly influence efficiency in service delivery. Budget monitoring is one of many approaches to ensure that the implementation of the different projects within the action plan or smaller individual projects leads to the expected outcomes hence quality service delivery. For this reason the research sought to investigate the impact of participatory budgeting and service delivery in Agago District. The reviewed literature therefore requires the methods for data collection which are discussed in chapter three.

CHAPTER THREE

METHODOLOGY

3.0 Introduction

This chapter describes the procedures that were followed in conducting the study. It includes the research design, study population, sample size, sampling procedures, Data collection methods, Data collection instruments, Validity and Reliability of research, Data analysis, Data processing, Limitations of the study, Ethical consideration as well as the conclusion leading to chapter four.

3.1 Research design

The study used a cross sectional design to answer research questions. According to Grönroos (2007), a cross-sectional study is a class of research methods that involve observation of all a population, or a representative subset, at one specific point in time and for this case data was collected from February to April 2019. This enabled the gathering of in depth information and intensive analysis of the events surrounding the provision of quality service delivery.

The study adopted both quantitative and qualitative approaches. The quantitative approach was adopted because it involved generating data in form of statistics which was subjected to rigorous quantitative analysis in a formal and rigid fashion (Kothari, 2004).

The qualitative approach also adopted to capture data that could be left out by the quantitative approach (Creswell, 2003).

3.2 Target Population

Target Population refers to a complete collection or the universe, all numbers or units of a group that is of interest in a particular study (Amin, 2005). From the total population of Agago District

which is 227,792, 33% is considered for this study and according to Amin (2005), at least 30% of the area population is appropriate when determining the target population. Therefore, the target population was $33\% \times 227792 = 75171$. These included District chairperson, Chief administrative officer, Sub-County council members, parish committee members, LCI Committee members, Administrative staff, Councilors, Local Citizens, members of civil societies and members from NGOs. The groups above were selected because they were directly or indirectly involved in the budget formulation, implementation, monitoring and service delivery in the district.

3.3 Sample Size

Amin (2005) defines a sample as a subset of a population. Each member or case in the sample is referred as a subject. Given that the study population is large, a sample size was selected from the population and used to represent the views of the entire population. The sample size was 398 respondents from the target population of 71171 and this was determined by the Slovin's formula for sample size determination as shown below.

$$n = \frac{N}{1+N(e)^2}$$

Where, N= target population,

N = the sample size

e = the level of precision of measurement (acceptable error margin).

The error margin was considered at a

Level e = 0.05.

Thus,

$$n = \frac{75171}{1+75171(0.05)^2}$$

75171

1+ 187.9275

n = 398

Table 3.1: Sample Size Determination

Category	Population	Sample Size	Sampling Techniques
District Chairperson (LC 5)	1	1	Census sampling
Chief administrative officer (CAO)	1	1	Census sampling
Sub- County staff	1300	80	Simple random sampling
District council members	20	5	Purposive sampling
Parish committee members	1872	90	Simple random sampling
LCI committee members	20592	100	Simple random sampling
Members from Civil Society	13	5	Purposive Sampling
Local Citizens	51372	116	Simple random sampling
Total	75171	398	

Source: Primary Data (2019)

3.4 Sampling techniques

According to Kothari (2004), sampling is the selection of some part of an aggregate or totality on the basis of which an inference about the aggregate or totality is made. In other words, it is the process of obtaining information about an entire population by examining only a part of it. In most of the research work and surveys, the usual approach happens to make generalization or to draw inferences based on samples about the parameters of the population from which the samples are taken. The researcher selected only a few items from the universe for the study. All this was done on the assumption that the sample data enabled the researcher to estimate the population parameters. In order to select 398 respondents for this study, the researcher used census, purposive and simple random sampling techniques.

3.4.1 Census

A census is a study of every unit, everyone or everything in a population. It is known as a complete enumeration, which means a complete count (Rodd, 2011). This method was used in District chairperson and District Administrative officer because it provides a true measure of the population (no sampling error).

3.4.2 Purposive sampling

Purposive sampling was used when sampling District councilors and members from civil society. Mugenda and Mugenda (1999) purposive sampling focuses on particular characteristics of a population that are of interest, which best enables the researcher to answer her questions. Those people who are unsuitable for the sampling study or who do not fit the bill are always eliminated, so only the most suitable candidates remain.

3.4.3 Simple random

Simple random sampling was used where a number of respondents based on the nature of their occupation were selected. This method is appropriate because everyone in a sample had a chance to be selected (Creswell, 2003). Simple random sampling was used to select respondents from local citizens by chance. In this process every respondent had a chance of being included in the sample and this was applied to accessible citizens.

3.5 Data collection procedures

The researcher was given an official introductory letter from the University that was delivered to the human resource department of Agago District. This enabled the researcher to officially conduct the study in the area under consideration. The researcher proceeded to the field, and the

introductory letter was presented to respondents on request. The introductory letter helped the researcher to establish a strong relationship and confidence with the respondents.

3.6 Data collection Methods

The study employed two types of data collection methods to include Survey and Interview.

3.6.1 Questionnaire

The study used questionnaire method to collect data. The use of questionnaire in this study is important mainly because the purpose of the study is to examine the effect of participatory budgeting and service delivery in Agago District. Such data can best be tapped on closed ended questionnaire which all for easy correlation and regression of the respondents' attitudinal deposition on the independent and dependent variables as suggested by (Amin.2005). Secondly the use of questionnaire allows busy respondents fill it at their convenient time. It also allows respondents express their views and opinions without fear of being victimized (Oso & Onen, 2008).

3.6.2 Interviewing

Face-to-face interviews were used to collected data from heads of department. This enabled the researcher to establish reports with these categories of respondents and therefore gain their cooperation. It also allowed the researcher to clarify ambiguous answers and obtain in-depth information through probing. Semi structured –interviews were designed to collect data for this study (Mugenda & Mugenda, 2003). Nine groups each consisting 20 members and one consisting of 18 members was interviewed during the data collection process.

3.7 Data Sources

Data sources included Primary and Secondary Sources

3.7.1 Primary Data

Primary sources of data are works created at a time of an event, or by a person who directly experienced an event. Primary data was obtained by use of questionnaire with both open ended questions and interview guide.

3.7.2 Secondary Data

This is any published work that is one step removed from the original source and this was obtained from documents such as a report on participatory budgeting as well as annual reports, information from the internet, journal and relevant books and publications.

3.8 Instruments

This refers to the device used to collect data such as a proper self-administered questionnaire and interview guide.

3.8.1 Self-Administered Questionnaire

According to Abwi (2013), a questionnaire is a data collection instrument composed of a series of questions and other prompts for the purpose of gathering information from the respondents. Questionnaires were preferred because it is an appropriate instrument for any survey research and is popular with researchers because information was obtained fairly, easily and the questionnaire responses were easily coded.

Self-Administered Questionnaires were prepared and used to collect primary data that was administered to answer research questions which reflect the study objectives. These were

delivered physically to the respondents. Linker scale questions were ranked according to the level of agreement strongly agree (1) not sure (5) were used to prove a high response rate (Mbabazi, 2008).

3.8.2 Interview guide

The researcher carried face-to- face interviews with the respondents and this helped in obtaining data that could not be collected by the use of questionnaires. More so, interviews were used to help the researcher fully understand the respondents' expressions and experience as well as learning more about the answers provided in the questionnaires. According to Mugenda & Mugenda (1999), interviews are advantageous in that they provide in-depth data, which cannot be got using questionnaire. Interview guide was prepared in accordance with the objectives of the study to facilitate the interview sessions. The researcher used structured interviews to ensure reliability and consistency of the information realized released by different respondents.

3.9 Data processing

Data collected were put in order to ensure its completeness. Raw data were checked, cleaned, sorted and coded. The data coded were entered in to the computer, arranged in columns and rows, tabulated to facilitate statistical computations and statistical analysis using the Statistical Package for Social Sciences (SPSS) software package to generate descriptive and inferential Statistics. Editing was done to ensure data accuracy, consistency which facilitated coding and tabulation.

3.10 Data analysis

Quantitative data collected using the questionnaires were statistically analyzed using the SPSS version 20. This helped to generate descriptive statistics like frequencies, percentages, means

and standard deviations. Pearson's correlation co-efficient index was used to establish the relationship between participatory budget formulations, budget implementation, and budget monitoring and service delivery in this study since the variables were numerical in nature. A positive correlation if obtained showed a positive association between variables, a negative correlation indicated a negative association between variables, (Mbabazi, 2008). The relationship between participatory budget formulation, budget implantation, budget monitoring and service delivery was evaluated using Pearson's correlation co-efficient for each variable. To establish which of the three objectives had a greater significance on service delivery, a regression analysis was made.

Qualitative data collected using interview guide were analyzed by categorizing and organizing data basing on pattern, repetitive and commonalities into different themes using critical judgment approach and quotations. In addition qualitative data were obtained to complement and elucidate more meaning to the figures given. Actual data analysis was critical judgment of the verbal information provided which depended on how it relates to the study aspects.

3.11. Validity and reliability of the instrument

3.11.1. Validity

According to Gronross (2007), validity refers to the extent which the instruments actually measures what it claims to measure. Validity of instruments was ascertained by discussing the questionnaire draft with the supervisor. She did a pretest of instrument in a time lapse of 4 weeks to establish consistence in responses. The supervisor and other experts in the field were consulted about the content validity of instruments, ambiguity of question items and their relevancy. Amin (2005) states that validity is the appropriateness of the instrument. Odiya

(2009) in support to Amin holds that validity of an instrument is the ability of the instrument to collect justifiable and truthful data; that is, measuring what it is developed to measure. The instruments were given to ratters who rated the relevancy of each item and a content validity index (CVI) was computed using the following formula:

$$CVI = \frac{R}{R+N+IR}$$

Where

CVI = content validity index; R= Total number of items rated as relevantly N = Total number of items rated as Neutral; and IR= Total number of questions rated as irrelevant

So using the formula above, the researcher calculated the content validity index for the questionnaire as follows; the results of the CVI are shown in table 3.2.

Table 3.2: Content validity Index of the study variables

Variable	Description	No. of Items judged relevant	No. of Neutral items	No. of irrelevant items	CVI
Independent	Participatory budget formulation	7	-	3	0.70
	Participatory budget implantation	6	1	3	0.60
	Participatory budget monitoring	7	2	1	0.70
Average					0.66

Source: Primary data (2019)

The computed CVIs were above the 0.5 or 50% threshold postulated by Odiya (2009) and an average of 0.66 is also above 0.5 and this implies that the tools that were used in data collection were valid.

3.11.2 Reliability

Reliability is the measure of the degree to which a research instrument yields consistent results after repeat. Cronbach's Alpha coefficient was used to measure reliability of the instruments. According to Amin (2005), an alpha of 0.6 or higher is sufficient to show reliability, the closer it is to 1 the higher the internal consistency in reliability. The questionnaires were presented and reliability was computed using Cronbach's alpha coefficient and scores were evaluated.

Cronbach's alpha coefficient was used to test for the reliability of the questionnaire using formula;

$$\alpha = \frac{k}{k-1} \left(1 - \frac{\sum \sigma_k^2}{\sigma^2} \right)$$

Where

- $\sum \sigma_k^2$ = the sum of the variances of the k parts (usually items) of the test.
- σ = standard deviation of the test (items in the instrument).
- α = Cronbach's alpha coefficient

Table 3.3: Reliability Analysis

Variable	Description	No. of Items	Cronbach's alpha coefficient
Independent	Participatory budget formulation	5	0.91
	Participatory budget implantation	7	0.8
	Participatory budget monitoring	6	0.9

Sources: from primary data reliability test (2019)

Table 3.3 shows the alpha values of 0.91 for Budget Formulation, 0. 80 for Budget implementation and 0.90 for Budget monitoring which were higher than 0.60 recommended for social research by

Odiya (2009), thus suggesting that all the items used to measure each variable were consistent in measuring the reliability. Table 3.3 reveals that, all the variables have Alpha Values which are above 0.6 marks, and therefore all the variables in the instrument are deemed reliable.

3.12 Measurement of Variables

The relationship between participatory budgeting and service delivery was measured on a five linkert type scale a five point – linkert scale of 1= strongly disagree, 2= Disagree, 3= not sure, 4= agree, 5=strongly agree. The choice of these measurements is that each point on the scale carries a numerical score which is used to tap respondents’ attitude and it is the most frequent used summated scale in the study of social attitude. According to Mugenda (1999) and (Amin, 2005), the Linkert scale is able to measure perception, attitudes, values and behaviors of individuals towards a given phenomenon.

3.13 Research Ethical Considerations

The researcher got an introductory letter from the university which was presented to human resource director and to the employers, employees and citizens of Agago District on request to seek permission and consent to carry out the research. The researcher considered the research values of voluntary participation, anonymity by use of pseudonyms and protection of respondents from any possible harm that could arise from participating in the study. Thus the researcher introduced the purpose of the study as a fulfillment of a Masters’ study program and not for any other hidden agenda by the researcher. The researcher requested respondents to participate in the study on voluntary basis and refusal or abstaining from participating was permitted. The researcher also assured the respondents’ confidentiality of the information given

and protection from any possible harm that could arise from the study since the findings were used for the intended purpose only.

3.14 Study Limitations

The study area was perceived as sensitive by many respondents because it involves matters of secret information that may not be revealed. This was overcome by assuring the respondents of their anonymity and proving to them that the study is strictly for academic purposes.

Some respondents were not willing to give complete information as they looked at research as a threat to the institutional status and wastage of their time. The researcher endeavored to make her questions and interviews as objective as possible and also to avoid misleading questions.

The boundaries within which the researcher expected to conduct the study were wide in such a way that, narrowing down the study to suit the researcher's ability was not easy. The researcher however, used an appropriate sampling technique convenient for the research by choosing one Sub county in Agago District and later generalized the findings.

It was not easy to get clearance and authority letters from the concerned offices due to bureaucracy and technicalities. Therefore, required credentials like the University identity card were always carried along to avoid such a limitation.

CHAPTER FOUR

DATA PRESENTATION, INTERPRETATION AND ANALYSIS

4.0. Introduction

The chapter presents and discusses respondent's perception about participatory budgeting and service delivery in Agago District. However, it starts with the background information of respondents which include gender, age, Level of Education and period of stay. The researcher distributed 200 questionnaires but only 150 were filled and returned making the response rate of 75% as presented in table 4.1 and this was fair according to Sekaran, (2003) who states that, a response rate of 60% and above is considered appropriate.

4.1. Background information

The chapter presents and discusses respondent's perception about participatory budgeting and service delivery in Agago District. However, it starts with the background information of respondents which include gender, age, and level of education and period of stay.

Table 4.1: Response rate

Rate of response and return	Number (f)	Percentage (%)
Questionnaires completed and returned	150	75%
Questionnaires not returned	50	25%
Total Questionnaires issued	200	100%

Source: Field data, May 2019

The researcher distributed 200 questionnaires but only 150 were filled and returned making the response rate of 75% as presented in table 4.0 and this was fair according to Sekaran, (2003) who states that, a response rate of 60% and above is considered appropriate.

4.1.1 Gender

The study asked respondents to state their gender and the results are indicated in the table 4.2 below:

Table 4.2: Gender

	Frequency	Percent
Male	94	62.7
Female	56	37.3
Total	150	100.0

Source: primary data (2019)

From the table above, majority of the respondents 94(62.7%) were male and 56(37.3%) were female. Majority of the respondents were males and this implies that males were more willing to participate in research.

4.1.2 Age of the respondents

The study asked respondents to state their age and the results are indicated in the table 4.3 below;

Table 4.3: Age group

	Frequency	Percent
Below 18-30	20	13.3
31- 40 Years	80	53.3
41-50 years	40	26.7
Above 50	10	6.7
Total	150	100

Source: primary data (2019)

From the table above, 20(13.3%) were between the age brackets of 18-30 years, 80(53.3%) were between 31- 40years, 40(26.7%) were of 41-50 years and 5(6.7%) above 50 years. All the respondents were above 18 years and this implies that, they had gathered enough information about the history of Agago District.

4.1.3 Level of Education

The study asked respondents were asked to state their Level Education and the results are indicated in the table 4.4 below.

Table 4.4: Education Level

	Frequency	Percent
Certificate and below	21	14
Diploma	39	26
Degree	67	44.7
Post graduate	23	15.3
Total	150	100.0

Source: primary data (2019)

According to the table above, 21(14%) respondent were Certificate and below, 39(26%) were Diploma holders, and 67(44.7%) were degree holders while 23(15.3%) had a postgraduate qualification. All the respondents had at least attained education levels and this implies that respondents had the requisite literacy to understand and interpret questions that were sent to them and thus they gave reliable data.

4.1.4 Duration of stay at Agago District

The study asked respondents the period of stay at Agago District and the results are indicated in the table 4.5 below

Table 4.5: Period of stay at Agago District

	Frequency	Percent
1-3 years	25	16.6
4-6 years	40	26.7
7-10 years	45	30
10 and above	40	26.7
Total	150	100

Source: primary data (2019)

According to the table above, 25(16.6%) had stayed in Agago District for 1-3 year, 40(26.7%) 4-6 years and 45(30%) for 7-10 and 40(26.7%) for above 10 years and above and this implies that Agago District employs experienced people and at the same time these respondents had gathered enough information about the topic under study and therefore they gave valid data.

4.2. Relationship between Participatory budget formulation and service delivery

The first objective for the study was to examine the relationship between participatory budget formulation and service delivery. The item means showed the average response from the respondents for each item in relation to participatory budget formulation. The items were rated on the 5 point linkert scale ranging between strongly disagree, disagree, not sure, agree and strongly agree. The findings are as shown in table 4.6 below:

Table 4.6. Descriptive Statistics on Budget Formulation and service delivery

	N	Min	Max	Mean	Std. Div.
Participatory budget formulation ensures that citizen's needs and interests are considered at all levels	150	1.4	4	3.2779	0.87396
Citizen's views are accommodated during the budget formulation process	150	-	4	3.0245	1.03746
Participatory budget formulation encourages citizens to inform the district administrators about their problems during budgeting.	150	-	4	3.1656	1.00008
Priorities are not driven by external individuals but by citizens.	150	1.25	4	3.2163	0.67026
Budget formulation ensures that budgeting is done in line with citizen's needs.	150	1.5	4	3.1779	0.77396
Citizens fully participate in initial budget meetings of all the district projects.	150	-	4.5	3.1702	0.80058
Citizens are involved in identifying local priorities and programs that benefit them.	150	0.8	4	3.162	0.74074
Average				3.171	

(Primary data, 2019)

From the table 4.5, the mean numbers that are more than 3 represents agreements and less than 3 represents disagreement. The results from the table 4.5, show that majority of the respondents agreed with the statement that, participatory budget formulation ensures that citizen's needs and interests are considered at all levels, this is revealed by the mean value of 3.2779. The results therefore confirm that participatory budget formulation enables the needs and interests of the citizens to be considered at all levels in the budget. This is supported by one interviewee who said that, *"Participatory budget formulation is mainly decentralized and carried out from bottom – top. He further explained that overall district budget is drawn from parish coordinating*

committees and that participatory budget formulation is done once annually". Similarly most of the respondents agreed that citizen's views are accommodated during the budget formulation process. A mean value of 3.0245 and Sd of 1.03746 highlights this level of agreement.

There was agreement by majority of the respondents on the view that, Participatory budget formulation encourages citizens to inform the district administrators about their problems. A mean value of 3.1656 and Sd of 1.00008 points out this level of agreement. The study from the interviewee established that, *"District administrators do not avail themselves to the Citizens as expected especially village leaders but depend on the information provided by parish coordinating committees, Church leaders, NGO representatives and Councilors which may not cover all the problems faced by Citizens"*. A similar degree of agreement was expressed on the view that priorities are not driven by external individuals but by citizens (mean of 3.2163 and Sd of .67026. Similarly (mean= 3.17 and Sd 0.8 agreed that citizens fully participate in initial budget meetings of all the district projects. An interviewee indicated that, *"Budget priorities stem from parishes and are presented to the parish planning committees through Parish Councilors and then at the sub-county level, different proposals are scrutinized and forwarded to the District Budget for consolidation. The district budget officials also in agreement with stakeholders identifies the most pressing issues in accordance with the resource envelop that is allowed by the ministry of finance"*. Asked if participatory budget formulation ensures that budgeting is done in line with citizen's needs. The majority of the respondents supported the idea (mean = 3.1779 and Sd of 0.77396). Budgeting is relatively done in line with beneficiary needs. However, from the interview findings the distribution of resources lack balance due to factors such as political influence. Another interviewee revealed that, *"Villages without strong political leaders most of the time are left behind because politicians tend to impose their influence on*

district administrators as they advance their interests. Lapono village was given as an example. Because it does not have any strong political personnel, reason to why it has remained behind in everything as far as district programs are concerned”.

The results in the above table also reveal that many respondents supported the statement that citizens fully participate in initial budget meetings of all the district projects Mean = 3.1702 and Sd =0.80058. An interviewee said that, *“In every meeting of major projects in the district stakeholders are always invited and that they give positive response. She further said that stakeholders are normally invited via radio announcements”*. Similarly many respondents agreed the idea that citizens are involved in identifying local priorities and programs that benefit them (mean =3.1620 and Sd = 0.74074. This implies that the budget in Agago District is formulated basing on the financial priorities and policies as stipulated in the budget template.

Correlation Analysis

To study the relationship between participatory budget formulation and service delivery at Agago District, a Pearson correlation test was used and the results are presented in table 4.6 below:

Table 4.6. Budget formulation and service delivery

		Budget formulation	Service delivery
Budget formulation	Pearson Correlation	1	.227*
	Sig. (2-tailed)		.026
	N	150	150
Service delivery	Pearson Correlation	.227*	1
	Sig. (2-tailed)	.026	
	N	150	150

*. Correlation is significant at the 0.05 level (2-tailed).

Primary Data (2019)

The results in table 4.6 indicate that the correlation coefficient is 0.227(*) and its significance level 0.26. This implied that there is a weak positive relationship between budget formulation and service delivery. Therefore, according to the results there is a positive significant relationship between budget formulation and service delivery

4.3 The relationship budget implementation and service delivery

This section focuses on the respondents’ level of agreement and disagreement in regard to budget implementation and service delivery at Agago District. The findings are shown in the table 4.7 bellow:

Table 4.7. Descriptive Statistics on Budget Implementation

	N	Min	Max	Mean	Std. Div.
The district administration of Agago ensures that stakeholders are made aware of budget implantation schedules	150	3.93	6.67	5.6006	0.63922
Both shareholders and district officials are involved in budget implementation.	150	3.2	7	5.427	0.71076
Participatory budget implementation requires district officials to participate in the follow-up and collection of monies.	150	1.13	4	3.1708	0.69899
In budget implementation, established documented procedures for periodic billing are well understood by stakeholders.	150	1	4	3.189	0.62471
Budget implementation process engages stakeholders to participate in the exposure of funds utilization at the district.	150	0	3.67	1.0726	0.81703
Budget implementation operating plan specifies functions, activities and objectives that are prepared and presented to the stakeholders.	150	0	4	3.0399	0.81237
Budget implementation requires that accountability files be prepared in the presence of the stakeholders.	150	0	4	3.2577	0.68118
Average				3.537	

Source: Primary Data (2019)

From table 4.7, in regard to the district administration of Agago ensuring that stakeholders are made aware of budget implantation schedules, there was agreement with the statement. This is revealed by a mean value of 5.6006 and Sd of 0.63922. An interviewee stated that, “*Work plan for district activities is made available for public in Agago District. It was further revealed that*

interested stakeholders provide local contribution in terms of local security to the projects being implemented and this was commonly observed in the construction of bridges. A similar trend of thought was exhibited in rating the statement: Both shareholders and district officials are involved in budget implementation. Majority of the respondents (mean 5.4270 and Sd 0.71076) expressed agreement.

When asked whether participatory budget implementation requires district officials to participate in the follow-up and collection of monies, a good number of the respondents agreed (Mean 3.1708 and Sd of 0.69899) Additional support to the majority of the respondent was by one interviewee He noted that, *“Local revenue is mainly from business licenses, commodity tax, Local service tax, ground fees, and house rent and is collected to supplement the limited funds provided by the Central Government to implement the prioritized activities of the budget”*.

Majority of the respondents concurred with question, in budget implementation, established documented procedures for periodic billing are well understood by stakeholders (mean = 3.1890). The researcher learnt from a respondent during the interview who indicated that *“Documented procedures for periodic billing are only understood by technical people such as finance officers”*. On the other hand Majority of the respondents were in disagreement with the view that budget implementation process engages stakeholders to participate in the exposure of funds utilization at the district. This is revealed by a mean value 1.0726 of and Sd of 0.81703. This implied that stakeholders are not given accountability of the funds used in the implementation of selected projects. To support this statement one interviewee said that, *“District Councilors represent citizens in receiving accountability from district officials and are therefore mandated to make necessary interpretations to the citizens”*.

Majority of the respondents agreed with the question budget implementation operating plan specifies functions, activities and objectives that are prepared and presented and this is evidenced by a mean value of 3.0399 and standard deviation of 0.81237). One of the respondents during the interviews upheld the majority when he said *“Operating plans that specifies functions, activities and objectives are implemented in accordance with a particular guideline that relate to a particular project at hand”*. On rating the statement that budget implementation requires that accountability files be prepared in the presence of the stakeholders, majority were in agreement (mean = 3.2577 and Sd =0.68118). This finding was disputed by an interviewee who said that, *“Accountability files are not prepared in the presence of the stakeholders but presented to them after the preparation is complete. It was also revealed that at times accountability files are not even presented at all or are presented with errors.*

Correlation Analysis

To study the relationship between budget implementation and service delivery at Agago District, a Pearson correlation test was used and the results are presented in table 4.8 below:

4.4 Budget implementation and service delivery

Table 4.8. Budget implementation and service delivery

		Budget implementation	Service delivery
Budget implementation	Pearson Correlation	1	0.280**
	Sig. (2-tailed)		.000
	N	150	150
Service delivery	Pearson Correlation	0.280**	1
	Sig. (2-tailed)	.000	
	N	150	150

** . Correlation is significant at the 0.01 level (2-tailed).

Primary Data (2019)

The results from the table show that there was a weak positive correlation of 0.280(**). This weak positive correlation, however, may mean that an increase in budget implementation leads to a small portion to service delivery move. As seen from the correlation coefficients, these relationships are statistically significant.

4.5 Budget monitoring and service delivery

Participatory budget monitoring involves comparing actual performance with plans to evaluate the effectiveness of plans, identify weaknesses early on and take corrective action if required.

Therefore, this section presents the respondents analysis on budget monitoring and service delivery at Agago District.

Table 4.9. Descriptive Statistics on Budget Monitoring

	N	Min	Max	Mean	Std. Div.
Budget monitoring engages citizens in drafting internal performance monitoring report.	150	1	3.5	3.1702	0.80058
Budget monitoring involves citizens in monitoring of financials projects.	150	0.9	3	3.162	0.74074
Budget monitoring involves citizens in the evaluation of all district projects.	150	0.11	3	3.0399	0.81237
Budget monitoring enables periodic performance monitoring reports to be accessed	150	0.11	3	3.2577	0.68118
Budget monitoring empowers citizens to make staff accountable for results.	150	0.11	3	3.316	0.91224
Budget monitoring requires stakeholders to participate in timely auditing of projects.	150	0.11	3	3.1278	0.77945
Budget monitoring empowers citizens to express views to leaders of the district.	150	0	3.67	1.0726	0.81703
Budget monitoring ensures periodic monitoring of district finances by citizens.	150	0.02	3.77	3.2422	0.7886
Budget monitoring enables flow of information through regular meetings of citizens about the performance of district projects.	150	4	3.6	2.2313	0.9221
Average				2.8470	

Source: primary data (2019)

The Table above shows the range, mean and standard deviation of all the scales used in this study. As shown in the table, the range indicates the lowest and highest score for each variable.

The mean represents the most common average or measure of central tendency calculated by

dividing the sum of the scores in a set by the number of scores. Table 4.9 indicates that majority of the respondents agreed that, budget monitoring engages citizens in drafting internal performance monitoring report as revealed by a mean of 3.1702 and Sd of 0.80058. One interviewee revealed that, *“Citizens participate in drafting the Agago District monitoring and evaluation template that stipulates the monitoring of different projects under different disciplines”*. Results from the study revealed that, participatory budget monitoring involves citizens in monitoring of financial projects. This implies that citizens monitor financial projects as guided by Agago District monitoring and evaluation template. Similarly, results from the above table also reveal that budget monitoring involves citizens in the evaluation of all district projects (mean =3.0399 and Sd = 0.81237). This implies that citizens do take as their concern to evaluation all district projects particularly projects that benefit them directly. About budget monitoring empowering citizens to make staff accountable for results, majority of the respondents supported the statement and this is revealed by the mean of 3.3160 and Sd of 0.91224. This implies that budget monitoring promotes accountability among the district officials. One interviewee said that, *“Participatory budget monitoring promotes transparency because activities are performed under the watch of the stakeholders”*.

When asked whether budget monitoring empowers citizens to express views to leaders of the district, there was less agreement. (Mean =1.0726 however, the Sd of 0.81703 suggested a wide variation in the responses from the respondents.

The findings of study indicate a divided opinion on the aspect of Budget monitoring enables flow of information through regular meetings of citizens about the performance of district projects. This is reflected by a mean value of 2.2313 and Sd of .92210. In an interview a respondent noted

that, “Meetings regarding budget performance issues are communicated to the citizens through radio announcements”.

The study also established that, participatory budget monitoring is a tool to the effectiveness of service delivery at Agago District.

Correlation Analysis

In order to examine the nature of relationship between budget monitoring s and service delivery, correlation test was performed and the results are shown in table 4.9.

Table4.10 Correlation Analysis Matrix

		Budget monitoring	Service delivery
Budget monitoring	Pearson Correlation	1	0.754**
	Sig. (2-tailed)		0.000
	N	150	150
Service delivery	Pearson Correlation	0.754**	1
	Sig. (2-tailed)	0.000	
	N	150	150

** . Correlation is significant at the 0.01 level (2-tailed).

Primary Data (2019)

In order to determine the relationship between participatory budget monitoring and service delivery, correlation analysis was conducted. Pearson correlation coefficient (r) was used to determine the strength of the relationship between participatory budget monitoring and service delivery. The results indicate $P= 0.754$. This means that there is a strong positive relationship between budget formulation and service delivery. This means that changes in one variable are

strongly correlated with changes in the second variable. From the table, the level of significance is 0.000.

It can be concluded that there is a statistically significant correlations between budget monitoring and service delivery. This means that increases or decreases in one variable significantly relate to increases or decreases in the second variable.

Regression Analysis

Regression analysis includes any techniques for modeling and analyzing several variables, when the focus is on relationship between a dependent variable and one or more independent variables, more specifically regression analysis helps understand how the typical value of the dependent variable changes when any one of the independent variable is varied, while the other independent variables are held fixed. Regression analysis is widely used for prediction and forecasting where its use has substantial overlap with the field of machine learning, regression analysis is also used to understand which among the independent variable are related to dependent variable, and to explore the forms of these relationships. In restricted circumstances regression analysis can be used to infer causal relationship between the independent and dependent variable. A regression analysis was carried out to examine the extent to which the study variables budget formulation, budget implementation and budget monitoring predict service delivery. The results are presented in the table 4.11

Table 4.11. Prediction model for the study variable

Model		Unstandardized		Standardized	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.941	.098		40.045	.00
	Budget Formulation	.469	.030	.660	15.827	.012
	Budget Implementation	.409	.030	.575	13.800	.020
	Budget Monitoring	.239	.038	.262	6.294	.018
	Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	
		.280a	.78	.74	.53705	

a. Dependent Variable: Service delivery

a. Predictors: (Constant), Participatory Budgeting

Results in table 4.12 show that Adjusted R Square = 0.74 or 74%) variance in service delivery is attributed to participatory budget formulation, participatory budget implementation and participatory budget monitoring. The results above indicate that, participatory budget formulation is the highest predictor (Beta = 0.660 or 66%), followed by implementation (Beta = 0.575 or 57,5%), and trailed by monitoring , (Beta = 0.262 or 26,2%) with statistical significance of 0.018.

CHAPTER FIVE

SUMMARY, DISCUSSION CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This chapter presents the discussion, major findings obtained per objective regarding to participatory budgeting and service delivery concepts at the district. One hundred fifty respondents participated and these were categorized as detailed in the sample size in accordance to their gender, age, qualification level of experience and the involvement in the participatory budgeting activities.

5.1 Summary of the Findings

The study found out that the concept participatory budgeting was so crucial in Agago District like any other district in Uganda. The study however, put emphasis on participatory budget formulation, participatory budget implementation, and participatory budget monitoring and service delivery. The study focused on participatory budget formulation which was carried out using Bottom-up approach. With Bottom-up approach, Line ministries are responsible for preparing their requests within the spending limits provided. Depending on the severity of the fiscal constraints and the organization of the budget preparation process, additional requests from line ministries could be allowed for new programs. However, the principal request should be consistent with the notified ceilings or guidelines, and costs of programs included in the additional requests should be clear and fully adequate for proper implementation, without any underestimation. The study found out that, participatory budget is a process mainly done from bottom-top levels involving all the stakeholders.

5.1.1 Participatory budget formulation and service delivery.

The study established that participatory budget formulation ensures that citizens' needs and interests are considered at all levels of the budget citizens' views are accommodated during budgeting process, citizens' priorities are not being driven by external consultants and project managers but by beneficiaries, that budgeting is done in line with citizens' needs, that there is full participation of citizens in meetings of all district projects, that there is involvement of citizens in identifying the best areas of financial priorities and that citizens participate in selecting projects that require allocation of more resources.

5.1.2 Participatory budget implementation and service delivery.

The study revealed that, participatory budget implementation was found to be an implementation of the master budget down to the parish level budgets. The findings show that participatory budget implementation involves all the stakeholders, that stakeholders play their role and are involved at the point of budget implementation, that potential budget implementation makes it a means of the firm to attain prompt and timely services that, participatory budget implementation improves the level and quality of service delivery that properly implemented budgets results into proper utilization of resources, that participatory budget implementation involves stakeholders in the participation of specific areas of responsibility, that district officials are mandated to participate in the follow-up and collection of all monies and that effective implementation of budget involves mobilization of all the proposed funds and spending them as planned. This there ensures quality service delivery.

The study also revealed that, there is a significant relationship between participatory budget implementation and service delivery. This implies that, there is a relationship between participatory budget implementation and service delivery since the positive changes in participatory budget implementation leads to positive changes on service delivery.

5.1.1 Participatory budget monitoring and service delivery.

The study found that participatory budget monitoring engages citizens in drafting internal performance monitoring report, involves citizens in monitoring of financial projects, involves citizens in the evaluation of all district projects, empowers citizens to make staff accountable for results, promotes transparency because activities are performed under the watch of the stakeholders, requires stakeholders to participate in timely auditing of projects, empowers citizens to express their views, ensures periodic monitoring of district finances by citizens and enables flow of information through regular meetings of citizens about the performance of district projects. The study once again established that there is a significant relationship between participatory budget monitoring and service delivery. This implied that the positive changes in participatory budget monitoring leads to positive changes on service delivery.

5.2. Discussion

5.2.1 Participatory budget formulation and service delivery.

Participatory budgeting is a participatory activity throughout budgeting processes. Each district should focus on the procedure in which participatory budgets are formulated. Participator budget formulation process should aim at ensuring that the budget fits macroeconomic objectives and that expenditures are under control, allocating resources and programs in conformity with the government's policy objectives and assuring conditions for operational efficient and effective service delivery.

The study established that participatory budget formulation enables citizen's needs and interests to be considered at all levels in the budgeting process. This implies that citizen's participation in the allocation of resources. This is in line with (Hadden, 2014) who said that the most important role of budget formulation and the entire budget is to meet the needs of the organization in rendering the expected services and Brillantes & Fernandez (2005) who noted that participatory formulation provides the opportunity for people involvement in participation in the allocation of resources to priority social policies. According to the researcher, considering citizen's needs helps in improving the performance of district projects hence efficient and effective service delivery.

In addition the researcher established that the aspect of participatory budget formulation was being done as a process and decentralized. The budget formulation law was from parishes (bottom) to top level, from which the district master budget was formulated that would later be approved by Ministry of Finance. Findings show that budget priorities stem from parishes and are presented to the parish planning committees through parish councilors and then to the sub-county level, different proposals are scrutinized and forwarded to the district budget for consolidation. The district budget officials also in agreement with stakeholders identifies the most pressing issues in accordance with the resource envelop that is allowed by the ministry of finance. According to the researcher participatory budget formulation addresses citizen's priorities. This implies that participatory formulation enables limited resources to be allocated in accordance with the citizens' needs and priorities.

Furthermore, the researcher established that participatory budget formulation significantly affected service delivery by facilitating the district to meet its prioritized needs and objectives. Most of the respondents believed that participatory budget formulation help the district to meet

citizens' needs. This finding is supported by Hadden (2014) who revealed that, the main role of budget formulation and the entire budgeting process is to meet the needs of the organization by rendering expected services.

The study also found out that, participatory budget formulation accommodates citizens' views. The study findings revealed that, participatory budget formulation facilitates citizens not only to receive but also having considered their views to perform their duties well. Owing to the quality of participatory budget formulation, service providers are able to effectively meet the needs of the citizens and also citizens facilitate service providers to accomplish their tasks. This facilitates efficient and effective service delivery. This finding is supported by Castel and Friedberg (2009) who noted that proper budget formulation and subsequent allocation of resources regulate the conduct of service providers and their professionalism.

According to the findings, participatory budget formulation enables the district to offer timely services. These findings are in line (Lander, 2015) who asserts that budget formulation is related to service delivery in regard to its potentiality of ensuring timely allocation of resources hence timely services to the citizens. These findings concur with (Hadden, 2014) who asserted that that a well undertaken budget formulation should help the district allocate resources effectively, facilitate service delivery; hence better financial utilization and performance. More so, the study established that services offered are determined basing on the formulated budgets. These findings concur with (Allouche, 2014) who noted that, right and well undertaken budget formulation process should help the district allocate resources effectively, facilitate service delivery, enhance better financial utilization and performance.

5.2.2 The relationship between participatory budget implementation and service delivery

The aspect of participatory budget implementation is crucial in the management of budgets and it is at the output point of budgeting when resources are allocated and utilized as planned. The district's effectiveness in budgeting is measured by how best its budget is implemented. Results found out that, there is a significant relationship between participatory budget implementation and service delivery. This implies that the positive changes in participatory budget implementation leads to positive changes in service delivery. Participatory budget implementation was found to be an implementation of the master budget down to the parish level.

The findings show that participatory budget implementation involves all the stakeholders. The study found out that, stakeholders play their role and are involved at the point of budget implementation. This makes the budget inclusive activity at the district. The study found out that in Agago district, stakeholders provide local contribution in terms of local security to the projects being implemented particularly in the construction of bridges. This finding is in line with Eker (2006) who observed that, participation by individuals lead to greater group interaction, which would be a good thing if individuals value their membership in the group and see the goals of the group as being collective targets they all regard desirable.

Participatory budget implementation was found to be very fundamental in ensuring service delivery and also sets the basis for service providers to deliver as planned and in line with their duty obligation. Majority of the respondents concurred with these views. This finding could be linked to the earlier findings of Castel and Friedberg (2009) who noted that the potential budget implantation makes it a means of the firm to attain prompt and timely services.

The researcher established that, participatory budget implementation improves the level and quality of service delivery since both stakeholders and district officials are more responsive to the needs of citizens. More so, because properly implemented budgets results into proper utilization of resources, the district is enabled to achieve its goals and objectives through participatory budget implementation. This finding is in line with the study of Tam (2008) who asserted that, effective implementation of budget involves mobilization of all the proposed funds and spending them as planned.

Results from the study show that, participatory budget implementation involves stakeholders in the participation of specific areas of responsibility; this is in line with (Rossmann & Shanhan 2012) who said that via the implementation of participation budgeting, democratic values and thoughts of people will be solid. The study also found out that specific areas of responsibility require technical knowhow that cannot be possessed by all the stakeholders.

The study also found out that, district officials are mandated to participate in the follow-up and collection of all monies. The study found out that the main sources of financing Agago district include Central government, business licenses, commodity tax, Local service tax, land fees, house rent and ground rent fees and that all the money received is spent on the approved projects. This findings is in line with the study of (Muwonge, 2007) who said that budgetary implementation involves the utilization or spending by the enterprise of all the budget finances it receives, acquires or released to it from all its financing sources and Tam (2008), who asserted that effective implementation of budget involves mobilization of all the proposed funds and spending them as planned. This therefore, ensures quality service delivery.

The study established that, participatory budget implementation ensures that stakeholders are made aware of budget implementation schedule. This finding is in line with Eker (2006) who

observed that participation by individuals leads to greater group interaction, which would be a good thing if individuals value their membership in the group and see the goals of the group as being collective targets they all regard desirable. Citizens are able to see what is happening as actions and events occur in the policy process.

5.2.3 The relationship between participatory budget monitoring and service delivery

Monitoring is a continuous process of collecting and analyzing information to compare how well a project; program or policy is being implemented against expected results. Results show that there is a significant relationship between participatory budget monitoring and service delivery. This implies that the positive changes in participatory budget monitoring leads to positive changes in service delivery.

Results from the study revealed that, participatory engages citizens in drafting internal performance monitoring. The study established that citizens participated in drafting Agago district monitoring and evaluation template that stipulates the monitoring of different projects under different disciplines. This finding is in line with the findings of (International federation of Red Cross and Red Crescent Societies 2007) which states that monitoring is a continuous process of collecting and analyzing information to compare how well a project, program or policy is being implemented against expected results.

The study established that participatory budget monitoring involves citizens in monitoring of financial projects. The majority of the respondents supported the idea. This implies that citizens monitor financial projects as guided by Agago district monitoring and evaluation template. This is in line with Krause (2010) who asserts that participatory monitoring is one of many approaches to ensure that the implementation of the different projects within the action plan or smaller individual projects leads to the expected outcomes leading to quality service delivery.

The study also established that participatory budget monitoring involves citizens in the evaluation of all district projects. This finding is relatively related with the study of international budget project (2010) which stated that non-governmental groups do have an interest in an effective and transparent monitoring system that promotes adherence to the budget and reduces mismanagement or corruption.

The study established that participatory budget monitoring empowers citizens to make staff accountable for results. This implies that participatory budget monitoring promotes accountability among the district officials. The study also established that participatory budget monitoring promotes transparency because activities are performed under the watch of the stakeholders. These findings are in line with Matsiliza (2012) who asserted that the process of policy evaluation and monitoring can promote political and administrative accountability in the public sector. It can also be used to measure performance and efficiency, by monitoring whether the intended objectives are met or achieved.

The study findings show that participatory budget monitoring requires stakeholders to participate in timely auditing of projects. The study found out that, stakeholders especially the central government participates in timely auditing of district projects so that irregularities in the implemented projects can be timely identified and corrected. This finding is relatively in line with studies by the CIPFA (2008) which revealed that budget monitoring units should receive reliable in-year budget reports in a timely way.

According to the study findings, participatory budget monitoring empowers citizens to express their views. This finding was supported by information provided by CAO, who in an interview said that, citizens in Agago district express their views on Pool FM on every Sunday in the program called “Kabake”. This finding is in line with (World Bank, 2005) that defined

participatory budgeting as a process of democratic policy-making in which the government invites citizens' input during the budget process and allow their influence in budget allocations.

According to the study findings, participatory budget monitoring is supported by the findings of (World Bank, 2010) which states that participatory monitoring & evaluation (PM&E) is a process through which stakeholders at various levels engaged in program or policy, share control over the content, the process and the results of the monitoring and evaluation (M&E) activity and engage in taking or identifying corrective actions.

The study also established that participatory budget monitoring enables periodic performance monitoring reports to be accessed by citizens. The majority of the respondents supported the idea. This finding was confirmed by LC5 who in an interview revealed to the researcher that periodic performance monitoring reports are made available to the public on a quarterly basis. The study found out that participatory budget monitoring ensures periodic monitoring of district finances by citizens. The majority of the respondents supported the idea. This implies that, participatory budget monitoring ensures that, periodic checks are done in accordance with the existing service delivery regulations and policies. This finding is in line with Ahmed (2015) who said that budget monitoring is the continuous process by which we ensure that action plan is achieved, in terms of expenditure and income.

The findings also show that participatory budget monitoring enables flow of information through regular meetings of citizens about the performance of district projects. This implied that participatory budget monitoring enables citizens to get information regarding the performance of the district projects. This finding in line with Krause (2010) who revealed that participatory monitoring enables involved beneficiaries to increase their reliability and provides the opportunity to receive useful feedback and ideas for corrective actions.

The study findings also revealed that participatory budget monitoring is a tool for quality service delivery. This implied that, participatory budget monitoring is a tool to the effectiveness of service delivery in Agago District.

5.3 Conclusions

The conclusions were based on the different research questions as shown below;

5.3.1 The relationship between participatory budget formulation and service delivery

The study concluded that participatory budget formulation positively affects service delivery in Agago District. Participatory budget formulation negatively and insignificantly influences service delivery in Agago District. Centered on the empirical results of this study, participatory budget formulation is not well practiced. Most local citizens do not understand documented procedures for participatory budget formulation, staff lacks enough skills for handling participatory budget formulation process and financial reforms such as the use of IFMS and politicians tend to capture budgeting processes and impose their influences on district administrators and local citizens as they advance their interests, thus affecting the level of service delivery.

5.3.2 The relationship between participatory budget implementation and service delivery

There is a relationship between participatory budget implementation and service delivery in Agago District. There is a positive relationship between participatory budget implementation and service delivery in Agago District.

Participatory budget implementation is highly inclusive at all service centers and that strict adherence to budget implementation promotes effectiveness. It also helps the district to collect the required revenue to run its activities and improve public accountability. Therefore, Agago District needs to uphold freedom, transparency and team cooperation it has attained so far since it is a big force in including high levels of service delivery.

5.3.3 The relationship between participatory budget monitoring and service delivery

Budget monitoring permits expenditure controls within service delivery systems of the district and it also promotes transparency within service delivery systems of the district. Budget monitoring provides accountability and high level transparency in execution of the district's financial activities. However, there were still problems in achieving such accountability, such as keeping budgeting records of the district which makes it very difficult for monitoring process.

In general, it was discovered that, participatory budgeting relates to service delivery in Agago District with a significance of 0.018.

5.4 Recommendations

The following recommendations are suggested in respect to participatory budgeting and service delivery of Agago district.

Agago district should train its staff in financial related activities so as to keep them with the necessary skills and knowledge which will enable them to carry effective budget formulation. Management at the district should consider recruiting competent staff with high integrity to man the financial systems of the organization. To achieve this, management should make a follow up of its new recruits to ensure that they have a proven record of high integrity and competence in handling financial affairs; this would help minimize possibilities of fraud and mismanagement.

The district administrators should involve citizens at feasible budget formulation and this will help to handle different financial areas and hence reducing on the acts of mismanagement.

The district should improve on the record keeping systems and this will ease the process of financial monitoring which at the end enhances accountability and transparency.

There should be regular financial reporting and documentation on the affairs of the district that is its expenditures and revenues over time, this would enable management keep track of movement of the organization's finances and identify any loopholes in the finance system in time.

5.4 Areas for further research

The following areas are recommended for further research:

Participatory budgeting and Financial Management in Agago District

Participatory budgeting and Accountability in Local Government

Participatory budgeting and performance of Agago District.

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APPENDICES
Appendix A: Questionnaire

Introduction

Dear respondent, I am a student at the University of Kisubi undertaking a study on the effect of Participatory Budgeting on service delivery in local governments in Uganda taking a case study of Agago District Local Government. The study is in partial fulfillment of the requirements for the award of a master’s degree in Business Administration (Finance).

You have been identified as one of the people who can provide important information. I kindly request you to answer the questions sincerely and accurately. The information will only be used for academic purposes and it will be treated with maximum confidentiality. Thank you for your kind cooperation.

Yours faithfully,

Odanga Jane Pamela

Section A: Respondent’s Bio-Data

Please tick in the appropriate option boxes provided or fill in the space provided.

- | | | | | | |
|------|-------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| i. | Gender | Male | <input type="checkbox"/> | Female | <input type="checkbox"/> |
| ii. | Age Bracket: | 18-30 years | <input type="checkbox"/> | 30-40 years | <input type="checkbox"/> |
| | | 40-50 years | <input type="checkbox"/> | over 50 year | <input type="checkbox"/> |
| iii. | Qualifications | | | | |
| | Certificate and below | | <input type="checkbox"/> | Diploma | <input type="checkbox"/> |
| | Degree | | <input type="checkbox"/> | Post graduate | <input type="checkbox"/> |
| iv. | Civil Society | <input type="checkbox"/> | Citizen | <input type="checkbox"/> | Civil Servant |
| | | | | | <input type="checkbox"/> |
| v. | Position held at the District | | | | |
| vi. | Time worked with the District | | | | |
| | 1-4 years | <input type="checkbox"/> | 5-4 years | <input type="checkbox"/> | 8-10 |
| | | | | | <input type="checkbox"/> |
| Vii | Duration in Agago District | | | | |

1-3 years

4-6 years

7-10 years

Section B: Budget Formulation

In the subsequent sections use the scale provided to tick or circle a number that describes your opinion. 1 strongly disagrees, 2.disagree, 3.not sure 4.agree 5. Strongly agree

		1	2	3	4	5
1	Participatory budget formulation ensures that Citizens' needs and interests are considered at all levels					
2	Citizens' views are accommodated during the budget formulation process					
3	Participatory budget formulation encourages Citizens to inform the district administrators about their problems during budgeting					
4	Priorities are not driven by external consultants and project managers but by citizens					
5	Budget formulation ensures that budgeting is done in line with Citizens' needs					
6	Citizens fully participate in initial budget meetings of all the district projects					
7	Citizens are involved in identifying local priorities and programs that benefit them					

Section C: Budget Implementation

		1	2	3	4	5
1	The district administration of Agago ensures that stakeholders are made aware of budget implementation schedules					
2	Both stakeholders and district officials are involved in budget					

	implementation					
3	Participatory budget implementation require district officials to participate in the follow-up and collection of all monies					
4	In the budget implementation, established documented procedures for periodic billing are well understood by stakeholders					
5	Budget implementation process engages stakeholders to participate in the exposure of funds utilization at the district					
6	Stakeholders are involved in the implementation of specific areas of responsibility					
7	In budget implantation operating plan, specifies functions, activities and objectives that are prepared and presented to the stakeholders					
8	Budget implementation requires that accountability files be prepared in the presence of the stakeholders					

Section D: Budget Monitoring

		1	2	3	4	5
1	Budget monitoring engages Citizens in drafting internal performance monitoring report					
2	Budget monitoring involves Citizens in monitoring of financial projects					
3	Budget monitoring involves Citizens in the evaluation of all district projects					
4	Budget monitoring enables periodic performance monitoring reports to be accessed by Citizens					
5	Budget monitoring empowers Citizens to make staff accountable for results					

6	Budget monitoring requires stakeholders to participate in timely auditing of projects					
7	Budget monitoring empowers Citizens to express views to leaders of the district					
8	Budget monitoring ensures periodic monitoring of district finances by Citizens					
9	Budget monitoring enables flow of information through regular meetings of Citizens about the performance of district projects					

Section E: Service Delivery

		1	2	3	4	5
1	Agago District Local Government delivers i) Clean water ii) Education services iii) Health care services					
2	Agago District Local Government delivers efficiently, i) Clean water, ii) Education services iii) Health care services					
3	i) Clean water is accessible in Agago District ii) Education services are accessible in Agago District iii) Health services are accessible in Agago District					
4	In Agago District Local Government, there is reliable i) Clean water ii) Education services					

	iii) Health care services					
5	Agago District Local Government has a clear plan of i) Clean water ii) Education services iii) Health care services					
6	There are annual work plans for the provision of i) Clean water ii) Education services iii) Health services					

Appendix B: Interview guide

- i. What activities are carried out during budget formulation in Agago District?
- ii. How often does Agago District carry out budget formulation?
- iii. How have the budget formulation activities affected the delivery of clean water, health care and education services in the District?
- iv. Who is responsible for budget implementation of Agago District?
- v. Has the implementation of the district's budget been in adherence with the annual budget, work plan and annual cash flow plan?
- vi. What challenges does Agago district face in implementing effective budgetary practices?
- vii. What activities are involved in budget monitoring?
- viii. Who is involved in monitoring the budget monitoring activities?
- ix. What challenges have been met in monitoring the budget?
- x. What challenges hinder effective delivery of clean water, health care and education services in Agago District?
- xi. What can be done to improve efficiency in the delivery of clean water, health care and education services in Agago District?

Thank You for Your Time