

## Financial Accountability and Health Service Delivery in Local Governments in Uganda: A cross-sectional Case of Kamwenge Town Council.

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### Abstract.

#### Background.

Health service delivery in Uganda continues to face persistent challenges despite decentralization reforms and financial accountability initiatives. This study examined the relationship between financial accountability and health service delivery at Kamwenge Town Council.

#### Methodology

A descriptive cross-sectional research design was adopted, involving respondents selected from town council leaders, technical officers, CSO representatives, private sector actors, committee members, and beneficiary community members. Data were collected using structured questionnaires and analyzed using descriptive statistics, Pearson correlation, and multiple regression.

#### Results.

Majority of respondents were male (66%), and with 48.5% holding university degrees. Most participants (51%) had served in the Town Council for less than four years. Descriptive results showed moderate satisfaction with financial accountability practices, with the highest mean reported for financial reporting ( $M = 3.589$ ). Health service delivery indicators also registered moderate performance ( $M = 3.469$ ). Correlation analysis demonstrated a strong and significant relationship between financial accountability and health service delivery ( $r = .606, p < .05$ ). Financial reporting ( $r = .526$ ) and budgetary control ( $r = .656$ ) showed stronger associations with health service delivery than financial planning ( $r = .231$ ). Regression results indicated that financial accountability explains 47.1% of the variation in health service delivery ( $R^2 = .471$ ). Budgetary control ( $\beta = .568, p < .05$ ) and financial reporting ( $\beta = .279, p < .05$ ) were significant predictors, while financial planning was not.

#### Conclusion

The study concludes that strengthening financial reporting systems and enforcing effective budgetary control enhances timely, efficient, and quality health services.

#### Recommendation

There is need to Improve transparency, community involvement in budgeting, capacity-building in financial reporting, and shifting from incremental to program-based budgeting.

**Keywords:** Financial accountability, financial reporting, budgetary control, financial planning, health service delivery, decentralization, Kamwenge Town Council.

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#### Background.

In the past ten years, health expenditure as a proportion of GoU's discretionary expenditure has been relatively stable at between 8% and 10%, far below the Abuja Declaration of 15% (MoH, 2022). This does not compare favorably with the per capita requirement for the provision of the Uganda National Minimum Health Care Package (UNMHCP) in all facilities, which was estimated at 47.9 USD in 2022/2023 (BMAU, 2024). This trend has important

implications for health service delivery as it implies a further need for priority setting based on the UNMHCP findings.

In spite of the fact that LGs like Kamwenge Town council have been implementing financial accountability for the last 5(five) years, whose strategy is to concentrate on health outputs which would have the greatest impact on achieving the objectives, health service delivery indicators of maternal and Infant mortality show that set targets were not met (DHO, 2023). For instance, Goal number 4, targeted to

reduce children under-five mortality rate by two-thirds, between 2020 and 2023. However, by 2023, under 5 mortality rates declined from 90 to 69 deaths per 1,000 live births, yet the target had been 56 per 1,000 live births (MoH, 2024). Also, the number of deaths of children worldwide only declined from 12.7m in 2023 to 6m in 2024, yet the target had been 3m (WHO, 2024). These indicators show that the goals were not achieved by more than 40%, implying that Child mortality is still very high. This calls for mitigation measures to ensure mother and child survival. The WHO report, 2023 further states that children in rural areas are about 1.7 times more likely to die before their fifth birthday, as compared to the ones in urban areas. The drugs and basic health equipment's are also lacking in many public health centers. It is against this background that the research is motivated to investigate the influence of financial accountability on health service delivery in Kamwenge Town Council.

## Methodology

### Research Design.

The study adopted a cross-sectional survey to find out the opinion, attitudes, preferences and practices of a cross-section of the population about the subject under investigation (Amin, 2005). The triangulation approach was used because both methods supplement each other in that qualitative method provided the in-depth explanations while quantitative method provided the hard data needed to meet required objectives and test hypotheses. Further still, both methods were used to avoid such bias in that each method was used to check the other during the study under investigation.

### Study Population.

The study population was drawn from Kamwenge and Civil Society Organizations (CSOs) where three different types of people were enlisted. The technical officers were people who understood and dealt with implementation of

government programmes on daily basis; and from whom financial accountability was sought, by virtue of the delegated authority and public resources they held. The elected representatives (councilors) were people's representatives at the community. This group carried out the direct mandate from the people through vote and assumed the final burden of giving satisfactory explanation to the public (people) on the performance of Local Governments. The civil society was not part of the government machinery, but provided an important and rather independent interface with local government institutions. They spearheaded demand for financial accountability and its enforcement in the Town Council. Importantly, they formed part of the community's voice and often rose up against poor administration and bargain for improved services. The respondents were selected purposively since the researcher had the desire to include specific sections of the study population who had potential in-depth information and understand the basic themes of the study. In total, 150 respondents were reached using questionnaires and interview guides who included: councilors, civil servants, CSO officials and focus group discussion questions for the community and boards members. Owing to the difficulty in accessing all the public institutions in the Town council, the researcher chose all the divisions for the study.

### Sample Size and Selection.

Out of the 150-target population, the sample of 108 individuals were selected. The researcher sampled 14 Councilors, 34 Technical officers, 11 Boards and commission members, 34 community (beneficiary) members, 07 private sector and 08CSO representatives (Kamwenge Town Office Registry, 2024). The sample size was arrived at by the use of table for determining sample size for research activities by Krejcie and Morgan (1970). The respondents were selected by purposive and convenience sample techniques because of their in-depth information and understanding of the basic themes of the study.

**Table 1: Sample Size and Selection**

Category	Target population	Sample size	Sampling technique
Town councilors	21	14	Purposive
Technical officers	43	34	Purposive
CSOs Officials	12	08	Convenient
Boards and Committee members	20	11	Purposive

## Sampling Techniques and Procedure

The study used random sampling, convenient and purposive selection to select the respondents. Purposive sampling was employed to select respondents with key information on accountability and service delivery in Kamwenge town Council.

members, boards and commissions members and technical officers to collect primary data on the effect of financial planning, financial planning and budgetary control on service delivery and how government policies/regulations influence it.

## **Data and information sources.**

Data and information for this study was gathered from both primary and secondary sources.

### **Primary Data.**

Primary data means original data that has been collected specially for the purpose in mind. It means someone collected the data from the original source first-hand (Dunckel, 2001). According to Dunckel, people who gather primary data may have knowledge of the study and may be motivated to make the study a success. These people are acting as a witness so primary data is only considered as reliable as the people who gather it. Primary data or information was gathered from councilors, technical staff, private sector, boards and commission members and CSOs in KTC because they had authentic information as they were involved directly in financial accountability and health service delivery.

### **Secondary data.**

Secondary data refers to data that is collected by someone other than the user, (Bishop, 2007). Secondary data or information was obtained through an extensive literature review on financial planning, reporting and budgeting and their effect on service delivery gathered from reports, books, publications or other research work. The researcher used these in order:

To analyze what other people have written about financial accountability in relation to health service delivery;  
Not to repeat what other researchers have put forward to avoid monotony.

## **Data collection Methods**

The study used three methods of data collection to achieve the objectives of the study as described below.

### **Questionnaire.**

Under this method, closed ended questionnaires were administered by the researcher on councilors, CSOs

### **Interviews.**

An interview is a face-to-face purposeful conversation between an interviewer and interviewee (respondent). The researcher preferred to collect data using interview because it assisted in collecting data through face-to-face interviews. The researcher used interview guide as one of the major data collection methods. During the fieldwork, members of the private sector and beneficiary members were interviewed on financial planning, financial reporting and budgetary control and health service delivery.

### **Document Review**

In this study, the study reviewed the following documents; government publications, reports, legal and regulatory instruments, published books on accountability and public sector management, published articles in journals, and newspapers.

### **Data Collection Instruments.**

The study used three instruments to achieve the objectives of this study. These instruments included: questionnaire form, interview guide, and documentary review checklist as discussed below.

#### **Questionnaire Form**

Data was Collected from the respondents by the use of questionnaire forms on the effect of financial planning, reporting and budgetary control on health service delivery. The researcher selected this instrument because of its confidential nature, saving time and above all information being collected from a large sample. The researcher developed the questionnaire on a Likert scale with a five-response continuum: Strongly agree, Agree, Undecided, Disagree and strongly disagree. The questionnaire forms were administered to CSO members, boards and committee members and technical officers to enable the researcher to describe respondents' attitudes to the statements.

### **Interview Guide.**

The study used interview guide because it was flexible to measure certain characteristics which are not possible by developing scales (Mugenda and Mugenda, 2003). The selected subjects were interviewed and these include categories of: members of the private sector and beneficiary

## Documentary Checklist.

Reviewed: Town council Development Plan (TDP), staff meeting minutes, departmental performance reports, government publications and legal documents. This instrument was chosen because relevant documents were reviewed to obtain data which could not easily be obtained through the other instruments.

## Quality control

### Validity.

Validity is the degree to which a test measures what it is supposed to measure (Amin, 2005). The researcher ensured validity of the instruments for efficiency and effectiveness of the tools to arrive at the dependable findings, conclusions and recommendations demanded by the study objectives and topic.

Face and content validity were used. Research instruments were drafted and sent to the supervisors for comments on

sentence construction and wording, relevance of questions and the ease with which questions would be answered to ensure face validity. The instruments were pretested on major technical staff especially, the Town Clerk, Mayor and Senior Internal Auditor for content validity. The responses from three officers were subjected to Content Validity Test.

$$CVI = \frac{\text{Number of relevant items}}{\text{Total number of items}} \times 100$$

$$CVI = \frac{31}{36} \times 100 = 86.1$$

As the CVI value was 70% and above, the instrument was valid, (Amin, 2005). However, the instrument was corrected to remove unworthy items, improve on some and qualify others. There were 31 items that were considered relevant in the entire questionnaire including the items on background characteristics.

### Reliability.

To ensure reliability the researcher pretested the questionnaire instrument once on 10 people of the study population. This was intended to determine the internal consistency of the instrument. The scores obtained from the pretest were then correlated using Cronbach's Coefficient Alpha since multiple response items were involved.

**Table 2: Reliability Statistics.**

Variable list	Cronbach's Alpha	N of Items
Financial planning	.730	6
Financial reporting	.785	6
Budget control	.738	6
Health Service delivery	.777	6
<b>Overall</b>	<b>0.758</b>	<b>24</b>

Source: Field data, 2025.

When the overall reliability of the instrument show Cronbach's Alpha value greater than 0.6, the instruments will be reliable. According to Hattie et al (1997), Cronach's Alpha value greater than 0.60 is acceptable. Therefore, the researcher proceeded to collect data using the instruments.

## Data Analysis.

The raw primary data collected from the primary sources by use of questionnaires was cleaned and the responses (variables) grouped according to their categories. The data was encoded and entered in SPSS 20 version for analysis. The dependent variables (responses) were entered against

the independent variables for analysis. The results were summarized using descriptive statistics and presented using percentages for comparisons.

Spearman Rank Correlation was used to test if variations in the opinions of the respondents were significant. For the cases where the  $P \leq 0.05$  then the variations in the views of the respondents were said to be statistically significant and an explanation was given for such variations while for the cases where  $P \geq 0.05$ , the differences in the opinions of the respondents were said to be statistically insignificant and conclusion was based on the view of the respondents with the highest percentage.

In qualitative data analysis, the researcher transcribed interviews. The field notes were typed and re-read by the researcher. A general sense of the information on the effect of financial accountability on health service delivery was obtained by the researcher and reflected on its overall meaning. The researcher used direct quotations to present the findings. The researcher made an interpretation of meaning of the data which involved lessons learnt.

### Ethical Issues.

The following ethical issues were considered: The researcher sought for consent from participants to take part in the study. Confidentiality of the respondents was highly observed and the purpose of this study was explained to the targeted respondents both by a written introduction and verbally. Upon approval of the research proposal, the researcher obtained an introductory letter from the Directorate of Postgraduate Training. This was presented to

Kamwenge Town Council administration for permission to conduct research in their area of jurisdiction. On being granted permission, data collection commenced.

## Results

### Response rate

The study targeted a sample of 108 study subjects. However, only 97 out of 108 took part in the study, which represents a response rate of 89.8%. This was established in the formula below.

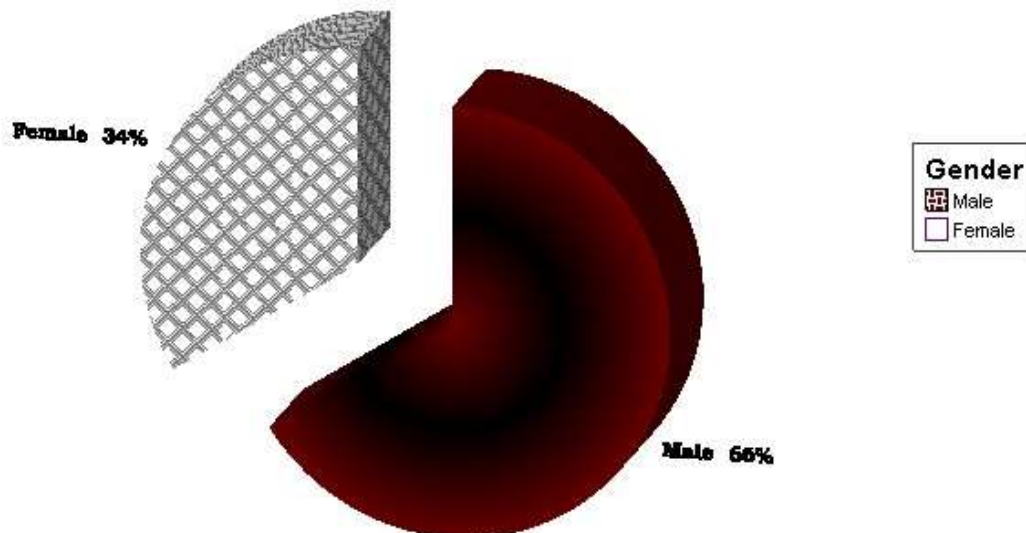
$$\text{Response rate} = \frac{\text{questionnaires returned}}{\text{Questionnaires distributed}} \times 100$$

$$\text{Response rate} = \frac{97}{108} \times 100 = 89.8$$

The response rate was adequate for generalization of results.

### Background data.

Figure 1: Gender of respondents



Source: Field data, 2025.

The findings indicate that male participants constituted 66% while the female constituted 34%. The statistics imply that the study was dominated by men. This is because the sample

consisted mostly of working class which is dominated by men. Elected leaders also consist of mostly men as councils only have a provision of at least a third of women in the councils as per the Local Government Act.

**Table 3: Designation**

Variable categories	Frequency	Valid Percent
Town Councilor	10	10.3
Technical Officer	31	32.0
CSO Official	7	7.2
Boards & Committee member	10	10.3
Beneficiary members	33	34.0
Private Sector	6	6.2
<b>Total</b>	<b>97</b>	<b>100.0</b>

Source: Field data, 2025.

The findings indicate a greater participation of beneficiary members (34.0%) and technical officers (32.0%). This is attributed to the fact that the beneficiaries were centered within easy reach by the researcher. They were eager to participate in a study that focused on the quality of health service delivery to them. The technical officers were easily accessible in their offices and co-operated by filling the questionnaires, save for those who were out of office due to

the effects of corona virus pandemic. Local governments were guided to use only selected staff to ensure social distancing as a measure to prevent spread of the pandemic (Ministry of Local Government 2025). The researcher observed least participation from private sector (6.2%) and CSO officials (7.2%). As per the sample size, the two categories were selected using convenient sampling technique and were few in the overall sample.

**Table 4: Age and highest level of education of respondents**

Highest level of education					Total
Certificate Diploma Degree				Postgraduate	
Age	Early Adult	% within Age 24.2%	36.4%	24.2% 15.2%	100.0%
		% within			
		Highest level of education 66.7%	42.9%	17.0% 50.0%	34.0%
	Adult	% within Age 7.0%	32.6%	51.2% 9.3%	100.0%
		Highest level of education 25.0%	50.0%	46.8% 40.0%	44.3%
	Late Adult	% within Age 4.8%	9.5%	81.0% 4.8%	100.0%
		% within			
		Highest level of education 8.3%	7.1%	36.2% 10.0%	21.6%
Total		% within Age 12.4%	28.9%	48.5% 10.3%	100.0%
% within Highest level of education			100.0%	100.0%	100.0%

Source: Field data, 2025

Participation according to age shows that the majority (44.3%) fell in the adult age bracket, 34.0% fell in the early adult age bracket while 21.6% fell in the late adult age bracket. This was because most of the working class

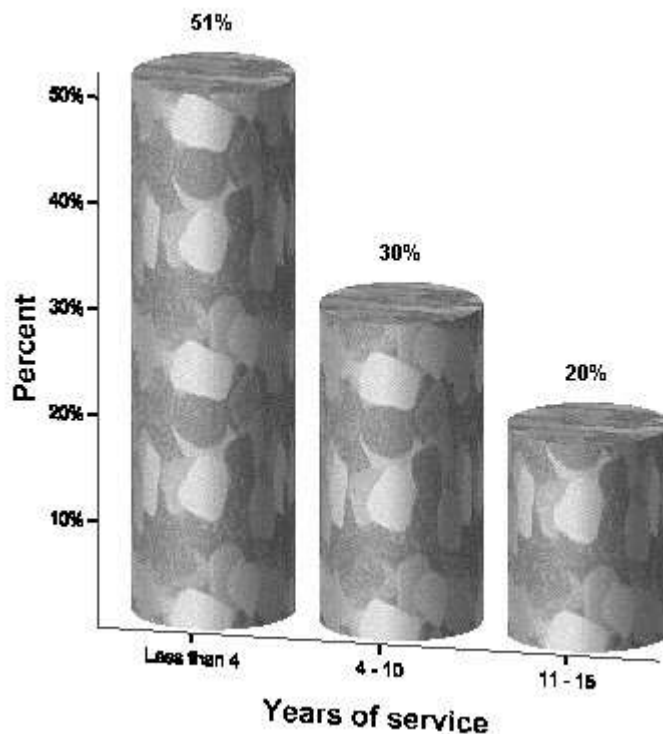
whether technical, business community, in political leadership are within the adult age bracket while very few are in the late adult age bracket. The study also showed that the youth, who form most of the early adult age brackets participated actively. In terms of education, most of the



participants (48.5%) indicated degree as their highest level of education followed by those with diplomas (28.9%). There was no significant difference in participation among participants with certificate (12.4%) and postgraduate qualifications (10.3%). This is because the education standards in the Town council are high and most of the working class and political leaders are graduates with degrees and diplomas, while few have gone further to pursue post graduate qualification, as few positions in the district require such a qualification. Participants who indicated 'certificate' as their highest level of education were common among participants in the early adult age bracket (66.7%). This is also because according to the 2014 housing

and population census, the majority of people are within the early adult age bracket and form the biggest percentage of the lower cadre working class and those who do businesses in the Town council. Participants who indicated 'diploma' (50.0%) and 'degree' (46.8%) as their highest level of education were common among participants in the adult age bracket. On the other hand, those who indicated 'postgraduate' as their highest level of education were common among adults (50%) and early adults (40%). This was because those in the adult age and early adult age brackets have the stamina and aim for the promotions in the public and private sector. They hence pursue higher qualifications of learning to cope with the current trends.

**Figure 2: Years of service**



**Source: Field data, 2025.**

The findings indicate that 51% of the participants had served at the Town Council for not more than 4 years, 30% had served for over 4 years but not exceeding 10 years while 20% had served for about 11 years but not exceeding 15 years. Almost no participant indicated to have served at the Town Council for over 15 years. Kamwenge Town Council

was elevated to a Town council status from the then Kamwenge Town Council in 2000/2001. This resulted in great expansion of the required work force. Hence the majority of the workers were relatively new. Those who had worked at the Town council for over 10 years were those who were previously employees of the Town Council, while others had since retired.

**Table 5: Descriptive statistics of financial accountability**

Variable List	Mean	Std.
<b>Financial Planning</b>		
1. Financial planning is always used to ensure availability of funds	3.711	1.099
2. Financial planning in this Town Council has improved quality of health infrastructures constructed	3.381	1.342
3. In this organization, economy in the use of funds has been achieved due to effective financial planning	3.247	1.146
4. Financial planning is vital for ensuring efficiency of resources in KTC	3.237	1.345
5. Financial planning helps Town council administrators to set financial targets	3.134	1.264
6. This organization has improved its health service provision to the public due to effectiveness in financial planning	2.990	1.246
<b>Average</b>	<b>3.284</b>	<b>1.240</b>

**Table 6: Financial Reporting.**

1. This Town Council always make clear financial statements to facilitate reporting	3.856	0.957
2. In this Town council, there is a system of financial reporting	3.753	1.155
3. Financial reports have acted as proof to the use of resources allocated to economic activities in this Town Council	3.598	1.115
4. Financial reporting is a key for future budget allocations in this Town Council	3.598	0.943
5. In KTC, the treasury has always adhered to quality financial reporting for timeliness and quality of health services delivered	3.402	1.027
6. Financial reporting has helped to improve quality health service delivery	3.330	1.179
<b>Average</b>	<b>3.589</b>	<b>1.063</b>
<b>Budgetary control</b>		
1. The budget is derived incrementally from previous budgets	3.763	1.107
2. In this Town Council, the budget is driven through bottom-up participation leading to better allocations and service delivery effectiveness	3.701	1.226
3. In this Town council, budgetary control has been used to achieve economy in the use of resources	3.402	1.196
4. Budgetary controls has been better tool to ensure efficiency in the use of funds in this Town Council	3.381	1.326
5. Access to budget systems and tools is appropriately restricted	3.371	1.158
6. Budget committee is effective	3.299	1.110
<b>Average</b>	<b>3.486</b>	<b>1.187</b>

Source: Field data, 2025

Statistics on financial planning indicates high concentration of opinions on the claim that financial planning ensures availability of funds (mean = 3.711; Std. = 1.099). The statistics provides evidence that the local government ensures that funds are available to implement programs intended for health service delivery. Though most of the mean scores indicated moderate concentration of opinions, evidence from standard deviation shows that their opinions were inconsistent on the issues raised on financial planning. Most of the participants indicated high viewpoints on a number of claims. However, most participants pointed to

the claim that the Town Council makes clear financial statements that facilitate reporting (mean = 3.856; Std. = .957). The researcher further observed consistent opinions were also observed on the claim that financial reporting is key for future budget allocations (Std. =.943). This suggests that the Town Council's financial statements facilitate proper budget allocations. This implies that the participants have confidence and are satisfied with the amount of communication received in terms of reports.

In view of budgetary allocations, most of the participants pointed to the claim that the budget is derived incrementally from previous budgets (mean = 3.763), and the budget is



driven through bottom-up (mean = 3.701). However, standard deviations, which were above 1.00 indicate that participants had rather inconsistent views on the claims raised. This suggests that budgets in Kamwenge Town

Council are derived from previous budgets. The participants would rather wish for program-based budgeting rather than incremental budgeting.

**Table 7: Descriptive statistics of health service delivery**

Variable List	Mean	Std.
1. Health Projects are completed on time in Local Governments	3.753	1.173
2. The health projects are of required standard	3.680	1.212
3. The health projects are efficiently implemented	3.598	1.255
4. People easily access health services in Local Governments	3.330	1.352
5. There is readily available drugs and health equipment supplied timely to people in KTC	3.227	1.168
6. There is always enough medical staff to attend to the patients at the Town council health facilities	3.227	1.195
<b>Average</b>	<b>3.469</b>	<b>1.226</b>

Source: Field data, 2025.

The statistics indicate highest concentration of viewpoints that Health Projects are completed on time in Local Governments (mean = 3.753; Std. = 1.173). Least levels of moderate opinions were observed on the claim that there is always enough medical staff to attend to the patients at the Town hospitals (mean = 3.227; Std. = 1.195). However, most of the standard deviations were above 1.00, which suggests that divergence in opinion on the claims raised on health service delivery. The statistics imply the Health projects are of required standard. The Health projects are efficiently implemented, People easily access health services in Local Governments and there is readily available drugs and health equipment supplied timely to people in KTC.

### Correlation tests

The study was majorly conducted to establish the relationship between financial accountability and health service delivery in Kamwenge Town Council. The researcher used correlation tests to establish the relationship. Correlation analysis is the statistical technique of establishing the degree of the strength of the relationship between two numerical variables. Correlation coefficient (r) is the numerical measure of the strength of the degree of the relationship. A correlation coefficient closer to 1 indicates a strong relationship while a correlation close to zero indicates a weak relationship. Perfect relationships have a correlation coefficient of 1 while zero indicates absence of a relationship between the variables. Positive correlations indicate that the variables change in the same direction while negative correlations indicate that the variables change in opposite directions.

**Table 8: Correlations**

N = 97		Financial Planning	Financial Reporting	Budgetary Control	Financial Accountability	Health Service Delivery
Financial Planning	Pearson Correlation Sig. (2-tailed)	1				
Financial Reporting	Pearson Correlation Sig. (2-tailed)	.325(**)	1			
Budgetary Control	Pearson Correlation Sig. (2-tailed)	.310(**)	.542(**)	1		
Financial Accountability	Pearson Correlation Sig. (2-tailed)	.002	.000		1	
Health Service Delivery	Pearson Correlation Sig. (2-tailed)	.002	.000			1

Financial accountability	Pearson Correlation	.720(**)	.795(**)	.799(**)	1	
	Sig. (2-tailed)	.000	.000	.000		
Health Service Delivery	Pearson Correlation	.231(*)	.526(**)	.656(**)	.606(**)	1
	Sig. (2-tailed)	.023	.000	.000	.000	

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

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

The relationship between financial accountability and health service delivery ( $r = .606$ ;  $p\text{-value} < .05$ ) is strong and significant. By implication, efforts to change financial accountability practices are associated with a strong change in the level of health service delivery in the Town Council. For example, road fund received in the three consecutive years 2016/2017, 2017/2018 and 2018/2019 for was used to tarmac one access road in the Centre of the Town council. Business along this road was boosted. The positive correlation suggests that financial accountability and health service delivery change in the same direction. Additionally, the significant statistics suggest that financial accountability and health service delivery in the Town Council are linearly related. The results suggest that local governments are capable of providing better and improved services if public officers and politicians ensure actions towards financial accountability. The findings in Kamwenge Town Council suggest that the political leadership is strong and emphatic on value for money by holding responsible officers accountable.

The researcher observed strong relationships between financial reporting and health service delivery ( $r = .526$ ;  $p\text{-value} < .05$ ;  $N = 97$ ), budget control and health service delivery ( $r = .656$ ;  $p\text{-value} < .05$ ;  $N = 97$ ). On the other hand, there was a weak relationship between financial planning and health service delivery ( $r = .231$ ;  $p\text{-value} < .05$ ;  $N = 97$ ). The statistics suggest that variations financial accountability practices (financial reporting and budget control) are associated with strong variations in health service delivery. On the other hand, variations in financial planning are associated with weak variations in service delivery. The effects of financial reporting and budgetary

control impact more on health service delivery than financial planning. The researcher observed a strong association between financial reporting and budget and control ( $r = .542$ ;  $p\text{-value} < .05$ ). However, the associations between financial reporting and financial planning ( $r = .310$ ;  $p\text{-value} < .05$ ), and financial planning and budget and control ( $r = .325$ ;  $p\text{-value}$ ) were weak. In other words, different combinations of financial accountability practices are likely to have different effects on health service delivery. The three dimensions of financial accountability are rated differently by the participants as to their effect on health service delivery. Financial reporting and budgetary control are rated highly while financial planning is not.

### Regression tests.

The specific objectives sought to establish the effect of the independent variables (financial planning, financial reporting, budget and control) on health service delivery. The researcher used regression analysis to understand the effect of each. Regression analysis is the statistical technique of measuring the amount of effect of the independent variable on the dependent variable. The model uses R-Square to measure the percentage effect of the independent variable on the dependent variable. As a guide to interpretation, R-Square above 40% suggests that the independent variable does a good job in influencing variations in the dependent variable. The model also uses Beta coefficients to understand the change in the dependent variable for every unit-change in the independent variable. The following table shows the resultant effects.

**Table 9: Regression coefficients Unstandardized.**

	B	Std. Error	Beta	t	Sig.
(Constant)	0.530	0.373		1.420	0.159
Financial Planning	-0.012	0.084	-0.012	-0.148	0.883
Financial Reporting	0.279	0.104	0.244	2.671	0.009
Budgetary Control	0.568	0.098	0.527	5.789	0.000
R	0.686				

R Square	0.471				
Adjusted R Square	0.454				
Std. Error of the Estimate	0.623				

a: Dependent Variable: health service Delivery b: Predictors: (Constant), Budget & Control, Financial Planning, Financial

Reporting According to the (R Square = .471), financial accountability affects service delivery by 47.1%. The statistics suggest that efforts to vary financial accountability in Kamwenge Town Council are likely to cause a 47.1% effect in the level of service delivery. This effect implies that financial accountability does a good job in predicting the changes in health service delivery in Kamwenge. When infrastructure such as a road and street lights are put in place, the public views this as a positive and motivating factor to the taxpayers, who then pay taxes willingly, which in turn avails funds for improved service delivery. The researcher further observes that much as financial accountability does a good job in predicting changes in service delivery, there are some factors that may account for the remainder 52.9% of the level of health service delivery in Kamwenge. Such factors include the will of political leadership of the Town council, compelling legal provisions as well as cross-country study tours and consultations made by leaders.

### **The relationship between financial planning and health service delivery in Kamwenge Town Council**

On the basis of regression coefficients, the study established that a unit-change in financial planning ( $\beta = -.012$ ; p-value  $>.05$ ) negligibly affects health service delivery in Kamwenge Town Council. The p-value, which is above 0.05 suggests that financial planning is not statistically relevant in explaining the variations in health service delivery. If anything, any changes in financial planning practices such as setting financial targets and increase in the tax by the taxpayers are likely to cause a decline in the current stand of health service delivery, as portrayed by the negative sign of the beta coefficient. This outcome can be generalized for policy and performance measures. When the rate of property tax was increased from 3% to 5% of ratable value of the properties, the owners declined to pay the tax which grossly and negatively affected health service delivery.

### **The relationship between financial reporting and health service delivery in Kamwenge Town Council.**

On the basis of regression coefficients, the study established that a unit-change in financial reporting ( $\beta = .279$ ; p-value

$<.05$ ) affects health service delivery in Kamwenge Town Council by about 28%. The p-value, which is less than 0.05 suggests that financial reporting is statistically relevant in explaining the variations in health service delivery. Any changes in financial reporting practices such as timely reporting, adherence to financial reporting guidelines and clarity of reports are likely to generate a rise in the current stand of health service delivery. The findings may not be considered random since the t-statistics confirm so. In essence, local governments that pay attention to their financial reporting mechanisms are likely to see a positive shift in the way they deliver public services to the citizens. Proper and timely financial reporting will lead to unqualified audit opinion which will boost the image of the Town council and a rise in central government financing.

### **The relationship between budgetary control and health service delivery in Kamwenge Town Council.**

On the basis of regression coefficients, the study established that a unit-change in budgetary control ( $\beta = .568$ ; p-value  $<.05$ ) affects health service delivery in Kamwenge Town Council by about 57%. The p-value, which is less than 0.05 suggests that budgetary control is relevant in explaining the variations in health service delivery. Any changes in budgetary control such as participatory budgeting, financial discipline, fairness, efficiency and effectiveness are likely to generate a rise in the current stand of service delivery. The findings may not be considered random since the t-statistics confirm so. Practically, local governments that pay attention to their budgetary controls and procedures are likely to see a positive shift in the way they deliver public health services to the citizens. This study, therefore, demonstrates the budget as a good tool for public financial management, and commends KTC for the practice. Since annual budgets are derived from development plans, the Town council financial resources will be allocated to those areas planned for. Use of financial resources will be done in the most efficient and economical way that will translate into quality services to the beneficiaries.

It is important to note at this point that the researcher used unstandardized beta coefficients instead of standardized beta coefficients. Of course, standardized coefficients offer much comparability. However, in the current study, unstandardized beta coefficients appear to explain the effects of financial accountability better than the standardized coefficients.

## Discussion of results

### The relationship between financial planning and health service delivery in Kamwenge Town Council.

The study established a negligible effect of financial planning on health service delivery in Kamwenge Town Council. It was shown that any changes in financial planning activities are likely to reduce service delivery in the local government. Whereas financial planning is one of the tools in financial accountability and management, practicing financial planning alone does not necessarily yield positive results for local governments. This is because even when good plans are in place, if they are not properly implemented will not translate into service delivery. For example, if the Town council puts in place an annual financial plan in form of a budget and the implementers, who are the technical officers, do not follow the budget as planned, the expected services will not be provided to the masses.

The insignificant effect of financial planning on health service delivery in KTC agrees with (MoLG, 2013) who found that much as the Local Government Act (2006) has guidelines for technical meetings, the guidelines remain inadequate about the steps taken in case the meetings are not held regularly by the local government. In the current study, meetings in KTC were regularly held by both political and technical officials. But, as observed, the effectiveness of the meetings depends on the proper implementation of the resolutions. The findings agree with the comments of one interviewee: *"...the limiting factors to local government service delivery are beyond finances. Some are structural, technical, and economical...think about corruption, it is beyond the interests of individual public officer..."* The researcher observes health service delivery is not an individual effort but a combined effort. Actually, all stakeholders in the Town Council such as the councilors, technocrats, the public, and the government are very important in the struggle to improve service delivery.

The study further establishes results that are consistent with (Boliver, Galera, Munoz, & Subires, 2015) who revealed risk factors to the financial conditions, and financial health of local governments. The authors show that rising

dependent population and increasing rate of unemployment threaten financial sustainability. Much as these factors are charged to the income statement, they are uncontrollable factors charged on accrued current costs. Similarly, these factors exert a long-term strain on service delivery, especially in local governments with high young populations and unemployment. There is rampant unemployment of both educated and uneducated people (skilled and unskilled labour) in Kamwenge Town Council, especially among the young population. Under this category, there are also street children all of whom exert pressure on the meagre resources, hence hindering the council from hitting the set target of service delivery levels. The findings, however, disagree with Rahmatika (2014) who established that financial planning contributes significantly to service provision. When local governments allow stakeholders to debate on their operations, service delivery improves. However, this is the responsibility of the local government to get her stakeholders involved in the day-to-day operations. In Kamwenge Town council, the stakeholders are engaged in financial planning through village-level budget consultative meetings, budget conference, technical planning committee, budget desk, sectoral committees, Town council executive committee, and the general council (KTC Minutes, 2024).

The findings also contradict Hladchenko (2016) who found significant association between trust and quality of financial planning. The author showed that when stakeholders feel a sense of ownership, trust among local government officials improves, which translates into improved accountability. While Hladchenko (2016) and Rahmatika (2014) characterize financial planning to local governments, there may not be significant difference in results with other business entities. Business organizations, local government inclusive, thrive with proper planning. Irrespective of the stakeholders being engaged in financial planning, its outcomes do not necessarily lead to improved service delivery commensurate with the efforts involved in the planning.

### The relationship between financial reporting and health service delivery in Kamwenge Town Council.

The current study established a significant effect of financial reporting on health service delivery in KTC. It was shown that local governments that ensure sound financial reporting are likely to deliver better services than those which do not. In view of KTC, the financial reporting system is very clear that its financial statements facilitate

future budget allocations. The findings agree with Samaratunge and Christensen (2012) who observed that financial reporting indicates the successes and failures in the balance sheet, which makes public sector organizations auditable. While there might be cases where public officers fake reports to cover up fraud and mismanagement, which of course leads to poor health service delivery, the current study provides that the treasury at KTC tries to adhere to and ensure quality financial reporting. The findings also support Ayobami (2014) who noted that published financial statements draw the attention of stakeholders to discuss public expenditure and service delivery. In KTC, public financial statements were found to facilitate reporting. The Public Finance Management Act Cap 171 requires that local governments prepare and submit half year and annual financial statements to the Accountant General for consideration and consolidation of all accounts of public sector organizations. This improves the quality of financial statements and financial reporting generally in all local governments including Kamwenge Town council.

This study conveys results that are incongruent with Garrido-Rodríguez (2019) who found that financial reporting is merely a neutral and technical activity of keeping true and accurate accounts, which does not have any direct link with democratic governments. In essence, accurate reporting does not prove a government is democratic. Rather, it is when citizens are empowered to hold public officials accountable that a government is democratic and quality of service delivery guaranteed. The citizens of Kamwenge Town council, through their elected leaders, hold the Accounting Officer and the entire technical staff accountable for their actions and use of financial resources bestowed upon them. This is done in several stakeholder meetings where monthly, quarterly and annual financial and management reports are presented and discussed (KTC Minutes, 2025).

In the same way, the results of the current study disagree with Kiyemba (2018) who asserted that financial reporting no longer reflects the reality of the underlying business. The author notes that the key message in financial reporting is lost in the clutter of lengthy disclosures and regulatory jargon. Much as the researcher has no proof of whether financial reports in KTC do not reflect the real position of the business entity, a number of local governments fail to report accurately. Review of the financial statements for Kamwenge Town council presented to and audited by the Auditor General revealed that the Auditor General expressed unqualified opinion of the financial statements for all financial years within the study period, that is 2020/2021, 2021/2022, 2022/2023 and 2023/2024 financial years (Auditor General reports 2021,2022,2023 and 2024).

This is an indication that the financial reports are free from material misstatements and gives a free and fair view of the state of affairs of the Town Council for the periods audited.

### **The relationship between budgetary control and health service delivery in Kamwenge Town Council.**

The study found a significant effect of budgetary control on health service delivery in Kamwenge Town Council. Local governments that adhere and promote sound budgetary controls tend to deliver quality services to their citizens. The case for significant effect of budgetary control in KTC derives from the fact that budgets are bottom-up and promote citizens participation, better resource allocation and service delivery. The budget process, as per Public Finance Management Act, Cap 171 involves holding grassroots consultative meetings aimed at gathering ideas and priorities of the citizens. A budget conference is convened to sieve ideas and priorities of the local government. These are considered at a later stage by the various committees of the council to produce the final budget. The study found consistent results with Cangiano et al. (2016). Kushlak (2015), and ACCA (2010) who showed that budgetary control has a significant role in the efficient use of public resources at local governments. The budget as a planning tool ensures that financial policies are enforced in using public resources effectively. Through proper budgetary controls, Kamwenge Town Council was able to seal one road to bitumen standard, installed six solar street lights and maintained green belts with flowers along the main street and Kamwenge-Mbarara-Kampala highway.

The study, however, disagrees with Mande (2015) who confirmed that ignoring budgetary reports is likely to result in ineffective and useless decisions and action. The current study in KTC does not provide evidence of ignored budgetary reports. However, there is some weakness in the budget committee. The budget committee seems to be overloaded, and lacks effectiveness against risks. This leads to hurried budgeting and omissions can also occur in the Town council budget.

The findings also disagree with Adeoluand (2012) who established that though budgets might be executed very well, there are instances when the execution is more of supplementary allocations and payments. This might be a weakness in properly projecting the incomes and expenditures of the spending entity. Continuous revisions of budgets and budget deficits are strong indicators of fiscal indiscipline and weak budgeting. Kamwenge Town Council had a supplementary budget of Shs 80 million of



local revenue in 2018/2019 financial year. This affected timely provision of services and quality of the services as the approval process of supplementary budget took quite some time.

## Conclusion.

There is a significant relationship between budgetary control and health service delivery in KTC. One contributor to this level of significance is the fact that the budget is derived incrementally from previous budgets. Incremental budget is easy since the local government will have a basis of subsequent budgets. Already, information on previous budgets is available and the budget committee does not have to start from zero. Comparison of performance over years is easily done and so are levels of service delivery. Secondly, the budget is driven through bottom-up participation. The communities, who are the beneficiaries of the services are involved in decision making and are the ones who give ideas on what is to be done for them. Resource allocation is done fairly based on identified priorities of the citizens.

Much as the study gives evidence of timely financial reporting and adherence to quality reporting, the quality of service delivery is averagely reported. Financial reporting is based on financial statements which are just on paper and on which audit opinion is expressed. Service delivery goes further beyond paper work which is not fully reported.

Despite the significant contributions of budgetary control and financial reporting on health service delivery in KTC, financial planning is not significant in modelling health service delivery. Plans will not translate into service delivery if they are not properly implemented. Policy makers may make promising decisions and the technocrats, due to conflict of interest, corruption and individual inefficiencies fail to implement the planned activities that are beneficial to the citizens. Gaps in health service provision, meeting financial targets, efficiency of resource allocation confirm the claim. And while the study does not succinctly provide evidence of gaps in use of funds, it is moderately implied.

## Recommendations

This study has established that financial planning does not have a significant effect on health service delivery. KTC should re-evaluate her financial planning approaches to ensure they contribute to health service delivery. This can be done by re-aligning the Town Council planning cycle to ensure that there are adequate checks and balances that will help implementation of all activities as planned.

The study indicated a pessimistic position on the role of financial reporting in improving the quality of service delivery. Responsible ministries, that is, Ministry of Finance, Planning and Economic Development and Ministry of Local Government should ensure local government reporting is performed professionally and lawfully. There should be regular technical inspection and guidance by the Ministries to support the local government to ensure meaningful reports. The local government departments should be manned by professionally qualified officers.

Local governments should promote citizen participation; especially in budgeting activities to improve health service delivery. The bottom-top participation is done by consulting the masses at village level to identify their needs and priorities which are brainstormed on during budget conference at Division and Town Council levels. This approach helps the beneficiaries of the services to participate in decision making regarding issues that affect them.

Further, the communities feel they are part of the decisions and they own them as theirs, which in turn encourages them to co-operate during implementation. For example, during road opening, the public may not raise compensation issues if they requested for such roads in their locality.

## List of abbreviations

CVI — Content Validity Index  
FPE — Free Primary Education  
ODI — Overseas Development Institute  
PLE — Primary Leaving Examination  
PTA — Parents Teachers Association  
SMC — School Management Committee  
SPSS — Statistical Package for Social Sciences  
UPE — Universal Primary Education

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There is no conflict of interest.

## Availability of data.

Data used in this study is available upon request from the corresponding author



### Author's contribution.

RNB designed the study, conducted data collection, cleaned and analyzed data and draft the manuscript and SM supervised all stages of the study from conceptualization of the topic to manuscript writing and submission.

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