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Budgetary Control Measures on Financial Performance in the Public Sector: A Case Study of Pakwach Town Council, Nebbi District

This study was carried out on Budgetary Control Measures and Financial Performance in Local Governments using a case study of Pakwach Town Council-Nebbi District. The general objective was to find out how budgetary control measures affect financial performance of Pakwach Town Council. The specific objectives were, to establish the key budgetary control measures used in the town council; to establish the relationship between the key budgetary control measures used in the Council; and, to establish the impact of the key budgetary control measure on revenue performance of the council. Important concepts from works of different authors were reviewed and aligned to local government financial and accounting guidelines and statutory provisions on budgetary control to determine the ideal situation on the study variables and objectives. Qualitative and quantitative research designs were both adopted for the study. The case study method was used and the sample population was purposively selected. A questionnaire, interview guide and documentary checklist were used in data collection. The analysis was done using the Statistical Package for the Social Sciences (SPSS) programme and the Pearson's correlation coefficient. The research findings revealed that budgetary control measures used in the local government did not attract equal attention from management during implementation. Budgeting and reporting were the most significant measures of budgetary control. Use of and actions on feedback reports is the least significant budgetary control measure. All the budgetary control measures identified were significantly correlated. A striking finding was, however, that the key budgetary control measure, planning-budgeting, had no significant impact on the revenue performance of Pakwach Town Council in the period of study. It was recommended that equitable attention should be put on all the budgetary control measures to achieve maximum financial discipline and, therefore, a fast track restoration on steady performance. Planning at budgeting level must begin from revenue estimation and not by first setting expenditure targets, so that the budget has a full bearing on the actual revenue collection. Other factors of interest which may enhance financial performance like human resource issues, auditing, the Integrated Financial Management Information System (IFMIS) and staff motivation, but fell outside the scope of this study should be considered for future investigation.

Key words: Control, Budgetary, Financial, Performance, Public