

An Assessment Of Resource Generation On The Development of Local Government: A Case Of Mongu Municipal Council In Western Province

(Paper ID: CFP/1631/2020)

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Abstract

In adequate resources are a big problem most local authorities face and for Zambia this is aggravated by the source of income that have been slowly dwindling leaving the local authorities with narrow range of sources of income. The situation currently is such that local authorities are unable to effectively provide quality services to their communities. The basic services such as garbage collection at house hold level and public places like markets have deteriorated overtime. The inability to provide the basic services has attracted a lot of criticisms from the communities who feel that the local authorities need to improve their operations and provide the needed services to the communities because of the slow development dwelling in rural areas. Hence it has attracted a lot of questions which includes the role of the central government in financing local authorities such as whether the local authorities receive any grant from central government and whether the local authority has been innovative enough to initiate other sources of income with view of being financially autonomous.

The focus for this study therefore was to evaluate the factors why there is slow development and service delivery by local authorities and come up with effective measures aimed at improving development and management of resources in council. The objectives of this research were to

assess the effectiveness of resources generated by management of Mongu Council for development of local government .to determine the extent to which the council collects revenue in relation to the services to be provided.

*Data was collected using **semi structured questionnaire** accompanied with interviews of 30 senior and middle members of staff of Mongu Council in particular in western province. **Judgment sampling** was used to arrive at the target population because of the nature of investigation and hence a **random sample** was considered. Conclusion and recommendation were based on the research analysis and findings which were **qualitative and descriptive**.*

*Statistical package for social sciences **version 20 and MS Excel** were applied to extract frequencies and percentages Questionnaires were coded for easy analysis by the computer. The findings were discussed and the data presented in the form of frequency tables, pie-charts and bar graphs. tables and graphs were used to summarize responses for further analysis and facilitate comparisons.*

***Reliability** of the primary data was subject to the degree of confidence to which the results obtained were through the research method. On the other hand, the validity of the primary data was the degree of the extent to which the method was used to evaluate the data in yielding the desired results. This accounted for both internal and external validity.*

The conclusion shows with the strategies that they have put in place for revenue base. However, there are several hindrances which came up in the implementation process such as political interference, traditional interference and lack of modernized facilities or equipment and inconsistency funding of grant from central government.

Recommendations were made as course of action that would make the local authorities improve their revenue base and ultimately services to the communities they serve.

The study has also recommended that central government should reveal in the manner it is giving the grants to councils. grants need to be disbursed constantly to the local authorities as support for their survival and service provision. The government being the major source of income should give support through grants.

It is also recommended that Mongu municipal council and other local authorities in western province undertake a comprehensive study and investigate features in order to determine the potential and visibility of replicating the method of mobilization of funds.

Western province is endowed with variety of tourism opportunities that local authorities can take advantage of in enhancing revenue collection. The main tourist attraction for instance are, watersports and fishing on the Zambezi river; the annual Kuomboka ceremony and the annual Kazanga ceremony held in Kaoma.

Local authorities need to win the confidence of local communities by giving back the service provision to the community. Also find the means or modalities for instance engaging local residents in developmental efforts like education through media education.

CHAPTER ONE: INTRODUCTION

1.0 Overview

This study will examine the widely perceived poor performance of Zambian local Authorities in general and evaluate the resource generation of local government in Zambia. Local Authorities operates at the grassroots and are expected to provide services to their citizens. Local government is community-based organ which is close to the people. However, the general concern is the slow development of the rural areas which has created a doubt as to how funds are being spent in Zambia local government.

1.1 Background to the Study

Like many other countries, decentralization has gained acceptance as a vehicle for democratic governance and sustainable economic development in Zambia (Mukwena 1992). Implementing this recognition in practical terms requires creating and sustaining different autonomous levels of government for collect defined powers and functions accompanied by a clear allocation of revenue sources and expenditure responsibilities to each level (Mukwena, 1992).

The main key element in this process is strengthening of both local governments' capacity to raise revenue and measures of revenue sharing between local governments.

The recognition of the need for decentralized governance prompted the Zambian Government to formulate the National Decentralization Policy (NDP). Launched in November 2004. The objectives of the decentralization policy are to.

Legal and institutional framework: to promote and Empower local communities by devolving decision making authority, functions and resources from the center to the lowest level with matching resources in the to improve efficiency and effectiveness in the delivery of services.

Design and implement a mechanism to ensure a bottom-up flow of integrated development, planning, and budgeting from the district to the central government.

Enhance local, political and administrative authority in order to efficient

Promote accountability and transparency in the management and utilization of resources.

Develop the capacity of local authorities and communities in development planning, financing, coordinating and managing the delivery of services in their areas.

Build capacity for development and maintenance at local level.

Introduce an integrated budget for district development and management, and

Provide autonomy in decision making at local level.

In addition, Article 109 of the Constitution of the Republic of Zambia provides for the existence of a local government system based on democratically elected councils on the basis of universal adult suffrage. There are 116 local councils in the country whose management and administration are based on the Local Government Act Chapter 281No. 22 of 1991. With respect to the level of development and population size, among other factors, of a given geographical area, local councils in Zambia fall into three broad categories namely: City Councils, Municipal Councils and District Councils. There are five city councils, fourteen municipal councils and ninety-seven district councils in the country. Lusaka being the biggest city among the five.

An overview of Local Government and the Development of Local Authority Administration in Zambia since 1964 when the country gained Independence Local government is that level of government which is commonly defined as a decentralized, representative institution with general and specific powers devolved to it by a higher tier of government (central or provincial) within a geographically defined area, (Ismail et al, 1997: 2-3). Local government ordinarily refers to a system of government at local level. Ola (1984) defines it as a political sub - division of a nation or in a federal system that state which is constituted by law and has substantial control of local affairs, including the powers to impose taxes. In fact, the term local government is used to contrast with offices at Nation-state level which is referred to as the central government, national government, or federal government.

The governing body (local authority) of such an entity is elected or otherwise locally selected, and

operates within a specific geographical area (well-defined area of jurisdiction) to provide services for its local community. A local authority has a right to govern on its own initiative, but is subject to constitutional provisions, as well as central and provincial legislation. The institutions of local government vary greatly among countries, and even where similar arrangements exist, the terminology usually varies. Common names for local government entities include state, province, region, department, county, district, city, township, town, parish and village. However, all these names are often used informally in countries where they do not describe a legal local government entity.

Local government exists for two reasons, namely service-delivery which is a utilitarian consideration, and democracy, which is a civic consideration (Ismail et al., 1997). The first one is related to the utilitarian consideration in that it entails the efficient and effective rendering of services. Local authorities exist in order to provide services to citizens. The utilitarian consideration has a bias for the recipients, namely the citizens. However, it also recognizes the fact that citizens, in turn, have an obligation to pay for the services. The service rendering functions are largely dependent on the ability of the local residents to pay for those services which they receive. The second element involves the civic duties. This deals with the values of participation, representation, local autonomy, responsiveness and fairness. The civic consideration emphasizes the notion of democratic processes such as elections, and the governing side of local government. Local authorities must have regular, free and fair elections. Since openness and transparency are central to the political consideration, the implication is, therefore, that local authorities must promote openness in their daily business and policy making.

Through both the utilitarian and civic considerations, the social and economic wellbeing of citizens is enhanced. This shows that local government is very important for the prosperity of any given society. Moreover, it is only through putting a local government system in place that a forum for the tenets of good governance (decentralization in general and fiscal decentralization in particular; effective public

service delivery democracy; etcetera) is created and good governance and development experienced by a Nation.

The development of local government administration in Zambia during the post-independence period may be divided into three major phases by way of:

- a) The 1965 Local Government Act No. 69
- b) The 1980 Local Administration
- c) Act No. 15; and
- d) The 1991 Local Government Act No. 22.

1.2 Statement of the Problem

Local government operate at the grassroots and are expected to provide services to their citizens, in democratic country like Zambia local government is close to the people hence could effectively alter the socio-economic and political conditions in the country. The general concern over the seemingly slow development of the rural areas has created a doubt as to how resources are being utilised in the Zambian local government. The local government is faced with myriad of problems ranging from corruption and embezzlement, poor financing to mismanagement of funds. This has deterred the development of local government in Zambia.

Therefore, this study is designed to determine why there is slow development, and service delivery of the rural area particularly in Mongu of Western province and come up with effective measures aimed at improving development and management of resources.

1.3 Research Objectives

The research objectives are subdivided into general and specific objectives.

1.3.1. General Objective

To assess the effectiveness of resources generated on the development of local government.

1.3.2. Specific Objectives

1. To determine the extent to which Council collects revenue in relation to the services to be provided.
2. To examine the extent to which financial administration in Council of western province is transparent and accountable manner
3. To analyze the adequacy of central government grants to Council in western province

4. To evaluate the legal and institutional resources compliance
5. To assess the balanced levels of the local residents with regard to the services received in councils

1.4 Research Questions

- What extent does the council collect revenue in relation to the services to be provided to the community?
- What mechanism does the council have to ensure transparency and accountability in the administration of council finance?
- What types of funding does the council receive from central government and how adequate is it.
- What type of services does the council provide to the local residents in the district?
- What legal and institutional resource compliance are in place, in terms of Financial management

1.5 Significance of the Study

The significance of any human endeavor is measured by its revenue to solving human problem.

The researcher decided to undertake this study because of three main reasons:

- (i) There is insufficiency in explanation about the widely perceived poor performance of Zambia's local authorities in general and Western Province council in particular, so the study opted to foster understanding of this state of affairs.
- (ii) To find out if the resources generated by council is helping in the development of the local government in Zambia. Question: why are councils without enough money to adequately deliver services to communities when most, if not all local authorities, are known to have various local sources of revenue and receive grants from central government? The research is partly a quest for answers to this question.

This research is beneficial in the following three major ways

- a. It is expected that its findings, and subsequent conclusions will help to enhance the capacity of central government and to resolve problems associated with inadequate financing which is a contributing to the development of the local government
- b. The research findings are also expected to clearly highlight issues related to resources and development of the local government and with a view to understanding the constraints related to the financing and performance of local authorities in Zambia, in general, and council in western province and in particular; and
- c. The research builds on the existing literature or theories pertaining to local government finance and service provision, ultimately contributing to the body of scientific knowledge.

This work is not only directed at bringing more knowledge to the public and the researchers benefit .it focuses principally on putting former practical and sustainable results obtainable by policy makers, donor agencies, planners and various interested groups in western province ,the underdeveloped and developing nation as a whole .it will be a profound importance to the community to be focused and struggle for better life in the area.

1.6 Conceptual Framework

The main concepts of relevance to the study which includes: Decentralization: Fiscal Decentralization, delivery of services, Central Government control, Local institutional Autonomy, Financial Administration and intergovernmental Transfer and relations.

1.6.1 Theoretic Framework

This section presents the theories that have been used in other studies to carry out an assessment of sources of income and the utilization of the same income for the intended purposes.

A conceptual model is developed used in order to look at how the financial base for the local authorities can be assessed. However, implicitly in this matter is whether or not the local authority can broaden revenue base and be used to sustain themselves financially. the general concern over the

seemingly slow development of local authorities creates a doubt to how funds are being spent in the Zambia local government compared to the other countries.

1.6.2 Theoretical Background

Local authorities continue to provide services delegated to them by central government .this is in the view that basic services will be provided to the citizenry through the local authorities and eventually development will be attained .this relationship in essence is the system that is being used to give power to local authorities to discharge scheduled functions. There are some aspects in the relationship between the central government and local authorities that can lead to conclude that local authorities are agents of central government

The Zambian constitution stipulates that there shall be a local government system in Zambia and refers to an act of parliament to prescribe its operation (constitution of Zambia Act CAP 1Reg 109) It is the local government act that outlines the transfer and vesting power as well as the functions of the local authorities (local government ACT CAP 281 first and second schedules .The local authorities therefore carry out statutory functions with reference to the transfer and vesting power given to them by central government . This therefore implies that they are to some extent agents of central government, acting on behalf of government by executing the statutory functions .There are a number of agency models that outlines the roles that agents play and this research will confirms itself to the aspects that are applicable with the relationship between central government and local authorities. Assessment theories will be used to ascertain as to whether local authorities are in the position to sustain themselves financially and perform effectively within the power vested in them. The study will also look at the key concept which includes revenue and service provision which is the ultimate objective of local authorities.

1.6.3 The Concept of Revenue

Revenue is a very important component in the provision of any service by any service organization. It is very important that the sources of revenue are defined. To successfully define and manage the resources of revenue, certain principles

such as budgeting, monitoring and evaluation have to be embraced .it is also very certain to look at what cost recovery policies should be adopted so as to provide sustainable services (FRANK WOOD 2008). Councils as well as the residents having for a long time been affected by a number of government policies need to look at the transition period where today services have to be paid for as compared to the subsidization policies that the government pursued for a long time. Councils has to rise to occasion and expand their sources of income by funding other alternatives sources of income through innovation and within their legal frame work. The central government also has to ensure that it plays it parts in funding the councils for the function allocated to them. This includes looking at the budgeting procedure, monitoring of the resources of the income, evaluation of their sources of income. Financial management and accountabilities.

Budgeting : Budgeting is an unavoidable planning tool that is helpful in the running of any organization .planning helps the organizations be focused and attended to priority areas lack of planning through budgeting tend to force an organization to concentrate on short term sources of income as well as short term needs (Lucy P.751 2005).This eventually leads to capturing narrow sectional sources of income thus denying the local authorities of the much needed revenue for service provision .the council therefore have to cast their nets wider and be able to source the needed revenue the central government also has to ensure that the councils are allocated adequate resources in the national budget for the services that they have been entrusted to perform .councils needs to classify the type of funding in order to position themselves strategically .The type of finance can be classified into short term , medium term and long term. Short term finance is payable within three years though most sources can be paid within a year. The councils will be able to be strategically focused if they are aware of the nature of the resources of the revenue and be able to estimate this income. medium term finance could be described as source of funds that are payable from four to five years. The council needs to isolate such types of sources of funding for planning purposes. Long term

finance is an important source of finance which can be estimated for period of five years to ten years (SEVENTH NATIONAL DEVELOPMENT PLAN ZAMBIA,2017) These reforms of finding plays a significant role in the sustainability of any organization from inception. (National decentralization policy ,2002).

Monitoring - Monitoring the resources of revenue is the important aspect in any organization inclusive of the council. The sources of income have to be monitored to ensure that the desired targets are met and also to initiate new source of revenue when opportunities arise. Monitoring of the sources of income also gives an opportunity to analyses the performance of a particular source of revenue and opens up avenues for other opportunities as inefficient and absolute operational can be identified (Seventh national development plan 2017).

Evaluation –Sources of income have to be evaluated from time to time to ensure that they are current with the prevailing trends councils therefore needs to constantly evaluate the current sources of revenue. the sources of income have to be analyzed to ensure that the monies are collected with minimal cost (Seventh national development plan Zambia ,2017) it is pointless to have a lot of income which can be collected at great cost .other options for instance use of third party can be explored as a measure of collecting revenue after an evaluation is done as well as revilement the fees and charges when need arises .this allows for the residents who are major stakeholders to appreciate the revised fees and charges.

The theory of agency - The agency theories describes agreement between two people where one will be a representative of the other. This brings out a relationship of the

Principal and agent .in other words the principal is a person or institution that wants to achieve an objective and uses an agent to help to achieve the objective. (Hellriegel and slocum ,2004).

Implied Authority. Implied authority is matter of customer in this case the principal does not specify the agent authority for each particular case. The agent authority depends on the authority or entities in similar position. The principal still has

the final words (Axelrod 1994) .this is typical the current arrangement between the local authorities in Zambia and the central government in Zambia and central government as creation of central government local authorities are expected to adhere to the guidelines given to them time to time through the ministry of local government it is for this reason that the relationship can be described as legitimacy. **Legitimacy** “relationship are highly impacted by what is denied to be legitimate “ (De wit and mayor ,p 201 2005) .there are guide lines that are set stipulating what is expected of both parties in the relationship codes of conduct which may be written or un written form a basic of far acceptable behavior for both parties .the codes of conducts outline how for instance conflict are to be resolved and indeed how interaction should take place . rules are set and there is said to be (trust) where both parties have to adhere to the rules of the game, however organizations do not always agree on the appropriate advantageous to act opportunistically by not behaving according to the un written (De wit and Mayer p 201, 2005)

Power “Power is the ability to influence others “(porter, 1980). Relationship between parties is strongly shaped by the power held by both parties. The behavior of both organizations can be influenced by the source of power or indeed the power that it possesses in some instance organization can possess the power by having resources that other do not have. in a relationship that depends highly on resources. Parties tend to behave differently from each other than when they are relatively independent. (Pfeiffer and Salancik 1998). These three principals have an impact on the conduct of the local authorities as they are implicitly expected to comply on the various aspects .the various principals play a critical role in the council decision to come up with innovative sources of income hence a brief description of the same , these attributes have an impact on the **applicability , implementation, sustainability and accountability** factors that impact on local authorities revenue .

Implementation : This refers to the degree to which an innovation of the strategy can be executed , for the local authorities it is important that the strategies that they put in place are implementable

.they must contain a clear stimulus to organizational commitment and effort .one advantage of making a specific statement of the strategy as is practicable is the resultant availability of careful check on fit ,unity coherence ,compatibility and synergy (Bob de wit and ron meyer p.279.2005) implementation is cardinal in the development of innovative idea .the result can only be seen when the execution of the initiative is facilitated .

Sustainability: A source of revenue that deteriorates or become obsolete can be referred to as un sustainable resource .thus can be measured by looking at various indicator such as economic indicators for the local authority, budget performance of the particular source of income can be analyzed over time to determine whether the source of income is sustainable .local authorities need to develop source of revenue that will not be affected by other factors be it external or internal (Nigam ,2001)

Accountability: Accountability refers to the ability to use the available resource transparently and for the intended purpose (lucy p.384,2002) in the case of local authorities this will be demonstrated by comparing expenditure to the budget in the midst of reduced source of income for local authorities .it follows that good financial management and accountability is the corner stone to the success of any council .there is need to promote accountability and transparency in the management and utilization of the resources .this creates confidence in the client and consequently build a good working relationship with the key stakeholder such as the business community .it also result into enhancing the capacity of the councils to enable them mobilize resources and widen their revenue bases.

1.7 Operational Definitions

Decentralization

This refers to the transfer of responsibilities, authority, functions, as well as power and appropriate resources from central government to lower level administration units such as local authorities to deliver services to the local (NDP ,2002).

Fiscal Decentralization

This refers to the transfer of revenue raising and expenditure responsibilities from central government to lower-level administrative units such as local authorities. In other words as Fjelstad (1999:1) put as "Fiscal decentralization is the devolution of taxing and spending powers to lower levels of government. Fiscal decentralization encompasses clear and formal assignment of functions and responsibilities to different level of government, the assignment of revenue source and revenue – raising power, designing a transparent and rule – based transfer of resources between or among different levels of government and general granting lower levels government significant autonomy and power on local expenditure and resource within general national policy.

Service Delivery

This means the provision of public service by local council to local communities. Example of public service are :garbage collection and disposal; construction of drainage system ;construction of tarred and maintenance of markets ;issuance of trading licenses ;provision and maintenance of land and cemeteries ;cleaning and street lighting; establishment of recreation facilities such as parks and gardens , swimming pools .According to lolojih(2001:5) The answer to the question of whether or not local authorities in Zambia are able to efficiently and effectively perform their functions .

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

The reviewed literature is divided into the Zambian experience (citing works by Edward Okello (1990); Rodger Chongwe (1994); Jotham Momba (2002); Royson Mukwena (2002) and Peter Lolojih (2008)); and other experiences (citing works by Donald Rothchild (1994); Bent Anderson (1994); Odd-Helge Fjeilstad and Joseph Semboja (1999); and Alta Folscher (2007), Hussein (2004) :

The chapter looks at related literature on the work done in trying to assess the revenue base for the local authority and if it is being used for intended purpose. it also looks at the systems that has been used by other local authorities or governments outside Zambia to make the authorities financially strong .it will evaluate what other scholars have done on this topic .it also explores the possibility of

developing viable fiscal and financial policies for the local authorities with a view of making local authorities financially autonomous , there is need for local authorities to have funds to provide the needed services this cannot be overemphasized.

2.2 The Zambian Experience

According to Okello (1990), district councils must have financial resources in order for them to perform the various statutory functions for which they are responsible and to meet other operational costs. He argues that the introduction of the financial arrangement under the Local Government Administrations Act (1980) was an attempt by the government to reverse the financial crisis faced by councils. The aim of the financial arrangement was to enable councils to generate or raise\ revenue from as many sources as possible with a view to achieving eventual financial autonomy. Below are some measures taken under the Act to support the arrangement.

- (i). Section 35(1) empowered councils to borrow from any source [except foreign governments], including central government, banks and by issuing bonds or stocks and mortgages,
- (ii). Section 51(1) and 53(1) empowered councils to impose levies, fees and other charges on properties, business houses, persons etcetera. District councils may do this by-passing by-law which are subject to ministerial approval, and
- (iii). Sections 36 – 39 of Part 1 of the Act empowered councils to engage in any business enterprises.

According to Okello (1990) he further identified a number of the main sources in the capital city of Zambia that is Lusaka as a local authority that empowers the council to generate revenue that is:

2.2.1 Types of Revenue

1. **Personal levy-** It is collected yearly by the council from an employee working and living within the district. The law empowered councils in Zambia to levy this tax which is contained in the Personal levy act of 1968. Person exempted from this tax includes the President, Diplomats and temporary visitors among others. Okello acknowledged that this was not a reliable source of revenue for councils because amount collected kept on

1. fluctuating, and was consequently inappropriate for financial planning purposes.
2. **Rates** –it is levied on the owner or occupier of assessable properties within the urban areas. The valuation of land and buildings is assessed or takes place every five years.
 3. **Rents**- this is obtained by council from tenants of their property's houses for both residential and business properties.
 4. **Government grants** – central government gives monthly grants now so-called Equalization fund to all council for number of reasons, the amount of grants given to each council depends on population.
 5. Government loans- central government gives loans to council for capital projects.
 6. **Profit from commercial undertakings.** - statutory instrument number 76 of the personal levy amendment of 1996, through the Minister of local government and Housing, empowered councils to establish retail, wholesale and manufacturing business in order to provide additional income.

According to Chongwe (1994), people participating in public affair in their respective countries is implied demonstrated in the management and governance of the local councils. The local council typify the grassroots representation of the people in any given country. Therefore, if government of the people by the people and for the people is to be achieved, it will be at the council level. Where every adult is afforded an opportunity to participate in the in public affairs.

In the case of Zambia, the Local Government Act of 1991 recreated and strengthened the desire of the Zambian people to exercise their universal franchise in local government. The major problem facing local government in Zambia, however can be attributed to either poor funding or poor management. Adequate financing and qualified and skilled personnel are keys to successful management of the organization.

Chongwe (1994) identifies major sources of council revenue as: property rates; personal levy; water and sewerage charge (Now it's under a sewerage company). Loans for capital projects and

grants. He argues that the financing of local government in Zambia raises issues regarding the system which are a matter of concern within the local government. Some arising questions are;

2.2.2 The 1965 Local Government Act No. 69

After independence, Zambia inherited general government structures from colonialist Britain. Under the British colonial rule, emphasis with regard to the delivery of services was placed on areas that were clearly occupied by whites, but not the black indigenous people. The nature of the colonial state meant, among other things, that whites lived separately from blacks and usually along the line of rail or in some other relatively urban areas. This, in effect, meant that the delivery of services was not a phenomenon that equitably covered the whole community in a given locality. The enactment of the 1965 Local Government Act was, therefore, seen as an instrument for, among other things, ensuring effective and equitable provision of services to the local people. The Local Government Act of 1965 came into operation on the 1st of November of that year and provided for three types of local authorities namely: Two Urban Councils (City and Municipal) - Township Councils and Rural Councils. The President of the Republic was empowered to confer the title of City on a municipal council and the councils were divided into wards, each of which elected a single councilor who served for three years. However, the Minister responsible for Local Government was empowered to appoint persons to councils.

For each city and municipal council, there was a mayor and deputy mayor, and for each township and rural council, there was a chairman and vice-chairman elected annually by councilors from among themselves. Town Clerks (for city and municipal councils) and Council Secretaries (for townships and rural councils) constituted the executive wings of the councils. The elected and appointed councilors constituted the legislative wing of councils.

2.2.3 The 1980 Local Administration Act No. 15

Officially, the 1980 Act had three principle objectives:

- a) To reflect the government and ruling party's desire to decentralize power to the people;

- b) To ensure an effective integration of primary organs of the local administration; and
- c) To enable district councils to play a more direct and substantial role in the development process than they had been expected to undertake in the past.

Council composition under this act was as follows - District Governor (as chairman) District Political Secretary, two District Trustees appointed by the ruling party's provincial committee and approved by the central committee all Chairmen of ward committees, all Members of Parliament in the district, one representative of the main NGO's operating in the district; one representative from each trade union operating in the district one representative from each of the security firms; and one chief elected by all chiefs in the district. The Act provided for the establishment of a District Secretariat whose functions among other things were:

- a) To coordinate government functions of the district
- b) To carry out day-to-day administration of the council, including implementation of party and government policies and programs of work in the district.
- c) To prepare annual developmental reports other than political reports on the activities of the district for submission to the council
- d) to prepare annual estimates of revenue and expenditure of the district for submission to the council
- e) Prepare district development plans and programs for submission to the council; and
- f) To directly consult provincial organs of the party and government, or where necessary, the appropriate organs of the party and government on any technical matters pertaining to the administration and management of the district.

2.2.4 The 1991 Local Government Act No. 22

This Act came about just after Zambia's return to multi-party politics and it is the one currently governing local government administration and management in the country. Councils are elective as was the case in the 1965 Local Government Act.

Major changes have been brought about by the 1991 Act. There now is a clear institutional divorce of political party structures from the council. Instead of having council players who are appointees from a political party, the situation has changed. Also, the integrative role of the district councils has been abandoned. Furthermore, representative local government based on adult suffrage (right to vote) has been reintroduced. The Act empowers the Minister responsible for Local Government to establish in any given district a city, municipal, township or district council, even a management board. The councils, throughout the country, are composed of elected councilors in a given district; all the members of parliament in the district (introduced by the 1992 amendment to the Act); and two representatives of chiefs selected by all chiefs in the district.

Other key actors in Zambia's local government system, but non-council members, are: Permanent Secretary (Ministry of Local Government and Housing) who is a controlling officer of all the resources in the ministry; Minister who is in charge of matters to do with general local government administration; Provincial Local Government Officer (PLGO) who is responsible for:-

2.3 Local Authorities in Other Countries (Outside Zambia)

Zambia is part of the international community and therefore, it is important to look at the operation of the local authorities in different countries, particularly their sources of income and fiscal policies their governments have put in place to support the local authorities. Suffice to the mention that Zambia is a signatory to various international declaration such as the international union of local authorities which was founded in 1913 and also the united Nations conference on Environment and development of 1992, (Mbolela Zoo).

2.3.1 Malawi

Malawi is one of the Zambia's neighbors whose local authorities have similar responsibilities to that of local authorities in Zambia. the major factor which influenced the development of local government system in Malawi included the need by the residents for efficient and effective service .it was this desire for better services that led to the overall development of the local government

system to be intricately linked .the existence of local authorities is therefore enshrined in the national constitution (Malawian constitution 1998). The local authorities are today vested with the responsibility of promoting development. the areas of operation are clearly defined to ensure the country is evenly developed .it is important to note that historically, prior to the colonial rule of the 1890 government in Malawi like Zambia was through traditional river / leader

Revenue

With regard to funding of the local government in Malawi, the provision in the constitution under article 6 makes it mandatory for the central government to provide funds to the local authorities. This is in order for the local authorities to carry out their responsibilities (Malawian constitution 1998).the development of a local government act which enshrined key element of financial allocation to the local government system is well articulated .in Malawi, there is the local government finance commission LGFC which is an autonomous arm of government. The commission is able to carry out its duties because it has roots in the constitution .it was established under article 195 of the 1995 constitution. The commission is responsible for advising central government on matters concerning fiscal decentralization.

The commission has the duty to advise the president on matters concerning the allocation of revenue to central government. The commission also plays an important role in the distribution of revenue to each local government of funds out of the consolidated fund. The commission also advises local government on fiscal and financial issues concerning the operation of the local authorities. For instance, the commission provides advice to the local government on appropriate tax levels of levies to be paid by the residents and also monies or budgets so as to ensure that they are not at variance with the priority programs (Nation local government finance committee report 2007)

Malawi realized that it was important that the community gets involved in their own development and the development of their community. the government realized that through strengthening the capacity at the local community level in important aspects such as planning and resource mobilization

services delivery would improve and sustainability would be assured

The decentralization policy in Malawi bordered on a number of objectives which includes;

1. Creating an environment and institution which facilitates the participation of the grassroots in decision making
2. To streamline the dual administration where the public service is delinked from the local government. this is with the sole aim of making the provision of services more efficient economical and cost effective
3. To promote accountability and good governance at the local level in order to help government reduce poverty.
4. To mobilize the people in the communities to participate in the social economic development at local level.

Malawi has further analyzed the revenue mobilization potentials. Property tax is one of the incomes that have been analyzed in depth and the use of the revenue collected from property tax has been streamlined. one other tool that Malawi has used to coordinate resources in order to enhance efficient and effective delivery of services is the district development fund DDF whose purpose is to foster a transparent system of allocation of funds .through the DDF predictability of the amount available for development has been possible hence enabling local planning and local autonomy and greater Accountability.

This program is similar to the Zambia social investment fund which Zambia pursued for five years. however, for the Zambian case this was done driven and was abandoned after donors' funds were exhausted.

From the above steps taken by Malawi one can say that they are making policies with political will implementing program aimed at achieving the objective of making available basic services to the communities.

2.3.2 South Africa

The constitution and various laws have been enacted outlining the basic responsibility of municipalities. The basic responsibilities of the councils in South Africa are relatively clear as they also deal with service provision in the

communities, despite the responsibilities of the municipalities being clear the desired levels quality of services and appropriate costs of the basic services need to be elaborated. in south Africa the interim constitution under section 174 (3) and 178(3) provides that the local government be autonomous. it also provides that the council shall within the limits regulates its affairs (SOUTH AFRICA INTERIM CONSTITUTION 2005 ONLINE).

Municipalities in South Africa are classified into three categories; there are three categories of A B and functional assignment for each category of the municipalities differs. In the years 2000, there was an amendment to the municipal structure act. The amendment assigned responsibilities for certain key (non- A) municipal services to municipalities in category C. however it is widely recognized that some flexibility in assignment is needed to reflect the current realities of the South African system.

Local government in south Africa has a set functions to perform which includes traditional local government to the community .the local government functions of providing basic services to the community .the local government also has to perform function which may be devolved to them from provincial government or it may have delegated functions from national and provincial government .like in most countries local government is permitted to raise certain taxes .the local government in the former white areas traditionally had access to a number of revenue sources such as property rates and implicitly excises on the sale of water and electricity South Africa has had some challenges in designing a transparent and stable intergovernmental system that provides an appropriate mix between transfers .further in south Africa like most African countries, there is the question of the desired degree of a symmetry because of differences among municipalities in terms of settlement patterns services needed, revenue access and capacities less devise rural jurisdictions for example have every different needs. The responsibility to provide at least minimum level of the services requires that poorer municipalities get assistance to fund these mandates. Therefore, there is a gap that exists and decisions must be made to close this gap in the

midst of constraints .the various option that need to be explored include reducing service expectation by residents , raising more local revenue or increasing transfer by the central government (GILDENHYS J.SH 1997).the municipalities therefore have a task of raising local revenue in a way that helps to match the benefits and cost of municipality services .the sources of income for various categories of the councils are outlined .municipalities in categories of A and B use property rates as the local revenue for service provision .while category A and C municipalities have the regional service council (RSC) levy .municipalities as noted above have access to variety of local revenue sources . the proposed reforms addressing decision with regard to service assignment and implementation strategies that will see to it that there is even allocation of resources and consequently all the municipalities should develop and provide the services .the proposed reforms are also looking into sharing property rates with category C and RSC levy revenue with category B .

South Africa has also seen the need for new revenue sources such as Motor vehicle taxes. This is in view of the considerable services demand on municipalities by residents.

The revenue bases of municipalities should reflect the functions of municipalities are expected to undertake. Constitution further provides that the local government shall be entitled to an equitable allocation by the provincial government of funds. South Africa has strong provincial administration that are charged with the responsibility of regulating the councils within the provinces. they play a critical role in the national coffers and local revenue in meeting the key national objective of providing quality municipal services to the communities, as in most countries municipal services cost in south Africa often exceeds revenue capacity. There also exists the recommendation regarding the criteria for allocating funds (LINDILE N 2001).

2.3.3 France

The French local government model: France is a state with the parliamentary system .it has multiparty political system. the administrative still retains the unitary structure established by

napoleon the first (1). the French model is found in most parts of the world today. This is likely due to the 1789 French revolution and also due to the fact that France was a major imperial power. The present French local government system has retained the essential feature of that which was created by napoleon after he made change to the old one in 1800. The major units of local government are the communes; the departments and the program region. they all have legal status, assets, obligations and rights. The commune replaces whose existence was seen as a danger to national unity. The department (provinces) as a local authority is deliberative body composing elected members who form the department is exercised by the chairman of the department. Council elected by that body for each department, there is a prefect who is an official appointed by the government and is the representative of the deconsecrated state of that level. The prefect is primarily an agent of state in department and informs the government and carries out its decision in so far as they relate to the running of the department.

The commune or municipality is essentially a decentralized community. the commune constitutes village, town and cities. The municipal council at the level of a commune is elected by universal suffrage. there is a mayor elected by the council. In some cases, both the mayor and the council to receive power from the central government. in this case the mayor can be considered as an agent of de concentrated power. The regional local government system existing in France today is as a result of the following act passed in 1982.

1. The right and liberties of the commune and the department and region act passed on march 2 1982
2. The transfer of financial resources regulation mainly government by the two acts. the 1982 act made local authorities more autonomous and accountable for their activities. local autonomy is ensured by two fundamental policy decisions namely:
 - abolition of state control over these authorities on transfer of the executive function previously held by the prefect to the departmental and regional councils. prior to the above act.

- the prefect, the same as most government representatives in the department had wide ranging power. the prefect approved for example was required for any measure adopted by local assembly's council at any level take effect.

The 1982 act clearly define the roles of the prefect who now hold the title of commissioners or the republic.

Revenue: Sources of Local Government

The sources of local government finance include taxation and from the state borrowing, various rates and charges on public as well as private investment etc. Generally, communes located in urban industrial areas are usually richer in terms of finance than those which are not departments disposed significantly more fiscal resources than the communes and the regions. This is mainly because central government transfer many responsibilities to departments and is therefore obliged to disburse significant amount of financial resources to them. Another source of revenue for the department of direct taxes is on motor vehicle, being the greatest beneficiary of the 1982 reforms. The department is also the richest of the three level of local government.

The grants given to local authorities by the central also act as carrot and stick in as for decision making at the local level is concerned. it has an effect on reducing local autonomy progressive steps taken in 1982 reforms include the abolishing of the so-called controls, technical control included restrictions imposed on local authorities to make investment with aid from the state or for the purchase of certain equipment.

2.3.4 United states of America

The United States of America consists of 50 states and is a system of federal government with a multiparty system. Chief executive at the federal state and local level are:

Federal – president

State - government

Local level- mayor

Major forms of local government includes the municipalities, councils school districts and field administration .officials representing executive

departments and independent agencies located in various states are responsible for field administration .this includes treasury , agriculture , commerce ,health , education and welfare and transportation .independent agencies includes the civil service commission ,the executive departments are the major operative units of the federal government .the independent agencies with varying responsibilities are usually created by congress to deal with matters which are too complex for the scope of ordinary registration e.g. NASA .some states within the federation are highly urbanized and industrialized e.g. state of Michigan while others are rural and agrarian based . it is for this reason that the forms of state government rare in many significant ways contribution of various state differ in some details but generally follow a pattern similar to that of a federation constitution. Town and Village government. Several municipal jurisdictions are too small to qualify as city government. they are instead chartered as town and villages. these are responsible for purely local needs such as providing water supply, providing and lighting streets, establishing local health regulation and sewerage and other waste disposal system. all elected board or council is responsible for running this kind of government. the board or council may be known as Town or village council, board of selected men or board of commissioners. Board may have a president, chairman or any elected mayor as chief executive. The township is a district for conducting local affairs as well as subordinate agency for the counties and state business. The township may assess and collect taxes and act as an election district for national state and county official. The existence of this type of government is supported by the arguments that it is a training ground for democracy abolishing township, government requires constitutional amendments in most states and is generally not an easy procedure.

Although less conspicuous special district is the most numerous forms of local government in the USA. the formation of special district is the response to the inability of most local government to cope with problems that are highly typical. each district is there to perform a specific function. This means that there are many special districts as there

are functions. The name of the district indicates its major functions. so, there are school irrigation, floods control fire protection districts etc. The government of a special district may be the county boards the local court or the state.

Sources of local government finance – America

The sources of local government finance include state federal aid property taxes on public companies and various charges such as: public meters, sewer fees, taxes on entrance fees to places of amusement although property taxes are the most liable sources of local revenue. They are heavily criticized because the property taxes are not based on the ability to pay .one has to pay the assessed taxes whether or not they are in employment. an individual risks the possibility of his / her property being sold off for failure to pay the taxes for too long. on the part of the local authority property taxes is administratively cumbersome .there is for example the need to hire qualified people to assess deal with bills and taxes from individuals who claim that they have not been properly(unfairly) taxed . All these things make administration of property tax very cumbersome and costly.

Local government in the united states of America also get grants from central government, there are three major grants given.

(i) Categorical grant:

Are meant to be used for specific purposes and on condition that certain standards are met. these grants in fact as carrot and stick in that they are the ability to influence local government to alter their policies in lines with central government expectation

(ii) Block grants

These are given to state and local government to support programs to areas such as community development, health service and social service etc.

2.4 Lessons Learnt from the Literature Review

Local Authorities are continuing organization charged with the responsibility of discharging public functions and they exist

worldwide. they therefore are expected to perform a catalyst role in the economic development of any country.

From the literature review above the services that the local authorities are entrusted to perform are service provisions in nature. However, it can also be seen in literature review that the responsibilities vary from country to country. Some countries like Malawi have decentralized system where we see the bottom –up – approach in decision making being used. Malawi has made a lot of strides in running away from the top- down approach by revising their laws leaving a number responsibilities to the local authorities. While in Zambia we see a number of functions of the local authorities such as provision of basic education, good quality water being performed by central government and water companies respectively, such functions in Malawi are still a responsibility of the local authorities.

The literature review shows that it is irrefutable that local government are a worldwide practice and brought out some elements as to why they perform well in other countries as compared to other countries. The major challenge that came out in literature review is that most local authorities do not have the matching resources for the mandated responsibilities. In as much as it is a constitutional requirement for most of the countries that local authorities be funded this has still remain a challenge. For the local authorities in Zambia, it is evident that a number of experiments have been undertaken in the name of strengthening service delivery. However, what we have seen is a worsening situation in terms of service delivery. We have seen a reduction in the sources of income as a result of policy directive. The asset base is also seen to be crowding a typical case being sale of council houses at uneconomic prices.

However, from literature review some countries like Malawi can be said to be doing a lot better. The existence of the local government finance commission which has roots in the constitution is good catalyst to ensure that sufficient funds are allocated to the local authorities. The commission is an independent body that ensure that local authorities receive resources equivalent to the responsibilities. The commission goes further to monitor budget and provide financial and fiscal advise. The literature further review that for countries like south Africa there is an emphasis of

equitable share of the national revenue in the constitution south Africa has gone further to classify the local authorities into different categories depending on the levels of development which is very useful in the allocation of funds. A grant formula has been developed which takes into account the status of municipality.

2.5 The Concept of Local Government

“local government refers collectively to administrative authorities over areas that are smaller than state” (Department of local regional democracy and good governance, 2003) therefore they are subdivision of a state, charged with the responsibility of taking care of the affairs of a defined jurisdiction. According to the World Bank publication (1992) local governance is defined as a political administration of the smallest subdivision of a country’s territory and population. The concept of governance is not new it is as human civilization governance is the process of decision making

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the methodology that has been employed in this study. The chapter looked at Research design, target population, sample size, sampling procedures, data collection, and data analysis, ethical consideration and limitation of study.

The Research is an exploratory study aimed at assessing the sources of the income for local authorities in western province. This chapter looked at the Research design, target population sampling size, procedures for collecting data and the methods of collecting data which was used to realize the research objective.

3.2 Research Design

The study is both descriptive and exploratory in terms of its design. It is descriptive in that qualitative approach was be used. The Questionnaires were designed to collect data and distributed to the respondent. Questionnaires and personal interviews were used to collect data, the questionnaire emphasized on anonymity and also on up holding of confidentiality. The questionnaires were also designed to encourage openness, honesty and willingness to participate the study

3.3 Target Population

The population from which the sample was drawn includes council senior management officials, middle management, local councilors, and local people of Mongu Western Province of Zambia.

3.4 Sample Size

The sample size of thirty (30) respondents in total from council senior management, middle management officials, local councilors, and local people was picked.

3.5 Sampling Procedures

The researcher used the Simple Random method to carry out the research. This sampling method is known as a fair sampling technique where a subset of population of member has an opportunity of being chosen.

3.6 Data Collection

During the process of this research, data was collected using the questionnaires which were distributed to the respondent. Both primary and secondary was used to ensure that the objective of this research is achieved.

32 Primary data - Data was collected through structured questionnaires. the researcher personally administered the questionnaires (Secondary data – Secondary data was obtained from both unpublished and published source. This data enabled the researcher to come up with information that is useful in the subsequent chapter

3.7 Data Analysis

Data analysis used both qualitative and quantitative method. Data from qualitative design was coded and entered into the computer using statistical Package for social science (SPSS) was used to analyze data in terms of percentage, also excel package was used to help to summarize the research and interpretation of data, frequency tables and bar charts respectively

3.8 Ethical Consideration

The researcher was mindful of the ethical issues as pointed out by the scholar Patton (1990) however, participants were guaranteed confidentiality by not mentioning for instance their names to sensitive

information they shared, which might be harmful to their personal security.

3.9 Limitations of the Study

In this study of this kind one would wish to interview all with interest in the problem, however time and resources will only allow the researcher to consider a small sample of the total population.

CHAPTER FOUR: PRESENTATION AND DISCUSSION OF FINDINGS

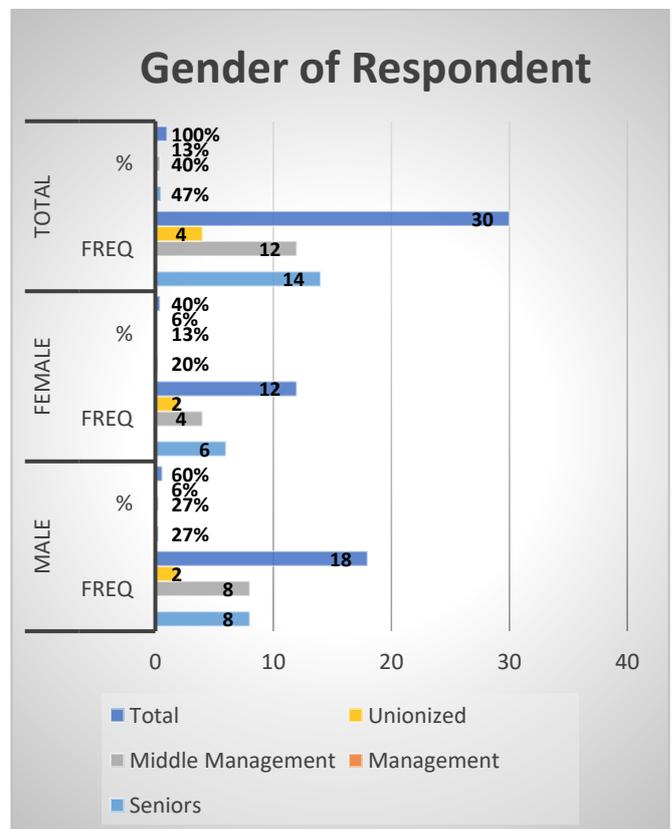
4.1 Introduction

The aim of this study was to assess the effectiveness of resources generated on the development of local government by targeting a sample from Mongu Western province of Zambia. This chapter presents the analysis of data as well as the discussion of the findings.

4.2 Demographic Characteristics of Respondents

4.2.1 Sex and Employment category of the Respondents

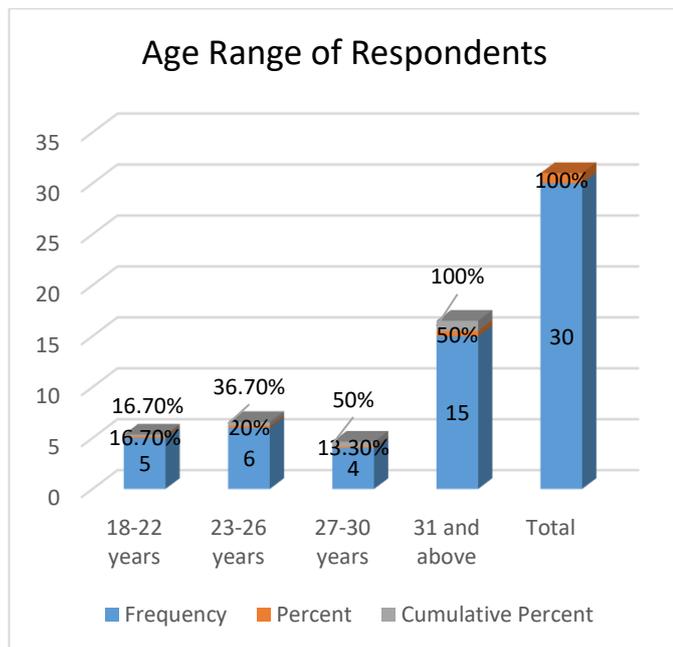
Figure 1: Sex and Employment of Respondents



The results above show that there was a total number of 18 males and 12 females in the sample. Of the total of males, 44 percent were in senior management, the other 44 percent in middle management with 12 percent in unionized. For females, about 83 percent were in management while 17 percent unionized.

1.2.2 Age Range of Respondents

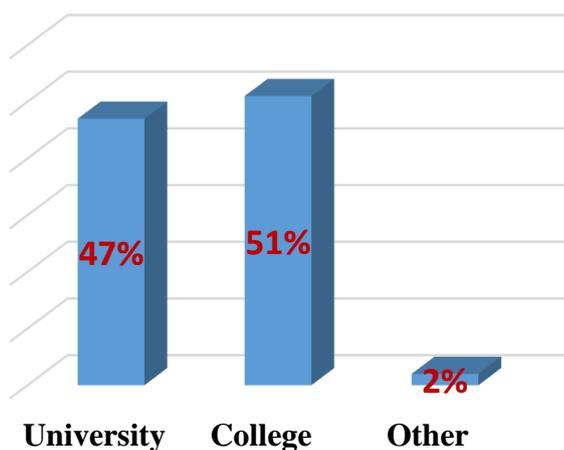
Figure 2: Respondents' Age Ranges



The Figure above shows that 50 percent (majority) of the respondents were above the age of 30 years. On the other hand, about 20 percent of the respondents were aged between 23 and 26 year.

Education Levels for Respondents

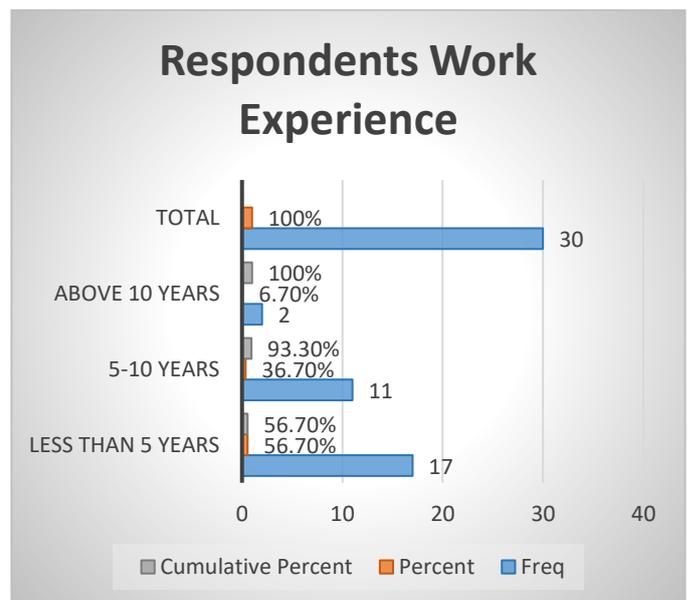
Figure 3: Respondents' Levels of Education



Respondents were asked about their level of education and their responses are shown above. 51 percent of the age respondents were college graduates, 47 percent university graduates while 2 percent of the respondents had other qualifications.

1.2.3 Respondents Work Experience

Figure 4: Respondents Work Experience



As can be seen from the above display, most of the respondents had worked for their respective local council for less than 5 years at the time of the study. On the other hand, about 11 in counting had worked for the council between 5 and 10 years with only 2 respondents having worked for the council for more than 10 years.

4.3 Discussion of the Findings

This research carried out an assessment of the sources of income for Mongu local authority on the Western province of Zambia. The study set guiding parameters in order to achieve the research objectives and these included: applicability, implementation, accountability and sustainability.

Applicability – refers to the degree to which the sources of income is similar to the existing values and capabilities.

Implementation – refers to the degree to which an innovative idea on how to broaden the sources of income can be executed.

Accountability – refers to the ability to collect and use the available resources transparently for the intended purpose.

Sustainability – looks at the source of revenue that do not deteriorates or become obsolete

4.3.1 Fiscal Decentralization of the Local Councils

Local councils being implicitly agents of central government due to their delegated function, the researcher saw it fit to look into the existing values expected of the local authorities as well as the capabilities. This was in order to assess as to whether the local authority has initiatives to broaden the revenue base within the acceptable figure values and other capabilities based on the fiscal decentralization. This refers to the transfer of revenue raising and expenditure responsibilities from central government to lower-level administrative units such as local authorities. In other words, as Fjelstad et al. (1999:1) put it, “Fiscal decentralization is the devolution of taxing and spending powers to lower levels of government.” Bird and Freund (1994) define it as the transfer of some authority over expenditure responsibilities and financing from national to sub-national government units.

Fiscal decentralization covers two interrelated issues. The first is the division of revenue sources and spending responsibilities among levels of government (national, regional, local etcetera). The second is the amount of discretion given to regional and local governments to determine their expenditures and revenues (both in aggregate and detail). These combined dimensions have a significant impact on the reality of decentralization in its broader political and administrative sense.

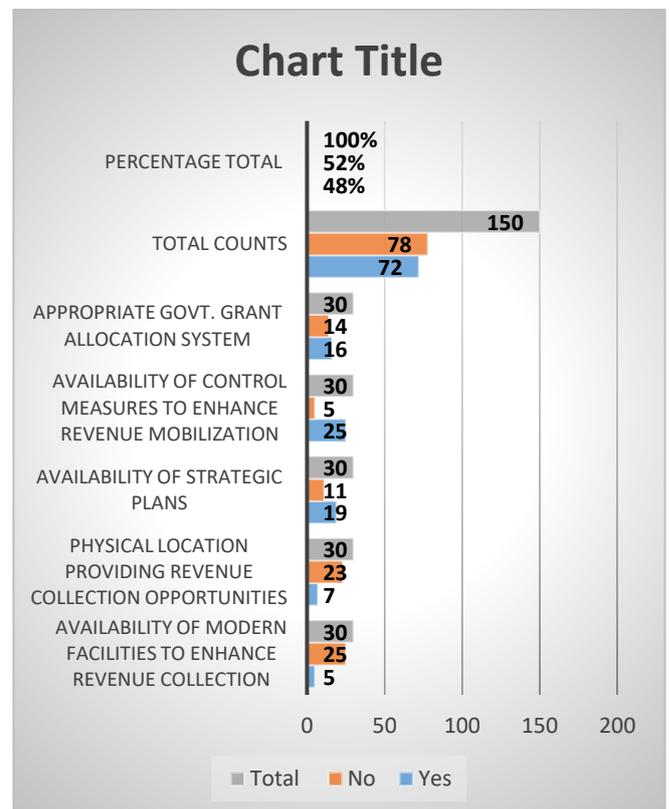
Davey (2003) stresses that how much power regional and local governments actually exercise depends substantially on what range of public services they finance; whether their revenues are commensurate with these responsibilities; how much real choice they have in allocating their budget to individual services; whether they can determine the rates of their taxes and charges (both allowing them to vary their level of spending and making them answerable to the payers). Basic principles of fiscal decentralization are: assignment

of expenditure responsibilities to different government levels; assignment of tax and revenue sources to different government levels; intergovernmental fiscal transfers; and sub-national borrowing.

4.3.2 Applicability

The local authorities, being agents of the central government due to the delegated function, the researcher saw it fit to look into the existing values expected of the local authorities in western province as well as their capabilities. This was done in order to assess whether or not local

Figure 5: Applicability Aggregated Frequency Results



(Source: Author's constructs)

The above results show that more than half of the respondents (52%) showed discontent in the manner of the applicability of revenue sources against 48% who were content. Like all the other organizations, local councils require finances. They have to collect revenue from their local sources and receive grants from central government. They have to collect revenue from their local sources and receive grants from central government. However,

the councils have to plan for all the financial resources and apply these in a sound manner, with the intention of ensuring that all possible income is collected and all expenditures are aimed at securing value for the money. As the results show above, the general public do not approve of the applicability of the avenue put in place to collect revenue. For example, they cited government grant should be scrapped off as it creates the dependency syndrome. Moreover, it was revealed that the grants are usually fixed across councils and inconsistent. The Figure below shows the estimates of the local government transfers to the Mongu Municipal Council.

Figure 6: Local Government Transfers Estimates

Year	Central Govt, Grant	% of Council Budget
2016	K12, 478.772	9
2017	K13, 022.654	7
2018	K16, 935.610	10

(Sources: MMC Budget Estimates, 2018)

The results above indeed show shortfall in grant allocation which is usually below 10 percent of the budget estimates. This coupled with delayment causes impairments in the operations of local councils. Thus, the councils have ventured in other sources of revenue to carter for the shortages and gaps emanating from insufficient grants.

Sources of local revenue for local councils in Western Province include rates, rents, personal levy, market fees, bill board charges, car park levies, license fees and bus station charges. Rates are based on the value of property. Rentals from commercial property such as kiosks are collected per quarter-year. Personal Levy is obtained at 1 percent of gross income. Market fees are collected at K1 per day or K30 per month. Bill boards are charged at K1 per square meter per day. Car park levies are collected at k1 per hour. Trade license fees fall in two categories: wholesale and retail – the former is collected at k700, while the latter at k400 per license per year. Finally, bus station charges vary depending on bus size and are normally collected on a bus' way out of a station at exit gates (Mongu Municipal Council, 2019).

Finance is usually considered to be the overriding factor in local government. Thus, the respondents have shown lack of support for the local authorities' mechanisms for revenue applicability. Without sound financial management systems, local authorities will be forced to discontinue their operations. From these findings, therefore, local government finance should be geared towards generating finances and promoting economic development of the local community. Every local authority, therefore, must conduct its affairs in an effective, economic and efficient manner with a view to optimizing resources in meeting its objectives (Ismail et al., 1997). All local authority stakeholders and role-players, therefore, should have a sound knowledge of local financial management.

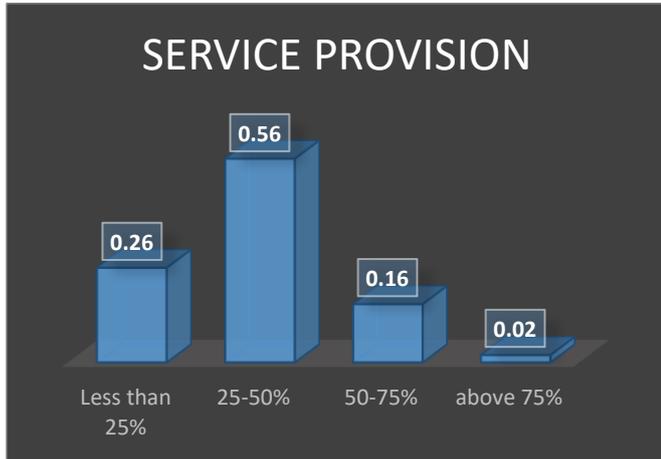
4.3.1.1 Service Delivery Expenditure

Furthermore, the researcher also looked at how much of the total income of the local authorities is spent on service delivery. Local services such as the supply of drinking water, waste management and basic health care have a huge impact on people's daily lives and well-being. Unfortunately, the ordinary local people, especially the poor, often seem to lack access to the right quantity and quality of these imperatives for development. In order to effectively provide services, local governments must not only have access to sufficient financial resources and fiscal discretion but also be very committed to their work. At the local level, institutions and participatory development mechanisms are often weak, resulting in poor service delivery. The Second Schedule, Section 61 of the Local Government Act, outlines a number of specific functions which local authorities in Zambia are expected to perform. From the study, a number of services are offered by the local councils. These include garbage collection and disposal, construction and maintenance of roads and drainages, street lighting, market, libraries, stations, recreations and many other services.

The responses from the bar chart below shows that 26% of the employees in the sample indicated that local authorities spend less than 25% on service provision, 56% of the respondents showed that between 25 and 50% is spent on service provision, 16% of the respondents indicated that between 50

and 75% is spent on service provision while only 2% of the respondents indicated that more than 75% is spent on service provision.

Figure 7: Local Councils Service Provision Rating



(Source: Author's constructs)

Local councils in Western Province faces numerous problems in the provision of services. These can be categorised as internal and external. Internal problems are those which emanate from within the council while external ones, stem from outside the organization

4.3.1.2 Challenges face by Local Authorities

Figure 8: Challenges Faced by Local Authorities in Western Province

TYPE OF PROBLEMS	PROBLEMS
INTERNAL	<ul style="list-style-type: none"> ❖ Poor council management ❖ Lack of Inadequate qualified manpower ❖ Capital investment ❖ Poor work-culture
EXTERNAL	<ul style="list-style-type: none"> ▪ Traditional interest ▪ Political interference ▪ Central government interference and bureaucratic delays ▪ Poor attitude by local people towards wellbeing of the city ▪ lack of access to some local areas ▪ fights with traditional chiefs

The internal challenges emanate from within the council and lack of capital investment is one of these. One of the respondents in the sample from the focus group pointed out that, “the councils lack adequate equipment, transport and materials to effectively deliver services to the people of Western Province.” Inadequate qualified manpower constitutes another problem. Local councils do not have enough qualified manpower, and efforts to train and develop the available staff are insignificant. According to the Engineering Superintendent, “There is no training and development of employees such as plumbers. Technology is changing but we are not adapting.”

In addition, it was brought to light that the councils do not attract qualified manpower due to lack of adequate finances. Another constraining issue is poor council management. Local council managements were described as poor by most (67 percent) of the people interviewed. Asked what challenges they thought the council faced in delivering services in their area, the majority of the local people interviewed said poor council management, among other challenges.

External challenges are major difficulties exterior to the council including political interference, central government interference and bureaucratic delays and poor attitude of the local people towards the wellbeing of the city. Political interference is seen in the undue criticism of the council from opposing groups and individuals. Research results showed that one of the challenges was the constant fight between traditional leaders (chiefs) and the council authorities. Inaccessibility to most of the local areas pose a great challenge in revenue mobilization and community engagement. Central government interference is partly seen in the tendering process, for instance, through offering projects to contractors favoured by central authorities as opposed to those preferred by the local authority. The poor attitude of the local people towards the wellbeing of the city is seen in residents dumping garbage in drainages as opposed to dumping sites.

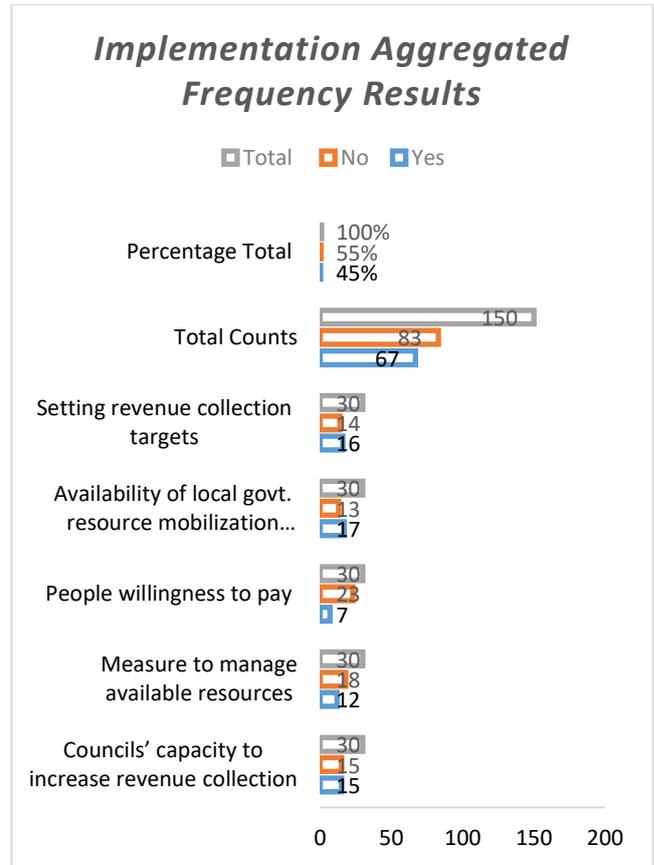
From the above discussion, there are number of specific functions which local authorities in Zambia are expected to perform but most local authorities do not perform all these functions for one reason or another. Some of the major functions performed by local councils in the sample as outlined above include: garbage collection and disposal; construction and maintenance of roads and drainage; water supply; and installation and maintenance of street lights. The study also brought to light that the councils face various problems in the provision of services and these include: lack of capital investment; poor work culture; inadequate qualified manpower; poor council management; political interference; central government interference and bureaucratic delays; and poor attitude by the local people towards the wellbeing of the city. The majority (52 percent) of the local people of interviewed from the local councils are either unsatisfied or very unsatisfied with the services delivered in their localities by the local councils.

4.3.2 Implementation

One of the study’s objectives was to assess whether the local authorities were executing effectively in resource mobilization. Thus, the study sort to investigate the implementation of the resource mobilization strategies. A series of variables were used to assess as to whether the implementation is on course from the local councils sampled. The Figure below shows the measure that serve as benchmark for implementation and the corresponding responses.

The results in figure below shows that 45% of the respondents are content with the implementation efforts which are put in place by local councils which include setting targets and control measures put in place for resource mobilization while 55% are discontent.

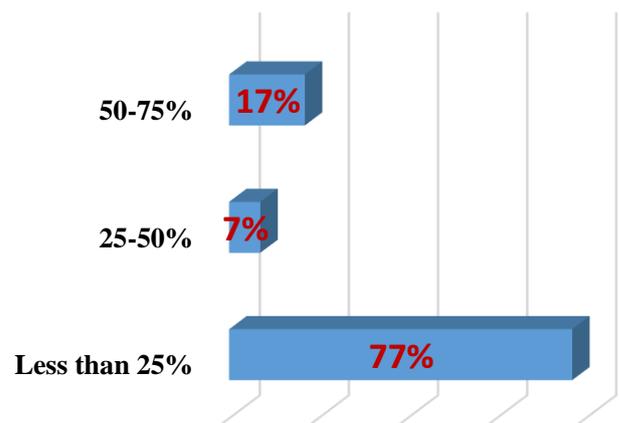
Figure 9: Implementation Aggregated Frequency Results



(Source: Author’s constructs)

The study further looked at how the implementation strategies by looking at the collection efficiency.

Figure 10: Revenue Collection Efficiency by Local Authorities



(Source: Author’s constructs)

The bar chart above represents the results showing that about 77% of the respondents said that the

councils were able to collect less than 25% of what is due to them. On the other hands, 17% indicated that the councils were collecting between 50 and 75% and only 7% said the councils were collecting between 25 and 50% of what was due to them. These results imply that councils are not able to increase revenue collection as per expectations with 50% of respondents above indicating lack of adequate revenue collection capacity. Furthermore, respondents were asked the source of revenue for councils.

4.3.2.1 Traditional Sources of Revenue for Local Councils

The local councils in Western province engage in various traditional revenue generating avenues. In the context of the study, traditional sources of revenue refer to sources of income which were common to all local authorities. Traditional sources of revenue included such avenues as local taxes, fees and charges, licenses and levies among others and support from the Central Government which was received in form of recurrent grants, grant in lieu of rates and Constituency Development Fund (CDF).

Rate: Rates are a form of tax levied by the local authority on property or real estate. Rates from both commercial entities and individuals were the Councils highest earner of revenue in 2018 in Western Province. Revenue estimates in respect of rates in the 2018 budget was pegged at 36% of the total budget estimates (ibid). Rates were basically paid to the Council by the clients. The role of the Council, through revenue collectors, was to issue bills to the residents and business entities on which the clients based their payments. The amount of rates payable varied, based on the value of the property. The study revealed that rates were charged at 0.3% of the value of the property for normal residential rates and 0.5% the value of the property at commercial rate. Rates were paid twice per year that was in June and in December.

. In addition, results of the study showed that the majority of Western province residents did not pay rates to the Council. The proportion of residents defaulting translated into significant revenue loss.

The reason for low levels of payments of rates, among others, included poor service delivery which discouraged residents from making payments, as they did not see any value for the money paid.

Bus and Taxi Levy

Another avenue that provided the Council with considerable amount of revenue was levy from buses and taxis known as bus and taxi levies respectively. The revenue estimates in the 2018 budget in respect of bus and taxi levies represented 0.62% of the total expected revenue in 2018, (Mongu Municipal Council, Capital and Revenue Estimates for – 2018). This revenue was basically collected at various operating points which included taxi ranks, among others. Revenue collectors also maintained a database of the transport operators and levied them accordingly. The levy was collected on daily basis by revenue collectors who visited various operating stations.

Revenue collectors issued the clients with an official Council receipt. The revenue collected was then handed over to the cashiers at the Council Office. Records in the receipt books were reconciled with the cash received to ensure that revenue collected corresponded with the receipts issued. Revenue in respect of taxi and bus levy was, to a greater extent, mobilized by revenue collectors from clients in the field. However, clients were allowed to pay taxi or bus levy at the Council offices, as there were no restrictions to that. The study revealed that bus and taxi levies paid to the Council varied, depending on the area they traded from.

Personal levy

Personal levy was a fee paid to the Council by residents living in the Councils locality. The law requires that the levy be paid to the Council by all residents earning an income living in the Councils locality. Personal levy constituted a revenue source which earned the Council stable and consistent income. The revenue estimates for 2018 budget in respect of personal levy represented 1.24 % of the total revenue estimates for 2018, excluding income from the Central Government. However, results of the study showed that more than two thirds of the

residents did not pay personal levy to Mongu Municipal Council. The explanation to this was the high levels of residents who were trading their business in the informal sector, as there were no mechanisms to coerce the residents to comply. It was, therefore, difficult for the Council to mobilize personal levy from the informal sector.

Other Fees and Charges

Other traditional sources of revenue included payment in respect of marriage certificates, permits for road shows, permits for cinemas and cinematography, filling stations, car wash, curio permits, scrap metal dealers and beer permits. Others included business levies such as liquor licenses, licenses for wholesale and retail traders. Other traditional revenue sources also included legal fees such as change of ownership fee, registration of mortgage, registration of power of attorney, caveat registration, grant of council consent, penalty fees, preparation and issuance of title and land record among others. Further, traditional revenue sources included hiring of earth moving equipment in addition to a tipper truck and a tractor. Other sources were scrutiny fees, road cutting permits, petroleum storage licenses, fire certificates, occupation certificates, burial permits, cadaver transfer fees, meat inspection fees, refuse charges and health permits, among others.

Therefore, this section has established the nature, sources and extent of resources mobilized at Mongu Municipal Council. The results have thus showed that resources mobilized, were insufficient and therefore, fall short of the Councils budgetary requirement. Consequently, this section endeavoured to establish how the management of resources was undertaken at Mongu Municipal Council. An institution can mobilise relevant resources but remain ineffective in its operation, if there were lapses in management, to effectively utilise the resources for service delivery. In this regard, effective management of resources is vital to warrant effective provision of service delivery, by local authorities. Effective management of resources requires accountability, transparency and efficiency, which assure quality and sustainability in the implementation of programmes in pursuit of

service delivery. The next section looks at the accountability of local councils in Western Province.

4.3.3 Accountability

Accountability refers to the ability to use the available resources transparently and for the intended purpose (Lucy, 2002:384). In the case of local authorities, this will be demonstrated by comparing expenditure to the budgets. In the midst of reduced sources of income for local authorities, it follows that good financial management and accountability is the cornerstone to the success of any council. There is need to promote accountability and transparency in the management and utilization of the resources. Thus, creates confidence in the clients and consequently builds a good working relationship with key stakeholders such as business community. It also results into enhancing the capacity of councils to enable them mobilise resources and widen their revenue base.

4.3.3.1 Financial Management

Councils manage their finances through Finance Departments. For example, at the Mongu Municipal Council, the finance department is made up of three sections: namely, revenue section; accounts section; and expenditure section. The revenue section is responsible for the collection of revenue and is headed by the Senior Revenue Manager. The accounts section is in charge of accountancy and banking. Major activities under accountancy include allocating financial resources to various developmental projects as well as those relating to the general administration of the council; and generally ensuring transparency and accountability in the administration of council finances. The Accounts Section is headed by the Assistant Director - Accountancy. The role of the Expenditure Section is to carry out the day-to-day expenditure responsibilities of the council and it is headed by the Assistant Director - Expenditure.

The council's financial cycle starts with the process of debt collection. Council revenue is collected in various ways. Door-to-door debt collection is one of these. This is carried out on both commercial and residential property. Second, residents go (on their

own) to pay various taxes and charges at the council offices. Shop-to-shop or stand-by-stand collection in markets is the third way of revenue collection. Finally, the council collects personal levy cheques from various organizations operating in the town after these deduct such from their employees' salaries and wages. Collected debt (revenue) is declared to Chief Cashier who submits collection records to the Director of Finance. The Director of Finance then allocates the money to specific banks for reservation and it is kept-in safe with the aforementioned banks. The banking process is done by the Chief Cashier and once the revenue is in the various bank accounts of the council and it is ready for expenditure.

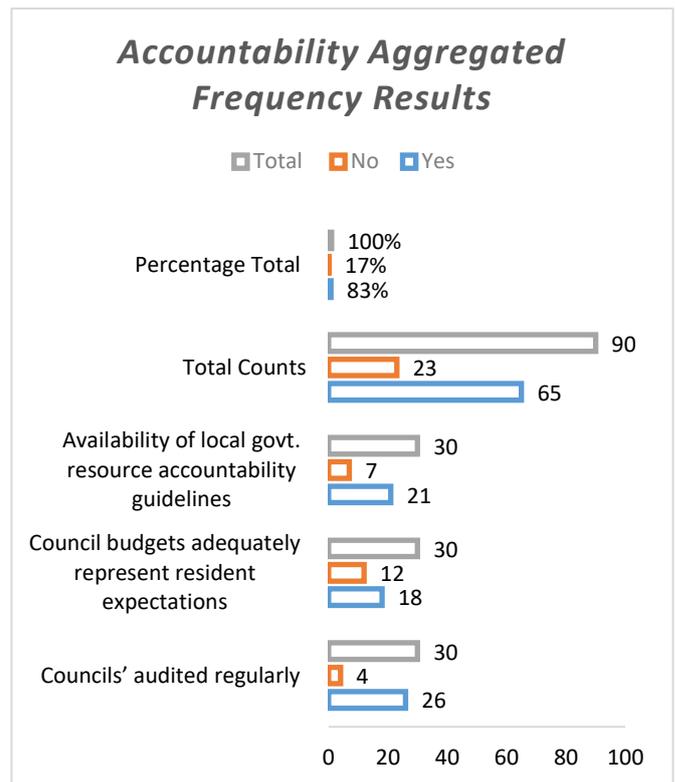
To ensure transparency and accountability in financial administration, according to respondents in the sample, different officials in the finance department are given distinct duties to perform in the accountancy process. For example, with regard to paying informal workers such as those who slash grass and sweep roads, one group is responsible for the preparation of wage requisites, while another for costing and yet another for chequeing. This separation of financial responsibilities, according to the Expenditure Chief Accountant, prevents employees against conniving ultimately avoids fraud, embezzlement and other forms of corruption in the administration of council finances. Furthermore, Mongu Municipal Council is audited by both internal and external auditors. The council has a qualified internal audit team which works on full-time basis. The main function of this team is to verify each and every council transaction. According to the Expenditure Chief Accountant, "Every payment made by the council has to pass through audit." According to the information gathered by this study, the council is audited at least once every year by central government or as determined by central government. This implies that a number of audits can be carried out in a given year.

Findings on accountability

A series of variables were used to assess how the local councils in the sample are audited and how the respondents felt about the local government

puts in place adequate guidelines to ensure councils are audited. The Figure below shows the measure that serve as benchmark for accountability and the corresponding responses.

Figure 11: Accountability Aggregated Frequency Results

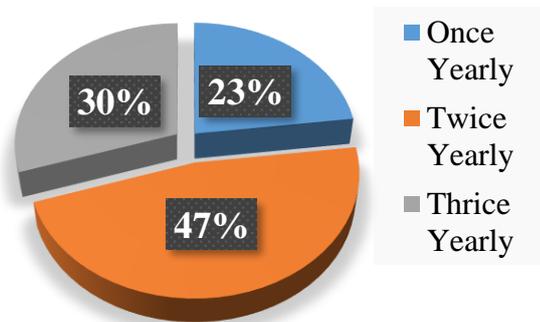


(Source: Author's constructs)

The results above shows that 83% of the respondents are content with the council accountability efforts which are put in place by local councils which include setting audit departments and adhering to control measures put in place by the local government while 17% are discontent.

In addition, respondents were asked how often the councils were audited and their responses are displayed below: -

Figure 12: local Council Auditing Frequency



(Source: Author's constructs)

The results above indicate that majority of the respondents (47%) of the respondents said that the councils were audited as often as twice annually. On the other hand, 23% said the councils are audited once a year while 30% said councils are audited twice per annum.

4.3.3.2 Resource Management at Mongu Municipal Council

Effective management of resources is an important aspect in the operation of any given organisation. Effective resource management determine the success or failure of an institution. Maheshwari, (2004:34), defines management as, the art of getting things done through the people and with the people in formally organized groups. Lussier, (2009:166), defines management as the process of delegating and coordinating tasks and resources to achieve objectives.

Lussier (2009) concedes that without capable management, resources will remain underutilized and never become productive. He observed that management, is about being efficient and effective in setting priorities and using techniques to get more done in less time with better results. In addition, the Local Government Finance Manual indicates that, “the question of optimization revolves around how the resources are used and benefits gained. The emphasis is on creating value for money, which implies ensuring that resources, such as manpower, materials and equipment, are mobilized, safeguarded, utilised and accounted for,

to the stakeholders in the most economical, efficient and effective manner”, (FMLAZ, 2008:11).

This section, attempted to establish how resources were managed at Mongu Municipal Council and the limiting factors to the effective management of resources. The Council employees were interviewed and provided insights on a number of aspects observed at the Council, with respect to management of resources. In addition, literature, predominantly Financial Reports and partly Daily News Papers, were reviewed, to provide insights to the study. Stakeholders, including, market traders and transport operators, were further interviewed to provide their point of view, on the management of resources at Mongu Municipal Council.

Similar to other Councils in Zambia, Mongu Municipal Council was guided by established regulations with regards the management of resources. For instance, the Local Government Financial Manual provided guidance to all councils, on the management of resources in local authorities, in addition to the financial regulations which, was an extract from the Public Finance Act No. 15 of 2004. The Financial Regulations and the Local Government Financial Manual, stipulated how the Councils were expected to manage financial resources, provided ceilings of funds for approval, budgetary processes, matters of audit, management of income and expenditure, among others. In addition, the Public Procurement Act No. 12 of 2008, provide guidance to government institutions and local authorities on the procurement processes, cycles and procedures. This ensured that the procurement of items in the Public Service, including local authorities, was managed judiciously and reflected value for money expended.

The study revealed that both senior and middle management staff at Mongu Municipal Council were aware of the relevant processes and procedures that governed the management of resources of the Council. Most senior staff interviewed expressed knowledge of the processes and procedures and the relevant documents which

were used as guides in the management of financial resources. Most management staff equally showed considerable knowledge on the management of Human Resources and procedures, to be observed in areas such as Human Resource recruitment and placement, training and development, remuneration and reward and other entitlements of employees. Despite the significant knowledge expressed by the Senior Council staff on the management of resources, the study established that the Council had been experiencing problems in the area of resource management. The next paragraphs show some of the elements that characterized Mongu Municipal Council, with regard the management of resources.

More than 80% of the employees interviewed, indicated that leadership and management lacked determination to equip the Council with relevant assets and modern technologies. Most employees indicated that various units and departments had often times expressed interest on the need to equip the Council with assets, such as, earth moving equipment, firefighting engines, equipment for road construction and investing in ICT, such as, mobile payment systems, point of sale machines, e-payment and e-Billing systems, among others, which could enhance service delivery. Nevertheless, the ideas were shelved by management. The study revealed that most companies, which involve the payment of bills, such as, Zambia

Electricity Supply Cooperation (ZESCO) in Mongu, had taken advantage of the mobile technologies in receiving payments from their clients. This was convenient, as clients cleared bills in the convenience of their homes, without lining up in queues. In addition, mobile technology, as a system of billing and paying levies, could have eradicated the element of siphoning funds.

The study revealed that Mongu Municipal Council was characterized with, ineffective coordination of resources and planning of tasks, which negatively affected its performance. Most revenue collectors interviewed, indicated that they did not regularly liaise with supervisors, to make plans on how to

proceed with revenue collection in the field. The revenue collectors further indicated that they were not consistently given targets on the amount of revenue expected to be collect on a daily basis. It was further revealed that supervisors rarely convened with the Revenue Collectors, to plan on the measures to be undertaken to enhance the collection of revenue. The findings were consistent with the revelation of UNHabitat (2009:11), which noted the existence of high levels of ineffectiveness with regards to the collection of revenue; inadequate supervision of field staff, who were mandated to collect revenue for the Council; outdated accounting and billing systems and delay to pay workers' salaries, which eroded the morale of workers including revenue collectors.

Further, the study revealed that there were inadequate innovations at Mongu Municipal Council. There was lack of implementation of new innovative ideas, on the management of resources and it was, therefore, inconceivable to expect positive change if the organisation was undertaking the same routine activities every year. Change can only be brought about if there was transformation in the way the organisation undertook its programmes and activities. The United Nations Secretariat (1997), quoted in the Research Journal of Finance and Accounting (2011:6) observed that, "despite Local Authorities playing important roles in many countries, both developed and developing, there had been increasing concern about the financial performance of local authorities, with their dependence on the Government for subsidies and other forms of assistance contributing to deficits in the Council's budgets and aggravating inflationary pressures. The United Nations Secretariat recommended two major options for reform of the local authorities. These were restructuring of council establishments and privatisation of some sectors, such as, the financial mobilizing department of the Council. There was, therefore, need to try other innovative measures, on managing resources in local authorities, if they were to be revolutionized.

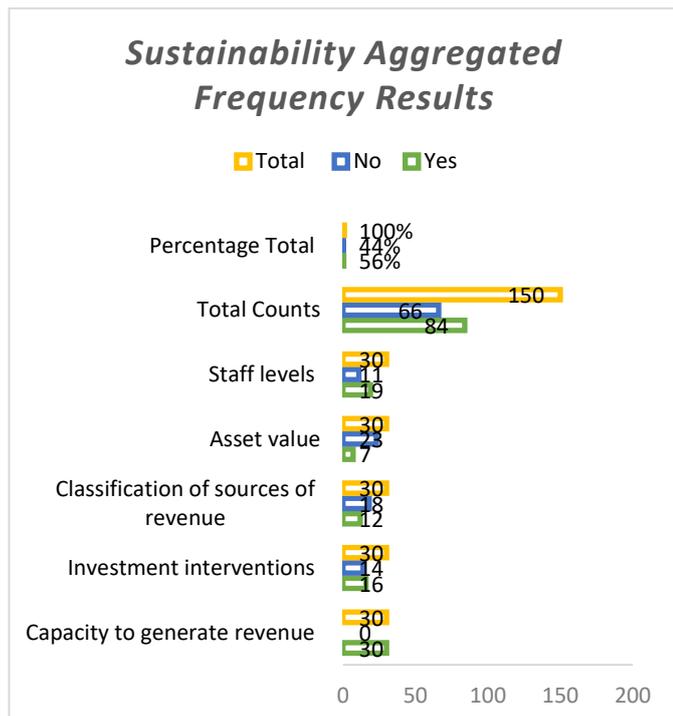
In conclusion, despite respondents being happy with audit frequency, the study also revealed that

Mongu Municipal Council was not effective in the management of resources. The study established that, there was a leadership gap as management did not make relevant decisions to ensure that resources were efficiently utilised in the most economical and efficient manner, to warrant effective service delivery. The Council failed to set priorities in the use of finances. This resulted in lack of investment in equipment and capital goods, as well as, income generating ventures. Subsequently, the Council was not able to efficiently create value for the funds mobilized, which could have translated into effective service delivery. The lack of transparency, further affected the operations of the council, as it potentially masked elements of mismanagement of resources.

4.3.4 Sustainability

The study also looked at the sustainability of resource revenue for local authorities with a view of assessing how constant and dependable the sources of income are. Specifically, sub-variables were examined such as investment interventions put in place and whether the staff levels are manageable in terms of payment of salaries and wages.

Figure 13: Sustainability Aggregated Frequency Results

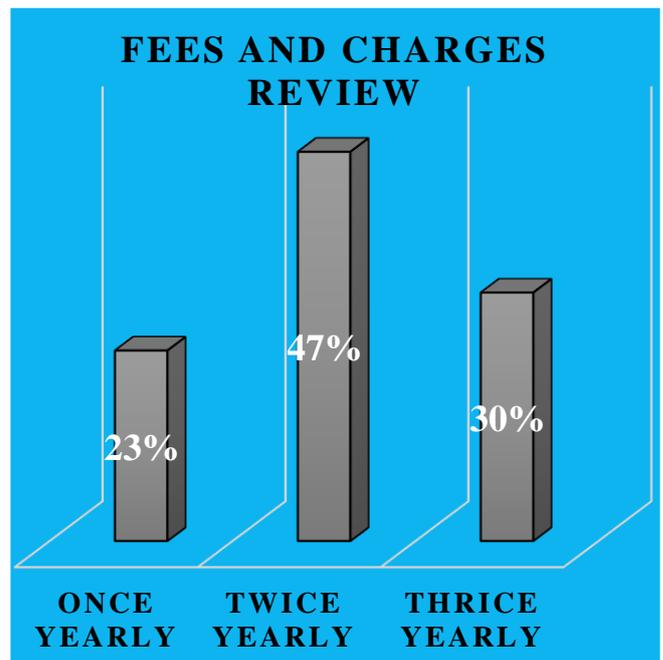


(Source: Author's constructs)

From the survey, 56% of the respondents indicated that the sources of income were sustainable whereas 44% indicated that the income sources were not sustainable. Sources of income and challenges were as discussed from the previous sections. In addition, considering that local authorities raise most of their income from fees and charges, the research sort to find out how often the fees and charges are reviewed in relation to the changing economic trends.

4.3.4.1 Fees and Charges

Respondents were also asked about the review of the fees and charges by the local councils in the province and their responses are outlined below: - **Figure14: Review of Fees and Charges by Local Councils Result Distribution**



From the survey, 23% of the respondents showed that the local authorities review the fees and charges once annually, 47% said the fees and charges are reviewed at least twice every year whilst 30% indicated that the review is done three times. The results are shown in the bar chart above.

CHAPTER FIVE

CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the conclusions and recommendations. The conclusions are based on the findings discussed in the four main chapters, following the analysis of the data. In addition, recommendations have been presented, based on the author's view, on how performance, could enhanced at Mongu Municipal Council. The study sort to evaluate the capacity of the local authority to broaden its sources of revenue for them to provide services as expected by the residents. Further, the support the authority receive from the ministry of local government and housing was analyzed. The study objectives are summarized into these three: -

1. To determine the current sources of revenue for the local authorities
2. To establish the alternative sources of revenue explored by the local authorities in order to obtain financial autonomy.
3. To determine whether local authorities have the ability to contain financial autonomy

5.2 Main Findings and solution to problem

The study revealed the availability of strategic plan that address enhancing the revenue base. The respondents indicated that the strategic plans analyzed the strength, weaknesses, opportunities and threats with regard to revenue sources. Nevertheless, respondents indicated that they had some challenges in implementation the strategies. The reason for the failure to implement the set strategies include non-availability of latest technology to help enhance revue collection and mobilization. The employees felt they needed to have new technology such as computers and accounting packages that can make them more efficient. They further felt that the billing system they were using were not helpful as it was difficult to present a client a latest bill on a spot request. Respondents from Western province also indicated that they require computers and appropriate software to be able to run their billing system and issue computer generated receipts. Further, this

research also revealed that due to low salaries, the councils were unable to attract and retain professional staff hence making operation very difficult. The respondents in the sample also felt that the councils could would perform better given resources to employ professionals.

The study also reveals that the residents' expectations were not met. The respondents stated that the residents were paying more than what they were receiving as services. Residents expect that the local authorities will reciprocate by providing basic services citing the poor state of the roads service and maintenance as one of the main poorly provided service. Poor service delivery by the local councils has resulted into non-compliance by local residents when it comes to pay charges and fees. The majority (86 percent) of the people of Western province were found to be either unsatisfied or very unsatisfied with the services received from the local councils. This largely explains why there is a widespread discontent among the local people regarding their terms of trade with local councils.

Peoples' tax resistance, for instance, seems to be related to deteriorating public services. It can be argued that individuals pay taxes because they value the goods provided by the council, recognizing that their payments are necessary both to help finance the goods and services and to get others to contribute. Taking into account Semboja's (1999) observation: "without material benefit, compliance becomes less assured. The existence of positive benefits may increase the probability that taxpayers will comply voluntarily, without direct coercion." For this reason, significant capital investment must be put in local councils in western province if the local authorities are to operate effectively and provide satisfactory services to the local people. The councils should have enough vehicles to go round towns to collect tax, enough graders to grade roads, enough tippers to collect garbage and so on and so forth.

In addition, in this study, the researcher established the correlation between quality of service delivery and mobilisation of revenue at Mongu Municipal Council. In the study, 61.8% of the respondents,

who negatively rated the quality of services, provided by the Council, did not pay rates while 38.2% of respondents who positively rated the quality of services provided by Mongu Municipal Council, paid rates. The study concluded that, there was direct correlation between service delivery and mobilisation and management of resources. The study showed that, poor service delivery, led to resentment of the community, thereby withholding the payment of levies leading to low levels of funds mobilized. Low levels of resources incapacitated management to procure relevant resources to enhance service delivery in Mongu District.

Arising from the above findings with regard to service delivery and linkage with mobilisation and management of resources, the study concluded that, service delivery was generally poor in Mongu District. In the wake of poor service delivery, most residents did not participate in voluntary community works or in meetings organised by the Council and were further not willing to pay mandatory fees such as personal levy and rates to the Council. A linkage was therefore established between service delivery and mobilisation and management of resources in Mongu District, in that, poor service delivery led to resident's resentment to participate in community works and council meetings, as well as, unwillingness to pay levies to the Council which propagated low levels of resource mobilisation and negatively affected the management of the same resources.

In this study, it was revealed that some firms operated without paying taxes to the councils. The councils were not able to collect revenue from various avenues within its locality. Most avenues in western province, such as, bus and taxi levies and charges from lodges and guest houses, grocery shops, butcheries, pharmacies, saloons, drug stores and liquor shops, as well as, cesspit emptying and garbage collection services, operated without remitting relevant levies to the councils. The study revealed that the councils were using an old billing register based on 2005 valuations. The old valuation register left out potential sources of revenue and under billed some institutions which had transformed over the years, from residential

housing units to commercial entities. Some residential housing units had transformed into Lodges and Guest houses, but continued to pay rates at residential rate. This was consistent with the findings of Lolojih (opcit), whereby he cited the failure of Lusaka City Council to update the valuation role, which compromised the ability to raise revenue in Lusaka province.

The study has noted that the local councils in western province therefore collects less revenue in relation to the cost of services to be provided for the people within its jurisdiction. The councils are expected to perform far much more functions than their financial capacity permits. This is the major reason for poor service provision. Taking the Council Budget Estimates (2008: 1) as an example, "a lot of activities were lined up for inclusion in the 2008 Estimates by the budget holders, however, not every project could be included due to insufficient funds which is a major limiting factor." The deficient service delivery is further exacerbated by the fact that the local authorities misapplies the little they have by spending more (60 percent) on non-service responsibilities, that is, administrative and employee costs and less (40 percent) on service provision. The researcher found this arrangement odd because the core business of the council is to deliver services to the people. Therefore, the researcher feels that there is need for local councils and other local authorities to spend more money on service provision than any other responsibility if the primary purpose of their creation is to materialize significantly.

Respondents for this study also brought to light regardless that the local councils in Western province can enhance revenue collection less efforts are invested in improving mobilization. Instead local councils have continued to rely on traditional sources of revenue such as market and bus levies rather taking innovative steps. Arising from the above findings, in relation to the nature and extent of mobilisation of resources, the study, therefore, concluded that by restricting itself to traditional sources and methods of resource mobilisation, Mongu municipal council had forgone numerous opportunities to raise extra

income from other avenues, which could have expanded its revenue base. The avenues the council could have considered include: investment in money markets, issuance of municipal bonds, infrastructure development through, public-private partnerships and privatisation of revenue collection. In addition, the study concluded that despite the benefits accrued from the tourism industry in the Western Province, revenue raised from the district did not make any significant impact, as the industry had not grown to its full potential due to poor management of the sector. The study, therefore, concluded that resources mobilized by Mongu municipal council, were not sufficient to support the needs of the council's budget for operations and service delivery.

Due to the above constrained challenges, this study has demonstrated that the council does not collect all the monies that are due to them partly because of the out-dated Valuation Roll which does not capture numerous properties in towns; obsolete legislation; lack of capacity (such as vehicles) to facilitate revenue collection; and the fact that central government possesses what would be key sources of revenue for the council, for instance, road tax, value added tax (VAT) and so on. Central government must let go of sources of revenue of local nature to local authorities. This will contribute significantly towards the councils being able to perform effectively all or at least most of the expected functions. If fiscal decentralization is to be achieved, central government should surrender both meaningful sources of revenue and key expenditure responsibilities into the hands of local authorities, but if it is to be effective, local authorities should be seen to deliver substantial services to the local people who pay rates, levies and other taxes.

The respondents also showed that the local authorities in the western province have put in place effective control measures to sustain and manage their revenue. Thus, was further qualified with the majority of the respondents indicating that local authority does set targets for specific periods. Setting target is a very good indication that make local authorities focused and enable them plan.

With most the respondents indicating that they are content with the control measures put in place, this is an indication that the local authorities have the capacity to control the revenue available. Furthermore, the researcher discovered that a good number of employees did not know the value of the council assets (refer to the Figure above) which is ideal in the preparation of financial statements as well as an opportunity to raise some revenue.

However, the study revealed a number of challenges faced by local authorities which compromised local authorities' quest to attain economic autonomy. These included lack of support from the local community, constant battles with traditional leaders as well as political interference. These have resulted in councils failing to make independent decisions that are healthy and sustainable. For example, it is clear from the analysis that the possession of autonomy over expenditure by local authorities is dependent upon the type of finances at hand. With regard to council's revenue, the local authorities are free to execute expenditure without any government control. However, pertaining to central government grants, the councils are expected to spend the finances in accordance with the stipulated guidelines relating to a given grant/ or und. For example, the local authority is prevented by central government against spending the Service Provision Component on non-service activities such as workshops, utility bills and repatriation benefits. Nevertheless, the council would be free to use the grant on any service of their choice among the various services they are expected to provide such as garbage collection, drainage construction, street lighting to mention but a few. In a nutshell, local authorities are free to spend their money, yet not free to spend central government's money.

In light of the above and other findings of the study, the author argues that local councils in western province can only be said to possess significant levels of financial autonomy if the local authorities have the discretion to determine their expenditures and revenues both in aggregate and detail. Taking into account observations by Momba (2002) about revenue sharing between central and local

governments in selected countries, this study proposes that Zambia should emulate countries such as Japan, Philippines and Uganda which have attained considerable levels of devolution by enshrining specific tenets of this important aspect of decentralization in their constitutions, if the country's fiscal decentralization efforts are to bear fruit.

The study showed that unlike other cities in the country, there were low levels of political activities in market places in Western province. This was attributed to local management agencies, established by the council management to run the affairs of the markets. Nevertheless, the study revealed significant levels of political influence on the running of council affairs. It was revealed that there were squabbles, suspicion and lack of support for each other, among Councillors in the chamber. Differences were a result of varying political orientation, that is, either from the opposition or the ruling party. The study revealed that some programmes meant to benefit the community, were not supported by either the Councillors from the opposition party or the ruling party, if perceived as a danger to their political career. This was a result of mistrust, undue suspicion and fear of losing political mileage among others. This had negatively affected the level of resources mobilized for service delivery.

5.3 Conclusions

This research sort to assess the effectiveness of resources generated on the development of local government. In so doing, the paper investigated whether the local authorities had put in place strategic measure to broaden their sources of income. The following are the conclusions derived from the findings:

5.3.1 Applicability

On the applicability, the study has shown that indeed local authorities in western province have put strategic plans or measures to provide a guide for future positions of the respective councils. The strategic plans do address the possibilities of enhancing the revenue base which is reflected in their annual work plans with specific indicators to

be achieved each year. However, the respondents showed that these measures are not approved as about 52% of the respondents did not agree with the measures put in place. For example, they cited government grant should be scrapped off as it creates the dependency syndrome. Moreover, it was revealed that the grants are usually fixed across councils and inconsistent. Further, the results demonstrated that the employees were dissatisfied with the availability of modern technology such as computers and necessary software packages that would enhance their revenue collection efficiency. Thus, the existing capabilities of the local councils are questionable and have a negative impact on the collected income.

Furthermore, employees felt that despite their major call of existence being service provision, local councils were unable to deliver. The residents' expectations were higher than what the councils were providing. The study also brought to light that the councils face various problems in the provision of services and these include: lack of capital investment; poor work culture; inadequate qualified manpower; poor council management; political interference; central government interference and bureaucratic delays; and poor attitude by the local people towards the wellbeing of the city. The majority (52 percent) of the local people of interviewed from the local councils are either unsatisfied or very unsatisfied with the services delivered in their localities by the local councils.

5.3.2 Implementation

On the implementation of the mobilization measures, results from this study have shown that employees are confident that the local councils in western province have the capacity to collect income even beyond what they are collecting now. They do set targets which serves as a health benchmark for the collection efficiency. Further, the councils have also shown from the results above that they have put appropriate measures to help harness the revenue they collect. However, looking at the collection efficiency which is below 50% a conclusion is drawn that local councils need to improve in the implementation. This clearly shows that they do not meet their targets. Further, these

results imply that councils are not able to increase revenue collection as per expectations with 50% of respondents indicating lack of adequate revenue collection capacity. Therefore, it is worthy-noting that collection need to improve above 50% so that they can maximize their current sources of income.

5.3.3 Accountability

Effective financial administration is imperative in any local government authority. The ways in which elected and appointed officials ensure that financial respect is maintained, for example, in the keeping of accounts, preparation of financial reports and avoiding dishonest have a direct bearing on a local authority's ability and capacity to deliver services. Effective financial administration should be able to provide financial advice to councilors so that they may be able to make sound judgments of long-term projects; provide financial information to management in the most suitable form; and enhance routine control to promote financial transparency and accountability. In a local authority, actual adequate structures must be put in place to ensure that the expenditure is properly sanctioned and that the collection of money is carried out diligently and honestly.

Financial administration in local councils in western province was found to be characterized by considerable levels of transparency and accountability. Rules and procedures are adhered to with regard to the administration of finances, and the council is answerable to various stakeholders about matters of financial nature. The problem of poor service provision was largely due to inadequate financing of the organisation as opposed to financial wastage. In this study, respondents generally indicated that the council spends according to the budgets with 83% in agreement with their expenditure. Moreover, the results further showed that the councils are audited regularly with majority of the respondents indicating they are audited twice a year.

5.3.4 Sustainability

To be financially health and be able to sustain their income, local authorities require that they have some sources of revenues that are sustainable. They

need to ensure that the sources of income do not deteriorate. The research nevertheless has revealed that the local authorities generally not put adequate investment interventions to make their resources sources sustainable with 44 percent of the respondents in the sample disagreeing that income sources can be prolonged. There is still need for the local authorities in western province to exploit other potential and come up with sustainable sources of incomes.

5.4 Recommendations

The purpose of this section is to recommend measures that may be considered to enhance the mobilisation and management of resources at Mongu Council. The study identified a number of weaknesses in the system and therefore lay down some recommendations that could contribute in bettering the revenue base and service delivery. From the discussion of this paper, it has been established that the local authorities have put in place alternative sources of income. Nevertheless, the authorities need to step up their effort in ensuring that they have a strong financial base to support service delivery.

The study had established that the mobilisation of funds by local councils in western province was restricted to traditional types of revenue collection. Although the councils had consistently experienced chronic financial difficulties, there were evidently no attempt to change its mode of generating revenue. The study has shown that there were various available options that the councils could have harnessed to improve its revenue base and consequently service delivery. One such interesting feature was privatisation of the revenue collection system as advanced by Sekiziyivu (R, 2009:50) who undertook a study in Uganda prescribed the paradigm shift, which entailed raising revenue from locally based investment potentials, within the council's locality. It is therefore recommended that Mongu municipal council and other local authorities in western province undertake a comprehensive study and investigate features in order to determine the potential and viability of replicating the methods of mobilizing funds.

Western province is endowed with a variety of tourism opportunities that local authorities can take advantage of in enhancing revenue collection. The main tourist attraction are water sports and fishing on the Zambezi river, the annual Kuomboka ceremony and the annual Kazanga ceremony held in Kaoma district. Therefore, owing to the potential and growing tourism sector in the province, with government commitment for diversification, there is therefore need for the leadership at Mongu municipal council and other local councils to seriously develop a business proposal on how they can improve the province's image, which should be supported by the central Government.

The system used by the local councils, in western province and Zambia at large, in the mobilisation of revenue have a number of weaknesses. The amount of revenue loss is substantial and needed innovation to change the status quo. Therefore, there is need for local councils to seriously undertake a feasibility study to establish the possible use of modern technologies, such as, e-payment, e-billing and mobile technology, that will likely reduce incidences of pilferage of resources by indecent officials. This, would further, improve efficiency through the bypass of cumbersome procedures.

There is need for the local councils to win the confidence of the local communities by giving back to the community through service provision and engagement with the local communities in council ventures. This will increase compliance to fees and charges by local community members. Councils in western province should seriously find modalities of engaging the local residents in developmental efforts. Educational programmes could be developed and effective media used to educate the community. This can have far reaching benefits to both the councils and the community.

Above all, there is need for central government support towards local authorities. The government, being the major player, need to take responsibility on matters that border on livelihood of the people it governs. This involves increasing support to local authorities through operational guidelines and grants. There is need to device strategies and

measures that takes care of important social factors such as population and the magnitude of responsibilities for various councils. Furthermore, the grants need to be guaranteed, timely and consistent. Local councils should receive a good share of the national budget considering the responsibilities vested in them.

Acknowledgements

I would like to acknowledge the following for their contribution towards this work. First allow me to thank the almighty God for the gift of life that he has extended to me I believe that God provided the guidance throughout my course. I sincerely wish to extend further my profound gratitude to (ICU) Information Communication University and the Zambia research development agency (ZRDA) for the support, knowledge and sponsorship offered to me. Utmost appreciation goes to my supervisors Mr. Kelvin Chibomba, Mr Kaela Kamweneshe (IJMDR-Editor) and other lecturers (ICU) for the guidance received from them, during the preparation of my dissertation I say God continue being with you always. My appreciation goes to the members of staff from my council for answering in the questionnaires. My gratitude is also extended to my classmates as morale booster and assistance rendered. i also can't forget to extend my appreciation to my beautiful wife, sons and daughters, brothers and sisters indeed the entire family. Lastly but not the least my friends for encouragements, prayers and for being there for me when I was doing my studies. May GOD richly bless you all thank

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