ISO reveals govt departments involved in wasteful expenditures

By Chris Kiwawulo

An Internal Security Organisation (ISO) report into expenditure in government agencies has named the government ministries and agencies involved in wasteful expenditures costing the taxpayer billions of shillings.

The report also highlights the problem of duplication and overlaps in the government departments and agencies as well as a "highly irrationalised wage bill." It says the Government has been turned into projects and consultancies.

The report was compiled as result of President Yoweri Museveni's directive for a review of the cost government is incurring on the multiplicity of agencies and what needs to be done to ensure efficiency in government.

According to the summary of the report released yesterday by ISO director of political affairs, Lt. Col. Joseph Aliganyira, the top spending institutions described as money-consuming institutions include Makerere University, Uganda Revenue Authority, Kampala Capital City Authority (KCCA) and Uganda National Roads Authority among others (UNRA).

"The 'money-consuming' agencies are spending 15 times more on their employees compared to the money generating parastatals and their expenditure lacks accountability. In absolute terms, MUK, Uganda Revenue Authority, Kampala Capital City Authority and UNRA are the top spenders on salaries," Aliganyira said while unveiling the report before the press at ISO headquarters in Nakasero, a Kampala suburb, yesterday.

Aliganyira, who represented the ISO director general, Col. Frank Bagyenda Kaka, said ministries, parastatals and agencies combined were squandering sh1.3 trillion on consultancies, travel, welfare and entertainment, fuel and lubricants, workshops and seminars, vehicle maintenance and advertising.

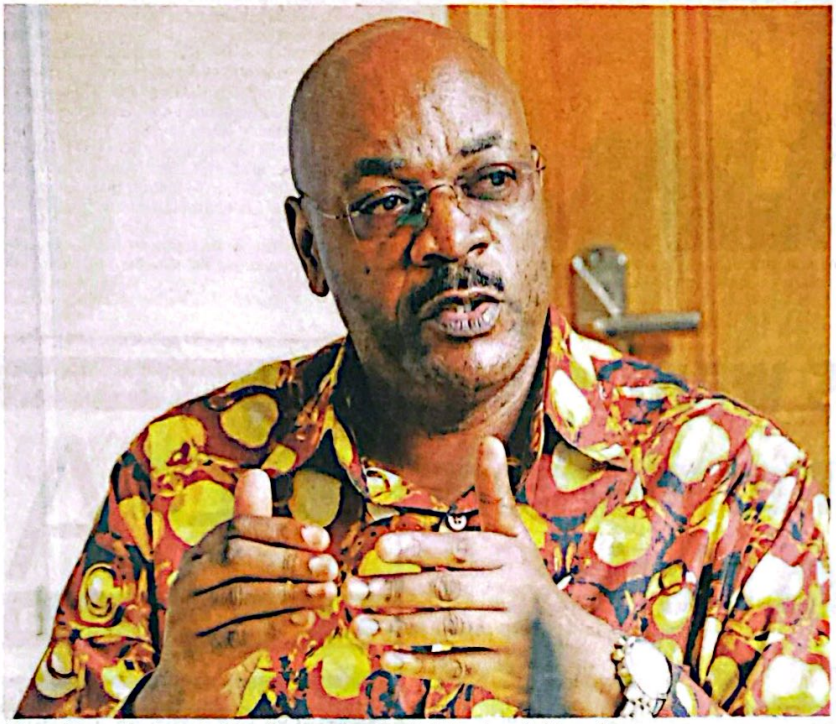
According to the report, Uganda's public servants have increased from 62,000 in 1961 to 313,565 in 2017. The total wage bill is sh3.36 trillion, of which sh1.7 trillion (51%) is paid to workers in central government (including agencies), while sh1.6 trillion (49%) is paid to local government workers.

Makerere University topped the list of agencies that spend most on staff salaries annually at sh128b, followed by URA that spends sh112b, KCCA sh98b, while UNRA spends sh71b.

Makerere University Business School (MUBS) spends sh39b, Kyambogo University (KYU) spends sh37b, National Citizenship and Immigrations Control sh29b, while National Agricultural Research Organisation (NARO) and Mbarara University of Science and Technology (MUST) both spend sh27b annually.

In public service, the 10 biggest spenders on salaries are; defence ministry (sh410.4b), Parliament (sh86.9b), Office of the President (sh48.5b), Judiciary (sh27.2b), education ministry (sh24.8b), finance ministry (sh22.9b), health ministry (sh22.6b), local government (sh14.6b), State House (sh13.2b) and Ministry of Water and Environment (sh13.2b).

"The mainstream government (public service) spends a relatively lower proportion of their budgets on workers. But general staff salaries in ministries are dwarfed by salaries for contract staff. For example; the finance ministry spends sh4.3b on general salaries compared to sh18.7b on contract staff salaries. The health ministry spends sh5.8b on general salaries compared to sh16.7b on contract staff," Aliganyira said quoting from the report.



Internal Security Organisation director of political affairs Joseph Aliganyira

Who in government spends most on consultancy?

Ministry of Lands	Sh 66.6b
Environment and Water	Sh52.8b
Finance and Planning	Sh51.4b
Agriculture Ministry	Sh28.2b
Energy and mineral dev't	Sh26.9b
Education and sports	Sh16.0b
Ministry of Defence	Sh14.6b
Ministry of Works and Transport	Sh11.5b
Ministry of Local Government	Sh9.4b
Office of the Prime Minister	Sh7.8b
Ministry of Health	Sh5.5b

Who are the top spenders on travel?

State House	Sh56.1b
Parliament	Sh21.4b
Ministry of Health	Sh19.6b
Ministry of Education	Sh15.9b
Water and Environment	Sh12.9b
Finance and Planning	Sh11.1b
Agriculture Ministry	Sh11.1b
Ministry of Defence	15.7b
Office of the Prime Minister	Sh10.5b
Judiciary	Sh9.0b

Expenditures on consultancies

According to the report, agencies and public service entities spent sh380.7b in the financial year 2016/17 on consultancies, which they should have done as part of their work.

"Public servants are using this channel as a coping strategy to top up their incomes, yet they should be doing it as part of their work because they have the requisite skills for which they are recruited," observed Aliganyira.

The lands ministry spent most on consultancy at sh66.6b, followed by the water and environment ministry (sh52.8b); finance ministry sh51.4b, the agriculture ministry sh28.2b, and the energy ministry spends sh26.9b.

Uganda Cancer Institute (UCI) topped the list of agencies that spent most on consultancies at sh9.8b annually, followed by the National Information Technology Authority (NITA) at sh7.8b, and KCCA at sh6.8b. Uganda Management Institute (UMI) follows at sh4.8b and UNRA at sh3.9b.

Among parastatals, Uganda Communications Commission (UCC) topped the list of expenditure on consultancies at sh6b, followed by Uganda Railways Corporation is at sh3.8b. National Housing and Construction Company (NHCC) followed at sh3.2b, Uganda Wildlife Authority (UWA) sh1.3b, while Uganda Investment Authority (UIA) spent sh1.1b.

Entertainment expenditures

A total of sh190.6b was spent on welfare and entertainment with URA topping the list at sh6.3b, Kyambogo University sh3b, Electoral Commission sh1.9b, KCCA at sh1.6b and MUBS at sh1.3b.

The ministries that spent most on entertainment included Finance at sh1.7b, public service at sh1.1b, water and Environment at sh0.9b, Agriculture at sh0.9b and Gender at sh0.7b.

Fuel expenditures

A total of sh151b was spent on fuel with NARO, KCCA and EC, each posting an expenditure of sh4.1b on fuel. URA followed at sh2.7b and immigrations at sh1.9b.

On the side of ministries; defence spent more on fuel at sh33.3b, Health followed at sh6.4b, water and environment at sh5b, agriculture at sh3.9b and finance at sh3.5b.

Workshops and seminars

These cost the Government sh104b and the top spenders were; NARO at sh5.4b, UBOS at sh5.3b, National Agricultural Advisory Services (NAADS) at sh3b, UNEB at sh2.2b and National Environment Management Authority (NEMA) at sh1.9b.

Among ministries; Health was top at sh9b, Agriculture sh7.3b, Finance sh6.1b, Water and environment at sh5.6b and Education spent sh5.5b.

Advertising

The report showed that this was spending the least on advertising when compared to others activities. A total of sh46b was spent on advertising and the top spenders included Uganda Tourism Board at sh4.5b, Electoral Commission sh2.4b, URA sh1.9b, KCCA sh1.6b and NARO at sh1.5b.

In mainstream government, Parliament spent most on advertising at sh4b, Agriculture sh3.3b, Education sh1.9b energy sh1.8b and Water and environment spent sh1b.

The report says core implementation of public sector business across government is being undertaken through projects. In the financial year 2016/17, there were 209 projects worth sh4.9 trillion.

"The projects conceal more than they reveal Uganda's challenge with service delivery. They spend on non-cores," it says. The Energy Ministry had 32 projects, water and environment 32 projects, Agriculture 32 projects words 30 projects and Education 17 projects.

Duplication of services

The report notes that government's interventions in agriculture are "scattered across eight directorates, 20 departments and 37 projects across five ministries at a total annual cost of sh1.2 trillion." For instance, irrigation and water supply is under three ministries.

"The Government spent a total of sh461b on skills development in 2016/17. It was duplicated by the ministries of education (sh216.3b), Gender (sh178.3b) and local government (sh66.3b)," the report says.

The report says the Government could save billions of shillings if some of the agencies are put under line ministries and others merged.

"We believe if recommendations in this report are followed, it will curtail wasteful expenditure, reduce duplication of services and overlaps, where one thing is done by two or more agencies. It will also reduce the bloated wage bill and make money available for effective service delivery and improvement of public servants' remuneration," Aliganyira argued.

He said already, the report is facing resistance from some people in public service who are trying to torpedo it.

The report was based on review of relevant documents and analysing the 2016/17 approved national budget and budget performance report. The ISO team that did the study included economists, lawyers, senior Uganda People's Defence Forces officers, investment experts and researchers.

A total of sh352.7b was spent on travels by mainstream public service and agencies in 2016/17. State House topped the list with sh56.1b, followed by parliament at sh21.4b, the health ministry at sh19.6b, education ministry sh15.9b and the defence ministry sh15.7b. Among the agencies, Uganda National Examinations Board (UNEB) spent most on travels at sh13.6b, National Agricultural Research Organisation (NARO) sh11.8b, Uganda Bureau of Statistics (UBOS) sh9.7b. URA spent sh5.5b, while the Rural Electrification Agency spent sh4.4b.

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