East African Journal of Research and Innovation
Vol. 2 (2026): November 2026 Issue
https://doi.org/10.64792/hp5wmx30
Original Article

Budget planning and contracted service delivery in Kapchorwa Municipal council, Uganda. A cross-sectional study.

Keren Chemutai*, Dr. Patience Tugume, Edmand Bakashaba
School of Graduate Studies and Research, Team University

Abstract

Background

The study aimed to examine the relationship between budget planning and contracted service delivery in Kapchorwa Municipal Council, Uganda.

Methodology

A convergent concurrent mixed-methods correlational cross-sectional design was used in Kapchorwa Municipal Council. From 200 eligible participants, 132 were sampled using stratified random, purposive and convenience techniques. Data were collected in October 2026 through three five-point Likert questionnaires, interviews and documentary review covering FY2020/2021–FY2024/2025. Five experts assessed content validity (S-CVI/Ave=0.90), while Cronbach's alpha assessed reliability (0.829–0.900). SPSS 26 generated descriptive statistics, Pearson correlations, multiple regression and ANOVA. Qualitative data underwent thematic analysis. Ethical approval, consent, confidentiality and secure data handling were observed.

Results

The study achieved an overall response rate of 90.9%, with 117 completed questionnaires and three key informant interviews. Regarding age, 35.9% of respondents were aged 35–44 years, 26.5% were 45–54 years, 23.1% were 25–34 years, 11.1% were 55 years and above, while 3.4% were below 25 years. Contracted service delivery was moderate (mean=2.66, SD=0.83), with contract compliance highest (mean=2.69) and delivery time lowest (mean=2.62). Budget planning was also moderate (mean=2.80, SD=0.87). Qualitative analysis identified resource realism, project selection and planning process as key themes, highlighting funding constraints and competing priorities. Documentary records indicated improvements in planning activities completed from 68% to 83% and contract compliance from 58% to 75%. Budget planning had a strong, positive and statistically significant relationship with contracted service delivery ($r=0.702$, $p<0.001$), accounting for 49.3% of its variation.

Conclusion

Realistic and timely budget planning ensures sufficient funding for contracts, reducing implementation delays and improving service delivery.

Recommendation

Council should approve budget plans within the statutory timelines, and the Planning Unit should involve all departments early in the cycle.

Keywords: *Budget planning, Contracted service delivery, Local government, Contract compliance, Value for money, Service coverage.*
Submitted: November 1, 2026 **Accepted:** November 16, 2026 **Published:** November 25, 2026

Corresponding author:*Keren Chemutai*
Email: Kerenchemutai@gmail.com
School of Graduate Studies and Research, Team University

Background of the study

Budget planning involves identifying service needs, estimating available revenues and costs, setting expenditure priorities and preparing budgets and work plans. It provides the foundation for determining which services require contracting, the financial resources needed and the expected implementation timelines. Effective planning ensures that contracted services are aligned with community needs, supported by realistic cost estimates and adequately provided for in the municipal budget. Poor planning, limited stakeholder participation and unrealistic estimates may result in underfunded contracts, implementation delays and non-compliance with contractual requirements (Shah, 2007; Allen et al., 2013).

Empirical studies have established varying relationships between budget planning and service delivery. Mukokoma (2010), in a study involving 105 civil society organisations in Kabarole and Kamwenge districts in Uganda, found that participation in the budgeting process was considerably low and weakly related to budget effectiveness ($r = .08$). This suggested that limited stakeholder involvement could undermine the responsiveness and effectiveness of public budgets. Similarly, Agume et al. (2026), examining budget

https://doi.org/10.64792/hp5wmx30
Original Article

preparation and service delivery quality in health facilities in Kasese District, established a weak and statistically insignificant relationship (r = −0.176), highlighting the importance of examining how planning processes translate into actual service delivery. In contrast, Guma and Wabuna (2026) found strong positive correlations between participatory budgeting and service delivery quality in Bundibugyo Local Government (r = 0.658–0.743), although citizen participation remained low. Muhwezi et al. (2020) also established that procurement planning processes influenced construction contract performance in Ugandan local governments, demonstrating the importance of proper planning before contract implementation.

These studies demonstrate that realistic estimates, stakeholder participation and transparent planning are important for effective contract implementation and service delivery. However, they largely examine general service delivery or construction contract performance rather than contract compliance, delivery time, value for money and service coverage.

The study aimed to examine the relationship between budget planning and contracted service delivery in Kapchorwa Municipal Council, Uganda.

Methodology

Research Design

The study adopted a correlational design with a mixed-methods approach, which was convergent and concurrent. Quantitative data from questionnaires and records showed the strength and direction of the relationship between each budgeting practice and contracted service delivery, without manipulating either. Qualitative data from interviews explained how budgeting processes influence contracted service delivery. Because primary data were collected at a single point in time, the design was also cross-sectional. Documents covering FY2020/2021 to FY2024/2025 were used to corroborate the findings.

Target Population

The target population of the study was 200 people in Kapchorwa Municipal Council who take part in budgeting for, or delivery of, contracted services. It comprised four categories. The first was 137 municipal technical staff in the finance, planning, procurement, works, health, education, and water and environment departments, who plan, allocate, track and report on the budget and supervise contracts. The second was 40 political leaders (councillors and members of the standing committees), who approve the budget and oversee its use. The third was 20 contracted service providers who held contracts with the council between FY2020/2021 and FY2024/2025, who deliver the services. The fourth was the three key municipal officials (the Town Clerk, the Finance Officer and the Planner), who head the budget process.

Only staff and leaders who had served in their current role for at least one year, and providers who had executed at least one contract with the council in the study period, were included, because they had direct experience of the council's budgeting and contracting. Support staff with no role in budgeting or contracting were excluded.

Sample Size and Sampling Techniques.

Following Krejcie and Morgan (1970), a sample of 132 was drawn from the target population of 200 and distributed proportionately across categories. Stratified random sampling, with departments as strata, was used for municipal technical staff, and with standing committees as strata for political leaders. Purposive sampling was used for the three key municipal officials (Town Clerk, Finance Officer and Planner), all of whom were included because of their decision-making roles and knowledge of budgeting. Convenience sampling was used for contracted service providers because they were few (20 in the target population), dispersed across work sites and available only at certain times, so a probability sample could not be drawn reliably. Convenience sampling is appropriate where the population is small and respondents can be reached only when they are available. Its main weakness is selection bias, because the providers who were available may differ from those who were not. The results for providers (n = 10) are therefore treated as indicative and are not generalised beyond the providers who responded; their scores were compared with those of the other two groups.

https://doi.org/10.64792/hp5wmx30

Table 1: Target population, sample size and sampling techniques

Category of respondents	Population (N)	Sample (n)	Sampling technique
Municipal technical staff (finance, education, health, planning, procurement, works, environment and water)	137	90	Stratified random
Political leaders (councillors and committee members)	40	26	Stratified random
Contracted service providers	20	13	Convenience
Key municipal officials (Town Clerk, Finance Officer, Planner)	3	3	Purposive
Total	**200**	**132**	

Source: Kapchorwa Municipal Council (2025); sample size from Krejcie and Morgan (1970).

Data Collection Methods and Instruments

Questionnaires: three self-administered, closed-ended questionnaires on a five-point Likert scale (1 = strongly disagree to 5 = strongly agree) were used, one for each category of respondents, so that each group answered items that matched its role in budgeting and contracting. Each questionnaire had a background section, four sections on budget planning, budget allocation, budget tracking and budget reporting (six items each), and a section on contracted service delivery (eight items, two for each indicator).

Equivalence of the three questionnaires: the three questionnaires measured the same constructs and indicators, with the same number of items per section and the same item codes (for example BP1 to BP6), but the wording of each item was adapted to what the respondent group knows and does. For example, technical staff were asked about preparing and costing departmental plans, political leaders about approving and overseeing plans, and service providers about how plans and payment schedules affected their contracts. Equivalence was therefore established at the level of the construct and indicator and not item by item: items that share a code are not identical statements, and each was written, and checked by the experts during content validation (Section 3.7.1), to represent the same indicator of the construct. For this reason the pooled analysis uses the indices (the mean of the items in each section), which lie on the same 1 to 5 scale for every group, and reliability is reported for each group separately (Section 3.7.2). Item-level percentages are shown only to describe the overall pattern of responses.

Questionnaire for municipal technical staff: for officers in the finance, planning, procurement, works, health, education, and water and environment departments, who plan, allocate, track and report on the budget and supervise contracts.

Questionnaire for political leaders: for councillors and committee members, focusing on council's role in approving budget plans and allocations, overseeing spending, receiving and acting on reports, and on services delivered in their divisions.

Questionnaire for contracted service providers: for contractors, focusing on how contract planning, release of funds and payment, supervision and reporting affected the execution of their contracts.

Interview guide: a semi-structured guide of open-ended questions was used with the Town Clerk, Finance Officer and Planner on budget planning, allocation, tracking and reporting, and on contract management.

Documentary checklist: a checklist was used to review development plans, budget framework papers, approved budgets, release and payment records, procurement and contract records, budget performance reports, audit reports and council minutes for FY2020/2021 to FY2024/2025.

Measurement of Variables

Table 2 links each variable to its indicators, instruments and analysis. Contracted service delivery was measured by the same four indicators throughout. Each index was computed as the mean of its items, so that it lies on the same 1 to 5 scale as the items. The indicators of contracted service delivery were each computed as the mean of their two items.

https://doi.org/10.64792/hp5wmx30

Table 2: Operationalization of variables

Variable	Indicators	Instrument	Analysis
Budget planning (IV)	Stakeholder consultation; link to development priorities; realistic revenue and cost estimates; timely approval of plans	Questionnaires B–D, Section B (items 1–6); development plan, budget framework papers, approved budgets; interviews	Mean index; Pearson r; multiple regression
Budget allocation (IV)	Adequacy of funds for contracts; fair distribution across departments and divisions; timely release of funds; prompt payment of contractors	Questionnaires B–D, Section C (items 1–6); release schedules, payment records; interviews	As above
Budget tracking (IV)	Regular tracking of expenditure; supervision of physical progress; internal controls and audit; follow-up of variances	Questionnaires B–D, Section D (items 1–6); expenditure and internal audit reports; interviews	As above
Budget reporting (IV)	Timely budget performance reports; accurate and complete reports; reporting to council and oversight bodies; public disclosure	Questionnaires B–D, Section E (items 1–6); quarterly reports, Auditor General reports, council minutes; interviews	As above
Contracted service delivery (DV)	Contract compliance; delivery time; value for money; service coverage	Questionnaires B–D, Section F (items 1–8); contract and progress records	Mean index; Pearson r; multiple regression

Source: Developed by the researcher (2026).

The documentary indicators were computed for each financial year as a percentage: the number of contracts, activities or reports meeting the criterion (numerator) divided by the number reviewed (denominator), multiplied by 100 and rounded to the nearest whole number. Table 3 gives the numerator, denominator and source record for each indicator. Every contract or activity reviewed was entered on the documentary extraction sheet (Appendix H), from which the counts were taken.

https://doi.org/10.64792/hp5wmx30

Table 3: Definition of the documentary indicators used in Table 4.31

Indicator	Numerator	Denominator	Source record
Release as % of approved	Funds released in the year (UGX)	Approved budget for the year (UGX)	Approved budget estimates; release records
Procurement plan activities completed (%)	Activities in the procurement plan for which the contract was awarded and executed	Activities in the approved procurement plan	Annual procurement plan; procurement register
Budget tracking activities completed (%)	Planned monitoring and supervision activities (site visits, quarterly reviews) carried out	Monitoring and supervision activities planned	Quarterly performance and monitoring reports
Expenditure reports submitted on time (%)	Expenditure and performance reports submitted by the due date	Reports due in the year	Submission and acknowledgement records; council minutes
Contracts compliant with key documentation (%)	Contracts with a complete signed contract, legal review, approvals and inspection and completion records	Contracts reviewed in the year	Contract files
Contracts completed within schedule (%)	Contracts completed on or before the agreed completion date	Contracts due for completion in the year	Contract register; completion certificates
Projects meeting specifications (%)	Projects whose inspection or completion report confirms that specifications were met	Projects inspected or completed	Inspection and completion reports
Estimated value-for-money compliance (%)	Completed contracts delivered within the contract sum, without unapproved variations, and meeting specifications	Contracts completed in the year	Contract files; certificates; payment records
Division coverage index (%)	Projects completed in a division, averaged over the three divisions	Projects planned for that division, averaged over the three divisions	Work plans; completion reports by division
Contracts implemented or operational (%)	Contracts completed and in use	Contracts signed in the year	Contract register; inspection reports

Source: Developed by the researcher (2026).

Data Collection Procedure

An introductory letter was obtained from the School of Graduate Studies and Research, Team University, and presented to the Town Clerk, who granted written permission to conduct the study. Following approval, the heads of the municipal offices were contacted to coordinate data collection and identify eligible respondents.

Each category of respondents received its own questionnaire, self-administered where possible, with guidance for respondents who needed clarification. Interviews with the three key officials were held at times convenient for them, using the interview guide, and documents were reviewed with the checklist. Completed questionnaires and interview notes were checked for completeness before leaving the field. Data were collected in October 2026. Confidentiality and informed consent were observed throughout.

Validity and Reliability of Instruments

Validity

Content validity was established through expert evaluation. Five (5) experts, comprising specialists in public financial management, procurement management, accounting and research methodology, including the research supervisor, assessed each questionnaire item for relevance using a four-point scale (1 = not relevant, 2 = somewhat relevant, 3 = quite relevant, and 4 = highly relevant). The item-level content validity index (I-CVI) was calculated by dividing the number of experts who rated an item as either 3 or 4 by the total number of experts. The scale-level content validity index (S-CVI/Ave) was computed as the average of the I-

https://doi.org/10.64792/hp5wmx30

CVI values for all questionnaire items. An I-CVI of 0.78 or above and an S-CVI/Ave of 0.90 or above are considered acceptable (Polit & Beck, 2006; Polit et al., 2007). In this study, the S-CVI/Ave was 0.90, obtained from a cumulative I-CVI score of 18.00 across 20 questionnaire items (18.00 ÷ 20 = 0.90), with individual I-CVI values ranging from 0.80 to 1.00. This confirmed that the questionnaire met the recommended content validity threshold. Items identified as unclear or insufficiently relevant were revised based on expert feedback before data collection. For qualitative data, credibility, dependability and confirmability were enhanced through triangulation of interview findings with documentary evidence, maintenance of an audit trail of coding decisions and documentation of reflections.

Reliability

The questionnaires were piloted on about 10% of the sample for each category (n = 13) in Kwee District, which lies outside the study population. The pilot was used to check the clarity of the items and the time taken, and to compute a first estimate of reliability; pilot respondents were not included in the main study, and the pilot results are reported separately in Table 4 Internal consistency was then computed again on the main study data using Cronbach's alpha, with a minimum acceptable value of 0.70. Table 4 shows that every scale exceeded the threshold for the 117 main-study respondents, with alpha ranging from 0.829 for budget reporting to 0.900 for contracted service delivery, and 0.962 for all 32 items. All corrected item–total correlations were above 0.50, so no item was dropped. Because the item wording differs between the three questionnaires, alpha was also computed separately for each respondent group. Alpha for service providers (n = 10) is based on a very small group and is unstable, so it is shown for completeness only.

Table 4: Reliability of the questionnaire scales, main study (all groups pooled, n = 117)

Scale	Number of items	Cronbach's alpha	Decision
Budget planning	6	0.879	Reliable
Budget allocation	6	0.884	Reliable
Budget tracking	6	0.863	Reliable
Budget reporting	6	0.829	Reliable
Contracted service delivery	8	0.900	Reliable
All 32 items	**32**	**0.962**	**Reliable**

Source: Primary data (2026). Threshold: alpha ≥ 0.70 (Nunnally & Bernstein, 1994).

Table 4 reports reliability for the pilot and for each respondent group, so that readers can see whether the scales were reliable in every group.

Table 5: Cronbach's alpha for the pilot and for each respondent group

Scale	Pilot (n = 13)	Technical staff (n = 82)	Political leaders (n = 25)	Service providers (n = 10)	All groups (n = 117)
Budget planning	0.841	0.886	0.871	0.853	0.879
Budget allocation	0.856	0.891	0.879	0.862	0.884
Budget tracking	0.823	0.875	0.854	0.836	0.863
Budget reporting	0.801	0.842	0.821	0.805	0.829
Contracted service delivery	0.872	0.913	0.895	0.881	0.900
All 32 items	0.931	0.968	0.951	0.923	0.962

Source: Primary data (2026). Threshold: Cronbach's alpha ≥ 0.70 (Nunnally & Bernstein, 1994).

https://doi.org/10.64792/hp5wmx30

Data Analysis

Questionnaire data were edited, coded and entered into the Statistical Package for the Social Sciences (SPSS) version 26. Negatively worded items were reverse-scored before analysis so that a higher score always indicates a more favourable rating. Descriptive statistics (frequencies, percentages, means and standard deviations) summarised respondents' views. Mean scores were interpreted using the scale in Table 3.6.

Table 6: Interpretation of mean scores

Mean range	Response mode	Interpretation
1.00 – 1.80	Strongly disagree	Very low
1.81 – 2.60	Disagree	Low
2.61 – 3.40	Not sure	Moderate
3.41 – 4.20	Agree	High
4.21 – 5.00	Strongly agree	Very high

Source: Developed by the researcher (2026), using class width (5 − 1)/5 = 0.80.

Pearson's correlation was computed for each objective, between the budgeting practice index and the contracted service delivery index and its four indicators. Multiple linear regression estimated the combined relationship after testing normality, linearity, independence of errors, homoscedasticity and multicollinearity (Hair et al., 2019). One-way analysis of variance was used to check whether the three categories of respondents rated the variables differently. Interviews were transcribed and analysed thematically (Braun & Clarke, 2006): the transcripts were read repeatedly, coded line by line, the codes were grouped into themes for each budgeting practice, and the themes were reviewed against the transcripts. The codes, themes and informants are shown in Tables 4.10, 4.14, 4.18 and 4.22. Documentary data for FY2020/2021 to FY2024/2025 were extracted onto a sheet (Appendix H) and the indicators in Table 3.3 were computed for each year. The three sources were triangulated when interpreting the findings, and results are presented in tables, figures and narrative.

Ethical Considerations

The proposal was submitted to an accredited Research Ethics Committee, and the study was registered with the Uganda National Council for Science and Technology (UNCST), before data collection (approval reference number RefTU125), with administrative permission from Kapchorwa Municipal Council. Participants gave informed consent, recorded by the consent statement and tick box at the start of each questionnaire (Appendices B to D), and were free to withdraw at any time without penalty. Responses were anonymous and confidential, personal identifiers were not recorded, and data were stored securely in line with the Data Protection and Privacy Act, 2019. Interviewees are referred to by role and code (KI01 to KI03). Council documents were used only for the study, and all sources have been acknowledged to avoid plagiarism.

Results

Response Rate

Of the 132 respondents targeted, 117 returned usable questionnaires and all three key municipal officials were interviewed, giving an overall response rate of 90.9%.

Table 7: Response rate

Category of respondents	Sample (n)	Responses received	Response rate (%)
Municipal technical staff	90	82	91.1
Political leaders	26	25	96.2
Contracted service providers	13	10	76.9
Questionnaires sub-total	129	117	90.7
Key municipal officials (interviews)	3	3	100.0
Overall	**132**	**120**	**90.9**

Source: Primary data (2026).

https://doi.org/10.64792/hp5wmx30

The response rate was highest among political leaders (96.2%) and municipal technical staff (91.1%), and lowest among contracted service providers (76.9%), who were dispersed across sites and harder to reach. An overall response rate of 90.9% is high and adequate for analysis, because it well exceeds the 50% to 70% levels commonly regarded as acceptable in survey research. The 117 questionnaires form the basis of the quantitative analysis that follows.

Background Characteristics of Respondents

The background characteristics show whether the respondents were in a position to give informed views on the council's budgeting and contracting. They are presented by category, department or committee, experience with the council, and sex, age, education and position.

Category of Respondents

Table 8: Respondents by category

Category	Frequency	Per cent
Municipal technical staff	82	70.1
Political leaders	25	21.4
Contracted service providers	10	8.5
Total	**117**	**100.0**

Source: Primary data (2026).

Table 8 shows that most respondents (70.1%) were municipal technical staff, followed by political leaders (21.4%) and contracted service providers (8.5%). This distribution mirrors the target population, in which technical staff are the largest group, and means the findings reflect mainly the views of the officers who plan, execute and supervise the budget, balanced by those of council and of contractors.

Department or Standing Committee

Table 9: Respondents by department or standing committee

Department or committee	Frequency	Per cent
Municipal technical staff (department)		
Water and Environment	17	14.5
Procurement	15	12.8
Finance	14	12.0
Health	13	11.1
Education	9	7.7
Planning	8	6.8
Works	6	5.1
Political leaders (standing committee)		
Public Health	8	6.8
Works and Technical Services	6	5.1
Finance and Administration	6	5.1
Social Services	5	4.3
Contracted service providers		
Contracted services	10	8.5
Total	**117**	**100.0**

Source: Primary data (2026).

Table 9 shows that technical staff came from all seven departments in the sample, with the largest numbers from water and environment (17), procurement (15), finance (14) and health (13). Political leaders were drawn from the four standing committees: public health (8), works and technical services (6), finance and administration (6) and social services (5). Respondents were therefore drawn from every unit that plans, finances, procures or supervises

contracted services, as well as from the committees that oversee them.

Experience with the Council

Table 10: Respondents by experience with the council

Experience	Technical staff	Political leaders	Service providers	Total	Per cent
1–3 years	15	5	6	26	22.2
4–6 years	20	11	3	34	29.1
7–10 years	22	9	0	31	26.5
More than 10 years	25	0	0	25	21.4
More than 6 years (not specified further)	0	0	1	1	0.9
Total	**82**	**25**	**10**	**117**	**100.0**

Source: Primary data (2026).

Table 10 shows that 77.8% of respondents had more than three years' experience with the council, and 48.7% had more than six years. Long experience was most common among technical staff, 25 of whom had served for more than ten years, while most contracted service providers had worked with the council for one to three years. One provider wrote "more than 6 years" instead of ticking a band; because this answer spans the 7–10 and above 10 years bands, it could not be placed in either, so it is shown as a separate category rather than guessed. The other experience bands are those used in Appendices B to D. Overall, most respondents had worked through several budget cycles and were well placed to judge how budgeting relates to contracted services.

Sex, Age, Education and Position

The questionnaires also asked about sex, age, highest education and position. Table 11 presents the results by category of respondent.

https://doi.org/10.64792/hp5wmx30

Table 11: Respondents by sex, age, education and position

Characteristic	Category	Technical staff (n=82)	Political leaders (n=25)	Service providers (n=10)	Total (N=117)
Sex	**Male**	55	19	8	82
	Female	27	6	2	35
Age (years)	**Below 25**	4	0	0	4
	25–34	22	3	2	27
	35–44	30	8	4	42
	45–54	19	9	3	31
	55 and above	7	5	1	13
Highest education	**Certificate**	8	2	1	11
	Diploma	18	4	2	24
	Bachelor's degree	34	11	4	49
	Postgraduate diploma	10	3	1	14
	Master's and above	12	5	2	19
Position	**Head of department**	12	–	–	12
	Senior officer	20	–	–	20
	Officer	38	–	–	38
	Other (staff)	12	–	–	12
	Councillor	–	16	–	16
	Committee chairperson	–	5	–	5
	Member of the executive committee	–	4	–	4
	Owner/Director	–	–	2	2
	Manager	–	–	3	3
	Engineer/Site supervisor	–	–	3	3
	Other (provider)	–	–	2	2

Source: Primary data (2026).

The findings in Table 11 indicate that the majority of respondents were male (82, 70.1%), while females constituted 35 (29.9%). Regarding age, the largest category was 35–44 years, comprising 42 (35.9%) respondents, followed by those aged 45–54 years at 31 (26.5%). Respondents aged 25–34 years constituted 27 (23.1%), while those aged 55 years and above accounted for 13 (11.1%). The youngest category, below 25 years, comprised only 4 (3.4%) respondents. This suggests that most respondents were within the economically active and professionally experienced age groups, implying that they were likely to have acquired relevant experience concerning the study variables.

Regarding education, the majority of respondents, 82 (70.1%), held at least a bachelor's degree. Specifically, 49 (41.9%) possessed bachelor's degrees, 14 (12.0%) had postgraduate diplomas, and 19 (16.2%) had master's degrees or higher qualifications. Meanwhile, 24 (20.5%) held diplomas, while 11 (9.4%) had certificates. This indicates that most respondents had attained relatively high levels of formal education and were therefore considered capable of understanding the research questions and providing informed responses.

Concerning respondents' positions, technical staff comprised 12 (14.6%) heads of department, 20 (24.4%) senior officers, 38 (46.3%) officers and 12 (14.6%) other staff. Among political leaders, 16 (64.0%) were councillors, 5 (20.0%) were committee chairpersons, and 4 (16.0%) were members of the executive committee. For service providers, 2 (20.0%) were owners/directors, 3 (30.0%) were managers, 3 (30.0%) were engineers/site supervisors, and 2 (20.0%) occupied other provider positions.

East African Journal of Research and Innovation
Vol. 2 (2026): November 2026 Issue
https://doi.org/10.64792/hp5wmx30
Original Article

Contracted service delivery, the dependent variable, was measured by eight items, two for each of contract compliance, delivery time, value for money and service coverage. Table 4.6 presents the responses.

Table 12: Respondents' views on contracted service delivery

Code	Statement	SD/D %	NS %	A/SA %	Mean	Std dev	Remark
Contract compliance							
SD01	Contractors comply with the agreed contract terms and specifications.	46.2	30.8	23.1	2.66	1.13	Moderate
SD02	Contracts are signed after full legal review and with complete documentation.	43.6	29.9	26.5	2.73	1.07	Moderate
Delivery time							
SD03	Contracted services are completed within the agreed time.	43.6	40.2	16.2	2.64	1.00	Moderate
SD04	Delays in completing contracted projects are not common. (R)	51.3	26.5	22.2	2.61	1.14	Moderate
Value for money							
SD05	The council obtains value for money from contracted services.	41.9	37.6	20.5	2.67	1.07	Moderate
SD06	The quality of contracted works matches their cost.	44.4	32.5	23.1	2.68	1.10	Moderate
Service coverage							
SD07	Contracted services reach all intended areas and beneficiaries.	47.0	29.1	23.9	2.67	1.08	Moderate
SD08	No division is left out of contracted services. (R)	48.7	31.6	19.7	2.61	1.07	Moderate
	Overall: contracted service delivery				**2.66**	**0.83**	**Moderate**

Source: Primary data (2026).

Table 12 shows that contracted service delivery was rated at a moderate level overall (mean = 2.66, SD = 0.83), and that disagreement exceeded agreement on every item. On delivery time, only 16.2% agreed that contracted services are completed within the agreed time (mean = 2.64), while 40.2% were not sure; and 51.3% disagreed that delays are uncommon, meaning that most respondents regarded delays as common (mean = 2.61). On service coverage, 48.7% disagreed that no division is left out of contracted services (mean = 2.61), and 47.0% disagreed that contracted services reach all intended areas and beneficiaries (mean = 2.67). On contract compliance, 46.2% disagreed that contractors comply with agreed terms and specifications (mean = 2.66), although signing contracts after full legal review and with complete documentation received the highest rating (mean = 2.73; 26.5% agreement). On value for money, 41.9% disagreed that the council obtains value for money (mean = 2.67) and 44.4% disagreed that the quality of works matches their cost (mean = 2.68).

Table 13: Summary of contracted service delivery indicators

Indicator	Mean	Std dev	Rank	Interpretation
Contract compliance	2.69	0.96	1	Moderate
Value for money	2.68	0.93	2	Moderate
Service coverage	2.64	0.96	3	Moderate
Delivery time	2.62	0.95	4	Moderate
Contracted service delivery (overall)	**2.66**	**0.83**		**Moderate**

Source: Primary data (2026). n = 117. Each indicator is the mean of its two items.

https://doi.org/10.64792/hp5wmx30

Table 13 ranks the four indicators. All four were moderate and close together, with contract compliance highest (mean = 2.69) and delivery time lowest (mean = 2.62). The interpretation is that contracted services in the council are delivered, but not consistently on time, to specification or to every division, which agrees with the problem described in Chapter One.

The documentary review supported this picture. Table 4.8 shows that procurement and contract files improved over the period but remained incomplete.

Table 14: Documentary evidence: procurement and contract files

Year	Indicator value	Finding	Interpretation
2020/21	Compliant with key documentation: 58%; completed within schedule: 61%	42% of contract files lacked a complete, collated set of signed contract, inspection and completion records.	Documentation completeness was weak.
2021/22	Compliant: 62%; within schedule: 65%	Signed agreements were more often on file, but inspection and completion evidence was not always filed together; 38% of files were incomplete.	Compliance documentation improved but remained incomplete.
2022/23	Compliant: 66%; within schedule: 69%	More contracts had inspection records; variations and extensions were not consistently cross-referenced to the original contract file.	Contract change control was weak.
2023/24	Compliant: 70%; within schedule: 72%	30% of files still lacked a fully linked trail from award through final inspection.	Audit-trail completeness remained a gap.
2024/25	Compliant: 75%; within schedule: 77%	More files included signed contracts and inspection records; evidence of final acceptance and complete close-out was uneven in the remaining 25%.	Contract compliance improved but was not universal.

Source: Documentary review of Kapchorwa Municipal Council records (2026).

The records show that the share of contracts compliant with key documentation rose from 58% in FY2020/2021 to 75% in FY2024/2025 in the last), and the share completed within schedule from 61% to 77% (Section 4.9). Even in the latest year, therefore, 25% of contracts lacked full documentation and 23% ran late, which is consistent with the moderate ratings given by respondents.

Budget Planning and Contracted Service Delivery

Descriptive Results on Budget Planning

Table 15: Respondents' views on budget planning

Code	Statement	SD/D %	NS %	A/SA %	Mean	Std dev	Remark
BP01	The council involves stakeholders in planning the budget.	35.9	38.5	25.6	2.84	1.04	Moderate
BP02	Budget plans are guided by the municipal development plan and its priorities.	36.8	38.5	24.8	2.81	1.07	Moderate
BP03	Revenue estimates used in planning the budget are realistic.	36.8	34.2	29.1	2.86	1.09	Moderate
BP04	The costs of planned contracts are estimated accurately.	38.5	36.8	24.8	2.81	1.11	Moderate
BP05	Departments take part in planning the budget.	44.4	29.9	25.6	2.76	1.17	Moderate
BP06	Budget plans are approved by council on time.	45.3	29.9	24.8	2.74	1.15	Moderate
	Overall: budget planning				**2.80**	**0.87**	**Moderate**

Source: Primary data (2026).

https://doi.org/10.64792/hp5wmx30

Table 15 shows that budget planning was rated at a moderate level (mean = 2.80, SD = 0.87). The weakest aspects were the timeliness of council approval of budget plans (mean = 2.74; 45.3% disagreement) and the participation of departments in planning (mean = 2.76; 44.4% disagreement). Stakeholder involvement (mean = 2.84) and the link between budget plans and the municipal development plan (mean = 2.81) were also moderate, with more than a third of respondents not sure about each. The realism of revenue estimates received the highest rating (mean = 2.86), although only 29.1% agreed with it. The interpretation is that the council has a planning process aligned in principle to its development plan, but that participation, timely approval and accurate costing of contracts are not yet consistent.

Qualitative and Documentary Evidence on Budget Planning

The key informants confirmed that planning follows the prescribed process but is constrained by resources. The Town Clerk explained:

> "Budget priorities are discussed during departmental planning and consolidated before council approval. However, the priorities submitted by departments sometimes exceed the resources likely to be available." (KI01, Town Clerk)

The Municipal Planner added that "the number of needs usually exceeds the available budget", so that "project selection therefore involves balancing urgency, geographic distribution and readiness for implementation" (KI03). The Finance Officer noted that forecasts "can be affected when local revenue performs below expectations or transfers are released later than anticipated" (KI02). The theme that emerged was resource realism: plans are prepared and approved, but they often promise more than the council can fund. Table 4.10 lists the codes, themes and the informants who raised them.

Table 16: Codes, themes and informants: budget planning

Theme	Codes	Extract	Informants
Resource realism	Needs exceed resources; departmental priorities exceed likely revenue; revenue and transfer shortfalls affect forecasts	"the priorities submitted by departments sometimes exceed the resources likely to be available"	KI01, KI02, KI03
Project selection	Balancing urgency, geographic distribution and readiness for implementation	"project selection therefore involves balancing urgency, geographic distribution and readiness for implementation"	KI03
Planning process	Departmental discussion consolidated before council approval	"Budget priorities are discussed during departmental planning and consolidated before council approval"	KI01

Source: Interview data (2026). KI01 = Town Clerk; KI02 = Finance Officer; KI03 = Municipal Planner.
The documents told the same story, as Table 16 shows.

https://doi.org/10.64792/hp5wmx30

Table 17: Documentary evidence: approved budget and work plans

Year	Indicator value	Finding	Interpretation
2020/21	Procurement plan activities completed: 68%	Departmental plans were approved, but several activity schedules lacked measurable milestones.	Alignment was moderate; milestone specification was weak.
2021/22	72%	More activities had stated outputs, but some work plans did not connect milestones to the expected release schedule.	Planning detail improved; cash-flow linkage remained limited.
2022/23	76%	Project selection more often referred to development priorities, but the record did not always explain how competing proposals were ranked.	Priority-setting rationale needed clearer documentation.
2023/24	79%	Most reviewed plans identified expected outputs; some schedules were optimistic relative to funding and procurement lead times.	Plans needed realistic sequencing and procurement-readiness checks.
2024/25	83%	A larger share of planned activities had outputs and milestones, but documentation of risk assumptions and contingency plans remained variable.	Planning improved; risk and contingency documentation can improve further.

Source: Documentary review of Kapchorwa Municipal Council records (2026).

The records show that the quality of planning improved over the five years, from activity schedules without measurable milestones in FY2020/2021 (68% of procurement plan activities completed) to most plans stating outputs and milestones by FY2024/2025 (83% completed; Table 4.31). However, schedules were sometimes "optimistic relative to funding and procurement lead times" (FY2023/2024), and the ranking of competing proposals and the risk assumptions behind plans were not consistently documented.

Relationship between Budget Planning and Contracted Service Delivery

Table 18: Correlation between budget planning and contracted service delivery

Budget planning with:	Pearson r	Sig. (2-tailed)	r^2	n
Contracted service delivery (overall)	0.702	0.000	0.493	117
Contract compliance	0.575	0.000	0.330	117
Delivery time	0.637	0.000	0.405	117
Value for money	0.656	0.000	0.430	117
Service coverage	0.591	0.000	0.349	117

Source: Primary data (2026). All coefficients are significant at the 0.01 level (2-tailed).

Table 18 shows a strong, positive and statistically significant relationship between budget planning and contracted service delivery ($r = 0.702$, $p < 0.01$). The coefficient of determination ($r^2 = 0.493$) means that budget planning on its own accounts for 49.3% of the variation in contracted service delivery. Budget planning was also significantly related to every indicator, most strongly to value for money ($r = 0.656$) and delivery time ($r = 0.637$), and least strongly to contract compliance ($r = 0.575$). The interpretation is that where plans are participatory, realistic and approved on time, contracted services are more likely to be delivered on time and to give value for money. The answer to the first research question is therefore that budget planning has a strong, positive and significant relationship with contracted service delivery in Kapchorwa Municipal Council.

Discussion

The strong relationship between budget planning and contracted service delivery supports the proposition of the Principal–Agent Theory that the principal shapes the agent's incentives when it sets the priorities, scope and costs of the contract (Ross, 1973). Where the council plans realistically and on time, contracts are better specified and funded, and contractors have less room and less reason to deviate. The finding agrees with Guma and Wabuna

https://doi.org/10.64792/hp5wmx30

(2026), who found strong correlations between participatory budgeting and service delivery in Bundibugyo Local Government, and with Muhwezi et al. (2020), who found that procurement planning processes affected the performance of construction contracts in Ugandan local governments. It differs from Agume et al. (2026), who found a weak and insignificant relationship between budget preparation and the quality of health services in Kasese District, and from Mukokoma (2010), who found that civil society participation was only weakly related to budget effectiveness. The difference may arise because those studies measured general service quality or civil society participation, whereas this study measured the planning of contracted services directly, where costing and scheduling bear more immediately on the outcome.

The finding that planning lost its unique significance in the combined model is consistent with Andrews (2010), who found that African budgets are better designed than implemented. In Kapchorwa, plans are prepared and broadly aligned to the development plan, as Mulikuza et al. (2019) also observed of formal planning in Kibaha, but their value for contracted services depends on whether the funds they assume are actually allocated and released. The interviews, which showed that departmental priorities "sometimes exceed the resources likely to be available", explain why planning works mainly through allocation.

Conclusion

Budget planning is significantly and positively related to contracted service delivery in Kapchorwa Municipal Council. Its effect is realised mainly through the allocation of funds: plans that exceed the resources likely to be available, are approved late or are costed inaccurately lead to under-funded contracts, delay and weak value for money.

Recommendation

i. The Town Clerk and the Planning Unit should subject departmental proposals to a resource-realism check against the approved revenue forecast before consolidation, so that the number of contracts planned matches the funds likely to be released. *Timeframe: immediate, before the FY2027/2028 budget consolidation.*

ii. Council should approve budget plans within the statutory timelines, and the Planning Unit should involve all departments early in the cycle. *Timeframe: short term, from the FY2027/2028 budget cycle.*

iii. Work plans for contracted projects should state measurable milestones, procurement lead times, risk assumptions and the criteria used to rank competing proposals. *Timeframe: short term, in preparing the FY2027/2028 work plans.*

Acknowledgement

I thank the Almighty God for the gift of life, good health and the strength to complete this study.

I am sincerely grateful to my supervisor, Dr. Tugume Patience, for her guidance, patience and constructive comments, which shaped this work from the proposal stage to the final dissertation. I also thank the lecturers and administrative staff of the School of Graduate Studies and Research, Team University, for the knowledge and support they gave me during the Master of Science in Finance programme.

I am indebted to the Town Clerk, the Finance Officer, the Municipal Planner and the technical staff of Kapchorwa Municipal Council for permitting the study and giving their time and records. I also thank the councillors and the contracted service providers who completed the questionnaires.

Finally, I thank my family, classmates and friends for their encouragement and support throughout the course.

List of abbreviations

ANOVA – Analysis of Variance

I-CVI – Item-Level Content Validity Index

KI – Key Informant

S-CVI/Ave – Scale-Level Content Validity Index/Average

SD – Standard Deviation

SPSS – Statistical Package for the Social Sciences

UNCST – Uganda National Council for Science and Technology

UGX – Uganda Shillings

FY – Financial Year

IV – Independent Variable

DV – Dependent Variable

BP – Budget Planning

SD – Service Delivery

R – Reverse-scored item

REC – Research Ethics Committee

Source of funding

The study received no external funding.

Conflict of interest

The authors declare no conflict of interest

Data availability

Data is available upon request from the author

Author contributions

KC: conceptualization, methodology, investigation, writing original draft.

PT: data curation, validation, supervision.

Informed consent

Written informed consent was obtained from all participants prior to their inclusion in the study. Participants were informed about the purpose of the study, procedures involved, potential risks and benefits, and their right to withdraw at any time without penalty.

Author biography

Keren Chemutai, a student pursuing a master of science in finance of Team University

Dr. Patience Tugume: research supervisor at Team University.

References

1. Agume, K. A., Baluku, W., & Ahabwe, A. (2026). Budget preparation and the quality of service delivery in health facilities: A case of public health facilities in Kasese District. International Journal of Finance and Accounting, 5(1), 344-357. https://doi.org/10.37284/ijfa.5.1.5283 https://doi.org/10.37284/ijfa.5.1.5283
2. Allen, R., Hemming, R., & Potter, B. H. (Eds.). (2013). The international handbook of public financial management. Palgrave Macmillan. https://doi.org/10.1057/9781137315304
3. Andrews, M. (2010). How far have public financial management reforms come in Africa? (Faculty Research Working Paper RWP10-018). Harvard Kennedy School. https://doi.org/10.2139/ssrn.1724741
4. Guma, K. N., & Wabuna, M. (2026). Relationship between participatory budgeting and service delivery in Bundibugyo Local Government, Bundibugyo District. Metropolitan Journal of Academic Multidisciplinary Research, 5(1), 291-299. https://doi.org/10.68598/mjamr.241
5. Muhwezi, L., Musiime, F. T., & Onyutha, C. (2020). Assessment of the effects of procurement planning processes on performance of construction contracts in local governments in Uganda. Journal of Civil, Construction and Environmental Engineering, 5(6), 151-160. https://doi.org/10.11648/j.jccee.20200506.12 https://doi.org/10.11648/j.jccee.20200506.12
6. Mukokoma, M. (2010). The "people's budget" and budget effectiveness: The case of local governments in Uganda. Journal of Sustainable Society and Development, 3(1). https://doi.org/10.4314/jssd.v3i1.67758 https://doi.org/10.4314/jssd.v3i1.67758
7. Mulikuza, J., Buhori, J. A., & Kowa, P. (2019). Citizen participation in the government budget process: The case of Kibaha District Council, Tanzania. The African Resources Development Journal, 4(1), 14-31. https://doi.org/10.61538/ardj.v4i1.737
8. Ross, S. A. (1973). The economic theory of agency: The principal's problem. American Economic Review, 63(2), 134-139.
9. Shah, A. (Ed.). (2007). Budgeting and budgetary institutions. World Bank. https://doi.org/10.1596/978-0-8213-6939-5