

Research Paper

Local Government Reform Policy Implementation on Fiscal Transparency and Secondary Education Service Delivery in Tanzania: The Case of Kinondoni Municipal Councils (KMC)

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Abstract— Secondary education service delivery has been identified as a key service in Local Government Authorities (LGAs) in Tanzania and can be improved if the financial transparency is exhibited by LGAs. However, the factors which undermine financial transparency and secondary education service delivery in LGAs remain an empirical challenge, and extant literature in developing countries is still sparse. The purpose of this study was to explore why, after a decade of fiscal transparency reform programs, many developing countries in particular Tanzania is still lagging behind in secondary education service in LGAs and fiscal transparency mainly KMC. To that end, this study adds knowledge on the factors which undermine fiscal transparency and secondary education service delivery in LGAs and the ways forward in Tanzania. This study used a case study research design, purposive sampling was used to select 86 respondents and the methods of data collection were interview and documentary review while data were analyzed through content analysis. The findings indicate that the level of education and the embezzlement of public funds and, weak oversight of the citizens negatively affect secondary education service delivery in LGAs. It is therefore concluded that KMC financial transparency process should be part and parcel of KMC so that citizens may trust their government after being furnished with the financial information and improved secondary education service delivery in LGAs in Tanzania. This study recommends that KMC should make sure that relevant financial information about the finances and other local government services should be made public timely on request including to the public, media, civil society organization, and citizens.

Keywords— Secondary education, Service delivery, Local government reform, Financial transparency, Local government, Policy implementation

1. Introduction

Transparency has become a universal norm of governance in the 21st century and governments are admonished to be transparent with their citizens. In public governance, transparency means allowing the public to gain information about the decisions and operations of the government [25]. As a means, transparency promotes democratic participation, builds trust, disinfects corruption and permits informed decision making [26]. Transparency is an end in itself as it is the right of citizens to know about the happenings within government. Some governments have voluntarily adopted transparency as a way of improving organizational performance and operational efficiency.

This study is based on regional experience in secondary education service delivery and financial transparency influenced by the development of New Public Management (NPM), Secondary Education Development Programme (SEDP) is the National-wide programme which is run under

the umbrella of Education Sector Development Programme (ESDP). On the other hand, Open Government Partnership (OGP) initiative, and the Global Initiative for Fiscal Transparency (GIFT) set up by International Monetary Fund and World Bank. Also, the regional and local experiences in financial transparency practices have been discussed to establish the justification for this study. The global experiences indicate that, raising, allocating, and spending public resources are among the primary functions and policy instruments of any government and LGAs in particular [1],[2]. Central and local government finances profoundly affect economies of different Countries. Decision-making around central and local government revenues and expenditures has historically been shrouded in secrecy [3]. Often, ministries, government branches, civil society organizations, and the broader citizenry have had little or no access to information on public financial management. Ordinary citizens began calling for greater transparency in the use of public resources for service delivery from the streets all over the Worlds [3].

Over the past two decades, several broad trends have brought fiscal transparency into sharp focus because of the following developments namely, the proliferation of good governance norms and standards that emphasize greater transparency in all government matters, numerous transitions from closed, authoritarian political regimes to ones characterized by policy contestation, separation of powers, political party competition, an organized civil society, an engaged citizenry, and an active media [3]. The growth in the number and operational capacity of independent civil society organizations seeking to be informed about and actively participate in government decision-making, and the dramatic growth, spread, and use of information around the World and development of New Public Management (NPM) [3].

In 2011, President Barack Obama launched the Open Government Partnership (OGP) and more than fifty governments from across the globe prepared action plans to increase transparency and citizen engagement in various areas of public policy, including fiscal transparency and open decision-making [2],[3]. Independent review mechanisms are being set up for civil society to monitor the implementation of these action plans. Another initiative related to the OGP, the governments of Brazil and the Philippines, together with the World Bank, the International Monetary Fund, and other key actors, has set up the Global Initiative for Fiscal Transparency (GIFT). Also, transparency has become a priority for international donors and aid programs are increasingly linked to minimum standards of budget transparency in recipient countries. For example, former World Bank president Robert Zoellick declared in April 2011 that the Bank “will not lend directly to finance budgets in countries that do not publish their budgets.” As a consequence, some of the Bank’s internal operational guidelines were revised, asking that countries applying for so-called Development Policy Operations be subject to a preliminary screening for budget transparency. The United Kingdom’s Department for International Development has included a benchmark related to budget transparency in its guidelines for providing direct support to a country’s budget [3]. The European Commission (EC) has recently added a similar benchmark for countries to qualify for European Commission budget support [3].

At the same time as at the regional level initiatives for secondary education programmes are established and implemented in African countries such as South Africa, Kenya, Uganda, Malawi and, Mozambique fiscal transparency can be broadly traced from the inherited administrative and political system of British Colonial Power that fostered strong state centralism allowing only minimal popular participation and good governance practices [4]. The colonial state lacked adequate service delivery and accountability and made no efforts to be transparent, thus the colonial systems of governance and administration were undemocratic [5],[6].

In Tanzania, LGA was established during the British Colonial rule, following the enactment of the native authority ordinance Cap.72 of 1926 [7]. At this time, local governments were responsible for the maintenance of law and order,

collection of the poll tax, and construction of feeder roads as well as promoting secondary education service delivery (ibid). However, they faced a number of problems such as lack of financial management autonomy and poor service delivery in particular secondary education service [8], [9].

In 1972, LGAs were abolished in favor of a more centralized system of government in Tanzania. The central government and line Ministries were put in charge of the administration of the basic government services at the local level including financial management and accountability and service delivery [10]. However, the delivery of public services deteriorated. For instance, [11] noted that hospitals, dispensaries, and health centers were lacking drugs and health facilities. Local governments were re-established when several pieces of registration were passed. These include Act No, 7 of 1982 which provides for the establishment of District authorities, and Act No. 9 which provide for the establishment of urban authority as well as local government finance Act No. 8 which provides for control of financial matters in LGA [11], [12]. The re-established institutions were expected to provide a good environment to solve the socio-economic problems of the people [12]. The results also show considerable dismal secondary education service delivery because 37 percent of resources from the capitation grant do not reach the schools [12], [13]. Finally, consistent correlations are found between the quality of service delivery (as measured by the various indicators) and learning achievements of secondary school students, suggesting that improvements in service delivery could potentially go a long way in enhancing the quality of education and raising learning outcomes.

In addition, Local government reform program (LGRP) in Tanzania was planned in and accepted in 1997 when the government of Tanzania presented its local government reform agenda to round table of interested development partners and other stakeholders. After the meeting the specialist programme management team was formed to develop the idea of LGRP [13].

In 1998, the Government of Tanzania published a policy paper on local government reform (LGR) and action plan taken. Finally, the government and donors such as Norway and Denmark agreed on financing package through innovative Common Basket Fund and initial preparations for phase one began in 1999. The actual implementation for reforming the councils in phase 1 started since 2000, generally the implementation started was jointly financed by the government and donors such as Denmark, Finland, Ireland, German, Netherlands, Norway, Sweden and the UK. Also, the EU and UNDP /UNCDF financed the programme [13].

The local government reform programme II was implemented through decentralization by devolution since June, 2008 to June 2013 and it was integrated into Prime Minister-Regional Administration and Local Governments (PMORALG) structure through support of development partners. The reform built upon the achievements and

initiatives of LGRPI and the key areas were to promote accountability, transparency and improve service delivery.

However, available evidence indicates that the re-established local government and reform did not perform and behave to the expectations of the people especially in secondary education service delivery [13]. For instance, [13] noted that only Children per Classroom is measured as the ratio of the number of secondary school children to available classrooms. It was noted that an average of more than 74 students per classroom, Tanzania's public schools appear overcrowded. It is interesting to note that the average urban primary school has 20 more students per classroom than its rural counterpart and is thus significantly more crowded. Student-Teacher Ratio Teacher shortage is a problem in many developing countries, especially in poor and rural areas [14]. Despite all the efforts to reform LGA in Tanzania still there is the pertinent problem of poor financial practices. This problem is evidenced by [15]; [16] who contend that financial decentralization has not improved fiscal transparency in LGAs. Also [16] noted that the council officials' survey shows that about 38.1% of the officials think that local citizens get council information from council notice boards followed council newsletter (28.6%).

Therefore, there is a mismatch between what is advocated in local government reforms programme (financial transparency and improved secondary education services) and what is practiced as indicated in the fore mentioned studies. Thus this study seeks to unravel why is it so. This study investigated why there is dismal financial transparency and secondary education service delivery in LGAs and what should be done to improve secondary education service delivery in LGAs in particular KMC.

This paper is organized as follows: section 1 contains the introduction of the study, section two contains the related work of local government reform on financial transparency and secondary education service delivery. Section three presents theories applied in this study while Section four contains the Methodology and Design. Also, section five describes the results and discussion while section six presents conclusion and scope for future research.

2. Related Work

This section is divided into three sub-sections: namely, conceptual definition of financial transparency, review of empirical literature to establish a research gap as well as theoretical review to establish the theory guiding this study and rationale for using it.

2.1 Conceptual Setting of Fiscal Transparency in Local Government

Local government reform is defined in this study as openness toward the public at large about local government financial mobilization and expenditure and functions, local government accounts, and fiscal projections [18]. In this study, the effectiveness of local government reform on secondary

education service delivery involves ready access to reliable, comprehensive, timely, understandable, and comparable and relevant information on school infrastructure and secondary education performance in examination results at KMC. In local government, it refers to the extent to which people have ready access to any required secondary education services at ward and district levels [17], [18]. These reforms were driven by the breakdown of the public administration bureaucratic model, the lack of resources available, the changes in services expectations, and the imposition of several mechanisms to provide accountability of public officials' actions and fiscal resources.

As highlighted in this study, the indicators are that of citizens accessing a service can be viewed as a service delivery report on secondary education. However, instead of using citizens' perceptions to assess performance, the indicators assemble objective and quantitative information from a survey of front-line service delivery units, using modules from the Public Expenditure Tracking Survey (PETS), Quantitative Service Delivery Survey (QSDS), Staff Absence Survey (SAS), and observational studies.

2.2 Empirical Literature Review

There is a study by [17],[18], revealed that there are minimal changes that have taken place in terms of promoting accountability and information sharing at village governments as a result of the democratization process. The study noted that citizens at the grassroots perceived themselves as unable to hold their village government accountable. This was because of the legal provision and regulation guiding the functioning of the village government. However, this study dealt with the accountability of the village government as opposed to the effectiveness of LGA in practicing financial transparency practices in Tanzania. In this regard, the findings of this study cannot be generalized to urban areas especially in municipal councils.

Another study on local government reform was conducted in district councils as opposed to municipal councils. For example, in the study by [16], [17], [18] where an assessment was conducted in order to gauge the level of transparency of public finance matters in Simanjiro district and Dodoma rural district. The findings indicated that the financial information was incomprehensive due to the format which was in aggregate form, for example in a lump sum. Therefore, even though [16], [19] noted one reason for the format of the information, the study has not considered other factors such as resources and institutional structures that may hinder secondary education service delivery in LGAs.

Fiscal transparency experienced from OECD countries noted in the work by [17],[18] focus on the effects of fiscal transparency practices on the accumulation of public debt in OECD countries. When dealing with indignity problems of transparency as a regressor, they also found that measures of political competition, presidential system, and common law variables do well in explaining variation in fiscal transparency, whereas debt level has no statistically significant effect.

Based on work by [18], this scholar hypothesizes that fiscal budgeting practices and local government reform will be more transparent in systems marked by high political competition. In situations of high political turnover, incumbents will try to tie the hands of their potential partisan adversaries by reinforcing arrangements for transparency. Political polarization increases fiscal transparency; however, a more polarized polity could impede a cohesive reform policy and thus, become a hindrance to transparency. Along with political variables, the study also noted that financial outcomes may positively or negatively impact transparency. Incumbents may restrict access to information in order to avoid blame for poor fiscal performance, or facilitate information access to get credit for a favourable fiscal record. While accepting that fiscal transparency practices are related to the political will of incumbents, the study in OECD Countries is based on fiscal transparency of LGAs' budget in OECD Countries in general, hence not in LGA's finances in Tanzania in which this study seeks to unravel. Therefore, this study intended to examine the causes for dismal financial practices and secondary education service delivery in Tanzania at especially KMC.

Within the local government system in Tanzania, the structures for supporting accountability and transparency are present but appear to be not working as they should do [23]. Besides, most of the LGAs structures appear to not properly working due to little flow of information from higher levels of local governments to the lower levels in relation to resources available and results achieved.

3. Theory

Theoretically, this study reviewed public sector network theory and the principal-agent theory. The public sector network theory which by large pertains to structures of independence that have formal and informal linkages. These include the exchange of information or reciprocal relations, common interests, and bond of shared beliefs and professional perspectives [19]. The public sector network states the best way of ensuring reciprocity and trust, in return collective decisions are realized.

On other hand, in the principal-agent theory, the relationship between the parties involved is based on the principal-agent arrangements. The principal expects the agents to act and make decisions in the best interests of the principal. The supervisory authority becomes the principal, which for reasons of efficiency, delegated part of its power and mission to specialized implementing parties (the agents). However, it is very difficult for an agent to find out what each principal might want them to do in any instance. This theory assumes that in order to achieve the stated objectives, the principal must trust the expertise on the professional know-how of the agent [20], [21]. Therefore, in this study, the theory was used in assessing the extent to which citizens (Principals) are not disseminated financial information related to the collection of revenues and expenditure of funds from the agent (local governments) and how secondary education service delivery is affected. The reason for using this theory is based on the

fact that it explain the contractual relationship between the Principal (citizens) who are tax payers and voters of the political leaders in LGAs and they expect that the Local governments constituted of the councilors (political leaders at ward level), hamlet chairperson and local government staff will furnish them with timely, comprehensive and reliable information concerning financial matters such as revenue mobilization and expenditure and how secondary education service delivery is affected in Kinondoni Municipal Council.

4. Methodology

This section presents the case study design used in this study, sampling procedures of respondents, data collection methods and data analysis technique used in this study.

4.1 Study Design

This study was conducted at KMC located in the Dar es Salaam region. The reason for selecting KMC is based on the fact that within a qualitative research approach, a case study strategy approach will be adopted. The case study strategy is considered to be appropriate because it is the one used to investigate the phenomenon within a small and manageable area and sample.

4.2 Sampling Procedure of Respondents

In this study, purposive sampling was applied for selecting members from the hamlet council in their respective wards because they have the role of ensuring financial information is disseminated by local government leaders to citizens from KMC. Another criterion for using purposive sampling is the issue of extreme case purposive sampling where the researcher expects that the hamlet council members have rich information of fiscal transparency practices in LGAs.

Table 1: Sample Size and its Composition at KMC (N=86)

S/No	Category of Respondents	Respondents in KMC
1	Teachers	16
2	Councillors	06
3	Hamlet Council Members	12
4	Students	52
5	Total No. of respondents for KMC	86

Source: Field data (October, 2022)

As presented in Table 1, Students formed the majority of the respondents because of their population size. For example, according to the 2012 population Census, the KMC had a population of 845,368 where male was 409,149 and female was 436,219 but with the population projection of 2016 KMC has a total population of 1,031,349 whereby male are 499,161 and female are 532,188 (Field data, February, 2023).

4.3 Data Collection Methods

In this study, a structured interview was used as it involved the use of a set of predetermined questions and highly standardized techniques of recording. This method was used because the researcher intended to get insights, experiences

on the practices of fiscal transparency practices between local government officials and citizens in their areas of jurisdictions.

The documentary review includes books, records, government publications, and official statistics as far as this study is concerned were used in data collection. This method was employed to gather information from various local government documents related to fiscal transparency practices and secondary education service delivery in local government specifically in KMC in Dar es Salaam Region, Tanzania.

4.5 Data Analysis Techniques

The data collected that are qualitative in nature were analyzed thematically. Thus, in using this type of qualitative data analysis, major themes were identified in this form of data analysis, the researcher perused the collected data and identify information that was relevant to the research questions and specific objectives stated in this study. The method used involved developing a coding system based on the collected data and the major issues topics to be covered and as well as intensity through which the frequency of idea, word, and description appears. For instance, in research question number two which states “what were the factors for dismal financial transparency practices?”. The data analysis was based on the topics/issues that were identified in the data collected. On other hand, the quantitative data collected were subjected to the calculation of frequencies and percentages relating to research questions.

5. Results and Discussion

In this study financial transparency in LGAs was measured by the indicators such as access to reliable, comprehensive, timely, understandable, and comparable and relevant information on LGA revenue collection and utilization, in this case, the KMC so that the citizens can accurately assess the government’s financial position and the true costs and benefits of government activities, including their present and future social implications on service delivery in LGAs. This study started with a presentation and discussion of the demographic characteristics of respondents and their impact on financial transparency in LGA.

5.1. Respondents’ Demographic and Socio-economic Characteristics and their Impacts on Financial Transparency at KMC

In this study, the demographic and socio-economic characteristics of the respondents were examined to ascertain whether they affected local government financial transparency practices since the advent of the local government reform in Tanzania. The findings are presented in subsequent sections below.

5.1.1 Age of Respondents from KMC, and its Significance on Financial Transparency at KMC

In KMC, the data collected on the age of the respondents presented in Table 2 shows that 33 (38.4 %) respondents were aged between 18 and 39 years and 40 (46.5%) were aged

between 40 and 59 years. The remaining 13 (15.1%) respondents were aged 60 years and above. Therefore, in KMC, the majority of the respondents (40) were aged between 40 and 59 years. The age category of 40 and 59 years of these (46.5%) respondents indicate that some of them had an impact on financial transparency. For example, at Magomeni, it was reported that respondents with age 18 to 40 years demanded financial information from their Hamlet leaders while those citizens with 50 years and above demanded financial information from their local leaders. In this regard, in September, 2020, respondents with age ranging from 50 years and above organised themselves to demand financial information. These findings on age’s influence on transparency of financial information corroborate with Citizen at Magomeni ward who aptly stated that,

“The financial information from is demanded from experienced Hamlet Chairman who mobilised us to demand financial information from the street government and the street government did not disseminate information to the citizens (Interview, February, 2023).

Laws require that the hamlet government disseminate financial information on every hamlet meeting held four times in every financial year but the statement from the respondent quoted above indicates that Local governments were not in a position to determine financial information to the citizens as stated above.

In KMC, the age of respondents in KMC indicate that majority of respondents 45(52.3%) respondents were aged from 18 to 39 years, and 33(38.4%) were aged between 40 and 59 years, and few 8(9.3%) respondents were aged 60 years and above. The implication of these age categories that are 45(52.3%) respondents were aged 18 to 39 years, and 33(38.4%) respondents were aged between 40 and 59 years is that some respondents with 18 to 39 years as well as 50 years and above were inclined to demanding financial information from local governments and revenue collection information from Kinondoni district. The findings are summarized in table 2.

5:1.2 Level of Education of Respondents and Financial Transparency

The level of education was explored to establish if the education of respondents had any significant impact on local government financial transparency in LGAs. Table 2 demonstrates that in KMC, 11.6% of respondents were postgraduates, 25.6% were bachelor degree holders while 8.1% were diploma holders. 26.7% of respondents were secondary education leavers and 27% were standard seven leavers. The data indicate that secondary education and primary school leavers constituted 26.7% and 27% respectively of all respondents who affected financial transparency in KMC. For instance, the KMC respondents with bachelor and postgraduate education were of the view that financial transparency was not disseminated to the citizens because the local leaders were scared of being questioned by the Citizens on how funds were utilized in LGAs.

Table 2: Demographic and Socio-Economic Characteristics of Respondents at KMC

Age category in Years					
18-39	40-59	60 and above	Total		
33 (38.4%)	40 (46.5%)	13 (15.1%)	86 (100%)		
Education Level of Respondents					
Postgraduate	Bachelor degree	Diploma	Secondary Education	Standard seven	Total
10 (11.6%)	22 (25.6%)	7 (8.1)	23 (26.7%)	24 (27%)	86 (100%)
Working/Professional Experience in Years					
Less than a year	1-5 Years	6-10 years	More than 10 Years	Total	
13 (15.1%)	43 (50%)	21 (24.4%)	9(10.1%)	86 (100%)	
Gender of respondents					
Female	Male	Total			
40 (46.5%)	46 (53.5%)	86 (100%)			

Source: Field data, (February, 2023)

4.1.3 Respondents' Working Experience and its Impacts on Financial Transparency

The respondents were also asked to state the duration of their working/professional experience in their current business activity in the case of Citizens and the professional working experience of the Municipal Council staff respondents and Councillors. The purpose was to investigate how this working experience affected financial transparency in KMC. The study findings indicated that in KMC, 13 (15.1%) respondents had worked with KMC for less than a year. On the other hand, 43 (50%), half of the respondents had worked for one to five years, 21(24.4%) had worked for six to ten years while 9(10.1%) respondents had worked with KMC for more than 10 years. Thus, in KMC, half of the respondents, i.e 43(50%) had worked between one and five years in their specific professions, such as guest house managers and property tax collectors, to mention a few.

The working experience of half of respondents 43(50%) of one to five years in KMC had impacts on financial transparency in KMC. For example, out of these 43 respondents, 23 respondents noted that they have never been participating in financial transparency meetings with local governments. This went hand in hand, with dismal dissemination of the by-laws related to paying taxes and how much they were supposed to pay in property taxes.

Hence, the working experience of fewer than five years and the level of education as standard seven leavers of Citizens contributed to the fore mentioned dismal financial transparency in KMC. The respondents with the low level of education i.e standard seven were not aggressively demanding financial information from LGAs at KMC.

1) 4.1.4 Gender of Respondents

In this study, the gender of respondents was investigated to ascertain whether it has any impact on local government financial transparency in LGAs. The findings presented in Table 2 show that in KMC, 39 (45.4%) respondents were female and 47 (54.6 %) respondents were male. The data shows that male dominance impacted positively financial

transparency in financial collection and utilization such as Tandale market were pressurized to publicise revenues collected due to male dominance experienced at the terminal.

The gender as a demographic characteristic of the respondents presented in Table 2 shows that the majority of the respondents were male and more than half of them (25 respondents) were taxpayers. This affected financial transparency in the councils. For example, in the male-dominated were aggressive to demand financial information from local governments. These particular findings suggest that some of the male respondents were found to be having demanded financial information compared to female respondents at KMC.

5.2. Factors undermining financial transparency and secondary education service delivery at KMC

This question thought to examine the factors which determine secondary education service delivery in local governments in Tanzania, particularly in KMC. The findings are presented in Table 3 below:

Secondary Schools often lack basic infrastructure, particularly schools in KMC. The indicator Infrastructure accounts for the three basic infrastructure services: availability of electricity (in the classrooms), clean water (in the school), and improved sanitation (in the school). The data are derived from the head teacher questionnaire and measure the availability of the service at the time of the visit.

Table 3: Responses on whether LGA staff were Transparent in Financial Matters at KMC

S/No	Category of respondents	Local Government Officers were transparent in financial matters	Local government officers were not transparent in Financial Matters	Total No. of respondents
1	Teachers N=16	2(25%)	14(75%)	16(100%)
2	Councillors N=6	00	06(100%)	06(100%)
3	Mtaa Council Members N=12	6(50%)	6(50%)	12(100%)
4	Students N=52	20(38.5%)	32(61.5%)	52(100%)
5	Total No. of responses	28(32.6%)	58(67.4%)	86(100%)

Source: Field data, (February, 2023)

The findings presented in Table 3 indicate that in KMC, the respondents were asked whether there were any factors that undermined local government financial transparency at KMC. The responses are presented in Table 3.0 which indicates that 58(67.4%) out of all 86 respondents asserted that the LGA staff were not transparent stated as follows: 32 (61.5%) out of 52(100%) were students, 14 (75%) teachers, 6(100%) councillors and 6(50%) were respondents from Hamlet Council Members. They were of the opinion that the financial information was not transparent because it was neither

advertised on the Municipality's notice board nor in newspapers, or on the radio and television. The same information was not disclosed at Hamlet assembly. This anomaly prevented citizens from getting information, especially those from other regions who could not access the notice boards. Meanwhile, 28 (32.6%) out of all 86 respondents were of the view that the financial information was transparent, these included 20 (38.5%) students, 2(25%) teachers, and 6(50%) respondents from Hamlet council members. The findings are summarized in Table 3.0.

From the findings presented in Table 3.0, it can be deduced that the majority of 58 (67.4%) respondents perceived that the financial information was not transparent. Inadequacy in transparency was noted not only in financial management but also in tender advertisements. The above findings are in line with the United Republic of Tanzania Human Development Report of 2018, which notes that out of 98 tenders, only 55 (56.1%) tender advertisements were published in a newspaper and displayed on Councils' notice boards and 43 tenders equivalent to 43.9% were advertised on the Councils' notice boards only. Thus, some of the financial information such as revenue collection and expenditure were not accessible, thereby limiting citizens in KMC to access financial information on time.

5.2.1 Responses on Resource Capacity of KMC which undermine financial transparency and Secondary Education Service Delivery

In this study, the resource capacity of respondents was explored so as to establish whether it promoted financial transparency and secondary education service delivery in LGAs or not. The findings indicate that 30(34.9%) out of 86 respondents believed that KMC had resource capacity through which financial transparency would be well executed. This was confirmed by 22(42.3%) students, 6(37.5%) teachers, and 2(16.7%) of the respondents from members of the Hamlet council. Furthermore, 56(65.1%) out of 86 respondents reported that KMC did not have the resource capacity for practising financial transparency. This was the view of 30(57.7%) taxpayers, 10(62.5%) teachers, 10 (83.3%) respondents from Council members, and 6(100%) Councillors.

The findings indicate that the majority of the respondents 56(65.1%) out of all 86 were of the opinion that the KMC had no resources for financial transparency and secondary education service delivery was affected. For instance, this study found that the Finance department had four staff instead of seven in the Finance department who were inadequate to enforce financial transparency in hamlet governments which was also hindering financial transparency at KMC in general. This was evidenced by particularly poor supervision of the hamlet governments in disseminating financial information to the Citizens. These findings are corroborated by Controller and Auditor General Report in 2022 who noted that staffing levels in 123 LGAs revealed persistent shortage of staff 119,753 staff; 510 staff in 117 LGAs were still in acting positions as Heads of Departments/Units for more than six months; while there were also some cases of non updating of

employees' particulars in LAWSON for 612 employees in 26 LGAs. Also, CAG Report further noted a non-remittance of employees' deductions to the respective institutions amounting to TZS 5,079,945,442. Also, 10 LGAs to have paid Tshs. 138,203,000 to employees who are no longer in service (ibid).

Furthermore, in secondary schools, there is a serious shortage of secondary school teachers, as well as of maths and science teachers in secondary schools. This shortage is exacerbated by uneven distribution of teachers across the country and uneven distribution of teacher workload within and between schools at KMC. Oversized classes are the norm rather than the exception, despite the government's target of having 40 as the standard class size in secondary schools. For form I, a class size of over 100 is the reality in over 20 secondary schools. In form II the situation is similar with over 200 schools having a class-size of over 100. Although students' teacher ratios (STRs) improved at secondary levels (from 43:1 to 17:1), many classes are still overcrowded, some even reaching as high as 300. International evidence shows that no effective teaching and learning can take place in secondary schools with these numbers. This issue is now starting to be addressed under the new Secondary Teacher Deployment Strategy (Interview, December 2022). However, due to the continuing rapid growth in enrolment at secondary level and to a temporary freeze on civil service recruitment in 2016-2017, the secondary school student teacher ratio again worsened to 51:1 in 2017. Using students' teacher ratio as a measure and not actual class size has resulted in a continuation of oversized classes in the lower grades even when the students' teacher ratio at school level has been improved (Interview, February, 2023).

For example, the interview with one of the Education officers at KMC revealed that "the development projects were budgeted with tsh.2,461,427,086 but the amount of funds received was tsh 2,158,439,882 in June, 30 2022 equivalent to 95% in 2021/2022 were used for construction of 54 classrooms, (1) hall, 48toilets,(1) dormitory, ,1 Administrative block and the previous development projects.

Also KMC, in 2021/22 budgeted for Thshs. 1,237,360,000.00 but the actual amount received was Tshs. 1,198,483,000 in June 30, 2022 equivalent to 96". (Interview, December, 2022).

5.2.2. Embezzlement of Public Funds and Attendance of Citizens to the Hamlet Meetings and its Impact on Financial Transparency at KMC

This study also sought to examine whether embezzlement hindered financial transparency in revenue collection and expenditure at KMC. The study findings show that only 24(27.9%) out of all 86 respondents, comprising 22(42.3%) students and 2(33.3%) councillors believed that embezzlement hindered financial transparency at KMC. The study findings also indicate that majority of respondents 62(72.1%) were of the view that embezzlement was not a hindrance in financial management. Specifically, these

respondents comprised 30 (57.7%) students, 12 (100%) from the Hamlet council members, 4 (66.7%) councillors, and 16 (100%) teachers, who insisted that there was no corruption in the financial transparency process. It was also noted that 62 (72.1%) of respondents perceived that there was no embezzlement in the financial collection and utilization process but these responses were attributed to the fear of councillors and local government staff losing their jobs by revealing unethical practices such as embezzlement in the financial management.

The second reason was that embezzlement practices were done in secret and so it was difficult for these practices to be made public because the officials in the finance department and local government staff knew the sanctions that would be enforced if they were found to be corrupt. Although the majority of the respondents perceived that corruption did not affect financial transparency at KMC, the opposite was actually true given the incapacity of the hamlet government to disseminate financial information to the Hamlet assembly due to inadequate notice boards. Responding to embezzlement which hindered the dissemination of the information with regard to revenue collection in KMC, 3 (50%) councillors and 41 (78.8%) students were of the opinion that corruption was noted in the revenue collection and expenditure which in long run hindered financial transparency. On the contrary, 11 (21.2%) students, 3 (50%) councillors, 12 (100%) from the Hamlet council members, and 16 (100%) teachers said that there was no embezzlement in revenue collection which hindered financial transparency. Therefore, a slight majority of respondents, 44 (51.2%) out of 86 respondents were of the view that embezzlement took place in financial collection and utilization which hindered financial transparency at KMC.

The findings corroborate with [24], who notes those actions of transfer of money or anything of value to public officials, either directly or indirectly, to obtain a favourable public decision or personal gain is defined as embezzlement which in long run undermines financial transparency in Local Governments. In other words, it is a violation of prescribed rules against the exercise of certain types of influence over private gains that hinders financial transparency in LGAs. Furthermore, this study noted that the main challenge which hindered financial transparency in LGAs was the poor attendance of the people in the meetings. Hence, while decisions are made openly, yet the number of people who participated in this assembly was usually less than a half of the people in the respective Hamlet at KMC. For example, at Kigogo street had 6543 adult citizens but when the Street Assembly was convened, only 90 (1.4%) people attended the meeting (Interview, November, 2022). The law requires that the Hamlet assembly be announced to the public. In most Hamlet, the announcement is made, yet urban population just like that of rural is busy with personal activities that seem to provide merit to their household. Once the announcement is made, the fulfilment of the law is evident. Poor attendance is a deterrent to the performance of the meetings as those who do not attend could have had some constructive thinking on the matters. It was further noted that the Hamlet government provides no allowance to the participants of the assembly. Hence, participation in these assemblies depends on the

commitment of the people. At the ward level, the situation is different, as payment is made to the participant. Hence, normally the attendance is about 98% as indicated in Tanzania human development report of 2018.

5.2.3 The Means of Determination of the Financial Information to the Citizens in KMC

Respondents were asked to state and explain the means used to determine financial information to the citizens at KMC. The responses were as follows: All respondents (100%) acknowledged that not all citizens in all wards were disseminated information on financial and fiscal affairs to the public through meetings organized by the council, including full council meetings, ward and hamlet meetings. The hamlet Assembly (HA) is conducted quarterly each year. However, we call for an emergency assembly if there is a need for such. This HA discusses developmental programs in terms of priorities. The programs include a number of schools to be constructed, health centres, local infrastructure such as roads, and electricity to mention a few. KMC also reported that they used newspapers to inform citizens. Furthermore, notice boards at ward and council headquarters were used in KMC but not all citizens got access to this financial information particularly revenue collection and expenditure. On the other hand, there were also reasons to question the effectiveness of these dissemination mechanisms and whether the information actually reached the public. Few of the respondents 20 (23.3%) of all 86 respondents in this study stated they had seen some information about local government finances. As many as 66 (76.7%) of all the respondents said they had never received information on the number of tax revenues and property taxes and other information related to fees collected in their area. The findings indicated that none of the stakeholders had manual procedures or by-laws for paying taxes. People do not know what kind of taxes they are supposed to pay.

5.3 Discussion

The main purpose of local government reform is to improve financial transparency and service delivery in Local Government Authorities [23],[24]. Local government reform shares some commonalities in different countries because it is undertaken to improve service delivery and financial transparency [24].

These studies are corroborating with the findings of this study. This study found out that although local government reform intends to improve services and the financial transparency in KMC, still it suffers some drawbacks. For instance, in KMC, the financial information was supposed to be disseminated to the public based on financial management law which was supposed to go through the open financial transparency process based on regulations that call for access to the financial information in LGAs in Particular KMC. Based on the findings of this study, it is also noted that in KMC, local government reform was not effective on financial transparency at KMC because it was susceptible to embezzlement to the extent that it undermined financial transparency at KMC. Some officials could not disseminate these information because of the fear of the "evil" of

embezzlement. These findings corroborate with [23],[24], who noted that *“these information were further treated as confidential. It should be recalled that before broad local government reforms were introduced in the 1990s and 2000s, financial information in many LGAs was kept secret from the eyes of the citizens by the council officers, including also the councillors. Disclosing any financial information to the public was regarded as breaching the local government laws. This problem seems to be historical”*.

The findings indicated most of the respondents interviewed had the view that when they had a request on some financial information, they were frequently told that the information is not allowed to be disseminated to them because it is confidential often told that it is confidential. Furthermore, the results obtained by [24] are consistent with the current findings. The study findings have shown that LGAs in Tanzania do not comply with the existing laws and regulations that require them to disclose budgetary information to the public. The findings show that the case councils visited make little effort to share local financial information with the local citizens. This may result in a significant drop in performance of LGAs in terms of service delivery. This is contrary to scholars. Scholars have underscored the potency of transparency to improve operational efficiency and performance of organisations. [27] and [28] show that government transparency leads to improved financial efficiency and accountability, enabled by the improved monitoring and evaluation of organisational operations by the stakeholders. [29] investigate the relationship between government transparency and regulatory performance and conclude that transparency has a positive influence on regulatory performance of inspectors of government.

It should also be noted that Tanzania joined the Open Government Partnership Initiative in September 2011 in its initiatives to increase transparency in government service delivery. However, it withdrew from OGP on June 29, 2017. While it is not the intention of this paper to discuss in detail the implications of this move by the government's withdrawal, it might be sufficient to say that the efforts to enhance transparency at the local level might be affected. For example, under the OGP Action Plan of 2012/2013, Tanzania commitment focused on the four pillars, namely: transparency, accountability, citizens' participation and technology and innovation. These commitments were to be operationalized in the health, education, and water sectors (Open Government Partnership, 2014). Our results emphasize the importance of incorporating issues of transparency into the routine practice of the LGAs. This is particularly useful for ascertaining whether the councils are adhering to the call of D by D as spelt out in the Policy Paper on Local Government Reforms (1998). The policy document requires the councils to demonstrate the importance of enhancing transparency in local financing, and hence attaining the principles of local governance. The concepts of accountability, transparency, and good governance are highly intertwined (Akhtar *et al.* 2016; Castillo & Gabriel 2020). Hence, when one of these pillars of good local governance is ineffective, the quality of service delivery is likely to be affected.

Inadequate transparency was noted in the lack of the provision of accessible and timely information to stakeholders and the opening up of the institutional procedures, structures, and processes to their assessment. This study noted that of those covered in this paper, no stakeholder had manual procedures or by-laws for paying taxes. People do not know what kind of taxes they are supposed to pay and neither they knew about the deadline for paying those taxes. For example, tenders for revenue collection were not advertised for competition at KMC. For example, the local government leaders at Hamlet stated that several times, their “Capacity fund” means their allowances were not paid on time and there were no reasons disclosed to them for delay which implies that there was lack of transparency in disbursement of funds for allowances.

Likewise, the findings show that some of the senior local government officials were embezzling of the public funds as such they were not strictly committed to enforcing financial management transparency in Hamlet governments which in the long-run undermined local government financial transparency in local governments.

The findings conform principal theory through which the findings support the proposition that the principal (the citizens) supervising the agents (local governments) with lack of specialized management skills because illiteracy of respondents was one of the factors undermining local government financial transparency in LGAs due to weak oversight of the local people to the LGAs. Therefore, in this study, the theory supports the view that citizens (in this study as principals) were not disseminated financial information related to the collection of revenues and expenditure of funds from the agent (LGAs) which is contrary to local government reform in Tanzania.

6. Conclusion and Future Scope

Transparency is a precondition for the enhancement of the development of the local governments and secondary education service delivery in Tanzania. It is transparency and improved secondary education service delivery, which allow the people to avail trust to their governments. Financial transparency facilitates the optimal use of public resources including funds since information is power. This study, therefore, appeal to the government and private sector to articulate transparency as mandatory for the creation of optimal utilization of the financial resources in LGAs. Transparency in LGAs creates harmonious relationships among the people, whom we serve, and the subordinates in LGAs. Based on the study findings it is concluded that ineffectiveness of the financial transparency was due to embezzlement, weak oversight of the citizens, and poor commitment of the local government staff as perceived by respondents in KMC resulted in poor financial transparency, poor secondary education service delivery associated with inadequate books, classrooms, and inadequate teachers and lack of the citizens trust in their Government.

It is, therefore, strongly recommended, among other things, that: KMC financial transparency process should be part and parcel of KMC so that citizens may trust their government after being furnished with the financial information particularly related to financial utilization and collection as anticipated by the LGA reform in Tanzania. The KMC should make sure that relevant financial information about the fiancés and other LGA activities should be made public on request including to the public, media, civil society organization, and citizens. These documents should be made available to the majority of local citizens rather than only local leaders. These documents could be made available to the majority of local citizens rather than only local leaders and government officials. The financial information can be made public by advertising on the notice boards, newspapers, television, and public meetings with local officials and local leaders. Local government officials and local leaders should be motivated to embrace financial transparency through capacity building, sanctions for none compliance as well as an appreciation for the best local government in practicing financial transparency in Tanzania.

This study acknowledges that the findings were specific to KMC and therefore the generalization to other LGAs is limited. The restricted sample size of 86 taxpayers, Local government staff, Councillors, and Private agents posed a noticeable limitation, ruling out the question of generalizability. Firstly, the study may be replicated and should include respondents that were not represented in this study like the President's Office-Regional Administration and Local Governments to provide further evidence of the generalizability and robustness of the study. The study was also limited by its method used in choosing respondents, that is, a non-probability purposive sampling method. It is therefore recommended that future research in this context uses a probability sampling technique so that subjects of the population get an equal chance of being selected as are a representative sample.

Many studies are still needed in local councils in Tanzania. In this regard, other researchers may wish to conduct the same study and focus on rural LGAs to gain insights into rural councils' experience of the implication of the financial transparency process and secondary education service delivery in LGAs. Another study may be carried out on the effectiveness of LGA reform in fostering financial management in rural LGAs in Tanzania.

Conflict of Interest

None

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Authors' Contributions

I wrote the first draft of the manuscript, reviewed and edited the manuscript and approved the final version of the manuscript.

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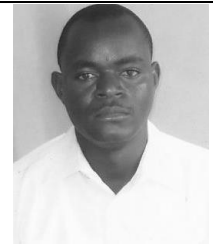
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