



# THE UNITED REPUBLIC OF TANZANIA NATIONAL AUDIT OFFICE



## ANNUAL GENERAL REPORT OF THE CONTROLLER AND AUDITOR GENERAL FOR THE LOCAL GOVERNMENT AUTHORITIES



MARCH  
2022





THE UNITED REPUBLIC OF TANZANIA  
NATIONAL AUDIT OFFICE



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Ref.No.FA. CGA.319/421/01A

30 March 2022

H.E. Samia Suluhu Hassan,  
The President of the United Republic of Tanzania,  
State House,  
P.O. Box 1102,  
1 Julius Nyerere Road,  
Chamwino,  
40400 DODOMA.

**RE: SUBMISSION OF THE ANNUAL GENERAL REPORT OF THE  
CONTROLLER AND AUDITOR GENERAL ON THE AUDIT OF LOCAL  
GOVERNMENT AUTHORITIES FOR THE FINANCIAL YEAR 2020/21**

In accordance with Article 143(4) of the Constitution of the United Republic of Tanzania of 1977, and section 34 of the Public Audit Act, Cap 418, I am pleased to submit to you my Annual General Report on the audit of Local Government Authorities for the financial year 2020/21.

I humbly submit,

Charles E. Kichere  
Controller and Auditor General

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## ABOUT NATIONAL AUDIT OFFICE TANZANIA

### Mandate

The statutory mandate and responsibilities of the Controller and Auditor General are provided under Article 143 of the Constitution of the URT of 1977 and in section 10 (1) of the Public Audit Act, Cap 418.

### Vision

A credible and modern Supreme Audit Institution with high-quality audit services for enhancing public confidence.

### Mission

To provide high-quality audit services through modernization of functions that enhance accountability and transparency in the management of public resources.

**Motto:** “Modernizing External Audit for Stronger Public Confidence”.

### Core Values

In providing quality services, NAO is guided by the following Core Values:

- i. Independence and objectivity
- ii. Professional competence
- iii. Integrity
- iv. Creativity and Innovation
- v. Results-Oriented
- vi. Teamwork Spirit



### We do this by:

- ✓ Contributing to better stewardship of public funds by ensuring that our clients are accountable for the resources entrusted to them;
- ✓ Helping to improve the quality of public services by supporting innovation on the use of public resources;
- ✓ Providing technical advice to our clients on operational gaps in their operating systems;
- ✓ Systematically involve our clients in the audit process and audit cycles; and
- ✓ Providing audit staff with adequate working tools and facilities that promote independence.

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## ABBREVIATIONS AND ACRONYMS

AGPAHI	Ariel Glaser Paediatric AIDS Healthcare Initiative
BOQ	Bills of Quantities
CAG	Controller and Auditor General
Cap.	Chapter
CC	City Council
CDCF	Constituency Development Catalyst Fund
CHF	Community Health Fund
COVID 19	Corona Virus Disease of 2019
CSR	Corporate Social Responsibility
DC	District Council
DDC	Dar es Salaam Development Corporation
EFD	Electronic Fiscal Device
EGPAF	Elizabeth Glaser Paediatric Aids Fund
EP4R	Education Performance for Results
EQUIP-T	Education Quality Improvement Programme
FA	Force Account
FFARS	Facility Financial Accounting And Reporting System
G.N	Government Notice
GACS	Government Accounting Consolidation System
GCC	General Contract Conditions
GoT-HoMIS	Government of Tanzania Hospital Management Information System
GPE II	Global Performance Education II
GR	General Report
HBF	Health Basket Fund
HSCDG	Health Sector Capital Development Grants
iCHF	Improved Community Health Fund
ICT	Information and Communication Technology
IFMS	Integrated Financial Management System
IMEI	International Mobile Equipment Identity
IT	Information Technology
LAAC	Local Authorities Accounts Committee
LAAM	Local Authority Accounting Manual
LAPF	Local Authorities Pension Fund
LARAM	Local Authority Revenue Administration Manual
LGA	Local Government Authority
LGDG	Local Government Development Grant
LGFA	Local Government Finances Act
LGFM	Local Government Financial Memorandum
LGLB	Local Government Loans Board
LGRCIS	Local Government Revenue Collection Information
MC	Municipal Council
MDCC	Misungwi District Council Company Limited

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MDH	Management and Development for Health
MIVARF	Marketing Infrastructure, Value Addition and Rural Finance
MoH	Ministry of Health
MSD	Medical Stores Department
MUSE	Government Payment System (Mfumo wa Ulipaji Serikalini)
NHIF	National Health Insurance Fund
NIDA	National Identification Authority
NPL	Non-Performing Loans
NSSF	National Social Security Fund
PE	Procuring Entities
PMU	Procurement Management Unit
PO-PSMGG	President's Office, Public Service Management and Good Governance
PO-RALG	President's Office Regional Administration and Local Government
POS	Point of Sale
PPA	Public Procurement Act, 2011
PPR	Public Procurement Regulations
PPRA	Public Procurement Regulatory Authority
PSSSF	Public Service Social Security Fund
PWDs	People with Disabilities
RBF	Results Based Financing
RE	Revised Edition
Ref.	Reference
RITA	Registration, Insolvency and Trusteeship Agency
S/N	Serial Number
SCC	Special Conditions of Contract
SWASH	School Water Sanitation and Hygiene
TANePS	Tanzania National e-Procurement System
TANESCO	Tanzania Electrical Supply Company
TASAF	Tanzania Social Action Fund
TBA	Tanzania Building Agency
TC	Town Council
TDs	Tender Documents
TEA	Tanzania Education Authority
TRA	Tanzania Revenue Authority
TSCP	Tanzania Strategic Cities Project
TZS	Tanzanian Shillings
ULGSP	Urban Local Government Strengthening Programme
UNDP	United Nations Development Programme
USD	United States Dollar
WCF	Workers Compensation Fund
WYDF	Women, Youth, and People with Disabilities Fund



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## STATEMENT OF THE CONTROLLER AND AUDITOR GENERAL

I am pleased to present the Annual General Report of Local Government Authorities for the financial year 2020/21.

It is with great honour that I take this opportunity to thank Her Excellency, Samia Suluhu Hassan, the President of the United Republic of Tanzania, for her immense support and personal initiatives to ensure that National Audit Office accomplishes its constitutional mandate.



I convey my sincere gratitude to the Honourable Speaker and Deputy Speaker of Parliament of the United Republic of Tanzania, Chairperson and Honourable Members of Local Authorities Accounts Committee (LAAC) for the cooperation that has always been extended to my Office.

The financial year 2020/21 was, in many ways, dominated by the wide-ranging impacts of the COVID-19 pandemic. It has been inspiring me to see how well the Government has been responding to the pandemic during this year. The Government pulled significant resources together and focused on saving the lives, concurrently maintaining a vibrant economy and sustainable delivery of social services.

Finally, I must recognize the important contribution of my staff members who have been working tirelessly, driven entirely by professional call, to complete the assigned audit activities while maintaining high level of quality in line with professional standards. It is a strong sense of purpose and dedication that has made it possible to deliver this report within the statutory deadlines.



**Charles E. Kichere**  
**Controller and Auditor General**  
**March, 2022**

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## PREFACE

This annual report is a transparent tool to enable Parliament and citizens to hold the Government accountable. The report addresses accountability and management of revenues, expenses, assets, operational efficiency and compliance with applicable laws, directives and instructions, including special audits.

The report presents highlights of key findings and recommendations emanating from financial and compliance audits of 185 LGAs conducted in all the 26 Regions of Tanzania Mainland for the year 2020/21. The report covers all significant audit matters noted relating to financial statements and operational efficiency within LGAs in the implementation of the mandates for which they were established.

In particular, the report has covered review of internal control systems, budget and revenue especially on challenges facing LGAs in collecting revenues and systems' setbacks. The report has also elaborated inefficiencies in management of expenditure, human resources, and procurement, including projects being implemented under force account, among other areas.

In this financial year, I have assessed the operational performance within the education and health sectors, performance of investments made by LGAs including review of Women, Youth and Disabled Revolving Fund.

I commissioned 37 different special audits with specific terms of reference, whose results have also been summarized in this report.

The duty of my office remains on maintaining awareness on the importance of accountability, transparency and probity within the public sector including Local Government Authorities as a foundational safeguard towards enduring their stewardship in managing public resources in order to achieve our development goals for a prosperous society. It is my expectation that this report will enhance efficient use of resources in the LGAs.

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## EXECUTIVE SUMMARY

This report provides a detailed analysis of findings, recommendations and conclusion emanating from the audit of the financial statements and compliance audit in respect of 185 Local Government Authorities (LGAs) for the financial year ended 30 June, 2021. The following areas have been discussed in detail in this report:

### (i) Types and Trends of Audit Opinions

In the financial year ended 30 June, 2021, I audited and issued opinion to 185 LGAs. Out of 185, 178 had unqualified opinion, 6 had qualified opinion, and 1 had adverse opinion.

However, despite the significant number of unqualified audit opinion, respective LGAs still had observations arising from deviated parliamentary decisions, legislative Acts, Government policies and directives though these do not have a direct impact on the correctness of the submitted financial statements.

### (ii) Implementation Status of Prior Year's General Recommendations

Implementation status of the specific issued recommendations in 185 LGAs is not satisfactory as 1,864 (17%) out of the 10,824 issued recommendations have not been implemented, 3,637 (34%) recommendations were under implementation and 1,395 (13%) recommendations have been reiterated in the current year's report.

Further, my assessment of the implementation status of LAAC directives revealed that 123 issued directives by the Committee in 99 LGAs were under implementation and 264 had not been implemented.

### (iii) Evaluation of Risk Management, Internal Controls and Governance Systems

My appraisal of governance systems in LGAs noted inadequate separation between oversight and management functions of Councillors in LGAs. For instance, the Chairman/Mayor of LGAs signs

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contracts, financial statements and handing-over certificates for directors.

Moreover, Full Councils have been mandated with all decisions in LGAs which have brought negative impacts on some areas including delays in implementation of development projects due to conflicting Councilors' decisions. Some projects which were affected by Councilors' conflicting decisions include construction of Administration Blocks at Nzega DC, Sengerema DC and Bunda DC which received a total of TZS 2.75 billion from the Treasury.

Similarly, my assessment of controls on transaction adjustments noted that, LGAs made various transaction adjustments without evidence of approval and supporting documents to justify their authenticity.

This was revealed at the defunct Dar es Salaam CC and Dar es Salaam CC (former Ilala MC) which made transaction adjustments totalling TZS 8.66 billion as correction of errors and 27 LGAs which adjusted revenue bills to the tune of TZS 1.66 billion without supporting documents to substantiate the changes made.

#### **(iv) Review of Budget Preparation and Execution**

I noted an over release of development grants in 19 LGAs of TZS 47.19 billion (52%) and recurrent grants in 39 LGAs of TZS 74.38 billion (8%). Additionally, under release of development grants in 163 LGAs by TZS 312.53 billion (38%) and under-released recurrent grants in 144 LGAs by TZS 647.89 billion (16%).

Further, 92 LGAs had partially or not contributed TZS 24.24 billion to development activities as per the required percentage of contribution.

#### **(v) Revenue Management**

Further, my assessment of LGRCIS reports regarding revenue from miscellaneous sources collected through POS machines indicate that a total of TZS 20.3 billion was not remitted to the respective LGA's bank accounts. Similarly, my review of revenue collections through LGRCIS revealed that, a total of TZS 33.91 billion was not collected



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especially from rental charges for shops and houses located at the Council's bus stands and markets, market stalls, sale of plots, agriculture produce cess, liquor licenses, levy for extraction of construction materials, business license and service levy.

Also, 43 LGAs collected TZS 9.01 billion as service levy without turnover particulars, and charging of rates which range from 0% to a maximum of 0.3% may provide a loophole to business entities to evade paying the levy.

Moreover, receivables for three consecutive years have marginally increased to TZS 176.28 billion from TZS 103.30 billion for 158 LGAs reported in the financial year 2019/20 and TZS 131.85 billion in 170 LGAs reported in the financial year 2018/19.

#### **(vi) Expenditure Management**

I revealed that 24 LGAs which spent a total of TZS 664 million in fruitless expenditure; 61 LGAs ordered and paid TZS 8.44 billion for goods/services which were not delivered/rendered by suppliers for a period up to 24 months; and 64 LGAs with missing payment vouchers and expenditure particulars worth TZS 3.87 billion.

Further, five LGAs paid TZS 376.48 million to various vendors on which they were issued with forged EFD receipts indicating that VAT for TZS 57.43 million was not remitted to TRA; TZS 6.07 billion was paid by 71 LGAs to vendors without demanding EFD Receipts, while, withholding tax to the tune of TZS 338.06 million was not deducted by 24 LGAs from payments made to vendors.

Furthermore, I noted that Longido DC reallocated TZS 341.82 million, set aside for compensation of land to pave way for construction of high tension 400KV electricity line, and spent it on general election, while 30 LGAs paid TZS 2.92 billion to implement unbudgeted activities.

#### **(vii) Payroll and Human Resources Management**

My review of personnel emoluments in 25 LGAs for the financial year ended 30 June, 2021, revealed that TZS 556.84 million was paid to retired, deceased, absconded, terminated and employees on leave

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without pay. Further, statutory deductions amounting to TZS 845.24 million were not transferred to the respective institutions. In addition, I noted a debt of TZS 180.70 billion relating to penalties imposed to five LGAs on allegedly failure to submit statutory deductions.

**(viii) Evaluation of Development Projects**

My assessment of implementation of planned activities noted delays in implementation of development projects in 128 LGAs valued at TZS 195.65 billion, which might result to cost overruns due to inflation effect on the cost of materials. Further, in 30 LGAs, projects worth TZS 7.68 billion were completed but not operational.

Furthermore, I noted an amount of TZS 14.76 billion which was returned to Treasury after year-end due to failure in fully and timely utilising them by 80 LGAs. However, the funds were not refunded to the respective LGAs for implementation of the previously planned development activities.

**(ix) Procurement and Contracts Management**

I assessed how procurement and management of building materials were done by LGAs, the capacity of LGAs in supervising projects implemented through force account method and the quality of the physical structures developed where I revealed payments of TZS 947.92 million made to local artisans without legally binding contracts and implementation of construction projects worth TZS 4.78 billion by 17 LGAs without preparation of bills of quantities and schedules of materials for works executed. I also noted that LGAs at lower level are not adequately staffed, primarily depending on teachers and healthcare workers.

Further, using teachers and Healthcare workers as committee members to implement various Force Account construction activities has affected the commitment and time devoted to providing core functions of teaching and medical care.

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**(x) Operational Performance in the Education Sector**

My review of textbook requirements in 22 LGAs revealed that, 6,323,566 textbooks were required to meet pupils' demand in Government primary schools. However, only 1,467,829 (23%) were distributed during the year, depicting an under-delivery of 4,855,737 textbooks costing TZS 19.42 billion. Further, my review on funds released for free education in 111 LGAs noted that in the financial year 2020/21, there was an under release of grants for both primary and secondary schools of TZS 5.18 billion.

Furthermore, my assessment of teacher to student ratio noted that in 103 LGAs with a requirement of 120,534 teachers for primary schools had 100,043 teachers implying a shortage of 20,491 equivalents to 17%. Also, I sampled 27 LGAs and noted that between 2018 and 2021, 53,755 pupils dropped out of school before completing their primary school education.

**(xi) Operational Performance in the Health Sector**

I noted completed projects for health facilities worth TZS 3.98 billion in 20 LGAs but were not put into use as planned. Further, I noted 46 LGAs with expired medical drugs for the periods ranging from three months to 20 years with a cost of TZS 3.49 billion which were not disposed off. Also, my assessment revealed rejection of claims totaling 2.34 billion for 111 LGAs by the National Health Insurance Fund (NHIF) due to non compliance with NHIF guideline.

**(xii) Review of Women, Youth and People with Disabilities Revolving Fund**

My assessment of the performance of the Women, Youth, and People with Disabilities Revolving Fund revealed that 155 LGAs had not recovered TZS 47.01 billion loans issued to respective groups due to inadequate capacity of Community Development Departments at LGA level in carrying out due diligence for groups applying for loans, processing, managing, ensuring recovery of the loans, and providing business development services to beneficiaries. Also, my follow-up on the compliance with the requirement of the Regulation of Issuance and Management of Credit for Registered Groups of Women, Youth and People with Disability, 2019 (G.N. No. 286 of 5.4.2019)

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revealed that, 83 LGAs did not contribute a total of TZS 6.86 billion from their own sources of revenue.

**(xiii) Operational Performance in the Markets and Bus Stands**

I visited a rice market and warehouse at Mahiga village in Kwimba DC which was completed since 7 May, 2017. The project was financed by MIVARF at the cost of TZS 617.42 million. Despite the substantial amount invested, I found that the market infrastructures including a warehouse, were abandoned for a long period due to lack of electric power supply to run the rice processing machine.

Further, existing Tarime market that had an average collection of TZS 300 million per annum (or TZS 900 million in 3 years), was demolished three years back during site clearance to allow the construction of Tarime Modern Market at the contract price of TZS 8.07 billion. The Government waved aside all the strategic market projects in the selected LGAs which had not started including the Tarime Market project, resulting in a loss of TZS 900 million in terms of revenue which should have been collected in three years.

**(xiv) Review of Investments Performance**

My assessment revealed 5 LGAs that had invested 24,036,348 shares valued at TZS 6.97 billion in a non performing commercial bank that on 30 June, 2021, recorded a reduction in share value to TZS 5.77 billion. Also, 85 LGAs had invested TZS 4.88 billion in Local Government Loans Board which had not offered any return to the respective LGAs.

Similarly, Mbeya CC acquired a loan from one commercial bank for construction of Mwanjelwa Market, payable by 2033, where as of December, 2021 TZS 35.44 billion was outstanding. My assessment revealed that, in order for the Council to meet the terms of the loan by 2033, it must pay instalments of TZS 2.95 billion per annum. However, the gross revenue collections from the market ranges between 750 million and 850 million only per annum.

Investments in unfeasible projects results to loss of public monies that could have been used to implement other development activities.

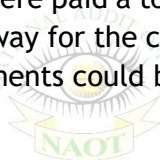
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#### (xv) Results of Special Audits

I conducted 37 special audits in 36 LGAs and noted a total amount of TZS 19.72 billion was collected from different sources by 36 LGAs but were not banked; out of which, TZS 10.13 billion (51%) related to Dar es Salaam CC (former Ilala MC). Out of TZS 10.13 billion, TZS 4.64 billion and TZS 5.49 billion was not banked by 20 collection agents and 19 staff respectively.

Moreover, I noted that 16 LGAs made adjustments of transactions in LGRCIS for own-source revenues totaling TZS 28.33 billion without observing laid down procedures, indicating possibilities of misappropriations. Also, 7 LGAs did not submit to me payment vouchers for payments of TZS 1.37 billion, thus, I could not verify the validity of the payments made.

At Temeke MC, I found 94 residents who could not be recognised by lower level leaders, and were paid a total amount of TZS 2.16 billion as compensation to pave way for the construction of DMDP projects, indicating that these payments could be fraudulent compensations.



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## CHAPTER 1

### AUDIT OPINIONS

#### 1.0 Introduction

Audit opinion is formed based on an evaluation of the conclusions drawn from the audit evidence obtained, as to whether the financial statements as a whole have been prepared in all material respects in accordance with the applicable financial reporting framework (such as IFRS or IPSAS). The opinion is expressed in accordance to International Standards of Supreme Audit Institutions (ISSAI) 1200.

This is achieved by designing the audit in such a way that it will enable the auditor to obtain reasonable assurance based on the evaluation of findings against the set materiality.

#### 1.1 Types of Audit Opinion

There are four different types of opinions:

- (i) **Unqualified Opinion** - is expressed when the auditor concludes that the financial statements are prepared in all material respects in accordance with the applicable financial reporting framework.
- (ii) **Qualified Opinion** - is expressed when the financial statements are fairly presented except for the effect of a matter (s):
  - Sufficient appropriate audit evidence obtained, auditors conclude that misstatements, individually or in aggregate, are material, but not pervasive to the financial statements; or
  - Unable to obtain sufficient appropriate audit evidence on which to base the opinion, but auditor conclude that the possible effects on the financial statements of undetected misstatements (if any), could be material but not pervasive.
- (iii) **Adverse Opinion** - is expressed when the auditor, have obtained sufficient appropriate audit evidence to support the

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misstatement and effect of misstatement individually or in the aggregate are both material and pervasive to the financial statements.

- (iv) **Disclaimer of Opinion** - This is when an auditor is unable to obtain sufficient appropriate audit evidence on which to base the opinion, Auditor concludes that, possible effects of undetected misstatements on the financial statements, if any, could be both material and pervasive.

An auditor shall disclaim an opinion, in extremely rare circumstances involving multiple uncertainties, conclude that, notwithstanding having obtained sufficient appropriate audit evidence regarding each of the individual uncertainties, it is not possible to form an opinion on the financial statements due to the potential interaction of the uncertainties and their possible cumulative effect on the financial statements.

## 1.2 **Emphasis of Matter Paragraph in Auditor's Report**

If I consider it necessary to draw users' attention to a matter presented or disclosed in the financial statements that, in my judgment, is of such importance that it is fundamental to users' understanding of the financial statements, I include Emphasis of Matter paragraph in my report provided I have obtained sufficient audit evidence that the matter is not materially misstated in the financial statements. Such a paragraph refers only to information presented or disclosed in the financial statements.

## 1.3 **Key Audit Matters**

Key audit matters provide additional information to users of financial statements to assist them in understanding matters that, in auditor's professional judgment, were of most significance in the audit of the financial statements of a particular entity. Communicating key audit matters, enhance communicative value of the audited financial statements by providing greater transparency about the audit that was performed.



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## 1.4 Audit Opinion Issued During the Year

During the financial year 2020/21, 185 opinions were issued to the Local Government Authorities, out of which 176 were unqualified opinions, 8 qualified opinions, 1 adverse opinion and there was no disclaimer of opinion. For details see **Appendix 1-1**.

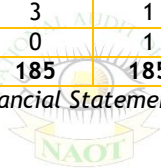
## 1.5 Trend of Audit Opinions

A trend of audit opinions, issued to Local Government Authorities for the five consecutive years from 2016/17 to 20120/21 is as shown in **Table 1-1**.

**Table 1 - 1: Trend of Audit Opinion**

OPINION	ANNUAL GENERAL REPORT				
	2016/17	2017/18	2018/19	2019/20	2020/21
Unqualified	166	176	176	124	178
Qualified	16	7	9	53	6
Adverse	3	1	0	8	1
Disclaimer	0	1	0	0	0
<b>Total</b>	<b>185</b>	<b>185</b>	<b>185</b>	<b>185</b>	<b>185</b>

*Source: Analysis of Audited Financial Statements*



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## CHAPTER 2

### IMPLEMENTATION STATUS OF PRIOR YEARS' AUDIT RECOMMENDATIONS

#### 2.0 Introduction

I have assessed previous years' audit recommendations, to determine whether the Paymaster General and Accounting Officers have taken appropriate corrective measures.

In order to ensure sound internal controls, LGAs Management are required to evaluate and determine proper actions to address reported audit findings and recommendations in a reasonable timeframe.

Additionally, as part of its oversight responsibilities, the Local Authorities Accounts Committee (LAAC) periodically conducts sessions and follow-ups, to confirm, among other things, whether the Paymaster General and Accounting Officers of individual LGAs have taken corrective actions on outstanding audit recommendations and Committee's directives issued from time to time.

However, on submission of Government responses on CAG annual general report of LGAs for the financial year 2019/20, the Paymaster General, did not address implementation status of issued recommendations related to LGAs.

Status of implementation of previous years' audit recommendations and LAAC directives are analyzed in the following paragraphs:

#### 2.1 Implementation Status of Individual LGAs Audit Recommendations for 2019/20

Pursuant to regulation 93 of the Public Audit Regulations of 2009, every Accounting Officer of the audited entity shall, within 21 days from the date the general audit report is tabled before the National Assembly, prepare responses of their individual reports.

The assessment on the implementation of the issued audit recommendations for the financial year 2019/20 in 185 LGAS revealed that 10,824 recommendations were issued. Implementation status of the issued recommendations is not satisfactory as 1,864 (17%) recommendations were not implemented, 3,637 (34%) recommendations were under implementation and 1,395 (13%) recommendations have been reiterated in the current year's report. The details are summarized in **Table 2-1**.

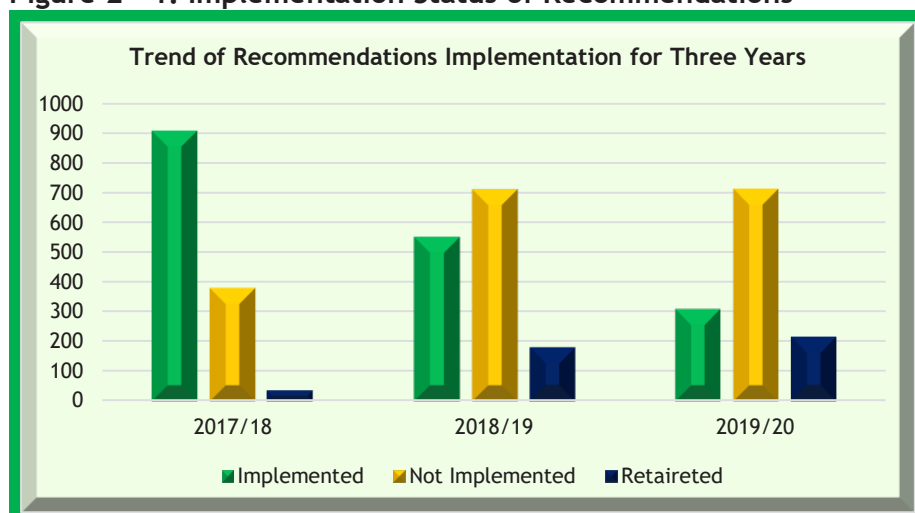
**Table 2 - 1: Implementation Status of Recommendations**

Status	No. of Recommendation	%
Implemented	3,511	32
Not Implemented	1,864	17
Under-Implementation	3,637	34
Reiterated	1,395	13
Overtaken by events	417	4
<b>Total</b>	<b>10,824</b>	<b>100</b>

Source: Management Letters for the financial year 2020/21

I observed that the trend of implementation of audit recommendations for three years from 2017/18 to 2019/20 is unsatisfactory as shown in **Figure 2-1**.

**Figure 2 - 1: Implementation Status of Recommendations**



I recommend that PO-RALG set strategies with Accounting Officers of respective LGAs to implement outstanding audit recommendations without further delay.

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## 2.2 Unimplemented Audit Recommendation for Up to 10 Years

My analysis of LGAs' implementation status based on the previous years' audit matters revealed that, most of LGAs do not exert adequate efforts to attend audit recommendations. I noted that, 114 LGAs have 746 outstanding recommendations for the period between 2014/15 and 2016/17 as shown in **Appendix 2-1**; while 147 recommendations issued between financial year 2010 and 2014 to 61 LGAs had not been implemented marking an outstanding period of up to 10 years as shown in **Appendix 2-2**. I also noted that, the respective LGAs had not documented action plans to address the outstanding audit findings.

Despite the frequent calls on the respective LGAs, to implement the pending recommendations, the trend is still unsatisfactory.

**I recommend that the PO-RALG and Regional Secretariats, take necessary efforts to ensure respective LGAs implement outstanding recommendations without further delays.**

## 2.3 Unsatisfactory Implementation Status of LAAC Directives

Section 38(2) of the Public Audit Act, CAP 418 as amended by section 40 of the Finance Act, 2021 requires the Paymaster General and Accounting Officers to take into account the observations and recommendations of the Oversight Committee on financial affairs, established by the National Assembly.

The assessment of the implementation status of LAAC directives, up to the financial year 2020/21, revealed that, out of 619 directives issued by the Committee to 99 LGAs, 232 (37%) directives were implemented; 123 (20%) were under implementation; 264 (43%) had not been implemented as shown in **Table 2-2** and more details in **Appendix 2-3**.

**Table 2 - 2: Trend of Implementation Status of LAAC Directives**

Status	No. of Directives	%
Implemented	232	37
Not Implemented	264	43
Under Implementation	123	20
<b>Total</b>	<b>619</b>	<b>100</b>

Source: Management Letters for 2020/21

I also noted that nine LGAs with 31 long- outstanding directives that were yet to be implemented; they have been outstanding for between seven and 10 years as summarized in **Table 2-3**.

**Table 2 - 3: LGAs with Long Period Outstanding LAAC Directives**

S/N	Name of LGA	No.of Years	No.of outstanding Directive
1.	Mufindi DC	7	6
2.	Muheza DC	10	1
3.	Iringa MC	7	5
4.	Bahi DC	10	3
5.	Kilolo DC	7	3
6.	Sikonge DC	8	3
7.	Tabora MC	8	3
8.	Korogwe DC	8	4
9.	Pangani DC	8	3
	<b>Total</b>		<b>31</b>

Source: *Management Letters for 2020/21*

I recommend that PO-RALG has to ensure that all Accounting Officers of the respective LGAs implement all outstanding directives and timely submit the corrective actions to the Committee.



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## CHAPTER 3

### EVALUATION OF INTERNAL CONTROL, RISK MANAGEMENT AND GOVERNANCE SYSTEMS

#### 3.0 Introduction

Order 11 of the LGFM, 2009 requires LGAs to establish a sound system of internal controls. Effective controls provide LGAs with reasonable assurance in achieving objectives relating to operations, reporting and compliance.

In enhancing effective controls, risk management is vital in identifying, assessing and controlling threats which might lead to non-achievement of the LGAs' objectives.

Equally, good governance plays an important role in informing, directing, managing and monitoring activities within the LGAs (including internal controls and risk management) towards achievement of its objectives.

In this chapter, I have evaluated the effectiveness of internal controls, risk management as well as governance systems in LGAs and noted some areas for improvement in strengthening the relevant internal controls in LGAs:

#### 3.1 Involvement of Councillors in Functions of the Management Instead of Oversight Responsibilities

International Ethics Standards Board for Accountants (IESBA), describes those charged with governance as persons with responsibility for overseeing strategic direction of an entity and obligations related to the accountability of the entity, including overseeing the financial reporting process.

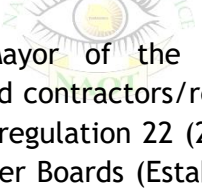
Para 21 (a) (ii) of ISA 315 requires an Auditor to obtain an understanding of the control environment relevant to the preparation of the financial statements, through performing risk assessment procedures, by understanding the set of controls, processes and structures that address those charged with governance are separate from management, the independence of,

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and oversight over the entity's system of internal control by, those charged with governance.

In line with Order 5 of the Local Government Financial Memorandum (LGFM), 2009, the Full Council is responsible for all decisions in the LGA. As per section 35 of the Local Government (District Authorities) Act, Cap 287 [R.E. 2019] and section 24 of the Local Government (Urban Authorities) Act, Cap 288 [R.E. 2019] the Council is composed of members elected from each ward in the area of the LGA, Members of Parliament representing constituencies within the area of the LGA, Members of Parliament under special seats and those appointed by the President who are ordinary residents of the LGA, Councilors appointed under special seats and those appointed by the Minister responsible for LGA and the Director of the LGA.

I have noted that, Councilors in LGAs have been participating in various functions that are of operational nature and which are supposed to be solely undertaken by the managements, in essence, they undermine their governance function. The functions include:

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- (i) The Chairman/Mayor of the Council signing contracts between LGAs and contractors/revenue collecting agents as stipulated under regulation 22 (2) of the Local Government Authorities' Tender Boards (Establishment and Proceedings) Regulations, 2018;
  - (ii) The Chairman/Mayor of the Council signing financial statements of LGAs as stipulated under Order 31 (7) of the LGFM, 2009;
  - (iii) The Chairman/Mayor of the Council signing handing-over certificates for Directors as stipulated by Order 84 (4) of the LGFM, 2009;
  - (iv) The Finance Committee and Full Council are responsible for discussing management responses on CAG reports before submitting them to CAG as stipulated by Paragraph 6.9.4 (e) of LAAM, 2019;



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- (v) The Finance Committee and Full Council are responsible for disposing of all unused assets as stipulated in Paragraph 9.8.2 (b) of LAAM, 2019;
  - (vi) The Full Council acts as disciplinary authority on employees in the LGAs, as mandated by section 6(6) of Public Service Act, Cap 298 [R.E. 2019]; and
  - (vii) As noted above, Order 5 of the LGFM, 2009 gives the Full Council a mandate for all decisions in LGAs.

By executing the above functions, the Councils are directly involved in operations of the LGAs and pose risks of conflict of interest in decisions and sanctions they may wish to impose.

For instance, in May 2021, the Government released TZS 1 billion to Nzega DC for the construction of an administration block. The location for the project (Ndala Village) had already been selected by Councilors in May 2020.

However, in June 2021 after new Councilors were elected, they rescinded the previous decision and passed a resolution to construct the building on a different location in Lubisu Village. As a result, up to the time I concluded my audit, the project was yet to be implemented.

I observed the same scenario in Sengerema DC where in January 2021 the Council, received TZS 749.62 million; but there was a conflicting decision over the location between Tabaruka and Isung'ang'oro Villages. Moreover, in Bunda DC which had also received TZS 1 billion in March 2021, the construction of an administration block could not timely start because the Councilors were disputing on the use of force account procurement method.

In my view, the Councilors should not be involved in the day-to-day operational activities. Their duties should entirely be confined to oversight including representing their respective Wards in Council meetings, monitoring resources, enhancing compliance, approving Council budgets, make by-laws, championing development to the community and conflict resolution as stipulated under section 14 (1) of the Local Government (Elections) Act, Cap.292 (R.E. 2015), the

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Local Government (District Authorities) Act, Cap.287, [R.E. 2019], the Local Government (Urban Authorities) Act, Cap. 288 [R.E. 2019] and LGFM, 2009.

This will eliminate the risk of unfair and conflicting decisions which in some cases are caused by egotism, conflict of interests and self-assessments.

In my opinion, the establishment of governing Boards could bridge the gap between Councilor's oversight and management functions in LGAs which ultimately will be collectively responsible for overseeing LGAs activities. All activities that are of operational nature, including signing of contracts, financial statements and decisions on development projects could be left to the governing Boards that will be answerable to the Full Council.

Other functions of the governing Boards could include setting and monitoring of the organization's mission, priorities and strategies; regularly scanning the operational environment of organization to ensure that planned objectives are achieved; evaluating available resources and determine if they are adequate for achieving key outcomes; monitoring organization's programs and services; risk management; and maintaining positive relationships with key stakeholders by developing policies that best serve the needs of the citizens within the Council's jurisdiction.

**I urge PO-RALG in collaboration with relevant authorities to revisit the laws, regulations, orders and manuals regarding duties and responsibilities of the Councilors, to ensure that Councillors decisions were effective and beneficial to the community they are representing.**

**The Government could consider establishment of governing Boards comprising of individuals from outside the LGAs with adequate experience and knowledge in LGA's operations, whereby the board will assume immediate oversight responsibilities on Management operations and be answerable to the Full Council.**

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### 3.2 Inadequate Performance of the Internal Audit Units

Order 13 of the LGFM, 2009 requires LGAs to hire internal auditors who shall be performing independent appraisals of internal controls by examining and evaluating effectiveness and adequacy of such controls.

I examined composition, allocation of resources and works of Internal Audit Units in LGAs and noted the following deficiencies and more details in **Appendix 3-1**:

- (i) Internal Audit Reports in LGAs in the year 2020/21 focused mainly on transactions and events. It is my view that, apart from notable performance in those areas, the Internal Auditors are also ought to put emphasis on areas of risk management and ICT general controls in order to add value to the managements' efforts to identify, assess and manage fraud risks;
- (ii) LGAs did not provide sufficient trainings to internal audit staff on vital areas, particularly training on Government Accounting Consolidation system (GACS), Government of Tanzania Hospital Management Information System (GoT-HoMIS), Procurement electronic system (TANePS) and Accounting System (MUSE). This denied the Internal Auditors adequate capacity in providing reliable attestation and assurance services on these areas;
- (iii) I learnt of a shortage of 219 Internal Auditors in 87 LGAs, implying an overloading which might hinder internal audit units in respective to LGAs to optimally exercise their responsibilities;
- (iv) My assessment of budget implementation found 79 LGAs did not provide internal audit units with adequate funds as per budgets set; out of which Meatu DC did not provide internal audit unit with a single cent from the budgeted funds.
- (v) Internal Auditors in 49 LGAs had shortage of working tools and equipment such as motor vehicles, laptops and furniture which affected their efficiency; and

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- (vi) Internal Audit Units in 78 LGAs did not finalize audit works as per annual internal audit plans, implying that management in respective LGAs were not provided with assurance on the effectiveness of internal controls in the unaudited areas.

**I urge management of LGAs to ensure internal audit plans give priorities to areas of Risk Managements and ICT Controls, furnish the units with adequate financial, physical and human resources, build and enhance capacity of internal auditors to commensurate with dynamic environments, improved performance and outcome of their functions.**

### **3.3 Inadequate Performance of Audit Committees**

Audit Committee in LGAs is an Oversight Committee, responsible for evaluation and advising on matters relating to governance, risk management, compliance and internal control practices. Order 12 of LGFM, 2009 and Paragraph 3.5 of the Audit Committee Guideline of June, 2019 require each LGA to establish an Audit Committee which comprise of a minimum of three and a maximum of five members whereby all or majority of the members should be external to the LGA.

My assessment on efficiency of Audit Committees in LGAs revealed various weaknesses as elaborated below and more details are given in **Appendix 3-2**:

- (i) I reviewed minutes of the Audit Committees meetings and revealed that, when discussing internal audit reports, the Audit Committees, mainly focused on outstanding audit queries. No emphasis was given on audit queries that had been replied and were closed by internal auditors, for assessment and identification of the root causes of the issues and determine if management ensured necessary controls in place, to prevent a recurrence of the same. In the after math of the anomaly, some audit queries have been recurring in the quarterly internal audit reports;
- (ii) Audit Committee meetings, placed much emphasis on Internal Audit reports. Other matters as stipulated in the Audit Committee Guidelines such as review of effectiveness

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of risk management framework, monitoring internal control environment and compliance matters were not given due weight, which minimized opportunities for the Committees to play their roles in improving internal controls and efficiency in governance of LGAs;

- (iii) Audit Committees in 31 LGAs did not prepare and submit annual reports to the Minister responsible for Local Government, Regional Commissioner and Controller and Auditor General, as stipulated under Order 12 (5)(g) of LGFM, 2009. This denied the relevant authorities of first hand information on the functions of the Committees in respective LGAs;
- (iv) Audit Committees in 21 LGAs did not review financial statements contrary to Order 12 (5) (f) of LGFM, 2009; hence, no advices were provided to Accounting Officers in the respective LGAs regarding improvements on the preparation and review of financial statements;
- (v) 7 LGAs did not provide induction to newly appointed members of Audit Committee in order to make them aware of their roles and responsibilities. Also 15 LGAs did not provide trainings to existing members on vital areas such as procurement management, Risk Management and information systems such as FFARS, GoT-HoMIS, HCMIS, TAnEPS, MUSE and LGRCIS.
- (vi) Audit Committees in 8 LGAs did not conduct self-assessment, contrary to Para 5.1 of the Audit Committee Guideline of 2019 which requires the Committee to assess its performance and achievements against its charter on an annual basis.

**I recommend that LGAs enhance performance of Audit Committees by conducting regular trainings to members of the committees and provide adequate resources for the committees, to optimally implement activities as per Order 12 of LGFM, 2009.**

**Audit Committees are advised to improve scope by discussing root causes for audit findings (even those closed by internal auditors) in order to assess, identify and advice on relevant controls or**

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actions to be taken to prevent recurrence of the anomalies. Apart from internal audit reports, the committees are also urged to put emphasis on other areas relating to internal controls and compliance.

### 3.4 Irregularities Noted on Fraud Risk Management

ISA 240 describes fraud as an act by perpetrators to obtain an unjust or illegal advantage by way of intentional deception. Para 3.7.2 of the guidelines for Developing and Implementing Fraud Risk Management Framework in the Public Sector, 2015 provides me with the mandate to carry out evaluation of the framework.

My evaluation on the way the framework was implemented in 185 LGAs for the year under review revealed the following anomalies in Risk Management; and more details are given in **Appendix 3-3**:

- (i) Dissemination of knowledge on fraud risk matters, has not been adequately performed to employees in LGAs especially those at lower levels such as schools, health facilities and Wards. It is important that, all employees in LGAs get acquainted with fraud risk as required by paragraph 3.3.3.3 of the Guidelines for Developing and Implementing Fraud Risk Management Framework in the Public Sector, 2015 in order to improve compliance and participation in fraud risk management;
- (ii) 39 LGAs did not perform Risk Assessment on various risk areas such as Financial Statements, LGRCIS and assets management. This led to non-establishment of controls relevant to specific environments. For instance, after submitting financial statements to CAG for audit, these LGAs had to revise the financial statements more than twice to rectify noted errors and misstatements;
- (iii) 20 LGAs did not maintain an updated risk register. This hinders management's effort to identify and manage detected risks due to lack of records and tracking mechanism;

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- (iv) Ngorongoro DC, Mlele DC, Malinyi DC and Kwimba DC had no risk coordinators and risk champions for each department/unit thus impairing the functioning of the risk management processes in respective LGAs; and
  - (v) 13 LGAs had no Risk Management Policies hence had no guidance regarding risk management and protection of staff, assets and financial sustainability of the respective LGAs.

**Management of the LGAs are urged to ensure;**

- a) Full compliance with the Guidelines for Developing and Implementing Fraud Risk Management Framework in the Public Sector, 2015 by ensuring that, ethics and fraud awareness trainings are regularly conducted on employees at all levels;
- b) Risk Assessment is conducted every year and risk register is updated accordingly; and
- c) Each LGA has an updated Risk Management Policy and appoint a risk coordinator and risk champions in order to enhance effectiveness in identification, assessment and control of fraud risks.

### **3.5 Irregularities on ICT Controls Including Accounting Systems**

An increased use of Information and Communication Systems in the Government operations, calls for a great emphasis on existence of strong ICT controls.

The controls include, but not limited to, policies, procedures and activities designed to enable accessibility, confidentiality and integrity of its ICT systems and data.

In 2020/21 audits, I found out the following irregularities regarding internal controls on ICT systems in LGAs and more details are given in **Appendix 3-4:**

- (i) LGAs were using Epicor as an accounting system for processing, record keeping and reporting financial



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information up to 30 June, 2021. As of 01 July, 2021 LGAs migrated to MUSE accounting system. However, these systems are not integrated with other systems such as LGRCIS, HCMIS, FFARS and GoT-HoMIS. Also, some modules such as inventory management, payables and receivables management are not functioning.

This leads to manual importation of data from other systems to the Accounting Systems and/or preparation of financial statements without using the accounting system and hence impair the accuracy of financial statements and consuming more time on its preparation as well as auditing;

- (ii) LGRCIS that is used for revenue management in LGAs does not provide room for the Council to access information regarding defaulted amount at any specific point in time. It just gives cumulative defaulted amounts as at the date of inquiry. This denies users of the system from obtaining relevant information about defaulters before the date of inquiry;
- (iii) 26 LGAs had a shortage of 83 ICT staff leading to inadequate support and provision of ICT services to employees and the community in the respective LGAs;
- (iv) 22 LGAs had no approved IT strategic committee and IT strategic plan, which could result in IT governance not being adequately addressed to fulfil the LGA's goals and objectives;
- (v) 34 LGAs had no disaster recovery plan to prevent loss of data from possible incidents like fire, flooding and power outages;
- (vi) 23 LGAs had no training programs to build ICT capacity to employees in order to enhance effective utilization of ICT facilities and data security;
- (vii) 22 LGAs had not installed/updated anti-virus software with respect to available computers for data protection; and

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- (viii) 35 LGAs had insufficient preventive mechanism to ensure that both ICT hardware and application software are adequately protected through use of equipment like fire extinguishers, fire suppression systems and air conditions.

I advise PO-RALG to make a system review on MUSE to ensure it accommodates the requirement of integration with data from other systems. Moreover, the defaulter information in LGRCIS should be rectified in order for system users to be able to obtain information about defaulters on any specified dates.

Also, Management of LGAs should improve ICT controls by redressing the above observed weaknesses, in order to intensify data security in the ICT systems and effective utilization of ICT facilities and equipment.

### **3.6 Inadequate Controls Relating to POS Machines**

Para 6.11 of the Local Authority Revenue Administration Manual, 2019 requires LGAs to implement controls in revenue collection system. The controls are necessary to enhance accountability and responsibility, safeguard revenue collected, ensure accurate and reliable revenue records, ensure compliance with revenue collection procedures and ensure efficient and effective revenue collection process.

My appraisal of controls made on the LGRCIS system in LGAs, established the following shortcomings, specifically on controls related to POS Machines; and more details are given in **Appendix 3-5**:

- (i) 46 LGAs had 1,355 POS machines that had been offline for a period ranging from 3 to 4274 days without any information on the reasons which caused machines to be offline;
- (ii) 34 POS machines were found missing in 8 LGAs;
- (iii) 20 LGAs had total of 890 taxpayers who were registered with more than one payer ID in the LGRCIS;

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- (iv) POS registers in 14 LGAs were not adequately maintained and updated leading to inadequate information on the persons in possession of POS and locations where the POS machines are currently utilized;
  - (v) 6 LGAs did not perform reconciliation between revenue collected in the POS Machines with the amounts depicted in LGRCIS as well as in own sources bank accounts, contrary to Paragraph 3.4 (ix) of the Local Authority Revenue Administration Manual, 2019 that requires reconciliations to be done regularly, preferably weekly; and
  - (vi) POS machines obtained from PO-RALG for the period starting from the year 2018/19 do not reflect IMEI numbers in the LGRCIS system, making it difficult to make verification of the devices in the system against physical POS machines. These machines have all been recorded with same IMEI No. -100.

I advise management of LGAs to improve controls on POS machines by ensuring that they send an electronic alert when the POS were offline for more than 48 hours, in order to mitigate the risk of loss of funds due to POS that are collecting without being connected to LGRCIS; make necessary procedures to report POS missing machines and deactivate them from the system; deactivate multiple payer IDs and ensure every taxpayer has been registered under one payer ID; ensure weekly reconciliation of revenue information is performed between POS machines, LGRCIS and banks, in order to mitigate the risk of huge amount of unbanked revenues; ensure POS registers are updated accordingly and collaborate with PO-RALG to ensure all POS machines are reflected on the LGRCIS with actual IMEI numbers for the machines.

### **3.7 Ineffective Financial Statements Preparation Process Leading to Numerous Misstatements and Adjustments**

Order 31 of LGFM, 2009 and Sect 48(4) of the Local Government Finances Act, Cap 290 [R.E. 2019] requires the Accounting Officer to prepare the final accounts and submit them to the Controller and

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Auditor General for audit purposes on or before 30 September of each financial year.

Audit of the submitted financial statements identified several errors and omissions from which I suggested several adjustments for management actions. The deficiencies were mainly attributed to the following:

- (i) Financial statements were not produced from a single accounting system. Data was manually extracted from various systems including Epicor, FFARs, HCMIS, LGRCIS, GoT-HoMIS and various registers/schedules prepared by Council officials;
- (ii) Inadequate knowledge on accounting principles and standards by individuals who participated in preparation of the Financial Statements;
- (iii) Lack of accountants assigned with specific roles of collecting information on daily basis for preparation of financial statements. Preparation of the financial statements was performed as a one-off activity involving some accountants who were mainly working in other areas of the finance department;
- (iv) Inadequate collection/reconciliation of data regarding transactions and events from other departments/units leading to financial statements to report balances that are different from data obtained from other departments/units. Example of data includes unpaid invoices, amount of loans issued, loans repayments and outstanding loans for women, youth and persons with disabilities, and amounts of outstanding balances for employee benefits;
- (v) Inadequate number of accounts assistant staff who could be helping in collection, recording and reporting financial information from lower level sub-entities such as schools, health facilities, wards and villages; and
- (vi) Inefficient controls over year-end financial statements closure process including failure to perform reconciliation on

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various transactions and account balances and inadequate management of year end journals and adjustments effected in the financial and accounting records.

I recommend that PO-RALG ensures the Government's newly established accounting system, MUSE, accommodates information from all relevant areas vital for preparation of financial statements. The Ministry is urged to recruit more account assistants for improving accounting works at lower levels.

Management of LGAs is urged to ensure adequate quality review of financial statements before submitting them for audit in order to free them from misstatement due to errors, omission and/or fraud; and

Management of LGAs is advised to enhance knowledge to accountants through regular training and workshops, and introduce a final accounts unit within the Finance Department that will solely work on daily transactions and events relating to financial statements, including conducting reconciliation of data between Finance and other Departments/units.

### **3.8 Inadequate Controls over Transaction Adjustments**

During the year under audit, LGAs made various transaction adjustments without evidence of approval and supporting documents to justify the authenticity of the adjustments.

I found out that, the former Dar es Salaam CC made adjustments by means of Journal Vouchers (JVs) to the tune of TZS 3.44 billion and Dar es Salaam CC (former Ilala MC) had adjustments by means of direct posting on cashbook for amount totaling TZS 5.22 billion making total of TZS 8.66 billion adjusted without supporting documents to substantiate the adjustments made.

Moreover, revenue bills to the tune of TZS 1.66 billion were adjusted in 27 LGAs without justification (details are given in **Paragraph 5.1** in **Chapter 5**) contrary to Order 29 (4) of LGFM, 2009 which requires every non cash transaction to be supported by an adjustment or journal voucher, showing items affected by the adjustment and reasons for making the adjustment.

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This was mainly caused by various flaws on implementing controls in Epicor and LGRCIS including sharing of passwords between system users, delegation of approval responsibilities to subordinates by Accounting Officers and lack of periodic review of approved adjustments in the system by LGAs management.

Unsupported transaction adjustments might lead to loss of public funds, by way of fraudulent data manipulation in revenue collection, cash balances or expenditure amounts in order to conceal embezzled funds.

**I recommend that LGAs ensure efficiency in controls on information systems by restricting access to make adjustments and sharing of passwords between system users; Accounting Officers should set limits for adjustments that can be delegated for approval to employees at lower levels; ensure periodic review of approved adjustments in the system by LGAs management; and ensure that the adjustments follow proper channels and are supported by relevant supporting documents to justify their authenticity.**



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## CHAPTER 4

### REVIEW OF BUDGET PERFORMANCE

#### 4.0 Introduction

This chapter presents an analysis of performance of approved budget estimates for revenue and expenditures of Local Government Authorities (LGAs) as a result of revenue from own sources, releases of exchequer issues against estimates, trends of the same and general observations on estimates and actuals for the year ended 30 June, 2021.

In Tanzania, the Government prepares budget on cash basis, whereas financial reporting is on IPSASs accrual basis of accounting. Approved budgets are essential elements of financial planning, control and evaluation processes of LGAs.

The approved budget will mean the expenditure authority derived from laws, appropriation bills, Government ordinances, and other decisions related to the anticipated revenue receipts for the budgetary period.

According to section 46 (1) of the Local Government Finances Act, Cap 290 [R.E. 2019], every local government authority shall, not less than two months before the beginning of every financial year and at a meeting specially convened for the purpose, pass a detailed budget of the estimates of the amounts respectively (a) expected to be received and (b) expected to be disbursed, by the Authority during the financial year, and whenever circumstances so require, an authority may pass a supplementary budget in any financial year.

#### 4.1 Budget Overview

My review of the budgets implementation for the year 2020/21 had an objective of assessing whether LGAs aligned to the Government's Budget Policy, Fiscal Framework Statement and the Budget Appropriation Act. Also, whether the approved budgets comply with section 46 (1) of the Local Government Finances Act, Cap 290 [R.E. 2019], I suggest that the analysis assents consistent fiscal sustainability and transparency principles in such provisions.

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My review of LGAs revenue and expenditures budget for the financial year 2020/21 revealed the following: -

## **4.2 Budget Trend Analysis and Appraisal of LGAs Level of Dependency**

### **4.2.1 Own Source Revenue Trend Against Approved Budget**

My analysis of the submitted financial statements of 185 LGAs reflected that own source revenue collection in the financial year 2020/21 was TZS 769.42 billion which was 94% of the budget estimates of TZS 822.38 billion. Also, comparison between the previous collections of TZS 709.57 billion for the financial year 2019/20 indicated that, the LGAs during the year 2020/21 recorded an increase of TZS 59.85 as shown in **Table 4-1** and **Appendix 4-1**.

**Table 4 - 1: Trend of Actual Own Source Against Budget**

F/Year	Approved Budget (TZS)	Actual Collection (TZS)	Variance (Under Collection) (TZS)	Performance %
2020/21	822,375,950,562	769,422,329,061	52,953,621,501	94
2019/20	759,907,423,938	709,573,567,541	50,333,856,397	93
2018/19	725,633,451,671	639,401,151,405	86,232,300,266	89
2017/18	677,965,549,714	566,729,291,189	111,236,258,525	84
2016/17	628,045,048,644	523,564,835,716	104,480,212,928	83

Despite an increasing trend in the 5 years' revenue collection, there has been a consistent under collection indicating that revenue approved projections in the last five years have remained unrealistic due to lapses in revenue collection and management systems to harbor available revenue sources.

I urge LGAs to develop precise collection strategies on identified potential sources of revenue and venture into new sources within their areas of jurisdiction. Also, LGAs are required to draw appealing and realistic budgets to enable them to attain optimum revenue collections.

### **4.2.2 Overall LGAs Performance**

#### **a) LGAs with Collection of Own Source Revenue Above the Approved Budget**

I reviewed approved budget estimates of 64 LGAs amounting to TZS 346.13 billion allocated to own source revenue and revealed they



had an actual collection of TZS 376.30 billion indicating a performance of 109% of the total budgeted revenue collection. The previous year performance recorded 115% of the planned annual collection as shown in **Table 4-2** and **Appendix 4-2**.

**Table 4 - 2: LGAs with Over Collection of Own Source**

F/Year	Approved budget (TZS)	Actual collection (TZS)	Over Collection (TZS)	Performance %	No of LGAs
2020/21	346,128,129,473	376,302,581,046	30,174,451,573	109	64
2019/20	315,579,839,663	363,859,170,229	48,279,330,566	115	62

#### **b) LGAs with Collection of Own Source Revenue Below the Approved Budget**

I learnt that 121 LGAs which had a total approved revenue estimates of TZS 476.25 billion, recorded an actual collection of TZS 393.12 billion indicating a performance of 83% of the total approved revenue collection estimates compared to 78% recorded in the previous year as shown in **Table 4-3** and **Appendix 4-3**.

**Table 4 - 3: LGAs with Collection of Own Source Revenue Below the Approved Budget**

F/Year	Approved budget (TZS)	Actual collection (TZS)	Under Collection (TZS)	Performance %	No of LGAs
2020/21	476,247,821,089	393,119,748,015	83,128,073,074	83	121
2019/20	442,034,532,275	343,421,345,312	98,613,186,963	78	123

It is evident that management has not fully explored all the potential revenue sources which could have generated enough revenue to sustain their operations.

**Management of the respective LGAs should explore all the available potential sources of revenue to ensure that they attain their set targets.**

#### **4.2.3 LGAs Actual Own Source Collections Versus Actual Recurrent Expenditure**

Financial performance of 131 LGAs revealed a sum of TZS 615.58 billion, as total actual revenue collections from own sources. LGAs had a recurrent expenditure of TZS 3.38 trillion which shows that own-source revenue represents only 18% of total recurrent expenditure. The dependence level of LGAs using its own source is

82% due to the low performance of LGAs own source revenues as shown in **Table 4-4** and **Appendix 4-4**.

**Table 4-4: LGAs Actual Own Source Collection Versus Actual Recurrent Expenditure**

F/Year	Actual own source collection (TZS)	Actual recurrent expenditure (TZS)	% of Dependence
2020/21	615,579,732,914	3,379,889,357,327	82
2019/20	709,573,567,541	4,773,489,160,809	85
2018/19	639,401,151,405	4,139,568,491,180	85
2017/18	566,729,291,189	4,373,555,868,608	87
2016/17	523,564,835,716	4,656,643,395,963	89

Generally, increase in revenues, especially from own source revenue collections will smoothen operations of LGAs and greatly reduce the dependence on the Government Grants and external assistance to finance their operations/budgets.

The Government is advised to disburse funds as approved by Parliament which will smoothen budget execution and minimize budget reallocations. Further improvements are needed in revenue forecasting to ensure that LGAs attain their budgeted revenue collection targets.

#### 4.3 Overall LGAs Performance on Government Grants Releases

I reviewed the statements of appropriation of combined Government Grants for recurrent and development in 185 LGAs and revealed that they had an approved budget and actual receipts on comparative basis of TZS 5.98 trillion and TZS 5.14 trillion respectively resulting to an underfunding of TZS 838.85 billion equivalent to 14% of the approved Government Grants.

The shortfall in released grants could be an indicator of lack of comprehensive revenue forecasting indicating that actual release in a year is not adequately factored when preparing revenue estimations for the subsequent year. Moreover, among other factors is a low absorption of funds by projects and programmes as summarized in **Table 4-5**.

**Table 4 - 5: Overall Government Grants Releases**

Nature Of Fund	Final approved budget	Actual release	Under /over release	Performance %
Development Grants	928,045,662,685	662,702,003,065	265,343,659,620	71
Recurrent Grants	5,053,202,263,366	4,479,692,402,938	573,509,860,427	89
<b>Total</b>	<b>5,981,247,926,051</b>	<b>5,142,394,406,003</b>	<b>838,853,520,048</b>	<b>86</b>

#### 4.3.1 Overall Overview of Releases of Exchequer Issues Relating to Government Recurrent Grants

Approved estimates for 185 LGAs during the financial year 2020/21 amounted to TZS 5.05 trillion, a decrease of TZS 5.43 billion when compared to 2019/20 approved estimates of TZS 5.06 trillion.

My review of 185 LGAs financial statements showed that an amount of TZS 4.48 trillion was released as Government Recurrent Grants for expenditure, this being 89% of the approved estimates of TZS 5.05 trillion, indicating that TZS 573.51 billion was not released.

Moreover, the appropriations during the year, have increased by TZS 133.10 billion equivalent to 3% of exchequer issues received of TZS 4.48 trillion when compared to TZS 4.35 trillion issued in the year 2019/20.

Trend of recurrent grants budget and actual funds received for five consecutive years is as analysed in **Table 4-6**.

**Table 4 - 6: Government Recurrent Grants Releases**

F/Year	Approved Budget (TZS)	Actual Releases (TZS)	Under releases (TZS)	%
2020/21	5,053,202,263,366	4,479,692,402,938	573,509,860,427	11
2019/20	5,058,633,670,916	4,346,587,656,245	712,046,014,671	14
2018/19	5,305,420,943,498	4,343,261,816,245	962,159,127,253	18
2017/18	5,323,497,887,360	4,378,343,613,609	945,154,273,751	18
2016/17	4,899,139,596,169	4,400,097,208,661	499,042,387,508	10

With regard to the trend analysis above, there has been a yearly decrease in expenditure estimates in relation to Government recurrent grants since the financial year 2017/18. This indicates continued dependence of LGAs on Government Grants instead of financing themselves from their own source revenue collections.

#### 4.3.2 Comparison Between Released Exchequer Issues and Approved Budget Estimate of Government Grants for Some LGAs

##### a) LGAs with Over Releases of Government Recurrent Grants

I reviewed the budget estimates for the financial year 2020/21 and revealed that 39 LGAs had estimates amounting to TZS 938.90 billion from Government Recurrent Grants. A total amount of TZS 1.01 trillion was received as exchequer releases and transfers, implying an over release of TZS 74.38 billion equivalent to 8% of the total approved budget. The five years' trend is as detailed in **Table 4-7** and **Appendix 4-5**.

**Table 4 - 7: LGAs with Over Released Recurrent Grants**

F/Year	Approved budget (TZS)	Actual Release (TZS)	Over Release (TZS)	%	No of LGAs
2020/21	938,898,887,797	1,013,274,495,952	74,375,608,155	8	39
2019/20	868,358,072,467	930,769,374,966	62,411,302,499	7	29
2018/19	369,440,284,951	395,432,102,867	25,991,817,916	7	26
2017/18	473,197,252,447	515,832,995,318	42,635,742,871	9	23
2016/17	909,489,550,054	991,974,389,012	82,484,838,958	9	14

There is a risk of over released funds carrying fraudulent motives.

Notwithstanding my previous recommendations, I urge the Ministry of Finance and Planning (Treasury) to release funds as per the approved budget and where such progression arises, the respective LGAs should seek approval for the supplementary budget from appropriate authorities, before spending the funds. Additionally, an investigation should be conducted out to ascertain that the over releases had no fraudulent motives.

##### b) LGAs with Under Released Government Recurrent Grants

A review of the approved budget estimates for the financial year 2020/21 indicated that 144 LGAs had a total approved budget of TZS 4.06 trillion from Government recurrent grants. It was noted that exchequer releases for these LGAs amounted to TZS 3.41 trillion, implying an under release of TZS 647.89 billion equivalent to 16% of their total approved budgets as shown in **Table 4-8** and **Appendix 4-6**.

**Table 4 - 8: LGAs with Under Released Recurrent Grants**

F/Year	Approved budget (TZS)	Actual release(TZS)	Variance (under release) (TZS)	%	No. of LGAs
2020/21	4,058,443,028,569	3,410,557,559,986	647,885,468,582	16	144
2019/20	4,190,275,598,449	3,415,818,281,279	774,457,317,170	18	150
2018/19	4,935,980,658,547	3,947,829,713,378	988,150,945,169	20	167
2017/18	4,850,300,634,913	3,862,510,618,291	987,889,016,622	20	165
2016/17	3,989,650,046,115	3,408,122,819,649	581,527,226,466	15	146

In view of the trend analysis provided in **Table 4 - 8**, I am concerned with the under release of funds to LGAs as there is a risk that LGAs might fail to implement their intended objectives due to inadequate funding.

Additionally, I learnt that only two LGAs, namely Iringa MC and Ngara DC were privileged enough to be given the exact estimated amount of TZS 55.86 billion as per their approved budgets.

I urge the Ministry of Finance and Planning to ensure that the appropriated funds for recurrent grants are released as per the approved budget estimates; otherwise LGAs will face adversity in service delivery and ultimately fail to attain their planned levels of operations.

#### **4.3.3 Overall Overview of Releases of Exchequer Issues Relating to Government Development Grants**

Approved estimates of 185 LGAs for the financial year 2020/21 of Government Development Grants were TZS 928.05 billion with a decrease of TZS 29.54 billion (equivalent to 3%) when compared with 2019/20 approved estimates of TZS 957.59 billion.

A review of 185 LGAs financial statements revealed that TZS 662.70 billion was released as Government's development grants that accounts for 71% of the approved estimates. Thus, TZS 265.34 billion (equivalent to 29% of the approved estimates) were not released.

Moreover, exchequer issues during the year have increased by TZS 95.48 billion when compared to TZS 567.22 billion issued in the year 2019/20. Trend of development grants budget and actual funds received for five consecutive years is as analysed in **Table 4-9**.

**Table 4 - 9: Development Grants Releases**

F/Year	Approved budget (TZS)	Actual Release(TZS)	Variance (under collection) (TZS)	%
2020/21	928,045,662,685	662,702,003,065	265,343,659,620	29
2019/20	957,587,667,725	567,217,692,153	390,369,975,572	41
2018/19	1,258,923,356,355	724,887,032,125	534,036,324,230	42
2017/18	1,061,442,721,967	603,557,933,616	457,884,788,351	43
2016/17	1,078,569,747,137	564,428,940,402	514,140,806,735	48

In view of the trend analysis provided in **Table 4-9**, there has been a yearly decrease in expenditure estimates of Government development grants from the financial year 2018/19. Unreleased funds allocated to development activities have a direct impact on those activities as some LGAs fail to honour their obligations on contracts already engaged in, leading to interests and penalties which in turn may lead to a huge financial burden to the Government.

#### **4.3.4 Comparison Between Released Exchequer Issues and the Approved Budget Estimate of Government Development Grants for Some LGAs**

##### **a) LGAs with Over Releases Government Development Grants**

A review of financial statements in the financial year 2020/21 revealed that 19 LGAs had approved budget estimates of TZS 90.18 billion from Government development grants. A total amount of TZS 137.37 billion was received from Treasury for implementation of development activities, implying an over release of TZS 47.19 billion (equivalent to 52% of the total approved budget) for these LGAs.

Moreover, the trend of over releases of Government development grants over the five years, shows that the amounts being over released had increased by TZS 27.14 billion from TZS 20.05 billion in financial year 2019/20 to TZS 47.19 billion in financial year 2020/21.

Trend of over release of development grants for some LGAs for five consecutive years is as summarized in **Table 4-10** and **Appendix 4-7**.

**Table 4 - 10: LGAs with Over Release of Development Grants**

F/Year	Approved budget (TZS)	Actual Release(TZS)	Over release (TZS)	%	No. of LGAs
2020/21	90,184,385,862	137,371,891,387	47,187,505,525	52	19
2019/20	67,272,409,002	87,319,960,255	20,047,551,253	30	29
2018/19	73,433,637,673	96,250,291,206	22,816,653,533	31	26
2017/18	84,214,721,967	106,275,933,616	22,061,211,649	26	23
2016/17	44,446,747,137	62,520,940,402	18,074,193,265	41	14

The release of these funds could carry a fraudulent motive if not properly monitored.

**I recommend that the Government disburses funds as approved by Parliament. The Government should investigate the over release to ensure they do not carry fraudulent motives.**

**b) LGAs with Under Releases Government Development Grants**

Review of the financial statements noted that 163 LGAs had approved budget estimates of TZS 831.48 billion from Government Development Grants. A total amount of TZS 518.95 billion was received as exchequer releases for implementation of development activities, implying an under release of TZS 312.53 billion equivalent to 38% of their total approved budget as shown in **Table 4-11** and **Appendix 4-8**.

**Table 4 - 11: LGAs with Under Release of Development Grants**

F/Year	Approved budget (TZS)	Actual Release (TZS)	Variance (Under Release) (TZS)	%	No. of LGAs
2020/21	831,478,155,338	518,946,990,193	312,531,165,145	38	163
2019/20	890,315,258,723	479,897,731,898	410,417,526,825	46	150
2018/19	1,185,489,718,682	628,636,740,919	556,852,977,763	47	167
2017/18	977,228,000,000	497,282,000,000	479,946,000,000	49	165
2016/17	1,034,123,000,000	501,908,000,000	532,215,000,000	51	146

In my opinion, the under releases have an impact on timely implementation of newly constructed- development projects and subsequently affected by inflationary material costs, while for ongoing projects could be affected by interests due to delayed payments to contractors.

The increasing in implementation cost of the planned activities, including accrued interests could lead to a huge financial burden to the Government. Only three LGAs, namely Hai DC, Kilwa DC and

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Mbulu DC were given the exact estimated amount of TZS 6.38 billion as per the approved budget.

**I urge the Ministry of Finance and Planning (Treasury) to ensure that the appropriated funds for Government development grants are released as per approved budget estimates; otherwise LGAs will face adversity in their service delivery and ultimately failure to attain their planned levels of operations.**

#### **4.4 Own Source Revenue Not Allocated to Development Projects TZS 24.24 Billion**

PO-RALG issued a letter with reference No.CBD.421/422/01/43 dated 3 January, 2018 in which LGAs were categorized into category “A” and “B”. It directed the respective LGAs to allocate 60% and 40% of their own sources’ revenue to development projects, respectively. Further, Guidelines for the Preparation of Plans and Budget 2020/21 were issued to ensure that 40% and 60% of LGAs own source revenue is allocated and spent for development activities.

My assessment of the actual disbursements made by LGAs from their own source revenues, indicated that 92 LGAs had either not or partially contributed to development activities as per the required percentage. In totality, these LGAs failed to allocate and contribute TZS 24.24 billion as detailed in **Appendix 4-9**.

**I still reiterate my prior year's recommendations that LGAs Management should comply with the Government directives and budget guidelines by ensuring that an appropriate portion of their own source revenues is allocated to finance development activities; and also ensure that all allocated development funds were spent on the intended projects, instead of being spent to meet recurrent activities.**



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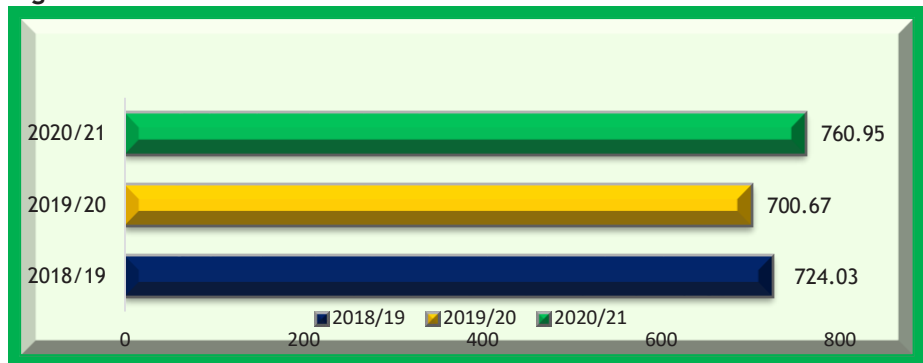
## CHAPTER 5

### REVENUE MANAGEMENT

#### 5.0 Introduction

LGAs have vast sources of revenue including own sources such as local taxes, licenses, fees, fines and penalties, exchange transactions and other kind of own revenues. Optimal revenue collection is fundamental to enhancing development and sustainability of the LGAs to finance investments in human capital, infrastructure and improved public service delivery. The trend over the past three years, shows that own source revenue collections in LGAs have improved in the financial year 2020/21 compared to previous year as shown in **Figure 5-1**.

**Figure 5 - 1: Trend of Own Source Revenue**



Revenue collection in LGAs, is primarily carried out through three systems, namely; Local Government Revenue Collection Information system (LGRICIS), Facility Financial Accounting and Reporting System (FFARS) and Government of Tanzania - Hospital - Management Information System (GoT-HOMIS) which are designed to improve efficiency in the collection processes, cash management, taxpayers' databases, record keeping, reporting and as a tool for internal controls in revenue management.

My assessment of the revenue collection process in LGAs as well as compliance with related laws, regulations, budgetary provisions and various directives, governing revenue management noted various weaknesses as described below:

## 5.1 Bill Adjustments Made Without Supporting Documents TZS 1.66 Billion

Order 37(6) of LGFM, 2009 requires that if a mistake is made in writing out a receipt, the receipt must be cancelled immediately and a fresh one issued. The original cancelled receipt should be retained in the receipt book for audit. Also, Paragraph 3.4 (vii) of the Local Authority Revenue Administration Manual, 2019 requires LGAs to ensure all adjustments and cancellation of wrong entries into the IFMIS or LGRCIS or devices are communicated to the Council Director for approval.

My review of the revenue adjustments made in LGRCIS revealed that, transactions aggregating to TZS 1.66 billion in 27 LGAs were adjusted in LGRCIS without description and/or supporting particulars to justify alteration of the transactions in question while some LGAs cancelled and adjusted transactions without approval of the Council's Directors.

I could not verify the authenticity of the adjustment made without the supporting documents. In my view, LGAs in question have not fully implemented control measures as required by Order 37(6) of LGFM, 2009 and Paragraph 3.4 (vii) of the Local Authority Revenue Administration Manual, 2019. List of LGAs showing adjustments made without supporting documents are shown in Table 5-1.

**Table 5 - 1: Bill Adjustments Not Supported**

S/N	Name of LGA	Amount (TZS)	S/N	Name of LGA	Amount (TZS)
1.	Rufiji DC	656,820,563	15.	Chamwino DC	19,673,910
2.	Kilindi DC	104,869,200	16.	Lindi MC	17,195,983
3.	Mbozi DC	201,359,728	17.	Morogoro DC	16,316,145
4.	Kinondoni MC	135,994,090	18.	Bagamoyo DC	13,663,932
5.	Mkuranga DC	124,867,127	19.	Nsimbo DC	11,799,744
6.	Iringa MC	85,640,671	20.	Serengeti DC	9,875,644
7.	Kibaha DC	45,589,585	21.	Nzega TC	9,253,626
8.	Kisarawe DC	31,847,394	22.	Mwanza CC	8,578,000
9.	Rorya DC	27,116,121	23.	Musoma DC	5,476,000
10.	Kwimba DC	25,563,641	24.	Nyasa DC	4,956,250
11.	Korogwe DC	24,404,486	25.	Kaliua DC	4,301,700
12.	Mpwapwa DC	24,148,808	26.	Simanjiro DC	4,104,100
13.	Mufindi DC	20,716,628	27.	Kiteto DC	23,285,500
14.	Bumbuli DC	7,406,000		<b>Total</b>	<b>1,664,824,576</b>

Source: LGRCIS

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In my view, adjustments without adequate supporting documents and approval, expose the LGAs to a risk of misappropriation of revenue without being detected by the managements.

**I urge Management of LGAs to institute proper controls to support documentation of transactions related to adjustments/cancellation of revenue transactions/bills by uploading supporting documents to LGRCIS before being approved by the Council Director.**

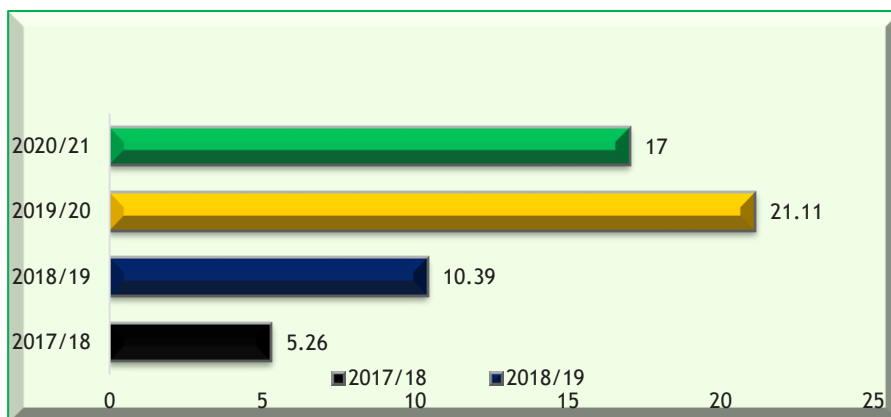
## **5.2 Unbanked Revenue Collected Through POS Machines TZS 17 Billion**

According to section 42 (2) of Local Government Finances Act, CAP 290 (R.E. 2019), except as may otherwise be provided by financial memoranda, all receipts of a local government authority shall be paid into a bank account or any account kept by the authority. Also, according to paragraph 3.4 (v) of the Local Authority Revenue Administration Manual, 2019, LGAs should take appropriate control measures, including prompt banking of the collections.

My assessment of LGRCIS reports for revenue from miscellaneous sources collected through POS machines established that, revenue collectors in 147 LGAs did not remit to the respective LGA's bank accounts, a total of TZS 17 billion. This is attributable to inadequate controls, including non-performance of regular (at least weekly) reconciliations and close monitoring of collectors to ensure prompt banking of revenue collections. Also, the fact that collectors are compelled to deposit collections only in banks, increases the level of defaulters especially for those in remote areas. Unbanked revenue details are shown in **Appendix 5-1**.

Although the amount of unbanked revenue for the year 2020/21 has decreased compared to the one in 2019/20, TZS 17 billion is still significant, calling for extended efforts by management of LGAs to ensure elimination of revenue leakages. The trend for unbanked collections is as depicted in **Figure 5-2**.

**Figure 5 - 2: Trend of Collections not Banked**



Unbanked funds hinder implementation of activities that were budgeted to be implemented using own source collections.

It is my view that, introduction of electronic mode of payment/transfer such as the use of mobile money transfer and bank applications could also decrease the unbanked amounts because these services are easily accessible by collectors even those in remote areas.'

I recommend that PO-RALG reviews banking procedures, including prompt banking using electronic modes of payments/money transfer through bank and mobile companies. Also, establish policies that require agreements with POS holders on appropriate time limits for banking of collections and charges for further delays. Further, Management should strengthen its internal controls and other procedures to ensure funds are promptly banked and ensure recovery of the unbanked amounts.

### **5.3 Uncollected Revenue from Potential Revenue Sources TZS 14.3 Billion**

My review of revenue collections through LGRCIS revealed that, a total of TZS 14.30 billion was not collected from 120 LGAs, especially from rental charges of shops and houses located at the Council's bus stand and market, market stalls, sale of plots, agricultural produce cess and liquor licenses which are included as outstanding from registers and bills forming the list of defaulters as shown in LGRCIS.

This is contrary to Order 38 (1) of LGFM, 2009, which states that, it shall be the duty of the Treasurer to make adequate financial and accounting procedures to ensure proper recording of all monies due to the Council and proper collection, custody and banking of such monies. Particulars of uncollected revenues are as summarized in **Table 5-2** and more details are attached in **Appendix 5-2**.

**Table 5 - 2: Revenue Sources Not Exploited**

S/N	Name of LGA	Number of LGAs	Amount (TZS)
1.	Agricultural produce cess	23	4,960,666,135
2.	Rental fees	57	3,712,527,924
3.	Sale of Plots	18	3,536,649,945
4.	Liquor License	47	961,863,718
5.	Market Stalls	13	852,199,103
6.	Abattoir/slaughter/vaccines/beach fees	3	158,646,200
7.	Hotel Levy	28	113,619,040
	<b>Total</b>		<b>14,296,172,065</b>

As a result of inadequate interventions by the Management of the respective LGAs, the uncollected revenue may amount to loss of revenue if not recovered.

I advise management of the respective LGAs to institute strong internal control systems over their revenue collection systems to optimize all potential sources of revenue and ensure collection of the outstanding revenues.

#### **5.4 Uncollected Levy of Extraction and Hauling of Construction Materials TZS 6.03 Billion**

My audit revealed that Kisarawe DC claims a total of TZS 6.03 billion from one contractor. I noted that the Council wrote to the contractor a letter with reference No. KDC/R.40/21/53 dated 23 February, 2021, claiming levy for extraction and hauling of construction materials from Kibwemwenda Village without paying the relevant levy to the Council contrary to sections 56 (2) and 57 of Kibwemwenda Village Council by-laws read together with Appendix "E" which requires the Council to collect TZS 6,000 per ton of sands, aggregate or stones.

Uncollected levy could result into loss of funds if no adequate efforts are exerted on the defaulters to ensure its recovery.

I advise management of the respective LGA to enter into a legal binding contract with the contractor on the continued excavation of building materials.

## 5.5 Continuous Unresolved Miscellaneous Defaulters in LGRCIS TZS 8.36 Billion

Order 38 (1) & (6) of the LGFM, 2009, requires the Council Treasurer to make adequate financial and accounting arrangements to ensure proper recording of all monies due to the Council and proper collection, custody and banking of such monies, and the Finance Committee should clearly prescribe defined procedures for follow up of outstanding debts and methods of enforcement of payment.

Also, paragraph 6.7 of the Local Authority Revenue Administration Manual of 2019 requires billing and Management of receivables to be done through LGRCIS and requires taxpayers with overdue debts to be monitored in the System and be notified immediately while the payment is directed to LGAs bank, or e-payment and the tax payers' records in the billing system will automatically be updated once the payment is effected by the tax payer.

I established that a total of TZS 8.36 billion were outstanding from 62 LGAs in the LGRCIS as defaulters from miscellaneous sources without documented reasons, contrary to the citations above. Without effective controls and adequate efforts, there is a possibility of under-collection of Council's revenues. More details are shown in Table 5-3.

**Table 5 - 3: Prevailing Defaulters Balance**

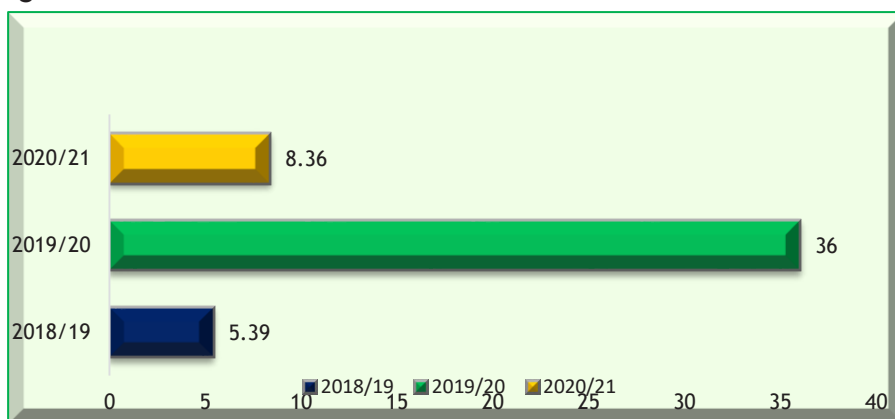
S/ N	Name of LGA	Amount (TZS)	S/N	Name of LGA	Amount (TZS)
1.	Simanjiro DC	1,118,857,668	32.	Bagamoyo DC	57,054,073
2.	Kongwa DC	786,384,098	33.	Nyasa DC	55,268,844
3.	Kilolo DC	570,299,081	34.	Monduli DC	51,812,500
4.	Madaba DC	477,822,413	35.	Bariadi TC	49,235,333
5.	Bukoba MC	472,561,421	36.	Iramba DC	48,858,200
6.	Siha DC	438,400,535	37.	Itilima DC	43,878,674
7.	Morogoro DC	355,612,276	38.	Ngara DC	43,798,635
8.	Busega DC	319,433,118	39.	Sengerema DC	42,157,700
9.	Geita TC	256,184,930	40.	Mvomero DC	41,436,673
10.	Singida MC	219,142,375	41.	Nanyamba TC	41,324,805
11.	Morogoro MC	201,425,855	42.	Kyerwa DC	39,913,891
12.	Kibaha DC	195,315,502	43.	Pangani DC	33,124,511
13.	Same DC	189,886,012	44.	Newala DC	32,701,098
14.	Shinyanga MC	177,924,184	45.	Ileje DC	25,739,413

S/ N	Name of LGA	Amount (TZS)	S/N	Name of LGA	Amount (TZS)
15.	Bariadi DC	169,551,904	46.	Msalala DC	24,322,532
16.	Igunga DC	161,702,608	47.	Bukombe DC	23,340,578
17.	Kibaha TC	143,330,146	48.	Nsimbo DC	20,795,459
18.	Mpanda DC	137,210,362	49.	Songwe DC	16,807,995
19.	Meatu DC	124,166,986	50.	Newala TC	15,420,000
20.	Sikonge DC	113,548,950	51.	Moshi MC	14,635,187
21.	Korogwe TC	108,900,500	52.	Kilosa DC	11,571,075
22.	Ngorongoro DC	107,102,071	53.	Kishapu Dc	10,674,973
23.	Meru DC	90,679,096	54.	Wanging'ombe DC	8,678,000
24.	Songea DC	88,819,748	55.	Namtumbo DC	7,965,000
25.	Tabora MC	86,716,397	56.	Buhigwe DC	6,537,615
26.	Kasulu DC	83,472,753	57.	Mkuranga DC	6,400,000
27.	Hai DC	83,331,331	58.	Itigi DC	6,038,275
28.	Mpanda MC	80,467,018	59.	Rombo DC	3,939,780
29.	Chalinze DC	77,501,096	60.	Chato DC	3,757,687
30.	Mtwara MC	68,062,808	61.	Maswa DC	2,095,896
31.	Tandahimba DC	65,702,000	62.	Singida DC	547,230
	Total				8,359,346,874

Source: LGRCIS Report

Although LGAs have made notable efforts to significantly reduce the amount of unresolved defaulters for the past three years, as detailed in **Figure 5-3**, a defaulter balance of TZS 8.36 billion shows that effort mobilisation is crucial in eliminating the existence of unresolved miscellaneous defaulters.

**Figure 5 - 3: Trend of Unresolved Miscellaneous Defaulters**



I recommend that Management of the respective LGAs institutes controls to ensure that all defaulters are reviewed before effecting corresponding adjustments and/or collections. Also, I urge regular reconciliations of defaulters (at least monthly) to mitigate the identified risks and ensure effective management of revenues.

## 5.6 Under Collections of Own-Source Revenue due to Lack of Efficient By-Laws

The Council By-laws were established under section 89 of the Local Government (Urban Authorities) Act, Cap 299 [R.E. 2019] and section 153(1) and (2) of the Local Government (District Authorities) Act, Cap 287 [R.E. 2019]. My review revealed that, 12 LGAs had no updated By-Laws to ease own-source revenue collection while Management of some LGAs do not carry out regular revisions of their bylaws, as detailed in Table 5-4.

**Table 5 - 4: LGAs Lacking Updated By-Laws**

S/N	Name of LGA	Area	Status	Amount involved (TZS)
1.	Busega DC	Minerals	Not established	185,374,650
2.	Kinondoni MC	Inspection tariffs of swimming pool	Not established	250,800,000
3.	Kongwa DC	Rental fees from communication towers	Not established	14,834,700
4.	Lindi MC	crop cess	Not updated	No amount established
5.	Lushoto DC	Liquor license fees	Not established	No amount established
6.	Meru DC	Business permit fee	Not updated	No amount established
7.	Musoma MC	House Rent	Not updated	No amount established
8.	Mwanza CC	Refusal fees	Not updated	No amount established
9.	Ngorongoro DC	Camp site fees and Ngarasero/Klein Gate fees	Not updated	No amount established
		Refuse collection fees	Not established	No amount established
10.	Songea MC	Garden, fish and forest produces	Not established	60,960,545
		Building materials and rental fees	Established but not approved	91,981,100
11.	Moshi DC	Quarries fees	Not established	No amount established
12.	Rombo DC	Teak wood logs	Not established	97,743,225

Lack of new approved or updated revenue collection By-laws, limit the respective LGAs to collect own-source revenue from various sources.

**I advise Management of the respective LGAs to establish or update their By-laws, to accommodate necessary changes and to exploit potential source of revenues within their jurisdictions.**



## 5.7 Budgeted Figures for Revenue Not Updated in LGRCIS TZS 11.96 Billion

Para 5.2 of the Local Authority Revenue Collection Manual, 2019 requires LGAs to set achievable targets while considering factors such as inflation, population growth and changes in laws and regulations during the budget year. Further, Para 3.2.9.2 of the User Manual (version 0.1) for the Local Government Revenue Collection Information System (LGRCIS) requires the budget of every source of revenue collection to be captured in the System.

My review of LGRCIS revealed that, eight LGAs budgeted revenue amounting to TZS 11.96 billion, but the budgeted figures were not uploaded in LGRCIS for the respective sources, which is contrary to the above-cited paragraph. Details of LGAs budgets not uploaded in the System are shown in **Table 5-5**.

**Table 5 - 5: Budget Not Updated in LGRCIS**

S/N	Name of LGA	Status
1.	Mpwapwa DC	2,671,600,000
2.	Bariadi TC	1,841,979,009
3.	Bariadi DC	1,665,360,650
4.	Mtama DC	1,607,651,487
5.	Same DC	1,483,611,630
6.	Busega DC	1,362,315,880
7.	Itilima DC	698,514,932
8.	Simanjiro DC	626,695,597
	<b>Total</b>	<b>11,957,729,185</b>

Maintaining budgetary data out of LGRCIS, increases the risk of human errors and misstatement in the financial statements, particularly while appraising the performance of revenue collected from various sources.

**I urge the respective LGA Management to ensure that budgets from all sources of revenue are uploaded into LGRCIS to enhance proper budgetary control over revenue collections.**

## 5.8 Remitted Funds by Collecting Agents Below Contractual Terms TZS 3.31 Billion

Section 26 (2) (b & c) of Local Government Finances Act, Cap 290 [R.E. 2019], requires a suitable person appointed by LGAs to collect

and receive from each person liable for the payment of the rates in the area or part of an area for which he is appointed, the rates payable by each such person; pay all amounts so collected to the local government authority concerned.

A review of the contracts for revenues collection revealed that, Management signed 101 contracts worth TZS 12.3 billion with revenue collection agents to collect revenue on behalf of the Council in various sources. The contracts were scheduled to be implemented for a period of one year. Further review of the LGRCIS revealed that, only TZS 8.99 billion was remitted to LGAs, leaving TZS 3.31 billion not remitted as per contract agreements. Summarized details are shown in Table 5-6.

**Table 5 - 6: Details of Funds Remittance by Collecting Agents**

S/ N	Name of LGA	No. of Contracts	Amount (TZS)		
			Contractual	Remitted	Outstanding
1.	Arusha CC	31	805,419,400	643,048,408	162,370,992
2.	Buchosa DC	21	1,002,880,000	704,143,372	298,736,628
3.	Bukombe DC	5	268,285,000	177,921,310	90,363,690
4.	Dar es Salaam CC	13	3,453,699,114	2,903,908,659	549,790,455
5.	Muheza DC	3	1,224,000,000	790,737,934	433,262,066
6.	Mwanza CC	13	2,962,881,600	1,967,597,740	995,283,860
7.	Rufiji DC	1	57,000,000	27,000,000	30,000,000
8.	Shinyanga MC	2	504,000,000	327,905,114	176,094,886
9.	Tanga CC	6	156,950,000	71,187,550	85,762,450
10.	Tarime DC	2	297,000,000	91,610,000	205,390,000
11.	Ulanga DC	2	1,530,421,000	1,260,611,085	269,809,915
12.	Musoma MC	2	35,280,000	22,520,000	12,799,800
	<b>Total</b>	<b>101</b>	<b>2,297,816,114</b>	<b>8,988,191,172</b>	<b>3,309,624,942</b>

Source: Implemented Contracts

No action was taken by the Council management in respect of the un-collected amount as per contracts since the signed contracts lacked sanctions against failure to meet the contractual obligations.

Under collection of own sources revenue by collecting Agents, hinders efforts to implement planned activities in the community.

I recommend that, in future, the respective LGAs conducts a feasibility study on outsourced revenues, based on realistic revenue targets, and the vetted contracts must state actions against failure of the Agents to remit the agreed amounts. For contracts that already have clauses stating proceedings against the Agents, I urge Management of these LGAs to take appropriate

measures against defaulted Collecting Agents to recover the unremitted revenue.

## 5.9 Loss of Revenue due to Awarding a Contract to a Bidder with Lowest Evaluated Price for Revenue Collection TZS 393.92 Million

Regulation 212 of the Public Procurement Regulations, 2013 requires a successful tender to be a tender with the highest evaluated tender price in case of revenue collection, but not necessarily the lowest or highest submitted price, subject to any margin of preference applied; where the procuring entity has stipulated in the solicitation documents, the lowest or highest evaluated tender ascertained on the basis of criteria specified in the solicitation documents, which criteria shall, to the extent practicable, be objective and quantifiable, and shall be given a relative weight in the evaluation procedure or be expressed in monetary terms.

My review of revenue collection tender documents for Mbarali DC, revealed that the evaluation team proposed the lowest evaluated price bidders instead of the highest bidders, leading to loss of revenue amounting to TZS 393.92 million, contrary to the cited regulation above. More details are in Table 5-7.

**Table 5 - 7: Successful Bidders with Unreasonable Lowest Value for Revenue Collection**

S/ N	Contract No.	Revenue Source	Awarded Tender Price (TZS)	Highest Ranked Bidder (TZS)	Difference (TZS)
1.	LGA/076/R/2020/2021/09	Produce Cess Collection for Mapogoro Ward	98,400,000	300,000,000	201,600,000
2.	LGA/076/R/2020/2021/12	Produce Cess Collection for Utengule Usangu Ward	18,720,000	43,636,364	24,916,364
3.	LGA/076/R/2020/2021/14	Produce Cess Collection for Mwatenga Ward	17,400,000	42,000,000	24,600,000
4.	LGA/076/R/2020/2021/16	Produce Cess Collection For Ruiwa Ward	16,200,000	54,000,000	37,800,000
5.	LGA/076/R/2020/2021/18	Produce Cess Collection for Igurusi Ward	11,400,000	44,400,000	33,000,000
6.	LGA/076/R/2020/2021/20	Imalilo Songwe	24,000,000	48,000,000	24,000,000

S/ N	Contract No.	Revenue Source	Awarded Tender Price (TZS)	Highest Ranked Bidder (TZS)	Difference (TZS)
		Livestock Auction			
7.	LGA/076/R/2020/2021/24	Revenue Collection for Rujewa Livestock Auction	36,000,000	84,000,000	48,000,000
	<b>Total</b>		<b>222,120,000</b>	<b>616,036,364</b>	<b>393,916,364</b>

The Council lost TZS 393.92 million due to non-adherence to procurement procedures, by not awarding the highest price evaluated bidder in respect of tender for revenue collection.

I recommend that, in future, the Council Management should always abide with regulation 212 of the Public Procurement Regulations, 2013 by awarding tenders, in respect of revenue collection, to the highest evaluated bidder.

#### 5.10 Non-Collection of Revenue from Business Licenses TZS 9.01 Billion

Section 3 (1) of Business License Act, Cap 208 states that, no person shall carry on; in Tanzania, whether as a principal or agent, any business unless he is the holder of a valid business license issued to him in relation to such business, and such business should be carried on at the place specified in the license.

Contrary to the above provision of the law, the assessment of business license records revealed that business entities in 94 LGAs operated with expired business licenses worth TZS 9.01 billion. Details are shown in Table 5-8.

**Table 5 - 8: Uncollected Business License Bills**

S/ N	Name of LGA	Amount (TZS)	S/N	Name of LGA	Amount (TZS)
1.	Kibaha TC	600,310,820	48.	Itigi DC	53,696,000
2.	Manyoni DC	461,511,000	49.	Monduli DC	52,217,500
3.	Morogoro MC	451,354,560	50.	Hai DC	46,743,000
4.	Moshi DC	445,627,500	51.	Handeni DC	45,324,000
5.	Arusha DC	439,454,550	52.	Kwimba DC	44,883,000
6.	Urambo DC	340,107,700	53.	Mkuranga DC	42,147,000
7.	Chato DC	296,079,400	54.	Mlele DC	39,500,000
8.	Kaliua DC	292,156,700	55.	Mbinga DC	37,487,000
9.	Bukombe DC	276,434,400	56.	Makambako TC	36,655,000
10.	Karatu DC	248,469,000	57.	Biharamulo DC	35,819,500

S/N	Name of LGA	Amount (TZS)	S/N	Name of LGA	Amount (TZS)
11.	Meru DC	225,288,500	58.	Shinyanga MC	35,418,500
12.	Mpwapwa DC	220,075,124	59.	Nanyumbu DC	34,394,000
13.	Songea DC	197,427,900	60.	Kisarawe DC	31,937,500
14.	Mbozi DC	185,543,000	61.	Bumbuli DC	31,697,000
15.	Nzega DC	178,520,800	62.	Kalambo DC	30,579,900
16.	Handeni TC	169,566,000	63.	Mwanza CC	29,020,000
17.	Mkinga DC	158,207,060	64.	Makete DC	27,048,000
18.	Mtwara MC	147,780,000	65.	Nzega TC	27,047,480
19.	Sengerema DC	144,672,400	66.	Kilolo DC	26,747,000
20.	Kongwa DC	142,734,000	67.	Karagwe DC	26,587,000
21.	Njombe TC	116,327,000	68.	Mpanda DC	24,335,445
22.	Mbarali DC	116,289,900	69.	Ilemela MC	23,311,250
23.	Kilosa DC	112,199,900	70.	Korogwe TC	21,225,000
24.	Korogwe DC	109,149,461	71.	Itilima DC	20,252,000
25.	Meatu DC	108,367,000	72.	Momba DC	20,135,000
26.	Tabora MC	106,455,725	73.	Newala DC	18,920,000
27.	Namtumbo DC	106,396,000	74.	Longido DC	18,585,000
28.	Kondoa DC	103,448,917	75.	Dodoma CC	18,093,550
29.	Kahama MC	103,288,000	76.	Pangani DC	18,068,000
30.	Moshi MC	96,904,000	77.	Morogoro DC	17,822,500
31.	Bariadi TC	94,917,000	78.	Nanyamba TC	16,385,000
32.	Mbinga TC	94,489,000	79.	Kyerwa DC	15,215,000
33.	Tanga CC	84,004,000	80.	Newala TC	15,130,000
34.	Nyasa DC	81,955,980	81.	Ushetu DC	14,938,000
35.	Kondoa TC	77,349,920	82.	Songwe DC	14,697,500
36.	Mafinga TC	75,830,000	83.	Kakonko DC	14,505,000
37.	Gairo DC	73,596,931	84.	Ludewa DC	12,323,000
38.	Kigoma/Ujiji MC	72,700,000	85.	Mkalama DC	11,020,000
39.	Geita TC	70,803,000	86.	Masasi DC	9,600,000
40.	Mbogwe DC	67,000,000	87.	Tandahimba DC	9,250,000
41.	Nkasi DC	66,110,000	88.	Same DC	7,850,000
42.	Kilindi DC	63,814,000	89.	Chalinze DC	7,650,000
43.	Mlimba DC	61,133,000	90.	Singida MC	7,460,000
44.	Mbulu TC	59,040,000	91.	Ikungi DC	7,440,000
45.	Ukerewe DC	55,044,405	92.	Tarime TC	5,008,000
46.	Simanjiro DC	54,760,000	93.	Serengeti DC	2,900,000
47.	Hanang DC	54,118,000	94.	Mtwara DC	818,000
Total			9,014,697,178		

Source: LGRCIS Report and Business Entities Register

Additionally, my assessment on LGRCIS revealed that, 14 LGAs issued licenses for TZS 1.93 billion while corresponding collections were TZS 2.64 billion, implying that business owners paid TZS 718 million but were not issued with valid licenses. Table 5-9 provides further details.

**Table 5 - 9: Unissued Business Licenses Through LGRCIS**

S/N	Name of LGA	Amount Collected (TZS)	Issued licenses (TZS)	Unissued licenses (TZS)
1.	Dodoma CC	1,679,430,637	1,496,357,792	183,072,845
2.	Bunda TC	101,610,300	0	101,610,300
3.	Kaliua DC	118,909,220	59,313,700	59,595,520
4.	Ngorongoro DC	52,503,020	0	52,503,020

S/N	Name of LGA	Amount Collected (TZS)	Issued licenses (TZS)	Unissued licenses (TZS)
5.	Shinyanga DC	52,754,000	865,000	51,889,000
6.	Karatu DC	137,051,750	87,354,000	49,697,750
7.	Kilosa DC	193,179,760	145,697,700	47,482,060
8.	Kigoma DC	60,061,732	16,447,000	43,614,732
9.	Mpanda DC	50,830,000	15,161,000	35,669,000
10.	Monduli DC	100,577,000	78,129,800	22,447,200
11.	Meatu DC	22,317,400	0	22,317,400
12.	Kondoa DC	17,090,000	153,000	16,937,000
13.	Serengeti DC	23,529,000	6,978,000	16,551,000
14.	Mlele DC	33,790,000	18,895,000	14,895,000
	<b>Total</b>	<b>2,643,633,819</b>	<b>1,925,351,992</b>	<b>718,281,827</b>

*Source: LGRCIS Licenses Issued and Collection Reports*

The situation led to under-collection of own-source revenue from business licenses; therefore, the respective LGAs could not implement targeted activities on the same magnitude.

I urge LGAs to cooperate with Wards and Village offices to establish a database for business entities within the Councils jurisdiction, upload into LGRCIS and conduct, at least monthly reconciliations to enhance effectiveness in business license fees collection.

#### **5.11 Under Charging of Service Levy Due to Lack of a System for Sharing Turnover Data between TRA and PO-RALG TZS 1.92 Billion**

Para 6.6.1(iii & iv) of Local Authority Revenue Administration Manual, 2019 details the strategy and procedures for service levy collection to include the issuance of net turnover declaration form which is filled by taxpayer which can be used in billing the service levy payer.

My audit on selected 15 service levy payers conducted in Temeke MC revealed that, the annual turnover sum of TZS 1.33 trillion posted in LGRCIS varies by TZS 640 billion from TZS 1.97 trillion documented in manual files including VAT returns. Service levy expected to be collected from turnover of TZS 640 billion is TZS 1.92 billion. In my view, the absence of net turnover declaration forms hinders clear benchmarks to charge service levy.

Under charging of service levies is attributable to the lack of an electronic system for sharing turnover details between the Tanzania

Revenue Authority and PO-RALG to appropriate assessment of base of computing service levy.

I also noted that, 43 LGAs collected service levies totalling TZS 9.01 billion without obtaining evidence of turnover particulars from appropriate authorities or the respective corporate entities to justify the amount collected. Details of collected service levy without turnover particulars are given in **Table 5-10**.

**Table 5 - 10: Service Levy Collections Without Turnover Particulars**

S/N	Name of LGA	Amount (TZS)	S/N	Name of LGA	Amount (TZS)
1.	Temeke MC	2,389,435,326	23.	Urambo DC	76,270,252
2.	Songwe DC	872,694,259	24.	Uvinza DC	75,166,226
3.	Kilwa DC	749,369,267	25.	Mtama DC	73,647,756
4.	Iringa MC	554,956,920	26.	Bahi DC	55,379,724
5.	Misenyi DC	495,678,932	27.	Busega DC	54,867,923
6.	Moshi DC	434,274,721	28.	Mufindi DC	54,659,518
7.	Kilosa DC	408,996,984	29.	Ngorongoro DC	52,445,609
8.	Songea MC	306,516,591	30.	Nzega DC	51,589,270
9.	Meru DC	228,199,218	31.	Lushoto DC	50,123,163
10.	Serengeti DC	224,957,608	32.	Iramba DC	49,800,345
11.	Hai DC	199,776,983	33.	Kwimba DC	43,406,745
12.	Mkuranga DC	149,170,768	34.	Morogoro MC	37,296,117
13.	Singida MC	142,570,878	35.	Kaliua DC	34,011,454
14.	Muheza DC	142,310,981	36.	Itilima DC	31,171,455
15.	Iringa DC	134,686,893	37.	Moshi MC	27,316,290
16.	Mpanda MC	126,720,339	38.	Nachingwea DC	26,483,178
17.	Rombo DC	121,427,128	39.	Ngara DC	19,496,969
18.	Kigamboni MC	114,659,888	40.	Butiama DC	15,599,307
19.	Uyui DC	101,532,973	41.	Nyasa DC	12,593,685
20.	Kishapu DC	92,996,657	42.	Liwale DC	12,436,110
21.	Kibaha DC	84,844,445	43.	Ukerewe DC	3,379,093
22.	Bunda DC	76,571,554		<b>Total</b>	<b>9,009,489,502</b>

Source: Turnover files and LGRCIS Report

The service levies might be under collected due to the absence of turnover particulars which could have been used as a base for assessing the appropriate amount of service levy payable by entities.

I recommend that, in future, TRA in collaboration with PO-RALG construct an electronic system to share turnover particulars with respective LGAs to compute the appropriate amount of service levy payable by business entities. Also, I urge Management of LGAs to make an assessment using net turnover declaration form filled by the taxpayer before billing.

## 5.12 Ineffective Rating and Collection of Service Levy from Entities TZS 4.57 Billion

Sections 6(1)(u) and 7 (1)(y) of Local Government Finances Act, Cap 290 [R.E. 2019] as amended by sections 44 and 45 respectively of the Finance Act, 2020 (Act No. 8 of 2020) requires all monies derived from the service levy payable by corporate entities or any person conducting business with business license whose annual turnover exceeds TZS 4 million at the rate not exceeding 0.3% of the turnover net of the value added tax and excise duty: provided that, the branches of corporate entities shall pay services levy to the urban/district councils where they are located.

I assessed effectiveness of the service levies collection for the year under review and revealed that, 31 LGAs did not collect service levies totaling TZS 4.57 billion from businesses operating within their respective LGAs' jurisdiction. The non- collection of levies is due to inadequate efforts to bill the entities and lack of updated database for person conducting business. List of LGAs which did not collect service levy is shown in **Table 5-11**.

**Table 5 - 11: Service Levy Not Collected From Entities**

S/N	Name of LGA	Amount (TZS)	S/N	Name of LGA	Amount (TZS)
1.	Rufiji DC	1,384,598,310	17.	Meatu DC	28,042,350
2.	Songwe DC	485,557,289	18.	Tanga CC	25,008,803
3.	Mkuranga DC	469,550,922	19.	Moshi DC	22,754,940
4.	Msalala DC	412,032,887	20.	Korogwe TC	21,254,266
5.	Tabora MC	381,973,273	21.	Tunduma TC	16,760,649
6.	Rungwe DC	380,608,080	22.	Ubungo MC	10,705,507
7.	Dar es Salaam CC	181,885,286	23.	Tarime TC	10,597,950
8.	Mbinga DC	144,310,211	24.	Hanang DC	9,093,669
9.	Karagwe DC	113,172,969	25.	Mbozi DC	7,915,966
10.	Ilemela MC	91,717,531	26.	Ruangwa DC	7,137,267
11.	Gairo DC	87,082,454	27.	Monduli DC	5,904,688
12.	Shinyanga MC	77,323,407	28.	Mpanda DC	4,291,764
13.	Kyela DC	66,249,214	29.	Mbarali DC	3,621,630
14.	Moshi MC	40,922,790	30.	Nzega DC	1,544,199
15.	Chalinze DC	37,423,275	31.	Kishapu Dc	1,249,351
16.	Njombe TC	35,301,217		<b>Total</b>	<b>4,565,592,114</b>

Source: LGRCIS Collection Report

Additionally, my review of service levy management at Korogwe TC revealed that, a Finance Committee meeting held on 27 November, 2016, fixed rates for collection ranging from TZS 10,000 to TZS 40,000 per annum, contrary to the above mentioned provisions of the Local Government Finances Act.



In my opinion, the charging of rates which ranges from 0% to a maximum of 0.3% could provide a loophole to corporate entities to evade paying the levies.

The respective LGAs had failed to collect service levy to meet revenue collection targets thus hindering implementation of the planned activities.

I recommend that the respective LGAs ensure that a business database is updated and adequate follow-ups are made at various levels, including Wards and Villages, for effective collection of service levies by the Councils as per requirement of sections 6(1) (u) and 7(1) (y) of the Local Government Finances Act, Cap 290 [R.E. 2019] as amended by the Finance Act, 2020 (Act No. 8 of 2020).

#### **5.13 Unsupported Receivables Related to Refuse Collection Fees TZS 191.02 Million**

Order 38 (1) of LGFM, 2009 requires that, it shall be the duty of the Treasurer to make adequate financial and accounting procedures to ensure the proper recording of all monies due to the Council and the proper collection, custody and banking of such monies.

My review of the submitted agents' registers for Dar es Salaam CC to check the validity and completeness of the refuse collection fees reported under receivables revealed unsupported difference of TZS 191.02 million. This is due to absence of regular reconciliation and record keeping between the amounts shown in the supporting schedule and the refuse fees register. Details for the differences in reported figures are summarized in Table 5-12.

**Table 5 - 12: Receivables for Refuse Collection Fees**

S/N	Contract No.	Due Amount reported in Financial statements but not in register (TZS)
1.	LGA/015/IMC/2019/2020/HQ/NCS/24 LOT 18	14,976,000
2.	LGA/015/IMC/2019/2020/HQ/NCS/24 LOT 16	5,443,200
3.	LGA/015/IMC/2019/2020/HQ/NCS/24 LOT 17	11,120,000
4.	LGA/015/IMC/2019/2020/HQ/NCS/24 LOT 41	111,684,000
5.	LGA/015/IMC/2019/2020/HQ/NCS/24 LOT 29	26,000,000
6.	LGA/015/IMC/2019/2020/HQ/NCS/24 LOT 37	21,800,000
	<b>Total</b>	<b>191,023,200</b>

Source: Refuse fees Agent Register and Supporting Schedules

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Failure to reconcile refuse collection fees revenues and keeping the Refuse Fee Receivable Register updated, could result in errors in recognition of revenues collected, banked and amount due from the debtors.

**I recommend that in future the Management performs regular reconciliation between Agents' registers with supporting documents for collections, banking and outstanding amounts from debtors.**

#### **5.14 Long Outstanding Receivables TZS 176.28 Billion**

Receivables and prepayments relate to the LGAs' future receipts from its customers who have received services on credit, revenue debtors, staff advances, imprest, unpaid loans granted to women, youths and people with disabilities and payments made in advance by LGAs for expected future services.

A practical experience, shows that, the risk of non - recovery of outstanding receivables, increases with an increase in the duration of the transaction.

As at 30 June, 2021, the financial statements together with supporting schedules disclosed outstanding receivables of TZS 176.28 billion in respect of 135 LGAs which remained uncollected for a period exceeding twelve (12) months, as shown in **Appendix 5-3**.

Receivables for three consecutive years have marginally increased to TZS 176.28 billion from TZS 103.30 billion for 158 LGAs reported in the financial year 2019/20 and TZS 131.85 billion in 170 LGAs reported in the year 2018/19. The trend of long outstanding receivables over four consecutive financial years, is as shown in **Table 5-13**.

**Table 5 - 13: Trend of Long Outstanding Receivables**

Financial year	Amount (TZS)	No. of LGAs involved
2020/21	176,281,663,631	135
2019/20	103,304,511,810	158
2018/19	131,854,275,521	170
2017/18	143,045,745,088	166

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Recoverability of these amounts is doubtful, as they have remained outstanding for a long time without being collected and could eventually become bad debts. Thus, on making proper follow ups, the LGA management will be capable of determining the level of recoverability and bad debts provision could be made.

**I advise the respective LGAs to re-assess all the debts and ensure effective strategies are in place to enhance the recovery of all the outstanding receivables.**



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## CHAPTER 6

### EXPENDITURE MANAGEMENT

#### 6.0 Introduction

This chapter discusses how public resources are assigned and managed by LGAs in pursuit of financial discipline, strategic prioritisation and value for money. The expenditure management in LGAs involves all procedures necessary to ensure that payments of LGAs expenses are made in an efficient, effective, and timely manner. Also, the public expenditure management ensures that public resources received by LGAs are strictly utilized in accordance with laws, regulations, rules, directives, and for the purpose for which they were intended.

The result of my audits indicates significant deviations from relevant financial management laws, regulations and directives that resulted in wasteful expenditure by LGAs. This chapter brings to your attention a summary of key issues which, if not rectified, could result into an adverse impact on management of funds, entrusted to LGAs. Management letters of the respective LGAs elaborates in detail all non-compliance issues raised during the financial year ended 30 June, 2021.

#### 6.1 Expenditure for Which No Value was Obtained (Nugatory Expenditures) TZS 664 Million

According to regulation 21(2) of the Public Finance Regulations, 2001, fruitless or nugatory payment means a payment which is avoidable and there is nothing useful to show for it. Fruitless expenditures are expenditures incurred without economic returns. The expenditures are such as payments made above approved rates, interest and penalties for failure to comply with contractual obligations and allowances paid to employees for unimplemented activities.

I have found that 24 LGAs spent a total of TZS 664 million in wasteful expenditure with no economic returns to the Government which definitely affected the implementation of other budgeted activities

due to diversion of funds. Detailed analysis is shown in **Appendix 6-1**.

Among the causes for the wasteful expenditures, was untimely submission of deductions to respective institutions, inadequate management of construction contracts, inadequate handling of various LGAs' staff disputes and inability of the respective LGA legal officers to interpret some provisions in various applicable legislations. **Table 6-1** shows trend of wasteful expenditures for the past three consecutive years.

**Table 6 - 1: Trend of Fruitless Expenditures**

F/Year	Number of LGA	Amount (TZS)
2020/21	24	664,001,836
2019/20	29	2,192,675,594
2018/19	14	417,097,179

I recommend that the Government through PO-RALG designs an appropriate training in a bid to empower the capacities of LGAs legal officers and strengthen internal controls to ensure that all claims against LGAs are paid in time, payments are made only on genuine activities, and observe laws and regulations in decision-making to avoid a recurrence of the fruitless expenditures.

## **6.2 Payment for Goods and Services Not delivered or rendered TZS 8.44 Billion**

Order 71(1) of the LGFM, 2009 requires payment to be made when the goods, materials, services or works to which the account relates have been received or shall be received on payment and are in order.

Contrary to the foregoing, I noted that 61 LGAs ordered and paid TZS 8.44 billion for goods/services which were not delivered/rendered by suppliers for the period up to 24 months. Detailed analysis is shown in **Appendix 6-2**.

I noted in most cases that payments on undelivered goods were due to conditions attached by suppliers that require LGAs to pay in advance before delivery procedures are initiated. Also, other LGAs made payments in advance close to end of the years to avoid funds being taken back to the Treasury.

In my opinion, the situation exposes LGAs to risks that the procured goods might not be received or received but not at the required quantity and specifications.

I recommend that Management of the respective LGAs to ensure controls over procurement of goods and services are strengthened by ensuring compliance to Order 71(1) of the LGFM, 2009. Also, respective Management should make follow-ups to ensure that goods paid for are delivered at the required quantities and quality.

I further advise that the Treasury releases funds to LGAs on a timely manner to avoid excessive spending at end of years, the trend which in most cases contravenes established controls.

### 6.3 Non-deduction of Withholding Tax TZS 338.06 Million

Section 83A (2) of the Income Tax Act, Cap 322 [R.E. 2019] requires the resident corporation whose budget is wholly or substantially financed by the Government budget, to withhold income tax when making payment in respect of goods/services supplied by a resident person at the rate provided for under paragraph 4(c) of the first schedule to the Income Tax Act, Cap 332 [R.E. 2019].

I revealed during the audit that, withholding tax to the tune of TZS 338.06 million, as detailed in Table 6-2, was not deducted by 24 LGAs from payments made to vendors, contrary to section 83A (2) of the Income Tax Act, Cap [332 R.E. 2019] the aforementioned tax legislations.

**Table 6 - 2: Tax Not Withheld from Vendor's Payments**

S/N	Name of LGA	Amount (TZS)	S/N	Name of LGA	Amount (TZS)
1.	Arusha DC	10,666,954	14.	Mpanda DC	3,352,986
2.	Arusha CC	12,426,204	15.	Mpanda MC	5,532,464
3.	Chato DC	141,139,943	16.	Mpimbwe DC	9,780,365
4.	Handeni TC	10,652,329	17.	Mtwara DC	1,435,604
5.	Kaliua DC	2,177,940	18.	Nsimbo DC	11,406,850
6.	Kibiti DC	2,179,600	19.	Sikonge DC	7,677,253
7.	Kigamboni MC	3,274,332	20.	Singida MC	1,732,680
8.	Kishapu Dc	7,948,005	21.	Tabora MC	5,179,067
9.	Kyerwa DC	2,127,883	22.	Tandahimba DC	11,103,530
10.	Masasi DC	1,168,895	23.	Tunduma TC	6,574,554
11.	Mbogwe DC	4,967,716	24.	Ulanga DC	6,278,200
12.	Monduli DC	3,320,765		<b>Total</b>	<b>338,059,167</b>
13.	Moshi MC	65,955,048			

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The noted anomalies were results of inadequate efforts by TRA to enforce compliance with tax legislations and reluctance of some LGAs to assist TRA and the Government in revenue collection as this role entrusted to them is not taken seriously.

Failure to deduct withholding tax on payments made to vendors promotes tax evasion and eventually deny Government to collect revenue in terms of taxes. Also, it indicates that LGAs are not seriously acting upon my recommendations as this is a recurrence of issue raised in my previous reports.

**I call upon the Government to instruct TRA to exert more emphasis on enforcing compliance of tax legislations in all LGAs with the aim to increase revenue collections. Also, the Government through PO-RALG should institute strict measures against LGAs which were found with recurrences of the same anomalies.**

#### **6.4 Payment not Supported by EFD Receipts TZS 6.07 Billion and Forged EFD Receipts TZS 376.48 Million**

Section 36 (1) of the Tax Administration Act, Cap 438 [R.E. 2019] requires a person, who supplies goods, renders services or receives payments in respect of goods supplied or services rendered to issue a fiscal receipt or fiscal invoice by using electronic fiscal devices. Further, regulation 48 of the Tax Administration (General) Regulations, 2016 states that, “Any person who deliberately tampers with or causes an Electronic Fiscal Device to work improperly, commits an offence and upon conviction shall be liable to a fine of not less than 100 currency points or to imprisonment for a term not exceeding three months, or both.”

I learnt that, TZS 6.07 billion (**Appendix 6-3 refers**) was paid by 71 LGAs to vendors without demanding EFD Receipts.

Further, I found that 5 LGAs made a total payment of TZS 376.48 million to various vendors on which they were issued EFD receipts. However, when I verified the authenticity of the issued EFD receipts with TRA, it was established that they were all forged, meaning that VAT amounting to TZS 57.43 million was not remitted to TRA,

resulting into loss of Government revenues. Details of LGAs with unauthentic receipts are in **Table 6-3**.

I observed that issuance of fake receipts was due to inadequate knowledge of LGAs on how to detect fake and original receipts using TRA application. The fraudulent acts were compounded by unfaithful vendors and inadequate TRA efforts to detect and take appropriate actions against perpetrators.

**Table 6 - 3: Forged EFD Receipts**

S/N	Name of LGA	Amount (TZS)
1.	Karatu DC	22,765,818
2.	Kilosa DC	102,073,440
3.	Kinondoni MC	181,202,000
4.	Morogoro MC	21,382,132
5.	Ruangwa DC	49,056,500
	<b>Total</b>	<b>376,479,890</b>

I urge TRA to create awareness to LGAs on how fake EFD receipts could be detected in order to eliminate recurrence of the fraud. Also, TRA should increase follow- ups on detection of unfaithful vendors who do not issue EFD receipts and take appropriate actions in accordance with tax legislations. Further, LGAs should regularly report all detected criminal incidences to TRA for appropriate action.

## 6.5 Payments Made by Cash TZS 6.19 Billion

Para 6.7.3 of LAAM, 2019 requires the Councils to make all payments electronically and direct to the bank accounts of the payee, under no circumstance shall Council pay by cheque or cash.

I found out TZS 6.19 billion made by 45 LGAs as cash payments to various vendors, contrary to the above requirement. More details are in **Table 6-4**.

**Table 6 - 4: Payments Made by Cash**

SN	Name of LGA	Amount (TZS)	SN	Name of LGA	Amount (TZS)
1.	Arusha CC	237,675,400	24.	Kondoa TC	6,680,000
2.	Bariadi DC	310,341,700	25.	Kongwa DC	23,044,000
3.	Bariadi TC	61,774,660	26.	Korogwe DC	9,747,000
4.	Buhigwe DC	168,941,030	27.	Kyela DC	10,252,000
5.	Chamwino DC	5,122,950	28.	Lindi MC	550,520,167
6.	Chemba DC	40,800,000	29.	Manyoni DC	91,511,500
7.	Geita TC	52,453,350	30.	Maswa DC	1,044,379,496
8.	Hai DC	18,839,936	31.	Mbozi DC	476,369,000



SN	Name of LGA	Amount (TZS)	SN	Name of LGA	Amount (TZS)
9.	Handeni TC	3,424,000	32.	Mkalama DC	142,185,098
10.	Ikungi DC	22,292,000	33.	Monduli DC	35,860,000
11.	Iramba DC	4,500,000	34.	Mpanda DC	42,029,938
12.	Iringa DC	847,374,272	35.	Mpanda MC	5,987,520
13.	Iringa MC	32,020,000	36.	Musoma MC	29,401,662
14.	Kakonko DC	9,542,400	37.	Mvomero DC	21,660,000
15.	Karatu DC	80,210,000	38.	Namtumbo DC	13,000,000
16.	Kasulu DC	168,941,030	39.	Pangani DC	3,371,500
17.	Kibaha TC	21,076,407	40.	Shinyanga DC	188,642,106
18.	Kigamboni MC	122,633,860	41.	Shinyanga MC	227,848,390
19.	Kigoma DC	109,534,200	42.	Singida MC	10,500,000
20.	Kigoma/Ujiji MC	125,672,723	43.	Sumbawanga MC	89,000,000
21.	Kilindi DC	23,047,500	44.	Tabora MC	45,040,000
22.	Kilolo DC	32,746,000	45.	Tunduru DC	37,350,000
23.	Kinondoni MC	589,757,306		<b>Total</b>	<b>6,193,100,101</b>

The use of cash payments to vendors attracts misuse of public funds and non-payment of the related taxes.

**I recommend to LGAs to ensure compliance with the relevant laws by prohibiting the use of cash when making payments to their suppliers.**

## 6.6 Expenditure in Deposit Account Not Appropriately Managed TZS 9.74 Billion



The deposit account is mainly operated to manage funds from different depositors for pre-defined purposes. Funds utilized from deposit accounts are therefore expected to be in line with the primary purpose of such deposits.

I noted that 81 LGAs mismanaged special deposit funds as withdrawals were made to implement activities for which were outside the purposes of the deposited funds. Further, borrowings from deposit accounts by LGAs were not refunded on time to implement pre-planned activities; the amount involved was TZS 9.74 billion.

Inadequate controls on the management of funds in miscellaneous deposit accounts is due to an inadequate maintenance of deposit register to control funds movement and budget constraints in LGAs had been among the causes for mismanagement and borrowings from miscellaneous deposit accounts.

When withdrawals from Deposit accounts are not refunded, they create huge liabilities to LGAs and ultimately expose the Government to reputational risks before the depositors. Further, payments made directly from deposit account are not part of LGA expenditures, reported in the financial statements and hence result to misstatement of financial statements.

A list of LGAs which mismanaged funds from deposit accounts are shown in **Appendix 6-4**.

I recommend that the Government through PO-RALG, instructs LGAs to establish sound controls that will improve management of depositors' funds. Also, in extreme cases where funds are borrowed from deposit accounts, refund should be made immediately so that such borrowings do not adversely affect implementation of activities for which the deposits were intended.

## 6.7 Payments for Unbudgeted Activities TZS 2.92 Billion

Section 46 (5) of the Local Government Finance Act, Cap 290 [R.E 2019] states that, "where the Local Government Authority approves the annual budget or supplementary budget as a whole, the budget as approved shall be binding on the Local Government Authority, which shall confine its disbursement within the items and amounts contained in the applicable estimates as approved".

I noted that 30 LGAs paid TZS 2.92 billion to implement unbudgeted activities. This was due to receipt of funds out of budget and inadequate budgetary control by LGAs as detailed in **Table 6-5**.

**Table 6 - 5: Analysis of LGAs with Unbudgeted Expenditures**

S/N	Name of LGA	Amount (TZS)	S/N	Name of LGA	Amount (TZS)
1.	Arusha CC	158,085,000	17.	Namtumbo DC	85,215,000
2.	Bagamoyo DC	13,079,000	18.	Nkasi DC	17,770,200
3.	Bariadi TC	32,700,000	19.	Nyang'hwale DC	65,890,000
4.	Bunda DC	25,000,000	20.	Nyasa DC	12, 106,250
5.	Chato DC	65,325,277	21.	Rombo DC	30,667,872
6.	Ilemela MC	440,000,000	22.	Sengerema DC	35,355,806
7.	Iringa DC	17,199,401	23.	Serengeti DC	32,850,500
8.	Iringa MC	591,181,342	24.	Songwe DC	13,600,000
9.	Kalambo DC	8,000,000	25.	Sumbawanga MC	60,439,495
10.	Kaliua DC	13,469,700	26.	Uyui DC	25,568,159
11.	Kilolo DC	219,618,396	27.	Tarime DC	170,404,000
12.	Kiteto DC	144,067,375	28.	Tunduma TC	124,145,408

S/N	Name of LGA	Amount (TZS)	S/N	Name of LGA	Amount (TZS)
13.	Mbogwe DC	38,786,665	29.	Tunduru DC	163,910,000
14.	Misungwi DC	6,470,000	30.	Ukerewe DC	25,210,500
15.	Mlele DC	184,703,337		<b>Total</b>	<b>2,918,712,433</b>
16.	Mpanda DC	110,000,000			

Expenditure made out of budget implies that some of the budgeted activities may have been either partly implemented or not implemented at all, due to diversion of funds.

I urge the Treasury to issue funds to LGAs according to their approved budgets. Also, LGAs are advised to comply with the requirements of section 43(5) of the Local Government Finances Act, Cap 290 [R.E 2019] and enhance budgetary controls for effective implementation of planned activities. Further, respective LGAs should seek retrospective approvals for expenditures incurred that were not in the approved budget.

## 6.8 Payments Missing Expenditure Particulars TZS 3.87 Billion

Payment vouchers, together with their supporting documents are to be maintained and given proper security and custody for not less than five (5) years as required by Order 104(2) of LGFM (2009). Also, according to Order 34(1) of the Local Government Financial Memorandum of 2009, the Treasurer is required to maintain a sound accounting system and safekeeping of all supporting documents.

Contrary to the above requirement, I noted 64 LGAs with missing payment vouchers and expenditure particulars for TZS 3.87 billion as detailed in **Appendix 6-5**.

This was due to inadequate internal controls and custody of accountable documents by the respective LGAs. Further, payments lacking expenditure particulars could occasion the misuse of funds as supporting documents might be misplaced/hidden to conceal the truth.

**Table 6-6** details trend of missing payment documents for the past three consecutive years.

**Table 6 - 6: Trend of Payments with Missing Expenditure Particulars**

F/Year	Number of LGA	Amount (TZS)
2020/21	64	3,868,270,321
2019/20	102	4,346,845,180
2018/19	106	4,080,998,327

Absence of payment vouchers and relevant supporting information has limited my audit scope; therefore, I could not establish the authenticity of the expenditure incurred by these LGAs.

Since the same issue was reported in my previous reports, I urge the Government through PO-RALG to instruct LGAs to take appropriate measures to enhance internal controls that will ensure the safekeeping of payment vouchers together with their respective supporting documents. Further, PO-RALG should investigate and assess the magnitude of the problem and if it is linked to fraud, appropriate actions should be taken against the perpetrators.

#### 6.9 Payments for Undisclosed Prior Years' Payables TZS 1.37 Billion

Order 22(1) of LGFM, 2009 requires expenditure properly chargeable to the account of a year to be met that year by raising a creditor and under no circumstances will payment of a charge be deferred for the purpose of avoiding an over expenditure.

Contrary to the requirement of Order 22(1) of LGFM, 2009, I noted 25 LGAs to have paid TZS 1.37 billion to settle prior year's liabilities that did not form part of previous year's payables presented in their financial statements. Further, no evidence was provided to confirm whether the paid amounts were included in the budget for the year under review. The anomaly was due to inadequate credit management by the concerned LGAs as detailed in **Table 6-7**.

**Table 6 - 7: Payments for Undisclosed Prior Year's Payables**

S/N	Name of LGA	Amount (TZS)	S/N	Name of LGA	Amount (TZS)
1.	Babati TC	18,990,000	14.	Muheza DC	21,500,000
2.	Chamwino DC	41,810,000	15.	Njombe TC	9,577,852
3.	Handeni TC	12,089,000	16.	Nkasi DC	23,393,000
4.	Ikungi DC	5,823,000	17.	Nzega DC	38,699,520
5.	Iringa MC	83,485,360	18.	Pangani DC	10,100,000
6.	Kalambo DC	14,735,000	19.	Ruangwa DC	67,325,972
7.	Korogwe TC	14,851,603	20.	Sengerema DC	37,882,600
8.	Magu DC	10,722,000	21.	Tanga CC	64,831,900

S/N	Name of LGA	Amount (TZS)	S/N	Name of LGA	Amount (TZS)
9.	Mbarali DC	5,839,800	22.	Temeke MC	476,780,900
10.	Mkinga DC	41,392,922	23.	Ubungo MC	141,630,986
11.	Momba DC	30,011,580	24.	Ukerewe DC	132,692,930
12.	Mpanda DC	24,760,000	25.	Wanging'ombe DC	21,996,000
13.	Mpwapwa DC	21,356,858		<b>Total</b>	<b>1,372,278,783</b>

Payment of prior years' obligations that was not presented in prior year's financial statements and not included in LGA's budget overstates expenses for the year under review. Further, it implies weak controls on end-year financial statements closure process that conceals the true and fair views of the financial statements prepared.

I urge LGAs to improve controls on credit management and to ensure that all liabilities and commitments are recorded in the books of account, be included in LGAs budgets and refrain from paying liabilities that are not in the approved list of creditors. Further, LGAs should seek retrospective approvals for the expenditures incurred that were not in the approved budget.

#### 6.10 Existence of Liquidity Problems on LGAs' Ability to Settle their Obligations TZS 279.46 Billion

According to Paragraph 14.1 of LAAM 2019, payables are liabilities to pay for goods or services that have been received or supplied and have been invoiced or formally agreed with the supplier and include payments in respect of social benefits where formal agreements for specified amounts exist. These are generally in the form of invoices raised by suppliers, staff claims and other Councils' obligations to their stakeholders.

As of 30 June, 2021, 141 LGAs reported outstanding payables of TZS 279.46 billion in their financial statements, as narrated in **Appendix 6-6**, which is higher by TZS 88.51 billion compared to payables of TZS 190.95 billion reported by 172 LGAs in the year 2019/20. The trend of long outstanding payables is as shown in **Table 6-8**.

Moreover, out of the outstanding payables of TZS 279.46 billion, TZS 198.64 billion (71%) had remained outstanding for more than twelve months was caused by insufficient funds to settle the same when and

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inadequate receipt of funds from Treasury to settle the liabilities, especially those related to employee claims.

**Table 6 - 8: Trend of Outstanding Payables**

Financial year	Number of LGA	Amount (TZS)
2020/21	141	279,458,170,718
2019/20	172	190,951,431,050
2018/19	169	207,235,717,133

Non-settlement of claims could discourage suppliers from providing goods and services on credit to respective LGAs, and might lead to litigation and penalties. Further, non-settlement of staff claims on time demoralise employees and affect their work morale.

**I advise the Government through the Treasury to release funds for the settlement of the claims. Further, LGAs should review their credit policies and ensure that liabilities are timely settled to avoid unnecessary penalties and inconveniences to suppliers.**

Section 41 (1) of the Budget Act, Cap 439 [R.E. 2015] requires the Accounting Officer to transfer funds from planned expenditures to other expenditures upon approval of the responsible minister.

#### **6.11 Transfer of Land Compensation Funds for Improperly Supported Activities TZS 341.82 Million**

Section 41 (1) of the Budget Act, Cap 439 [R.E. 2015] requires the Accounting Officer to transfer funds from planned expenditures to other expenditures upon approval of the responsible minister.

My review of expenditure details noted that Longido District Executive Director instructed some District and Village Council officials to withdraw TZS 341.82 million of which TZS 90 million was drawn from the Council's deposit account and TZS 251.82 million from Village Council Accounts respectively, to purportedly support General Election activities held in October, 2020. Impliedly, this was an intentional diversion of compensation funds to activities unrelated to the objectives for which they were meant.

**I recommend that PO-RALG commission an investigation to ascertain whether the funds were not expended on wasteful expenditure.**

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## CHAPTER 7

### PAYROLL AND HUMAN RESOURCES MANAGEMENT

#### 7.0 Introduction

Human Resources Management (HRM) within LGAs focuses on recruitment, administration, training and development of employees in a view to ensure they become vibrant and valuable public servants. HRM provides LGAs with an effective work force designed to support implementation of various activities to achieve established desires. An effective HRM assembles systems and tools together for effective and efficient working environment, people with the right attitudes, experiences and skills to serve the public interests.

Among other matters HRM deals with management of personnel emoluments, tasked to provide benefits, incentives and compensations comprehended through performance evaluation, need assessment aligned to organizations policies and systems for achieving planned goals.



During my audit, I found the following weaknesses within the Human Resource Management in LGAs:

#### 7.1 Losses from Payments Made to Non-Existing Employees TZS 556.84 Million

Order 79(1) (a) and 79 (8) of Local Government Financial Memorandum (LGFM) 2009 requires Human Resource Officers together with heads of departments to maintain an up-to-date register of all employees and send notifications to the Treasurer on all prompt matters affecting the payments of emoluments and validation of the same.

A review of personnel emoluments in 25 LGAs for the financial year ended 30 June, 2021, revealed that TZS 556.84 million was paid to retired, deceased, absconded, terminated and employees on leave without pay as shown in **Table 7-1** and **Appendix 7-1**.

**Table 7 - 1: Expenditure Made to Non-Existing Employees**

Category	No. of LGAs Involved	Amount (TZS)
Retired	18	343,431,106
Absentees	6	81,376,793
Deceased	7	63,095,660
Others	6	68,932,717
<b>Total</b>		<b>556,836,276</b>

Source: Payroll Data and PE Expenditures

Payments to non-existing employees, is attributable to an ineffective real time review and non-periodic update of employees' information in registers and payroll data, coupled with lack of timely communication among LGAs, PO-RALG, PO-PSM and Treasury to remove from master payroll, names of all employees dropped from public service.

Additionally, LGAs do not have harmonized controls and pay systems to conduct real time checks on employees' emoluments aligned with systematic reconciliations and systems update of payment data against Treasury Master Payroll.

I recommend that respective LGAs adopts to a real time check system with controls where information pertaining to employees' retirement, death, dismissal, absconding, and on granted leave without pay is properly and promptly communicated to the Treasury for action by inactivating or deleting their names from the payroll system in a timely manner.

## **7.2 Employees Contributions Not Transferred to Social Security Funds and Other Institutions TZS 183.09 Billion**

Section 18 (1) of the Public Service Social Security Fund Act, 2018 requires the employer to make a contribution payable to the Fund at the rate of twenty per cent of the employee's monthly salary. Further, section 19 (1) and (2) of the Public Service Social Security Fund Act, 2018, explains that an employer who fails to make total contribution within prescribed time will be convicted to prescribed penalties over determinate periods with incremental per centum.

However, I came across delays in remittance of statutory deductions amounting to TZS 183.09 billion by 42 LGAs including pension contributions amounting to TZS 182.24 billion (TZS 888.97 million as



employer contribution to mandatory social schemes and TZS 181.35 billion on imposed penalties) and other deductions of TZS 845.24 million to the respective institutions such as financial institutions, WCF, NHIF, workers' unions, SACCOS, HESLB and insurance companies as summarized in **Table 7-2** and **Appendix 7-2**.

**Table 7 - 2: Employees Contributions Not Transferred to Social Security Funds and Other Institutions**

Category		No. of LGAs Involved	Amount (TZS)
PSSSF - Principal Contribution	Pension contribution	33	888,967,644
PSSSF - Imposed Penalties		21	181,354,927,774
WCF	Other deductions	7	532,301,005
Income Tax		10	24,282,885
NHIF		12	23,754,200
Other institutions		15	264,906,756
<b>Total</b>			<b>183,089,140,263</b>

Source: Payroll Data and Employees Personal Files

Further, I came across a debt of TZS 180.70 billion relating to penalties imposed to 5 LGAs (Chato DC: TZS 1.83 billion, Dodoma CC: TZS 56.81 billion, Meatu DC: TZS 578.74 million, Nzega DC: TZS 117.81 billion and Nzega TC: TZS 3.67 billion) on allegedly failure to submit/pay statutory employees' benefits.

LGAs do not have harmonization system controls and payment systems which will enforce real time checks of employees' emoluments aligned with systematic reconciliations and systems update of payment data against Treasury Master Payroll.

**I call on LGAs to timely remit statutory contributions to Pension Funds and other institutions to avoid unnecessary penalties.**

### **7.3 Long Outstanding Unpaid Salary Arrears and Other Employment Claims TZS 160 Billion**

I learnt with concern that 33,405 employees had not been paid their salary arrears to the tune of TZS 63.83 billion resulting from cases of public servants' promotions or appointment to higher category of post with entitlement to payment salary arrears for a period of more than a year contrary to Order E.23 of the Standing Orders for the Public Service 2009.

LGAs are immersed in a deviant custom of not honoring employment claims, which calls for a different approach by the Government based on its severity and adverse effects to Public Servants, hence, leading to a challenge in realizing total reward to public employees and causes demotivation of employees. The custom deters the smooth achievement of Government objectives and targets towards service delivery to the Public.

Moreover, there is an alarming sum of TZS 96.65 billion from 71,670 employees' being claims which had not been paid by LGAs. The claims include; leave/travel allowances, moving expenses, on call allowances, disturbance/subsistence allowances, medical refund claims and housing, electricity, telephone, furniture allowances, among others as summarized in **Table 7-3** and **Appendix 7-3**.

**Table 7 - 3: Unsettled Employees' Claims for a Long Time**

Category	No. of Personnel	Amount (TZS)
Salary arrears	33,405	63,832,478,393
Leave travel	34,648	12,671,181,149
Moving expenses	14,615	32,369,833,996
Other claims	22,407	51,606,982,612
<b>Total</b>		<b>160,480,476,150</b>

Source: Financial Statements and Employees' Records

I recommend that the Government establishes specific timeframe for settling all the employment claims filed by servants.

#### **7.4 Transportation of Personal Effects on Retirement Not Paid TZS 128.03 million**

Order J.8 of the Public Service Standing Orders, 2009 requires Council to pay for employee benefits on retirement.

A review of reports maintained for retirees, revealed that two LGAs did not pay a sum of TZS 128.03 million to 160 retired employees (teachers) being cost of transporting personal effects after reaching their retirement age as detailed in **Table 7-4**.

**Table 7 - 4: Unpaid Transportation Cost of Retirees' Personal Effects**

SN	Name of LGA	No. of Personnel Involved	Amount (TZS)
1.	Chamwino DC	144	117,868,897
2.	Chemba DC	16	10,158,000
<b>Total</b>		<b>160</b>	<b>128,026,897</b>

Source: Councils' Retirees Reports

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Failure to pay retirees their entitlements could adversely affect their wellbeing.

**I advise LGAs Management to pay transportation costs of personal effects to retired employees immediately after attaining their retirement age.**



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## CHAPTER 8

### EVALUATION OF DEVELOPMENT PROJECTS

#### 8.0 Introduction

During the financial year ended 30 June, 2021, Local Government Authorities implemented various projects using own sources revenue, grants from central government, donors and community contributions.

Specific sources for financing projects implemented during the year under review include: Local Government Development Grant (LGDG), Health Sector Capital Development Grants (HSCDG), Constituency Development Catalyst Fund (CDCF) and Education Quality Improvement Programme (EQUIP-T).

Other development projects implemented were financed through Community Health Fund (CHF), Urban Local Government Strengthening Programme (ULGSP), Ariel Glaser Pediatric AIDS Healthcare Initiative (AGPAHI Tanzania), Elizabeth Glaser Pediatric Aids Fund (EGPAF), Management and Development for Health (MDH), Tanzania Education Authority (TEA), Education Programme, Global Performance Education II (GPE II), Results Based Financing (RBF), School Water Sanitation and Hygiene (SWASH), Corporate Social Responsibility (CSR) and United Nations Development Programme (UNDP).

During evaluation and assessment of operational results on implemented projects, I came across various anomalies relating to physical and financial performance as described hereunder:

#### 8.1 Delayed Completion of Projects TZS 195.65 Billion

During the assessment of the physical implementation status of development projects, I found out various projects valued at TZS 195.65 billion being implemented by 128 LGAs, had not been completed until the date of this audit. In most cases, non-completion of these projects was attributed to inadequate planning, supervision and monitoring by management of LGAs, delay and

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inadequate release of funds, and inadequate contributions by respective communities.

In addition, some projects were initiated without participation of the community, leading to an extended financial load for the government. Details of LGAs with uncompleted projects and carrying values of the respective projects are shown in **Appendix 8-1**.

Delay in completion of these projects could lead to cost overruns, as a result of an increase in the cost of materials due to inflation. In addition, delay in completion of projects denies the surrounding community the intended benefits.

**I advise the respective LGAs to evaluate the outstanding works of the respective projects and develop strategies for their completion. In addition, the respective LGAs have to improve project planning, monitoring, and supervision and sensitize community contributions to ensure initiated projects are timely completed.**

## **8.2 Abandoned Projects for a Long Period of Time TZS 41.51 Billion**

I learnt that projects with a total cost of TZS 41.51 billion in 21 LGAs that were at different stages of completion were abandoned for a period ranging between one and sixteen years. Abandoning development projects to which cash has been invested is a misuse of resources that could result into distortion of the intended objectives. Details of LGAs with abandoned projects is shown in **Appendix 8-2**.

**I advise the respective LGAs to come up with strategies for completion of the abandoned projects, and in the future, ensure planning and design of the projects are tailored in a way that they are completed on time and attain the intended objectives. In addition, I advise the Government through PO-RALG to release sufficient funds to complete the abandoned projects.**

## **8.3 Completed Projects Worth TZS 7.68 Billion Not in Use**

My assessment of the effectiveness of the provision of the intended services by the completed projects found that, in 30 LGAs, projects

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worth TZS 7.68 billion were completed, but held idle, without being put into use. There are several reasons attached to the failure of the identified projects to be in use. These include lack of electricity, lack of experts to run various systems and inadequate number of staff. Leaving projects lying idle after their completion implied inadequate planning at the initial stage to ensure the projects are effectively exploited. The details of the LGA's with completed projects not in use are shown in **Appendix 8-3**.

**I advise the LGAs to improve project planning by ensuring that projects are put into use immediately upon completion. For the current projects, I recommend that management of the respective LGAs takes appropriate actions, such as communicating with the responsible authorities to resolve the noted challenges, in order to ensure all completed projects are put into use immediately upon completion, to achieve the intended objectives and derive value for money.**

#### **8.4 Funds Returned to Treasury Not Released back to Respective LGAs TZS 14.76 Billion**

I found out an amount of TZS 14.76 billion for the implementation of various activities, being returned to the Treasury from 80 LGAs at the year-end after failure of the respective LGAs to utilize the funds of which TZS 1.7 billion was for recurrent expenditure and TZS 13.06 billion for development activities.

The amount was intended for the construction of health facilities, classrooms, council administration blocks and other structures, dispensaries, primary and secondary schools. This implies that the planned projects worth TZS 14.76 billion could not be implemented as a result of the returned funds not being refunded to LGAs as detailed in **Appendix 8-4**.

**I recommend that the Government through the Treasury, ensures timely disbursement of funds to give adequate time for LGAs to supervise and utilize the released funds. In addition, LGAs should develop adequate strategies to ensure that funds are timely utilized in order to avoid them being returned to the Treasury.**

## 8.5 Implementation of CDCF Projects Not Initiated by the Community TZS 295.76 million

Section 11 of the Constituencies Development Catalyst Fund Act, 2009 (Act No. 16 of 2009) among other things require the Constituency Development Catalyst Committee to approve all project proposals from all the wards in the constituency and any other projects that the Constituency Development Catalyst Committee considers beneficial to the constituency.

I found out seven LGAs that used CDCF funds of TZS 295.76 million for activities not initiated by respective communities. Details of LGAs with projects not initiated by the respective communities are shown in Table 8-1.

**Table 8 - 1: CDCF Implemented Activities Not Initiated by the Community**

S/N	Council	Amount (TZS)	Remarks
1.	Mlele DC	33,423,000	Funds used to support construction activities in Kwamsisi secondary school.
2.	Handeni DC	6,866,077	Used for payment of allowances contrary to section 19(2) of Constituencies Development Catalyst Fund Act, 2009.
3.	Chalinze DC	26,654,000	Purchase of 20bee hives, classrooms and wards in Schools and dispensaries respectively.
4.	Kasulu DC	61,400,000	Funds were spent on activities related to WYDF.
5.	Kasulu TC	19,785,000	Funds used to pay contractor (Ngweruke) for roads maintenance and culvert construction including procurement of diesel for motor grader and allowance of motor grader operator.
		44,190,000	Procurement of 100 desks at Kidyama P/S, and constructions of various roads in different wards.
6.	Lindi MC	66,095,139	Funds were borrowed to finance construction of secondary schools.
7.	Liwale DC	37,347,071	Funds used for procurement of building materials for activities not approved by CDCF Committee.
Total		295,760,287	

Source: Management Reports

Implementing projects that were not initiated by the community denies the respective community the intended benefits.

I advise the respective LGAs in future, to adhere to the Constituencies Development Catalyst Fund Act, 2009 requirement, by implementing activities originating from members of the community that are approved by CDCF Committees.

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## **8.6 Planned CSR Projects Not Implemented without Reasonable Justifications TZS 634.19 Million**

Section 105 (1), (2) and (4) of the Mining Act, Cap 123 [R.E.2019] requires mineral right holders to prepare a credible CSR plan and submit it to the local authority in the jurisdiction in which it operates. Further, section 105(4) of the Mining Act, Cap 123 [R.E. 2019] requires the respective LGA to supervise implementation of the submitted plan.

I found a mining company that prepared a CSR annual action plan and submitted it to Songwe DC, listing projects to be implemented in the financial year 2020/21, with a value of TZS 634.19 million. The Council's obligation was to ensure the planned projects were adequately implemented.

However, I reviewed the Council's project implementation report and found that there were no projects implemented by the company under CSR nor any contribution made by the company to the Council for implementation of the projects indicated in the CSR Plan.

**I advise the Council to make follow up with the company to ensure fully compliance with section 105 (1), (2) and (4) of the Mining Act, Cap 123 [R.E.2019].**



## CHAPTER 9

### PROCUREMENT AND CONTRACTS MANAGEMENT

#### 9.0 Introduction

Section 48(3) of the Public Procurement Act, 2011 requires me to state in my annual audit report whether or not the audited entity has complied with the procedures prescribed in the Public Procurement Act or Public Procurement Regulations.

Following the compliance audit on procurement of works, goods and services in LGAs for the financial year 2020/21, performed, I found that the value of procurements in 127 audited LGAs was TZS 509.65 billion, which included TZS 247.5 billion (49%) for goods, TZS 165.54 billion (33%) for works, TZS 47.06 billion (9%) for consultancy services, TZS 43.00 billion (8%) for non-consultancy services and TZS 6.08 billion for disposal of public assets by tender equivalent to (1%).

My review of the procedures and practices designed to ensure efficiency and effectiveness in each stage of the procurement cycle observed the following weaknesses: -

#### 9.1 Procurement Management

##### 9.1.1 Procurement Made Without Tender Boards' Approval TZS 10.34 Billion

Regulations 55 (2), 163 (4) and 185 (1) of the Public Procurement Regulation, 2013 prohibits LGAs to award tenders unless the award has been approved by the appropriate tender board.

To the contrary, I discovered 42 LGAs that made procurement of various items worth TZS 8.42 billion without obtaining an approval of Tender Boards, as detailed in Table 9-1.

**Table 9 - 1: Procurement without Tender Boards' Approval**

S/N	Name of LGA	Amount (TZS)	S/N	Name of LGA	Amount (TZS)
1.	Dodoma CC	2,496,261,055	22.	Kasulu DC	95,484,000
2.	Kwimba DC	553,587,970	23.	Momba DC	87,678,201
3.	Muleba DC	493,004,859	24.	Kondoa DC	62,306,617
4.	Ngorongoro DC	477,083,770	25.	Ludewa DC	59,489,205
5.	Njombe TC	328,301,358	26.	Shinyanga DC	59,483,140
6.	Nachingwea DC	319,774,247	27.	Geita DC	50,252,547
7.	Madaba DC	314,698,500	28.	Masasi TC	48,568,650

S/N	Name of LGA	Amount (TZS)	S/N	Name of LGA	Amount (TZS)
8.	Tarime DC	305,307,924	29.	Nsimbo DC	42,489,500
9.	Chato DC	298,603,000	30.	Nyang'hwale DC	37,124,400
10.	Kahama MC	272,550,080	31.	Nzega DC	35,936,530
11.	Kinondoni MC	271,025,859	32.	Tabora MC	25,308,000
12.	Msalala DC	227,059,040	33.	Meru DC	23,981,966
13.	Ukerewe DC	206,638,848	34.	Mpwapwa DC	23,006,500
14.	Lindi MC	202,413,617	35.	Meatu DC	22,909,061
15.	Mbozi DC	166,090,000	36.	Namtumbo DC	21,210,420
16.	Sengerema DC	133,625,267	37.	Moshi DC	20,100,000
17.	Mwanga DC	129,476,135	38.	Sumbawanga MC	19,055,000
18.	Makambako TC	125,040,219	39.	Igunga DC	18,935,000
19.	Bunda DC	108,590,556	40.	Urambo DC	17,092,497
20.	Kilosa DC	103,665,912	41.	Mpimbwe DC	16,942,730
21.	Makete DC	98,489,044	42.	Mbogwe DC	5,550,000
<b>Total</b>					<b>8,424,191,224</b>

Further, regulation 166 (7) and (8) of Public Procurement Regulation, 2013 requires all Micro procurements to be reported to the Tender Board on a monthly basis.

In the course of review, I detected 17 LGAs that made micro procurements worth TZS 1.92 billion without being reported to the Tender Board on a monthly basis, as detailed in **Table 9-2**.

**Table 9 - 2: Micro Procurement not Reported to Tender Board**

S/N	Name of LGA	Amount (TZS)	S/N	Name of LGA	Amount (TZS)
1.	Muleba DC	436,353,321	10.	Kibaha TC	46,080,200
2.	Kasulu DC	280,648,425	11.	Msalala DC	37,848,000
3.	Kibondo DC	267,078,231	12.	Rungwe DC	36,650,480
4.	Urambo DC	208,340,075	13.	Nsimbo DC	36,317,600
5.	Shinyanga MC	161,420,910	14.	Mwanza CC	26,442,000
6.	Kigoma/Ujiji	136,153,023	15.	Mbogwe DC	25,563,200
7.	Meatu DC	80,140,198	16.	Mpimbwe DC	20,204,604
8.	Buchosa DC	55,836,400	17.	Kishapu DC	19,297,000
9.	Kahama MC	50,129,350		<b>Total</b>	<b>1,924,503,017</b>

I recommend that PO-RALG takes appropriate measures against LGAs which have been identified to by-pass Tender Boards during their procurement processes.

### 9.1.2 Procurements Made Out of Annual Procurement Plan TZS 3.84 Billion

Regulation 69(3) of Public Procurement Regulations, 2013 requires a procuring entity to forecast its requirements for goods, services and works as accurately as is practicable with particular reference to services or activities already programmed in the annual work plan and included in the annual estimates.

During the review of procurements made in comparison with Annual Procurement Plan, I discovered 23 LGAs that made procurements worth TZS 3.84 billion out of their annual procurement plans, as detailed in Table 9-3.

**Table 9 - 3: Procurements Made out of Annual Procurement Plan**

S/N	Name of LGA	Amount (TZS)	S/N	Name of LGA	Amount (TZS)
1.	Mbinga DC	606,775,000	13.	Kondoa DC	88,328,580
2.	Manyoni DC	435,301,900	14.	Misungwi DC	84,999,000
3.	Dodoma CC	371,040,730	15.	Karatu DC	83,799,614
4.	Sumbawanga MC	368,588,589	16.	Mbinga TC	79,600,000
5.	Kondoa TC	339,789,788	17.	Mbeya DC	67,541,000
6.	Bariadi TC	253,661,093	18.	Nanyamba TC	42,900,000
7.	Siha DC	210,000,000	19.	Monduli DC	31,544,200
8.	Ukerewe DC	188,441,208	20.	Iringa MC	30,000,000
9.	Nsimbo DC	162,934,583	21.	Kiteto DC	25,201,797
10.	Arusha CC	119,943,000	22.	Sumbawanga DC	18,800,000
11.	Arusha DC	119,943,000	23.	Sengerema DC	8,240,000
12.	Mbulu DC	98,897,350		<b>Total</b>	<b>3,836,270,432</b>

I recommend to PO RALG to ensure that LGAs make all their procurement in line with their approved Annual Procurement Plans.

### 9.1.3 Procurements Made Without Invitation of Competitive Quotations TZS 5.37 Billion

Regulation 164(1) of the Public Procurement Regulations, 2013 requires quotations to be obtained from at least three suppliers.

My review of procurements made in 39 LGAs found that procurements worth TZS 5.37 billion were made without invitation of competitive, quotations as detailed in Table 9-4.

**Table 9 - 4: Procurements Made Without Competitive Quotations**

S/N	Name of LGA	Amount (TZS)	S/N	Name of LGA	Amount (TZS)
1.	Chalinze DC	1,733,637,507	21.	Kilolo DC	60,252,690
2.	Madaba DC	446,309,400	22.	Ushetu DC	58,310,500
3.	Chato DC	377,789,672	23.	Kilosa DC	54,050,009
4.	Nsimbo DC	319,271,956	24.	Tandahimba DC	48,045,984
5.	Geita DC	241,538,805	25.	Iringa DC	41,899,200
6.	Kishapu DC	170,869,223	26.	Mbogwe DC	35,992,927
7.	Songwe DC	168,130,941	27.	Tarime DC	35,450,475
8.	Butiama DC	162,955,641	28.	Itigi DC	32,155,892
9.	Sumbawanga MC	143,243,851	29.	Handeni TC	31,410,750
10.	Msalala DC	139,044,404	30.	Bahi DC	29,456,065
11.	Mlimba DC	134,371,900	31.	Makete DC	28,221,080
12.	Lindi MC	126,859,509	32.	Kyela DC	22,302,000
13.	Nzega TC	110,000,000	33.	Nyang'hwale DC	20,953,960

S/N	Name of LGA	Amount (TZS)	S/N	Name of LGA	Amount (TZS)
14.	Tunduma TC	108,953,261	34.	Ukerewe DC	15,147,860
15.	Sumbawanga DC	103,172,600	35.	Ileje DC	13,153,351
16.	Mwanga DC	101,553,237	36.	Mvomero DC	12,853,633
17.	Kilwa DC	86,955,460	37.	Kongwa DC	12,339,287
18.	Liwale DC	86,052,055	38.	Itilima DC	11,510,000
19.	Newala DC	71,272,000	39.	Mbinga DC	9,243,000
20.	Mufindi DC	65,124,720		<b>Total</b>	<b>5,366,682,205</b>

Procurements, involved such substantial amount of money, without invitation of competitive quotations from bidders limited my scope of audit, to provide an assurance whether value for money was achieved.

I urge PO-RALG to enforce compliance with the relevant regulation in order to achieve value for money as well as fair opportunities for potential tenderers. Further, the Prevention and Combating of Corruption Bureau (PCCB) should consider undertaking further investigations with regards to these procurements.

#### 9.1.4 Procurement Made Without Raising LPO TZS 1.24 Billion

Regulation 164 (2)(j) of the Public Procurement Regulations, 2013 stipulates that, letter of invitation for quotations and any attachment shall contain the form of contract or Local Purchase Order (LPO) to include all conditions and terms of payments. Also order 69(1) of LGFM, 2009 requires all goods, materials, services or supplies to work executed for the agent shall be ordered or confirmed in writing by an official Local Purchase Order (LPO).

My review of procurements made in 14 LGAs established that, payments for TZS 1.24 billion were made to suppliers of goods and services without issuing Local Purchase Orders as shown in **Table 9-5**.

**Table 9 - 5: Procurements Made by LGAs without LPOs**

S/N	Name of LGA	Amount (TZS)	S/N	Name of LGA	Amount (TZS)
1.	Mtwara DC	263,743,212	9.	Bariadi DC	30,864,188
2.	Chamwino DC	231,974,428	10.	Tanga CC	26,480,000
3.	Mufindi DC	201,161,601	11.	Kongwa DC	22,035,090
4.	Mbozi DC	175,651,173	12.	Moshi DC	20,124,500
5.	Sengerema DC	90,402,000	13.	Mpwapwa DC	18,460,000
6.	Makete DC	51,406,849	14.	Kyerwa DC	18,248,000
7.	Bariadi TC	49,687,130			
8.	Kilindi DC	40,616,000		<b>Total</b>	<b>1,240,854,171</b>

Procurement without raising LPOs, could lead to substantial loss in case of breach of contract, as there will be no legal binding contracts between the parties.

**I recommend to PO-RALG in collaboration with PPRA, to enforce LGAs to comply with the requirement of the above procurement regulation and take appropriate measures against individuals involved in the non-compliance.**

#### **9.1.5 Receipts of Goods and Services TZS 2.02 Billion Before Being Inspected**

Regulations 244(1) and 245 of the Public Procurement Regulations 2013 require the receiving entities to inspect the goods delivered by suppliers and accept them only if they meet contract specifications. To the contrary, I noted 21 LGAs that made payments for procurement of goods and services worth TZS 2.02 billion from suppliers without being inspected by the Goods Inspection and Acceptance Committee as detailed in **Table 9-6**.

**Table 9 - 6: Receipts of Goods and Services before Inspection**

S/N	Name of LGA	Amount (TZS)	S/N	Name of LGA	Amount (TZS)
1.	Bunda DC	641,439,137	12.	Ubungo MC	43,653,384
2.	Chamwino DC	242,399,798	13.	Nsimbo DC	39,337,700
3.	Singida DC	240,118,850	14.	Kilolo DC	34,553,080
4.	Mbozi DC	175,651,173	15.	Momba DC	31,429,195
5.	Chemba DC	98,976,978	16.	Itilima DC	24,110,200
6.	Sumbawanga MC	86,162,368	17.	Nzega TC	18,887,148
7.	Mwanga DC	66,566,764	18.	Bukombe DC	18,044,810
8.	Tandahimba DC	63,867,080	19.	Iramba DC	10,790,612
9.	Ikungi DC	61,770,400	20.	Bariadi DC	8,515,000
10.	Songwe DC	59,936,001	21.	Handeni DC	3,681,200
11.	Kalambo DC	53,714,388		<b>Total</b>	<b>2,023,605,266</b>

Making payments for procurements of goods and services and receiving them without being inspected by the relevant Committees, could jeopardise the quality and conformity to the contract specifications and could lead to acquiring of substandard or low-quality goods by the procuring entity.

**I recommend to LGAs to ensure all comply with the relevant regulations by inspecting the quality and quantity of goods and services before being received and making payments to suppliers.**

### 9.1.6 Commencement of Projects worth TZS 28.17 Billion without Conducting Environmental Impact Assessment

Regulation 241(3) of the Public Procurement Regulations, 2013 requires a procuring entity to assess the impact on the environment of any works at the planning stage of the project and in any case, before procurement proceedings are commenced. In addition, section 81(2) of the Environmental Management Act, Cap 191 requires an environmental impact assessment study to be carried out before commencement or financing of a project.

In the course of review of project files, I learnt that 9 LGAs, commenced implementation of projects worth TZS 28.17 billion without conducting an Environmental Impact Assessment (EIA) as indicated in **Table 9-7**.

**Table 9 - 7: LGAs which Implemented Projects without Conducting EIA**

S/N	Name of LGA	Amount (TZS)	S/N	Name of LGA	Amount (TZS)
1.	Bariadi DC	10,310,795,917	6.	Mbeya DC	1,820,000,000
2.	Itilima DC	4,200,000,000	7.	Mbogwe DC	1,500,000,000
3.	Rombo DC	3,389,867,836	8.	Kigoma DC	1,494,826,301
4.	Rufiji DC	2,852,830,016	9.	Mwanga DC	600,000,000
5.	Mbeya CC	2,000,000,000		<b>Total</b>	<b>28,168,320,070</b>

Implementing projects without conducting EIA, exposes the entity to risk of environmental hazards which could harm the well-being of the surrounding communities and may in turn result into wasteful expenditure of public resources.

I recommend that PO RALG ensures all LGAs conduct an environmental assessment impact before commencement of any construction project in order to guarantee their suitability and avoid adverse environmental consequences.

### 9.1.7 Contracts Not Vetted by the Attorney General or Council Legal Officers TZS 1.59 Billion

Reg. 60 of the Public Procurement Regulations, 2013 as amended by Regulation 3 of the Public Procurement (Amendment) Regulations, 2016 (G.N. No.121 of 22 April, 2016) requires the legal officer of the procuring entity to vet any formal contract arising out of the

acceptance of tender whose value is below TZS 1 billion, before it is being signed by the parties.

My review of contracts management showed that 12 LGAs signed contracts worth TZS 1.59 billion prior to vetting by the respective LGAs legal officers as detailed in **Table 9-8**.

**Table 9 - 8: LGAs implementing unvetted Contract**

No.	Name of LGA	Amount (TZS)
1.	Kibondo DC	286,604,800
2.	Bariadi DC	221,533,690
3.	Maswa DC	214,600,000
4.	Handeni TC	202,212,392
5.	Handeni DC	168,690,000
6.	Wang'ing'ombe DC	150,000,000
7.	Mpanda DC	114,600,000
8.	Kondoa DC	89,125,500
9.	Sikonge DC	52,950,000
10.	Kongwa DC	37,002,500
11.	Muleba DC	35,000,000
12.	Iramba DC	21,500,000
<b>Total</b>		<b>1,593,818,882</b>

In my view, the signing of contracts before being vetted by the Council legal officers exposes LGAs to legal risks.

I recommend to PO RALG to ensure all contracts in respective LGAs are vetted by the LGAs legal officers before being signed to avoid legal disputes that may arise during projects implementation.

#### **9.1.8 Procurement from Suppliers with No Framework Contracts with GPSA TZS 4.61 Billion**

My review of procurement and contract management found out 34 LGAs that made procurement of goods and services worth TZS 4.61 billion to suppliers with no contracts with GPSA, contrary to Regulation 131 (4) (b) of Public Procurement Regulations, 2013 as amended by regulation 42 of the Public Procurement (Amendment) Regulations, 2016 (G.No. 333 of 30 December, 2016). A list of LGAs that procured goods and services from unapproved suppliers is shown in **Table 9-9**.

**Table 9 - 9: Suppliers with no Framework Contracts with GPSA**

S/N	Name of LGA	Amount (TZS)	S/N	Name of LGA	Amount (TZS)
1.	Chalinze DC	449,365,049	19.	Nzega DC	69,591,980
2.	Kisarawe DC	430,986,655	20.	Makambako TC	69,266,900
3.	Nyang'hwale DC	376,073,380	21.	Mkalama DC	67,541,000
4.	Ruangwa DC	330,399,480	22.	Urambo DC	64,363,290
5.	Chato DC	308,756,637	23.	Buchosa DC	57,310,786
6.	Rombo DC	276,335,012	24.	Masasi TC	56,393,398
7.	Tunduma TC	251,427,344	25.	Handeni DC	54,875,300
8.	Geita DC	211,654,580	26.	Njombe TC	46,300,064
9.	Mafia DC	189,356,918	27.	Moshi DC	43,025,796
10.	Bukombe DC	169,464,500	28.	Mufindi DC	39,476,022
11.	Ikungi DC	163,410,772	29.	Iringa MC	38,945,582
12.	Moshi MC	152,195,713	30.	Tarime DC	27,326,718
13.	Kasulu DC	150,395,000	31.	Kibaha TC	16,989,051
14.	Shinyanga MC	107,708,570	32.	Rungwe DC	11,800,000
15.	Korogwe TC	103,911,441	33.	Mbogwe DC	11,655,000
16.	Mbozi DC	96,923,393	34.	Iramba DC	2,309,628
17.	Makete DC	87,761,858			
18.	Kishapu DC	72,836,700	<b>Total</b>		<b>4,606,133,517</b>

In my view, making procurements from service providers with no framework contracts with GPSA raise question of whether quality and best prices were attained.

I recommend for PO-RALG to ensure all procurement of goods and services in all LGAs are made from suppliers with framework contracts with GPSA in order to provide fair opportunities to all the potential suppliers.

## 9.2 Irregularities in Contract Management

The main objective of contract management audit, was to assess whether there were effective systems in managing contracts in various projects implemented by LGAs aiming at assessing both compliance and performance aspects.

Details of key weaknesses observed and recommendations are outlined below: -

### 9.2.1 Unrecovered Costs Over Termination of Contracts at Madaba DC and Kibondo DC TZS 310.42 Million

A review of contract No. LGA/182/HQ/W/HQ/2018/2019/02 at Madaba DC for the construction of the Council's office building with a contract sum of TZS 2.29 billion, showed that the contract was



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terminated on 18 June, 2020, following failure by the contractor to honour the agreed contractual terms.

Moreover, a review of contract No. LGA/041/HQ/AGRICO/2019/20/W/1 at Kibondo DC for the construction of crop collection warehouse at Kagezi Village at a contract sum of TZS 286.27 million noted that the contract was terminated on 02 June, 2021 following fundamental breach of the Contract by the contractor.

However, the Councils did not recover TZS 229.76 million and TZS 51.43 million for Madaba and Kibondo DC, respectively. 40% of the value of work was not completed, demanding the employers' additional cost for completing the works.

Further, upon termination of the contract, Kibondo DC did not recover a sum of TZS 29.23 million, initially charged as liquidated damages instead paid the amount back to the contractor following the contractor's request to hold the charges till the final certificate was issued.

**I recommend that PO-RALG institutes appropriate measures against the Accounting Officers and HPMUs of the two District Councils for their non-adherence to the provisions of PPA.**

#### **9.2.2 Overpriced Rate of Waste Disposal Contract in Contrast to the Council By-Laws Rates TZS 104.3 Million**

Pursuant to section 27(1) of Council By-Laws dated 06 March, 2020, the Council shall pay a fee for collection of wastes from each household or commercial building at a rate of TZS 250,000 per trip for market waste collection.

However, I noted that Kinondoni MC outsourced a service of waste disposal from three service providers at a rate of TZS 450,000, TZS 600,000 and TZS 550,000 per trip, respectively, over and above the stipulated TZS 250,000 reflected in the Council's By-Laws.

As a result of this deviation, the service providers overcharged the Council a total of TZS 104.3 million which, in my opinion, tantamount to wasteful expenditure.

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**PO RALG should take appropriate measures against all officials involved in this procurement of the service for garbage collection.**

### **9.2.3 Breach of Terms of Contract for Construction of Office Building at Kondo DC TZS 560.25 Million**

On 19 May, 2021, Kondo DC signed a contract Na. LGA/021/2020-2021/HQC/W/02 for construction of office building at a contract sum of TZS 560.25 million.

My audit of the project, including a site visit, revealed that the project was not adequately being managed and supervised, whereby a large number of supervisors and the project manager were unprofessional and incompetent, contrary to the agreement requirement. The project manager was a secondary school teacher while the site engineer who claimed to be a graduate had no any professional certificate.

The overall assessment indicated that, the contractor used cheap labourers different from the ones mentioned in the contract; whereby all the cross-examined labourers, failed to submit recognisable credentials, regarding their academic qualifications, skills and experiences for audit confirmation.

Also, section 41 of the Public Procurement Act, 2011, accounting officer, tender board, procurement management unit, user department and evaluation committee are required to act independently in relation to their respective functions and powers.

During the year under review, I found out the District Planning Officer was involved in the signing of the award of the Contract which originated from his department and evaluated by the committee which he had chaired, occasioning a conflict of interest.

**I recommend that PO RALG institutes strict control measures in the procurement processes, including construction projects, to ensure that the executed projects met the intended quality standards.**

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#### **9.2.4 Award of Contract to the Highest Evaluated Bidder Resulted to Extra Cost of TZS 67 Million at Ngorongoro DC**

In the course of the review of tender documents, for procurement of provision of labour for carrying out construction of Ngorongoro DC administration block, I noted that two contractors participated in procurement process whereby their bid prices were TZS 455.61 million and TZS 810.5 million VAT exclusive respectively.

According to the report of the evaluation team, both tenderers were found eligible in accordance with the qualification information detailed in the instructions to tenderers and the criteria prescribed in the solicitation document. The evaluation team recommended the award of contract No. LGA/005/2020/2021/ADB/W/1 to be granted to the second evaluated bidder whose price was TZS 810.5 million VAT exclusive which was later reduced to TZS 650 million VAT exclusive following a negotiation meeting held on 27 November, 2020 instead of the first evaluated bidder whose bid price was TZS 455.61 million contrary to regulation 212 (a) of Public Procurement Regulations, 2013.

It was also noted that on 10 March, 2021, Ngorongoro DC signed contract No. LGA/005/2020/2021/ADB/W/1 with the previously first evaluated bidder for the execution of the same project at a contract price of TZS 522.62 million while the previously signed contract which was awarded to the second evaluated bidder was still in force.

The Council incurred a loss of TZS 67 million for declining to award the tender to the first evaluated bidder at the initial price of TZS 455.6 million as the project was later executed by same bidder at a higher price of TZS 522.62 million.

**I recommend that PO-RALG should take appropriate actions against all officials who were involved in the procurement process, including entering into contract no. LGA/005/2020/2021/ADB/W/1, for failing to adhere to public procurement laws and procedures issued by PPRA.**

### 9.2.5 Payments Made Without Measurement Sheets and Not Certified by Project Managers TZS 3.64 Billion

Regulation 243 (2) of Public Procurement Regulations, 2013 requires procuring entities to authorise payments according to the relevant measurements and certification at the intervals or stages indicated in the contracts. The regulation provides further that the percentage of each payment should be retained by the procuring entity until the contract is completed and handed over.

I detected 23 LGAs that paid a sum of TZS 3.64 billion to local artisans for executed works without any measurement sheets to justify the quantities of the executed works, as shown in Table 9-11.

**Table 9 - 10: Payments without Engineer's Measurement and Certification**

No.	Name of LGA	Amount (TZS)	No.	Name of LGA	Amount (TZS)
1.	Meru DC	22,137,685	13.	Mbeya DC	45,185,375
2.	Kibiti DC	16,500,000	14.	Makete DC	33,390,500
3.	Ubungo MC	81,463,747	15.	Kalambo DC	348,700,678
4.	Chemba DC	30,200,000	16.	Namtumbo DC	43,796,250
5.	Geita DC	36,759,582	17.	Shinyanga MC	54,566,955
6.	Mpanda DC	4,270,000	18.	Kaliua DC	10,782,500
7.	Mpimbwe DC	55,635,000	19.	Uyui DC	3,026,145
8.	Nsimbo DC	8,490,000	20.	Handeni TC	6,650,000
9.	Mwanga DC	41,505,430	21.	Mtama DC	29,975,250
10.	Rombo DC	172,486,707	22.	Mkinga DC	11,059,790
11.	Siha DC	41,345,054	23.	Tanga CC	69,337,889
12.	Temeke MC	2,470,000,000		<b>Total</b>	<b>3,637,264,538</b>

Source: Respective Council's Management Letters

Approving payments without inspecting and quantifying the executed works could lead to overpayment or payment of works not performed hence loss of public funds.

I recommend for PO-RALG ensures that LGAs are allocated with adequate engineers to evaluate the executed works. Also, the Accounting Officers of the respective LGAs are urged to establish robust internal controls that will ensure completed works are certified before payments are effected.

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#### **9.2.6 Potential Loss Due to Re-scoping of Works Contract TZS 365.58 Million**

Temeke MC entered into contract No. LGA/016/2018-2019/W/DMDP/05 under (DMDP Package 10) on 03 June, 2019 for the construction of Investment Sub-projects in Mbagala Ward (Bughudadi and Kizinga Subwards) at a contract sum of TZS 12.64 billion.

During the review of the contract file I noted that, the Council wrote a letter with Ref. No. TMC/DMDP/J.10/02/VOL. IV/73 dated 28 October, 2021 to inform the contractor about the decision to omit the component of the construction of Zakhem Market. The total omitted component cost was TZS 2.26 billion which is equivalent to 18% of the contract sum.

The reason for omitting the component of the construction of Zakhem Market was that DMDP's implementation closing date was 31 December, 2021, and it was not feasible for the contractor to complete the intended works within the implementation period.

In response, the contractor served the Council a letter with Ref. JCL/TMKE/DSM/MBG/474/2021 dated 12 November, 2021 refusing to agree with the decision made by the Council and claimed a compensation of TZS 365.56 million to off-set incurred loss of profit on the omitted contract works.

I am concerned with the intention of the contractor to claim compensation of TZS 365.56 million from the Council as there could be a risk of incurring unfruitful expenditure.

**PO-RALG is advised to take appropriate measures against the respective officials who were involved in the procurement process, including entering into contract without proper plans which has subjected the Council to a potential loss of TZS 365.56 million.**

#### **9.2.7 Unclaimed Liquidated Damages from a Delayed Contract TZS 593.24 Million**

Section 20.1 of the General Conditions of Contracts (GCC) of the Standard Tender Document (STD, 2018) requires Contractors to start

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the work on time and perform those duties in accordance with the programs submitted, updated and approved by the Project Manager and complete those tasks by the planned period.

Temeke MC entered into contract No. LGA/016/2019-2020/W/DMDP/01 for the rehabilitation and upgrading of selected local roads in Temeke Municipal-package 14: Nzasa-Kilungule-Buza and Spur Roads at a contract Sum of TZS 19.14 billion.

In reviewing the contract files, I learnt that the Contactor was granted an extension of time of 128 days vide letter with Ref No. KCML/CRJE/PCKG9/19/202KJ making the date of completion to be 30 June, 2021. However, up to 01 December, 2021, the project was incomplete.

Further, I noted that liquidated damages of TZS 593.24 million which is 0.1% of the contract sum per day was not imposed on the delayed contract following non-compliance with section 47.1 of the General Condition of the Contract by the contractor

**PO-RALG ought to make a close follow- ups on the Council's Managements to ensure that liquidated damages of TZS 593.24 million are charged against Interim Payment Certificates (IPC) raised by the contractor.**

### **9.3 Weakness Noted in Contract Management, Works Supervision and Procurement of Materials under Force Account**

The Government through Ministry of Education, Science and Technology, PO-RALG, and PPRA has issued guidelines in respect of construction and rehabilitation of public infrastructures, such as schools, hospitals, health centres, dispensaries and other public buildings through force Account.

In the course of the assessment of force account application I found 135 LGAs that used a sum of TZS 350.95 billion to procure building materials for construction of schools, hospitals, health centres, dispensaries and other public buildings implemented by using force account as detailed in **Appendix 9-1.**

While appreciating the initiatives made by the Government in attaining its objectives through application of the force account, I found the existence of several weaknesses which were needed to be addressed as detailed hereunder: -

### 9.3.1 Non-Compliance to Conditions Warrant the Use of the Force Account Method TZS 11.65 Billion

Regulation 167 (1) of Public Procurement Regulations, 2013 as amended by regulation 64 of the Public Procurement (Amendment) Regulations, 2016 (G.N. No. 333 of 30 June, 2016) guides procuring entities towards considering the context and milieu of the works through which force account can be applied.

In the course of an appraisal of LGAs' compliance to legislation, I found-out 16 LGAs that implemented force account projects, worth TZS 11.65 billion without observing the pre-determined conditions including tender board approval and qualified personnel for supervision of implemented project, as detailed in the Table 9-11.

**Table 9 - 11: Implemented Projects without Procurement Legislation**

No.	Name of LGA	No. of projects	Value of the Projects (TZS)	Criteria not adhered to
1.	Muleba DC	Not Specified	493,004,859	There was no evidence of prior approval of the Council's Tender Board before the use of force account method of procurement.
2.	Mpanda DC	2	220,000,000	
3.	Sengerema DC	1	70,120,267	
4.	Itilima DC	1	500,000,000	
5.	Sumbawanga DC	1	43,000,000	
6.	Rombo DC	2	30,000,000	Uncompetitive selection of local artisans.
7.	Kakonko DC	6	2,171,019,000	Lack of qualified personnel for supervision of the project implementation.
8.	Bariadi DC	50	2,034,399,522	
9.	Ileje DC	1	20,000,000	
10.	Chamwino DC	1	3,726,820,679	
11.	Chemba DC	11	50,000,000	
12.	Mufindi DC	11	1,163,000,000	
13.	Kyela DC	6	195,000,000	
14.	Kwimba DC	Not specified in ML	220,000,000	
15.	Kalambo DC	1	500,000,000	
16.	Uyui DC	5	220,000,000	
Total			11,656,364,327	

Source: Respective Council's Management Letters

The observed shortfalls are attributed to contradicting directives from various authorities such as the Ministries, Regional and District leaders, and political leaders.

I recommend that, the Government establishes a system responsible to administer all instructions issued to LGAs, and any instructions from other authorities should be routed through the approved channel, to avoid conflicting instructions from multiple reporting lines.

### 9.3.2 Substandard Projects Constructed through Force Account TZS 6.06 Billion

Through evaluation of the physical implementation of the completed and ongoing projects, I found 10 LGAs that implemented substandard construction projects due to poor workmanship and non compliance to technical designs and specifications. Projects had several cracks, and submerged foundations. Also, there were LGAs that used untreated timbers for roofing and undried timber for fabrication of doors leading to shrinking, swelling, twisting, cracking, and bending of doors over time. More details are as shown in Table 9-12.

**Table 9 - 12: List of LGAs with Substandard Constructed Projects**

No.	Name of LGA	Amount (TZS)
1.	Mkuranga DC	153,200,000
2.	Chamwino DC	4,430,721,498
3.	Mpimbwe DC	281,345,000
4.	Kigoma DC	114,529,513
5.	Rombo DC	118,635,300
6.	Sengerema DC	713,729,288
7.	Kishapu DC	93,472,080
8.	Bariadi TC	60,000,000
9.	Nzega TC	40,000,000
10.	Handeni TC	51,658,250
<b>Total</b>		<b>6,057,290,929</b>

Source: Respective Council's Management Letters

LGAs' failure to test construction materials and failure to take precautionary measures put the Government at risk of reconstructing projects or rehabilitating the detected substandard projects in the near future, thus leading to loss of Government funds.



I recommend to Accounting Officers of the respective LGAs to enhance contract management to avoid substandard works. Also, LGAs are urged to introduce clauses in the construction and supply contracts that will ensure replacement of substandard items used or re-performance of works done below acceptance standards without additional payments.

### 9.3.3 Non-preparation of Schedule of Materials in Construction Projects TZS 4.78 Billion

Clause 11. 1 of the Guideline for Carrying out Works using Force Account by Procuring Entities in Tanzania issued by PPRA requires the user/technical department to describe the construction or maintenance work required to be executed.

Further, Clause 11.2 of the same guidelines provides that where user department is different from the technical department, the user department shall request experts from the technical department (or technical personnel within the Procuring Entities or in collaboration with another Procuring Entity) to determine the scope of work by preparing drawings, specifications, and bill of quantities in terms of the schedule of materials for the work to be executed.

In the course of assessment of the procurement process of building materials for projects implemented through Force Account, I found 17 LGAs that procured building materials worth TZS 4.78 billion and implemented development projects without schedules of materials or Bills of Quantities, as detailed in Table 9-13.

**Table 9 - 13: Construction of Projects Without BoQ or Schedule of Materials**

No.	Name of LGA	Amount (TZS)	No.	Name of LGA	Amount (TZS)
1.	Dar es Salaam CC	419,726,418	10.	Kalambo DC	500,000,000
2.	Mufindi DC	1,163,000,000	11.	Nkasi DC	Not Quantified
3.	Hai DC	17,714,106	12.	Kishapu DC	55,046,500
4.	Rombo DC	150,000,000	13.	Shinyanga MC	23,824,500
5.	Lindi MC	1,824,993,550	14.	Ikungi DC	200,000,000
6.	Babati DC	Not Quantified	15.	Kaliua DC	83,791,891
7.	Tarime TC	48,895,677	16.	Nzega TC	40,000,000
8.	Mbeya DC	145,000,000	17.	Mkinga DC	Not Quantified
9.	Mvomero DC	114,296,102		<b>Total</b>	<b>4,786,288,744</b>

Source: Respective Council's Management Letters

I attribute the highlighted deficiencies to shortage of engineers and technicians in the respective LGAs due to transferring them to Tanzania Rural and Urban Road Agency (TARURA) and the Rural Water Supply and Sanitation Agency (RUWASA).

Procurement of building materials without pre-determined specifications and bills of quantities could not only lead to procurement of substandard items but also to procuring materials over and above the required quantities.

I recommend to the respective LGAs to liaise with PO-RALG to ensure allocation of adequate number of engineers and quantity surveyors to all the Councils facing this shortage to fill the vacant posts.

#### 9.3.4 Improper Handling of Building Materials Used in the Construction Projects TZS 3.48 Billion

Order 58 (1) of LGFM, 2009 requires delivered goods to be inspected to ensure conformity with agreed standards and specifications before they are accepted. Also, Order 59 (1) and (2) of LGFM, 2009 stipulates that "after goods have been examined and/or tested where necessary, and those responsible for the examination and testing have signed and certified the correctness of deliveries, the store's officer shall record the goods in the relevant ledgers, and each entry in the stores' ledger shall be supported by a traceable to a document such as a supplier's invoice, or stores returned issue voucher".

It is further amplified in Order 54(3) of LGFM, 2009 that a procuring entity should record receipts, issues and maintain physical balances of each item of stores in a separate page of the stock ledger.

Contrary to the cited Orders, I found 26 LGAs that paid for various building materials worth TZS 3.37 billion as shown in **Table 9-14**.

**Table 9 - 14: Improper Handling of Building Materials**

No.	Name of LGA	Amount (TZS)	No.	Name of LGA	Amount (TZS)
1.	Kigamboni MC	20,899,976	15.	Kishapu DC	120,320,970
2.	Kinondoni MC	898,470,016	16.	Msalala DC	275,283,100
3.	Chato DC	140,792,500	17.	Bariadi DC	8,515,000
4.	Iringa DC	116,976,028	18.	Itilima DC	4,547,000

No.	Name of LGA	Amount (TZS)	No.	Name of LGA	Amount (TZS)
5.	Mpanda DC	74,092,800	19.	Ikungi DC	32,237,500
6.	Hai DC	57,204,096	20.	Manyoni DC	306,256,688
7.	Babati DC	19,389,642	21.	Kaliua DC	65,056,826
8.	Kiteto DC	7,819,500	22.	Nzega TC	17,000,000
9.	Nanyamba TC	220,278,500	23.	Sikonge DC	93,793,104
10.	Ukerewe DC	57,975,000	24.	Handeni DC	63,169,573
11.	Madaba DC	242,823,968	25.	Handeni TC	213,421,885
12.	Mbinga DC	21,290,000	26.	Korogwe DC	4,200,000
13.	Songea DC	182,614,130	<b>Total</b>		<b>3,375,539,192</b>
14.	Kahama MC	111,111,390			

Source: Individual Council's Management Letters

In quite an unexpected scenario, I further detected that Kahama MC had the inspection and acceptance reports prepared before the actual delivery of building materials worth TZS 107.76 million. In view of the identified anomalies, I could not confirm the authenticity of the procurements and utilisation of the respective items for the intended projects.

In the absence of proper records of the procured stores in the relevant stores' ledgers, I could not confirm the utilisation of the procured stores, hence, the authenticity of the inspection and acceptance report cannot be relied upon.

I recommend for the respective LGAs adheres to the established controls on the accountability of goods procured and ensure that all goods delivered are recorded in the relevant stores ledger. I further recommend that, LGAs should ensure that goods' inspection and acceptance reports are prepared just after the delivery of the goods.

#### 9.3.5 Engagement and Payments Made to Local Artisans without Legal Binding Contracts Worth TZS 947.92 Million

Section 60(7) of Public Procurement Act, 2011 requires where a tender, offer, or proposal has been accepted by the Accounting Officer, the procuring entity, and the person whose tender, offer, or proposal has been accepted shall enter into a formal contract for the supply of goods, provision of services or undertaking of works.

Additionally, Clause 25.1 and 25.2 of the Guideline for Carrying Out Works using Force Account by Procuring Entities in Tanzania issued by PPRA on 22 May, 2020 states that, payment to entities involved

under this arrangement may be on piecework with a prepared work schedule of rates as per contract and the entity executing the work shall submit claims of payment as per terms and conditions stipulated in the contract respectively.

In the course of the assessment of projects implementation, I observed 12 LGAs that engaged local artisans in construction of various buildings, worth TZS 947.92 million without legally binding contracts. In this case, the authenticity of such payments could not be confirmed, as shown in **Table 9-15**.

**Table 9 - 15: LGAs That Executed Projects Without Contracts**

No.	Name of LGA	Amount TZS	No.	Name of LGA	Amount TZS
1.	Nsimbo DC	13,358,000	8.	Shinyanga MC	32,803,688
2.	Mwanga DC	27,940,333	9.	Bariadi DC	221,533,690
3.	Newala DC	22,120,000	10.	Itilima DC	64,350,000
4.	Buchosa DC	83,800,000	11.	Bumbuli DC	150,000,000
5.	Sengerema DC	90,402,000	12.	Handeni DC	30,157,250
6.	Kishapu DC	22,258,600	<b>Total</b>		<b>947,923,561</b>
7.	Msalala DC	189,200,000			

Source: Individual Council's Management Letters

I attribute the shortfall to weak internal controls over construction contract management in the respective LGAs.

I recommend that the respective LGAs comply with relevant laws and regulations in the management of construction contracts by ensuring the existence of legally binding contracts with local artisans. Also, I urge the respective LGAs to establish internal control systems that will ensure regular assessment of the signed contracts.

#### **9.3.6 Procurement of Building Materials Worth TZS 239.16 Million in Excess of the Requirements**

Clause 11. 1 of the Guideline for Carrying out Works using Force Account by Procuring Entities in Tanzania issued by PPRA requires the user/technical department to describe the construction or maintenance work needed to be executed.

In the course of my assessment of the procurements and physical verification of the projects implementation, I learnt that 10 LGAs

procured building materials totalling TZS 239.16 million in excess of the required quantities as detailed in the **Table 9-16**.

**Table 9 - 16: LGAs with Procurement of Excess Building Materials**

No.	Name of LGA	Amount (TZS)
1.	Longido DC	23,093,000
2.	Kakonko DC	6,144,000
3.	Mwanga DC	14,844,430
4.	Tarime TC	10,315,742
5.	Kwimba DC	4,436,000
6.	Kahama MC	1,100,000
7.	Manyoni DC	154,718,580
8.	Ileje DC	20,299,948
9.	Kaliua DC	2,172,000
10.	Tabora MC	2,036,500
	<b>Total</b>	<b>239,160,200</b>

Source: *Individual Council's Management Letters*

During site visits, I noted some of the procured building materials lying idle in Council warehouses without being used.

Procurement of excessive building materials for the projects, could either be misused or used for personal benefits.

I recommend that the LGAs should ensure the schedule of materials and Projects BoQs are accurately prepared to avoid procurement of building material in excess of the requirements. Also, the respective LGAs are encouraged to ensure the noted excess building materials were efficiently and effectively used.

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## CHAPTER 10

### OPERATIONAL PERFORMANCE IN THE EDUCATION SECTOR

#### 10.0 Introduction

The President's Office - Regional Administration and Local Government (PO-RALG) controls pre-primary, primary, secondary, adult and non-formal education in Tanzania Mainland with a duty of ensuring that all schools are well managed and provide quality education. In achieving this, it requires adequate resources such as competent teachers, infrastructure, physical facilities and teaching materials.

Since 1997, the Government of the United Republic of Tanzania, through the Ministry responsible for education, has been developing education development plans, referred to as Education Sector Development Plans (ESDP). The plans stemmed from the priorities of the Tanzanian Government, as set-out in the Tanzania Development Vision 2025, and set parameters for education sector development over a five-year period through the five-year development plans.

This chapter focuses on operational performance of LGAs in management of the education sector within their jurisdictions, where I have identified areas of weaknesses below: -

#### 10.1 Under Delivery of Textbooks by the Ministry of Education, Science and Technology to Schools TZS 19.42 Billion

Paragraphs 1 & 2 of the capitation grants circular for Government Primary Schools (free education) with Ref.No.DC.297/507/01/39 dated 28 December, 2015 require the Government to compensate TZS 10,000 and TZS 25,000 per annum for each student at primary and secondary schools respectively; where 40% is to be used to purchase books at the ministerial level and distribute to schools.

My review on implementation of the quoted circular in 22 LGAs revealed that, 6,323,566 textbooks were required to meet pupils demand in Government primary schools. However, only 1,467,829 (23%) were distributed during the year, depicting an under-delivery

of 4,855,737 textbooks costing TZS 19.42 billion as detailed in **Table 10-1**.

**Table 10 - 1: Under Delivery of Textbooks**

S/ No	Name of LGA	Required Text Books	Delivered Text Books	Under Delivery	Rate	Amount (TZS.)
1.	Babati DC	130,488	0	130,488	4,000	521,952,000
2.	Bariadi H/Mji	7,168	4,342	2,826	4,000	11,304,000
3.	Buchosa DC	767,564	50,391	717,173	4,000	2,868,692,000
4.	Bumbuli DC	194,221	49,740	144,481	4,000	577,924,000
5.	Bunda DC	165,839	54,571	111,268	4,000	445,072,000
6.	Dodoma H/Jiji	653,835	208,596	445,239	4,000	1,780,956,000
7.	Karatu DC	91,798	24,517	67,281	4,000	269,124,000
8.	Kinondoni MC	538,652	37,315	501,337	4,000	2,005,348,000
9.	Ludewa DC	630,189	218,624	411,565	4,000	1,646,260,000
10.	Mlele DC	95,196	26,586	68,610	4,000	274,440,000
11.	Mpanda DC	345,126	2,753	342,373	4,000	1,369,492,000
12.	Mpanda MC	362,810	113,874	248,936	4,000	995,744,000
13.	Mpimbwe DC	222,496	23,375	199,121	4,000	796,484,000
14.	Muheza DC	315,656	112,573	203,083	4,000	812,332,000
15.	Mwanga DC	24,715	17,546	7,169	4,000	28,676,000
16.	Nsimbo DC	43,044	38,538	4,506	4,000	18,024,000
17.	Nyanghw'ale DC	275,586	79,380	196,206	4,000	784,824,000
18.	Pangani DC	80,291	22,157	58,134	4,000	232,536,000
19.	Rombo DC	41,132	18,792	22,340	4,000	89,360,000
20.	Rorya DC	16,627	4,899	11,728	4,000	46,912,000
21.	Tarime DC	762,280	116,928	645,352	4,000	2,581,408,000
22.	Ubungu MC	558,853	242,332	316,521	4,000	1,266,084,000
<b>Total</b>		<b>6,323,566</b>	<b>1,467,829</b>	<b>4,855,737</b>		<b>19,422,948,000</b>

Source: Primary Schools Education Reports for 2021 and Text Books Delivery Notes

Under delivery of textbooks is attributed to inadequate efforts by the Ministry of Education, Science and Technology, in ensuring amount of 40% of Government compensation, is utilized for procuring textbooks and distributed to Government schools, based on student-to-book ratio standards. Non-compliance of the cited circular affects academic performance of the students.

I recommend that the Ministry of Education, Science and Technology complies with Paragraphs 1 & 2 of the capitation grants circular by ensuring 40% of Government compensation funds are utilized to procure textbooks and ensure they are distributed to the Government Primary Schools in order to meet standard ratio of student-to-book ratio.

## 10.2 Under-release of Free Education Grants from Ministry of Education, Science and Technology TZS 5.18 Billion

Paragraphs 1 & 2 of the capitation grants circular for Government schools (free education) with Ref.No.DC.297/507/01/39 (Primary Schools) and Ref.No.DC.297/507/01/40 dated 28 December, 2015

(Secondary Schools) required the Government to compensate TZS 10,000 and 25,000 per annum for each student at Primary and Secondary Schools respectively.

My further review on funds released for free education in 111 LGAs detected that in the financial year 2020/21, there was under release of grants for both primary and secondary schools, totalling TZS 5.18 billion; details are as shown in **Appendix 10-1**.

Under release of funds is a result of budget constraints and might affect students' academic performance, as most of the schools lack essential needs to facilitate quality education such as rehabilitation of infrastructure, procuring of teaching equipment and learning materials.

**I recommend that Treasury and the Ministry of Education, Science and Technology, budget sufficient funds for free education and release grants to enhance quality of education in the Country.**

### 10.3 Shortage of School Infrastructure in Primary and Secondary Schools



Para 4.3.1 of the Five- Year Development Plan (2016/17 to 2020/21) highlighted several key targets by 2020 improving teaching and learning environment such as class rooms, desks, text books, latrines/toilets ratios and improving working environment for teaching staff at all levels (commensurate remuneration, housing in close proximity to work premises).

Despite the Government's recently increased efforts in curbing the problem of shortage of infrastructure such as classrooms, teachers' houses, offices, chairs and tables in primary and secondary schools, my assessment on school infrastructure in 77 LGAs, revealed a shortage of infrastructure by 516,642 in primary schools and 136,278 in secondary schools' as shown in **Table 10-2**.

**Table 10 - 2: Shortage of Schools Infrastructures**

Primary Schools				
S/no.	Item	Requirements	Available	Shortage
1	Classrooms	124,268	49,533	74,735
2	Teachers' House	90,742	17,607	73,135
3	Teachers' Office	9,730	4,618	5,112
4	Chairs	150,833	84,944	65,889



Primary Schools				
S/no.	Item	Requirements	Available	Shortage
5	Tables	632,062	446,222	185,840
6	Pit latrine	178,547	66,616	111,931
<b>Total</b>		<b>1,186,182</b>	<b>669,540</b>	<b>516,642</b>
Secondary School				
S/no.	Item	Requirements	Available	Shortage
1	Classrooms	16,319	13,250	3,069
2	Teachers' House	22,103	4,011	18,092
3	Teachers' Office	2,044	637	1,407
4	Chairs	249,274	204,437	44,837
5	Tables	359,324	302,161	57,163
6	Pit latrine - Students	29,096	17,600	11,496
7	Pit latrine - Teachers	762	548	214
<b>Total</b>		<b>678,922</b>	<b>542,644</b>	<b>136,278</b>

Source: Primary Schools Education Reports

As academic performance depends on conducive learning environment, immediate intervention in handling of the shortage of school infrastructures' is inevitable.

I recommend that PO-RALG in collaboration with Ministry of Education, Science and Technology release funds as per approved budget and establish implementable strategies to either eradicate or reduce the problem of school infrastructure for enhancement of quality education.



#### 10.4 Shortage of Primary and Secondary Schools Teachers

Para 3.4.1 of the National Education Policy of 2014 requires availability and management of human resources for the development of the education and training sector. One of the objectives of the National Education Policy is to ensure by the end of 2022 the target of teacher to student ratio 1:45 (One teacher for 45 students) is achieved.

My assessment of teacher- to- student ratio in 103 LGAs noted that, out of 120,534 teachers required for primary schools, there were only 100,043 teachers implying a shortage of 20,491 equivalents to 17% as shown in **Appendix 10-2**. This has been attributed to the fact that most of newly employed teachers allocated to rural areas fail to turn up, while other teachers face non-conducive working environment and seek transfer to urban areas.

In my view, the existing shortage of teachers in 48 representative LGAs and could significantly affect the academic performance of students in the Country.

I recommend that Ministry of Education, Science and Technology in collaboration with Treasury to release sufficient funds and establish implementable strategies to close the gap in number of teachers by improving the professional competencies of teachers and to raise their morale by improving the quality of teaching environment. Also, PO-RALG is advised to seek employment permit from PO-PSMGG to fill the existing gap.

#### 10.5 Massive Dropouts of Students Before Completion of Standard VII

Para 4.3.1 of Five Years Development Plan II, set net Enrolment Ratio primary education level to be 100%. The government's on-going investment in education, has led to an increased enrollment which was mainly contributed by introduction of fee-free basic education. I sampled 27 LGAs and noted that between 2018 and 2021, 53,755 pupils failed to complete primary schools as detailed in Table 10-3.

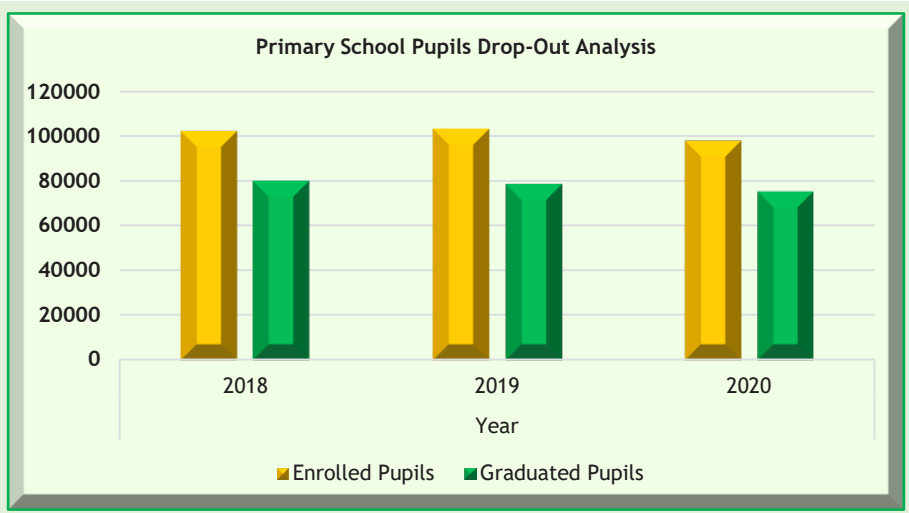
Table 10 - 3: Massive Dropouts of Students

S/No.	Name of LGA	Enrollment	Graduate	Variance
1.	Mbozi DC	13524	11733	1791
2.	Tunduma TC	3786	3527	259
3.	Kakonko DC	4050	2957	1093
4.	Kishapu DC	7,605	6,490	1115
5.	Mbogwe DC	7505	5397	2108
6.	Mlele DC	887	668	219
7.	Mpanda DC	5587	3675	1912
8.	Mpimbwe DC	2316	1732	584
9.	Nsimbo DC	4618	2594	2024
10.	Songwe DC	3263	2315	948
11.	Tabora MC	6245	5768	477
12.	Tarime MC	3162	2872	290
13.	Urambo DC	8137	3729	4408
14.	Babati TC	3810	2368	1442
15.	Kiteto DC	5194	3770	1424
16.	Bunda DC	13625	6060	7565
17.	Magu DC	12424	9645	2779
18.	Mbogwe DC	7505	5397	2108
19.	Musoma DC	7232	5560	1672
20.	Shinyanga DC	6835	6814	21
21.	Shinyanga MC	4983	2294	2689
22.	Tarime DC	12775	8289	4486
23.	Ushetu DC	9219	5945	3274
24.	Biharamulo DC	9511	5,579	3932
25.	Songea DC	3560	3164	396
26.	Babati DC	14569	10669	3900
27.	Mbulu DC	2224	1385	839
	<b>Total</b>	<b>184,151</b>	<b>130,396</b>	<b>53,755</b>

Source: Primary Schools Education Reports

The trend of school drop-outs has, however, been decreasing in recent years due to sensitization on the importance of education and community being aware of fee free education, as detailed in **Figure 10-1**.

**Figure 10 - 1: Trend of Primary School Pupils Drop-Out Analysis**



Source: *Primary Schools Education Reports*

My assessment established the main reasons for female school dropouts was related to pregnancy cases associated with long distances from their respective homes to schools, family background, and individual engagement which resulted in postponing studies.

I recommend that Ministry responsible for Education and Vocational Training, conducts reach- out programmes to the community, advice parents to enroll their children at nearby schools, improve teaching and learning environment by including appropriate teaching materials, provide career and technical education.

## 10.6 Insufficient Primary Schools Pupils Enrolment

My assessment of actual enrolment against planned levels of pupils' enrolment in government primary schools between 2018 and 2021 for 16 LGAs, revealed a difference of 9,427 pupils as detailed in Table 10-4.

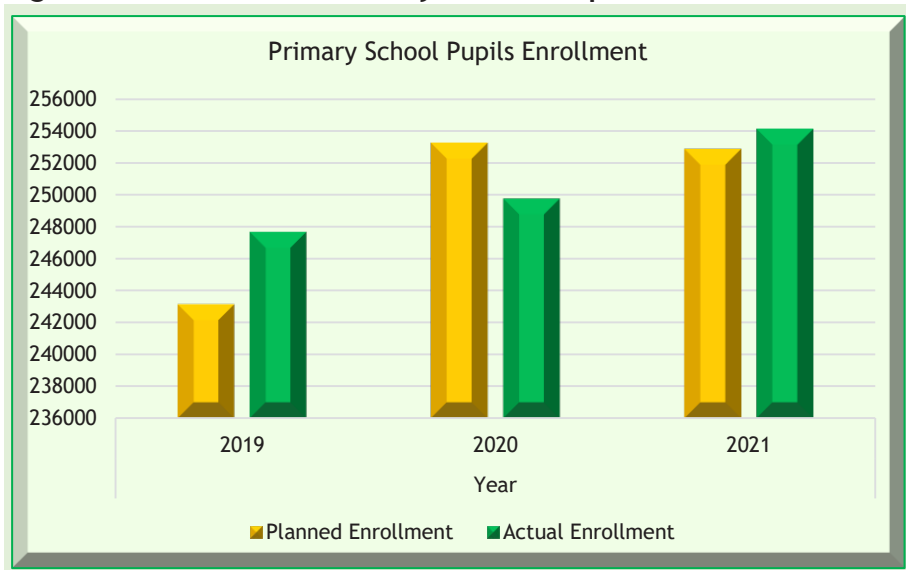
**Table 10 - 4: Low Rate of Primary Students Enrolment**

S/no.	Name of LGA	Planned Enrollment	Actual Enrollment	Variance
1.	Mpanda MC	8,317	7,357	960
2.	Nyangwale DC	8460	7,692	768
3.	Tabora DC	115,670	115,558	112
4.	Kibaha TC	3,384	3,377	7
5.	Buchosa DC	14,682	14,466	216
6.	Mlele DC	2,827	2,353	474
7.	Mpanda DC	14,169	11,729	2,440
8.	Tabora MC	4,395	4,176	219
9.	Ulanga DC	5,439	5,089	350
10.	Urambo DC	7,715	7,167	548
11.	Bunda DC	10,156	10,025	131
12.	Tarime DC	12,144	12,125	19
13.	Kilwa DC	8,901	7,671	1,230
14.	Lindi MC	2,242	2,110	132
15.	Morogoro DC	11,022	10,619	403
16.	Mtama DC	5,778	4,360	1,418
Total		235,301	225,874	9,427

Source: Primary Schools Education Reports

Despite the fact that there has been a yearly under performance in terms of students' enrollment, the trend, shows that for the past three years, enrollment has been fairly increasing in comparison with the plan since 2019 as shown in Figure 10-2.

**Figure 10 - 2: Trend of Primary Schools Pupils Enrolments**



Source: *Primary Schools Education Reports*

I have further noticed that key challenges, contributing to low enrollment rates, is the availability of private schools in most of urban areas, while in rural areas nomadic life of various communities which include movement of families engaging in livestock keeping, geographical location and inadequate knowledge on the importance of education by some communities whereby most of the parents prefer their children to farm and herd livestock rather than going to school.

**I recommend that the Ministry of Education, Science and Technology and other stakeholders facilitate sensitization to the community on the importance of education and improve learning environment within primary schools especially in rural areas.**

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## CHAPTER 11

### OPERATIONAL PERFORMANCE IN THE HEALTH SECTOR

#### 11.0 Introduction

Good health is crucial towards promoting the wellbeing of people and development of the Nation. Based on the audit findings featured in my LGAs reports, health sector is still facing several challenges of resources, including inadequate trained staff, limited budget, poor working environment, lack of infrastructures drugs and medical equipment.

In the course of review of the trend of health service delivery over a period of three years, I have observed despite extraordinary efforts exerted by the Government in ensuring every citizen acquires basic health care, there remains challenges that impact access to good quality health services particularly to common citizens.

This chapter provides some insights on those challenges across the health sector, identifies key areas which require management attention and suggests measures to be considered by the Government and other stakeholders to address those challenges, some of which are given below: -

#### 11.1 Delay in Completion of Construction of Health Facilities

In the course of evaluating operational performance of projects implemented in LGAs, I learnt that 54 LGAs received TZS 30.70 billion for construction and completion of health facilities, including District hospitals, health centres, and dispensaries.

My assessment of contracts, progress reports and site visits, indicated delays in completing construction of these facilities ranging from three months to three years. A list of LGAs with delayed construction of health facilities is shown in **Table 11-1**.

**Table 11 - 1: LGAs with Delayed Constructed Health Facilities**

No	Name of LGA	Project costs (TZS)	No	LGA	Project Costs (TZS)
1.	Geita DC	4,106,000,000	29.	Ngara DC	400,000,000
2.	Moshi DC	2,500,000,000	30.	Nachingwea DC	400,000,000
3.	Kondoa TC	1,977,660,749	31.	Kilindi DC	400,000,000

No	Name of LGA	Project costs (TZS)	No	LGA	Project Costs (TZS)
4.	Sengerema DC	1,417,797,820	32.	Rombo DC	387,543,766
5.	Madaba DC	1,150,000,000	33.	Tarime DC	384,575,150
6.	Mpanda DC	1,090,000,000	34.	Msalala DC	357,550,250
7.	Wang'ing'ombe DC	1,000,000,000	35.	Muleba DC	347,362,400
8.	Kigoma DC	996,004,020	36.	Magu DC	298,598,250
9.	Mufindi DC	950,000,000	37.	Chemba DC	295,000,000
10.	Sumbawanga MC	897,002,420	38.	Morogoro MC	281,569,575
11.	Mtama DC	720,000,000	39.	Manyoni DC	220,000,000
12.	Lushoto DC	694,467,322	40.	Nzega DC	220,000,000
13.	Gairo DC	650,000,000	41.	Ikungi DC	200,000,000
14.	Kibaha TC	605,000,000	42.	Busega DC	184,400,000
15.	Bariadi DC	596,870,574	43.	Mafinga TC	150000000
16.	Handeni DC	580,327,070	44.	Bumbuli DC	150,000,000
17.	Kalambo DC	545,000,000	45.	Momba DC	141,580,388
18.	Mafia DC	500,000,000	46.	Nzega TC	120,000,000
19.	Ruangwa DC	500,000,000	47.	Karagwe DC	75,840,000
20.	Mbeya DC	500,000,000	48.	Arusha CC	52,427,900
21.	Nanyamba TC	500,000,000	49.	Arusha DC	50,000,000
22.	Newala DC	500,000,000	50.	Chamwino DC	50,000,000
23.	Mbinga DC	500,000,000	51.	Nyang'hwale DC	50,000,000
24.	Itilima DC	500,000,000	52.	Makambako TC	50,000,000
25.	Iringa MC	460,773,698	53.	Mbozi DC	50,000,000
26.	Tanga CC	453,373,990	54.	Korogwe DC	50,000,000
27.	Tandahimba DC	445,000,000			
28.	Monduli DC	400,000,000		<b>Total</b>	<b>30,701,725,342</b>

The main causes for delays are late disbursement of project funds from the Ministry of Finance and Planning to the LGAs, delays in the supply of building materials from suppliers, lack of technical personnel, inadequate funds set aside for the construction of health facilities and adverse weather condition.

Time allocated for construction of the project was unrealistic, as it did not take into account aspect of project mobilisation and curing time for some stages of construction. In addition, 41 LGAs were given a sum of TZS 32.65 billion for completion of health facilities which had not previously been completed as shown in **Appendix 11-1**.

In my view, there is a high risk that Government would not achieve objectives of establishing health facilities in every district as envisaged in the Tanzania Development Vision 2025.

**I recommend for the parties involved in the construction of the health facilities in the country, work on the highlighted shortfalls by establishing strategies which will ensure projects are implemented within the agreed time frame to ensure the intended objectives are met.**

## 11.2 LGAs Delayed Project Commencement for Construction of Health Facilities

I found eight (8) LGAs which delayed in commencing construction of the health facility projects worth TZS 2.65 billion some of which their implementation took up to 6 months to start from the date the funds were received.

The major reasons for delay in commencement of construction of the health facilities projects included: the selected committees for construction of health buildings using “*force account*” lacked awareness on project implementation; long procurement process prior to commencement of the construction of the health facilities; and delay in transfer of funds from LGAs to lower levels where the projects were being implemented.

A list of LGAs which delayed in the commencement of construction of health facilities is shown in **Table 11-2**.

**Table 11 - 2: LGAs Delayed Commencement of Construction**

No.	Name of LGA	Amount (TZS)
1.	Mbarali DC	500,000,000
2.	Malinyi DC	500,000,000
3.	Wang'ing'ombe DC	500,000,000
4.	Kasulu DC	400,000,000
5.	Buchosa DC	250,000,000
6.	Mbozi DC	200,000,000
7.	Iringa DC	150,000,000
8.	Rorya DC	150,000,000
Total		2,650,000,000

I recommend to PO-RALG and LGAs to prepare realistic programs of work and schedule of materials and ensure LGAs adhere with the same during implementation of the construction of those facilities.

The projects have to take into consideration the time required to design, mobilisation, procurement process and construction, including recommended curing period for concrete work, to ensure projects are completed within the agreed time frame.



### 11.3 Health Facilities Completed but Not Put into Use TZS 3.98 Billion

I found out completed projects for health facilities, worth TZS 3.98 billion in 20 LGAs but were not put into use as planned. These projects included construction of surgical buildings, mortuaries, wards, dispensaries and health facilities. This implies that value for money on the respective projects was not achieved and there is a risk of deterioration of the particular health facilities due to wear and tear. Details of the LGAs noted with completed health facilities not put into use are shown in Table 11-3.

**Table 11 - 3: LGAs with Completed Health Facilities Not in Use**

SN.	Name of LGA	Amount (TZS)
1.	Iramba DC	199,000,000
2.	Busega DC	543,879,085
3.	Songea DC	450,000,000
4.	Namtumbo DC	433,745,800
5.	Morogoro DC	383,704,516
6.	Newala TC	346,667,590
7.	Maswa DC	280,082,579
8.	Igunga DC	154,000,000
9.	Kibaha DC	150,000,000
10.	Buchosa DC	150,000,000
11.	Kalambo DC	150,000,000
12.	Kilolo DC	120,000,000
13.	Kyerwa DC	100,000,000
14.	Kasulu TC	100,000,000
15.	Handeni TC	99,746,174
16.	Kibaha TC	75,000,000
17.	Kigoma/Ujiji	70,000,000
18.	Mkuranga DC	66,500,000
19.	Kibondo DC	60,722,050
20.	Kaliua DC	50,000,000
Total		3,983,047,794

I recommend to the respective LGAs to take appropriate measures to ensure all completed projects are put into use in order to achieve the intended objectives and value for money is obtained from the relevant health facility projects.

### 11.4 Loss Incurred Due to Expired Drugs TZS 3.49 Billion

Para 4.11 and 4.14 of the memorandum of understanding between MSD and MoHCDGEC requires MSD to arrange for disposal of expired, damaged, or obsolete health commodities and also to notify MoHCDGEC on the availability of overstayed health commodities (over ten months).

In the course of examination of registers for expired medical drugs, I established 46 LGAs had stocked expired medical drugs for periods ranging from three months to 20 years with a book value of TZS 3.49 billion which were not disposed-off as at the time of the audit. Expired drugs might have been caused by procurement or receipt of short shelf medicines from MSD and lack of systematic arrangement of stocks that will ensure drugs are issued on First- in-First out (FIFO) basis.

Storage of expired drugs, without disposal, might cause harm to the public if they are used accidentally or land in the hands of unscrupulous individuals. Trend of expired drugs for the past consecutive three years are indicated in **Table 11-4**.

**Table 11 - 4: Trend of LGAs with Expired Drugs**

F/Year	Number of LGAs Involved	Time Range (Years)	Amount Involved (TZS)
2020/21	46	0-20	3,490,306,860
2019/20	31	0-20	1,537,713,125
2018/19	14	0-19	7,334,114,927

The above trend shows that the number of LGAs with expired drugs has been increasing since the financial year 2018/19, which implies that previous years' audit recommendations had not been taken into account by the respective LGAs. The respective LGAs with expired drugs and the related values are as shown in **Appendix 11-2**.

I urge the LGAs found with expired drugs, to ensure the drugs are disposed of in line with the requirements of the laws. In addition, LGAs keeping expired drugs are advised their optimum re-order levels.

#### **11.5 Challenges in the Implementation of Community Health Fund Schemes (CHF)**

The CHF scheme started in 1996 with the expectation of covering the whole country. The scheme was identified as a possible mechanism for granting access to basic health care services to large population in the country's rural areas and the informal sector. Its primary goal is to raise additional funds to enable the poor and vulnerable groups access health care services.

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The Government introduced an improved Community Health Fund (iCHF) scheme, through the Community Health Fund Act, 2001, with the aim of facilitating the provision of quality, equitable, accessible, affordable, sustainable, and gender-sensitive health services to local communities towards achieving the national goals under the health sector.

This is being achieved by mobilising financial resources from the community (household) for each year, and the Government contributes the same amount as paid by the individual household. The iCHF has a billing mechanism of claiming for services rendered similar to NHIF. The iCHF, 2019, has objectives of monitoring collections of revenues, provision of quality health services at lower prices and improved health services to the surrounding communities.

Further, Para 3.3 of the Community Health Funds Financial Management and Operational Guidelines issued in 2014 states that, *"CHF management team should timely complete and successfully apply for matching grants."*

During the year under review the following shortfalls were noted: -

#### **11.5.1 iCHF Claims Not Reimbursed TZS 220.86 Million**

Paragraph 4.5 of Community Health Funds Operational and Management Guidelines states that "Health service providers (Hospitals, Health Centres and Dispensaries) should be paid monthly and the funds be credited directly to their health facility accounts." It further states that "the amount to be paid for each facility is calculated using capitation formula based on three factors, whereby for Dispensary & Health Centre); Payments are made basing on; i) services utilisation by CHF members (number of visits), ii) catchment population with facility, and iii) number of the insured population (active members)".

On the contrary, the LGAs through health facilities claimed the sum of **TZS 220.86 million** which was not reimbursed, as detailed in **Table 11-5**.

**Table 11 - 5: LGAs with iCHF Claims Not Reimbursed**

SN.	LGA	Amount (TZS)
1.	Kalambo DC	23,665,544
2.	Lindi Mtama DC	110,875,000
3.	Korogwe TC	16,292,673
4.	Ludewa DC	15,618,600
5.	Singida MC	15,228,438
6.	Misungwi DC	15,063,840
7.	Sengerema DC	14,677,200
8.	Kibondo DC	9,437,829
Total		220,859,124

I recommend that the respective LGAs (a) establish an effective mechanism of reviewing iCHF claims before submission for reimbursement; and (b) make close follow up to ensure that outstanding claims are reimbursed by iCHF.

#### **11.5.2 Ineffective Operations of the improved Community Health Fund (iCHF)**

My evaluation of the effectiveness of iCHF in achieving the intended targets and objectives found the following challenges:

- (i) There was inadequate communication between the Council and Regional Secretariat on the management of funds remitted against reimbursement. There was no reconciliation being performed for the amount claimed by the respective LGAs.
- (ii) The status of processed iCHF claims are not displayed in the system, and the data of households which made their contributions differed from one sub-module to another.
- (iii) Late submission of reimbursements to the health facilities for the claims of services provided, also the formula for the calculation of the reimbursements made to the health facilities could not be ascertained.
- (iv) Inadequate training given to registering officers, leading to inefficient use of the Insurance Management Information System (IMIS) during registration of households.
- (v) Shortage of funds to facilitate transport for registration and supervision activities.

- (vi) Nine LGAs failed to meet their set targets of registering the planned households resulting into under-collection of TZS 667.29 million, as shown in **Table 11-6**.

**Table 11 - 6: List of LGAs with ineffective iCHF**

No.	Name of LGA	Amount (TZS)
1.	Njombe TC	271,260,000
2.	Sikonge DC	101,940,000
3.	Itilima DC	82,680,913
4.	Handeni DC	59,971,961
5.	Igunga DC	52,260,000
6.	Tabora MC	45,330,000
7.	Kasulu TC	39,640,500
8.	Mbogwe DC	8,510,000
9.	Bariadi DC	5,698,110
	<b>Total</b>	<b>667,291,484</b>

I recommend that the respective LGAs budgets adequately finances operations of iCHF in achieving the intended targets and objectives.

#### 11.6 Medicines and Medical Supplies Paid for, but Not Delivered TZS 1.17 Billion

In the course of review of payments made by LGAs against deliveries of medicines and medical equipment to health facilities, I found that the Medical Store Department (MSD) had not delivered medicines and medical equipment worth TZS 1.17 billion to nine (9) LGAs up to 30 June, 2021. Non delivery of medicines and medical equipment affects the ability of health facilities to provide quality health services to the community. A list of LGAs found with the highlighted anomalies are shown in **Table 11-7**.

**Table 11 - 7: LGAs Paid for medical items Not Delivered**

No.	Name of LGA	Amount (TZS)	No.	Name of LGA	Amount (TZS)
1.	Mbinga DC	422,558,996	6.	Kahama MC	31,646,500
2.	Mbinga TC	304,793,554	7.	Mpanda DC	24,468,700
3.	Longido DC	184,593,204	8.	Handeni TC	15,739,700
4.	Songea MC	113,110,672	9.	Mkinga DC	1,334,690
5.	Mwanza CC	70,231,600		<b>Total</b>	<b>1,168,477,616</b>

I recommend that PO-RALG designs strategies which will ensure medicines and medical equipment are delivered to respective LGAs by MSD to enhance sustainability of the service delivery by the health facilities.

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## 11.7 Loss Due to Rejected NHIF Claims TZS 2.34 Billion

My assessment in hospitals, health centres and dispensaries revealed rejected claims totalling 2.34 billion for 111 LGAs being dues submitted to the National Health Insurance Fund (NHIF) attending patients' eligible for NHIF services, as detailed in **Appendix 11-3**.

This was attributed to non-compliance with required procedures and other faults such as invalid authorization, improper diseases code, non-adherence to standard treatment guidelines, non-indicating of diagnosis test, and inclusion of services that were not in NHIF package.

I revealed that rejected claims increased from that of preceding year by TZS 520 million, which implies that my previous recommendations on this matter was not effectively implemented.

Rejected NHIF claims affect the stability of facilities to provide health services to the communities as could result into a shortage of financial resources for acquisition of medicine and medical equipment.

I recommend that the Government through PO-RALG designs appropriate training to build capacity for health workers on accurate filling of NHIF claim forms to prevent recurrence of the problem.



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## CHAPTER 12

### OPERATIONAL PERFORMANCE OF THE WOMEN, YOUTH AND PEOPLE WITH DISABILITIES REVOLVING FUND

#### 12.0 Introduction

In 1993, the Government through the Parliament introduced seed money for women and youth, to uplift economically disadvantaged women and youth with no access to loans issued by financial institutions, due to lack of collateral. The LGAs empowerment loans were allocated at 5% for both women and youth.

In 2019, the Government, through Parliament made amended the Local Government Finance Act, Cap 290 [R.E. 2019] by adding section 37A specifically to facilitate of loans to women, youth and persons with disabilities. Section 37A (1) of this Act requires all LGAs to set aside 10% of their revenue collection to provide interest-free loans to registered groups of Women, Youth, and People with Disabilities. Likewise, regulation 4 of the Regulation of Issuance and Management of Credit for Registered Groups of Women, Youth and People with Disability, 2019 (G.N. No. 286 of 5 April, 2019) requires LGAs to set aside 10% of their revenue collection to provide interest-free loans to registered groups of Women, Youth, and People with Disabilities.

Issuance of loans to women, youths, and people with disability groups aims at promoting economic growth among respective groups by engaging themselves in development activities intending to improve their standards of living. For the funds contributed to women, youths, and people with disabilities account to revolve, LGAs are required to ensure loaned amounts are recovered according to the agreement between them and beneficiary groups.

My follow-up on the compliance with the requirements of the prevailing legislation revealed that beneficiaries in 155 LGAs did not refund TZS 47.01 billion as loan recovery. Further, 83 LGAs did not contribute TZS 6.68 billion to the Fund as required by the legislation, which hinders the government's objective of economically empowering women, youths, and people with disabilities, with the aim of alleviating poverty.

I also found that 5 LGAs issued TZS 178.61 million to non-qualified groups, and TZS 1.24 billion was not transferred from the deposit account in 11 LGAs to the special account of WYDF, contrary to Regulation 22 (1) and (2) of Women, Youth, and People with Disabilities (WYDF), 2019.

The following were the noted weaknesses: -

#### **12.1 Failure of LGAs to Collect Amount Due from Loan Issued to Groups 47.01 Billion**

My assessment of the performance of the Women, Youth, and People with Disabilities Revolving Fund in 185 LGAs revealed that 155 LGAs had not recovered most of the loans issued to the groups who owe these LGAs TZS 47.01 billion. This is due to ineffective control over loans management. List of LGAs with unrecovered loans is shown in **Appendix 12-1**. Further, details of outstanding group loans for five consecutive years is shown in **Table 12-1**.

**Table 12 - 1: Trend of Outstanding Group Loans**

Financial Year	No. of LGAs tested	Unrecovered Amount (TZS)	Percent (%)
2020/21	155	47,006,024,260	70
2019/20	130	27,790,189,049	65
2019/18	111	13,794,359,981	59
2018/17	90	10,044,453,656	59
2016/17	84	5,809,326,477	63

The noted anomaly entails that, the respective LGAs issued loans before performing a detailed analysis of group repayment history and reviewing the relevant project proposals to ensure that the groups were capable of timely repaying of their loans. In addition, there is no close follow-up to collect the outstanding loans from the groups. It is evident that non-recovery of loans could deplete the revolving Fund.

To attain the Fund's aim and sustainability, I reiterate my previous audit recommendation to LGAs to perform due diligence before issuing the loans and to exert more efforts in collecting the outstanding loans from these groups.

In addition, I advise PO-RALG to institute effective loan recovery measures by involving loan management professionals who will



promote voluntary compliance to loan repayment to attain the sustainable growth of the Fund.

## 12.2 Funds Not Transferred from Deposit Account to the Fund TZS 1.39 Billion

My assessment found that 11 LGAs had not transferred a total of TZS 1.24 billion from miscellaneous deposit accounts to special credit accounts for WYDF, which has been opened to Facilitate Revolving Fund activities contrary to regulation 22 of the Regulation of Issuance and Management of Credit for Registered Groups of Women, Youth and People with Disability, 2019 (G.N. No. 286 of 05.04.2019) which requires LGAs to establish a special credit account for recoveries of loans and all funds allocated for WYDF to be deposited in that particular account.

I am convinced that the funds might have been used to implement unintended activities, resulting into delays in issuing loans to beneficiary groups.

A list of LGAs which did not transfer WYDF funds to special accounts is shown in **Table 12-2**.



**Table 12 - 2: Funds Not transferred to Special Accounts by LGAs**

SN.	LGA	Amount (TZS)
1.	Ushetu DC	308,528,550
2.	Iringa DC	236,486,588
3.	Nanyumbu DC	179,268,173
4.	Kilolo DC	122,596,622
5.	Rungwe DC	115,777,111
6.	Sengerema DC	59,511,900
7.	Bahi DC	54,222,488
8.	Busega DC	49,090,000
9.	Momba DC	41,795,000
10.	Gairo DC	38,679,672
11.	Ileje DC	32,043,700
	<b>Total</b>	<b>1,237,999,804</b>

In addition, the assessment made in the commercial bank account maintained by the LGAs found that TZS 156.23 million relating to Women, Youths, and People with Disabilities was accumulated in the commercial bank accounts, for more than a year, without being loaned to the beneficiaries. There were no justifiable reasons for

accumulation of funds without providing loan to the beneficiaries, as shown in Table 12-3.

**Table 12 - 3: LGAs with Balances in Commercial Bank Accounts**

SN.	LGA	Amount (TZS)
1.	Mpwapwa DC	108,703,450
2.	Nyasa DC	47,530,700
	<b>Total</b>	<b>156,234,150</b>

I advise PO - RALG to instruct the respective LGAs with the balances in the miscellaneous deposit and commercial bank accounts to transfer those balances to the WYDF credit account and ensure the funds are used for the intended purposes.

### 12.3 Loan Issued Without Complying with Loan Disbursement Ratio

Regulation 5(2)(a) -(c) of the Women, Youth and People with Disabilities Loan Disbursement and Supervision Regulations, 2019 require LGAs to issue loans based on the allocation of their own source fund provided that is 40% of the fund to Women groups, 40% to Youth groups, and 20% to people with disabilities.

My assessment on loans issued to groups revealed that, 17 LGAs issued loans amounting to TZS 3.26 billion to groups without considering the agreed loan disbursement ratio of 40% to women, 40% to youth, and 20% to PWDs. A list of LGAs issued loans without complying with the loan disbursement ratio is shown in Table 12-4.

**Table 12 - 4: LGAs Issued Loans Against Agreed Disbursement Ratio**

SN.	LGA	Amount (TZS)
1.	Geita TC	952,500,000
2.	Chato DC	300,000,000
3.	Songwe DC	292,500,000
4.	Shinyanga DC	230,244,000
5.	Same DC	229,000,000
6.	Kasulu TC	184,423,061
7.	Kakonko DC	145,031,130
8.	Nanyumbu DC	136,000,000
9.	Mbogwe DC	117,213,883
10.	Kondoa DC	116,000,000
11.	Newala TC	110,114,000
12.	Rorya DC	104,800,000
13.	Bunda TC	104,000,000
14.	Mpwapwa DC	98,590,000
15.	Korogwe DC	87,500,000
16.	Manyoni DC	37,180,000
17.	Ikungi DC	19,220,000
	<b>Total</b>	<b>3,264,316,074</b>

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Non consideration of disbursement ratio hinders Government's efforts of allocating its resources according to priorities.

**I recommend that the respective LGAs should adhere to Women, Youth and People with Disabilities Loan Disbursement and Supervision Regulations, 2019, by ensuring that the agreed disbursement ratios are considered when issuing loans.**

#### **12.4 Under Contribution to Women, Youth and Disabled Fund TZS 6.86 Billion**

Section 37(A) of the Local Government Finance Act, Cap 290 [R.E. 2019] requires the LGAs to contribute 10% of their own source revenue collection to Women, Youths, and People with Disabilities Fund for the purpose of funding registered groups of women, youths, and people with disabilities.

My follow-up on the compliance with the requirement of the Fund Regulations found that 83 LGAs did not contribute a total of TZS 6.86 billion from their own source revenues as shown in **Appendix 12-2**. Further, detailed trend of outstanding contributions by LGAs to the fund for three years are shown in **Table 12-5**.

**Table 12 - 5: Trend of Outstanding Contributions to WYDF**

Year	No. of LGA tested	Outstanding 10% Amounts (TZS)
2020/21	83	6,857,306,654
2019/20	82	5,720,140,159
2018/19	115	9,930,902,514

**I recommend that PO-RALG and the respective supervisory organs as stipulated in the above Regulations should strengthen supervision and make close follow up with LGAs to ensure that the contributions are paid in full to the Women, Youths, and People with Disabilities Fund, in line with the requirements of the law.**

#### **12.5 Non-involvement of Loans Management Professions on Loan Appraisal, Processing, Issuance, and Recovery**

Regulation 8 of the Issuance and Management of credits to women's groups, youth, and people with disabilities Regulation, 2019 requires

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all procedures for issuing and management of credit to be managed by LGAs.

My assessment of the procedures followed during issuance of the loans to registered groups identified several challenges, including inadequate capacity of the Community Development Departments at LGA level to process, manage, ensure recovery of the loans and provide business development services to beneficiaries, which limits the women, youth, and people with disabilities funds to effectively operate as revolving fund.

I also found that due diligence for the groups applying for loans was not being carried out at all before the loans were issued. This is due to a lack of professional expertise on how to carry out due diligence for groups applying for loans. Further, lack of legal assistance from the respective legal units on loan insurance procedures, specifically on loans issued to youth, who mostly used to purchase motorcycles and tricycles. In addition, the Fund has no policy on how to deal with Non-Performing Loans (NPLs).

As a result of absence of adequate capacity to manage the funds, there has been an increase in outstanding loans issued to groups to the tune of TZS 47.01 billion related to 155 LGAs (**as detailed in paragraph 12.1 of this report**) due to non-performing and/or fictitious loans, which as a result may deplete the revolving fund and make the fund unsustainable.

**I recommend that PO-RALG considers the use of available Government Banks, such as Tanzania Commercial Bank, and Fund Managers such as TIB Development Bank who posses adequate experience and expertism in appraisal, disbursement and recovery of loans, to ensure loans are efficiently issued, monitored and repaid at minimal possible operational costs. Further, PO-RALG is advised to prepare a non-performing loan (NPL) policy to manage issued loans to these groups.**

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## CHAPTER 13

### OPERATIONAL PERFORMANCE OF MARKETS AND BUS STANDS

#### 13.0 Introduction

Pursuant to local government establishment regulations, LGAs are required to regulate and control all markets and bus stands. Additionally, as envisioned in the concept notes of feasibility studies and strategic projects documents, markets and bus stands generate revenue streams for LGAs which provide resources for further investments and enhance service delivery to the surrounding communities.

However, in managing the markets and bus stands, LGAs face challenges, such as the existence of abandoned-vacant markets and bus stands, due to inadequate feasibility studies, unconducive operational environment, lack of offices for market supervisors and absence of tenancy contracts. Land disputes attributed to lack of title deeds and presence of public officials who do not always act in the best interests of the public had also contributed to inefficiencies in management and operationalization of markets and bus stands.

In this chapter, I will discuss in detail operational efficiency in the management of markets and bus stands in LGAs and provide recommendations which encompass short and long term measures for the government to consider towards mitigating identified weaknesses.

#### 13.1 Unforeseeable Return from Stalls at the New Markets and Kilole Bus Stands Worth TZS 533.68 Million

During the financial year ended 30 June, 2021, I conducted site visits to various markets and bus stands and found some of them were not fully being utilized as analysed below:

Chuno Market in Mtwara - Mikindani MC was constructed under TSCP at a cost of TZS 5.54 billion with the projected annual collections of TZS 138.10 million per annum. I found that the Market had 237 market facilities which were vacant for more than 4 months, resulting into loss in revenue of TZS 32.11 million.

Further, Skoya, Magomeni and Chiyangu Markets and Chipuputa Bus Stand within Mtwara - Mikindani Municipality were vacant for the whole year, with a total expected revenue loss of TZS 131.10 million as presented in **Table 13-1**.

**Table 13 - 1: Loss from Vacant Markets and Bus Stands**

Market / Bus Stand	Hired Stalls	Vacant Stalls	Rate (TZS)	Vacant (months)	Apparent loss (TZS)
Chipuputa Bus stand	173	130	50,000	12	78,000,000
Skoya Market	84	81	40,000	12	38,880,000
Magomeni (A) Market	08	59	10,000	12	7,080,000
Magomeni (B) Market	07	22	10,000	12	2,640,000
Chiyangu Market	16	15	25,000	12	4,500,000
<b>Total</b>					<b>131,100,000</b>

At Masasi TC, I found Mkuti Market with 68 vacant stalls which would have generated the revenue of TZS 12.84 million per annum.

Further, in other LGAs, I could not quantify losses in some of the vacant markets and bus stands due to incomplete records. These include bus stand at Mangaka Town, Mbagala-Kuu Market, Kijichi Market and Kijichi Shopping Mall.

At Mangaka Town within Nanyumbu DC, the construction of a new bus stand was completed, comprising of business facilities, such as shops, pharmacy, cafeteria, mini-super market and bar that are offered for renting. However, only 14 facilities have been occupied leaving 31 unoccupied.

The Mbagala-Kuu Market, Kijichi market and Kijichi Shopping Mall at Temeke MC were financed by Dar es Salaam Metropolitan Development Project (DMDP). I found that Mbagala-Kuu Market, with a construction cost of TZS 1.19 billion, had 141 empty stalls out of 180 stalls (78%). Also, I found 8 frames equivalent to 88% being vacant.

Kijichi Market which costed TZS 765.01 million, was not rented at all. Kijichi Shopping Mall which costed TZS 1.73 billion was also totally vacant, while at Makangarawe Market, 147 out of 186 (or 79%) stalls, 14 out of 19 (74%) stalls, two butchers and one mini-super market were vacant.

Further, my special audit at Kilole Bus Stand in Korogwe TC for the period between the financial year 2017/18 and 2019/20 revealed a huge number of vacant stalls, which result into loss of revenue estimated at TZS 357.63 million. The situation has not improved as shown in **Table 13-2**.

**Table 13 - 2: Trend of Vacant Stalls at Kilole Bus Stand**

Details	Available	Rented	
		2018/19	2019/20
Stalls	56	19	1
Fish Butchers	3	0	0
Meat Bucher	3	0	0
Town dwellers	4	0	0
Chicken market	1	0	0
Toilet	1	0	0
Warehouse	1	0	0
Food Vendors	4	0	0

I accord Masasi TC Management which plans to reduce rent rates imposed by the Council to attract more tenants, including small traders. I also commend measures taken by the Management of Temeke MC for organizing a series of events (gulio) and deploying services such as NIDA, RITA, TRA, service tariffs and issue of business licenses in its markets, in an attempt to increase movement of more people, and eventually attract them to rent at those vacant premises.

I am convinced that limited usage of constructed markets and bus stands, and if the matter will not be addressed timely, could lengthen return on substantial investment made, and at certain points, vacant market stalls could become dilapidated.

I call for PO-RALG to liaise with management of LGAs to enhance effective management of its market system by ensuring all traders conduct their businesses in the constructed markets and bus stands to obtain value for money from the constructed infrastructures, instead of informal areas.

Additionally, the availability of socio-economic factors such as electricity, water, population, settlements and the likes, need to be assessed during conducting the feasibility studies, since their presence create suitable trade environment.

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### **13.2 Abandoned Rice Market Warehouse Worth TZS 677.42 Million**

A visit made at the rice market and warehouse at Mahiga village in Kwimba DC which was completed since 7 May, 2017 and which was financed by MIVARF at the cost of TZS 617.42 million, found that in the year 2018, the Council installed a rice processing machine worth TZS 60 million, which made a total investment of TZS 677.42 million. The Project objective was to facilitate rice storage with the aim of selling at prevailing market prices, hence, improving the Council's revenue and community income.

Despite the substantial amount of money invested, I found out that the market infrastructures, including the warehouse, were abandoned for a long period due to lack of electric power supply to run the rice processing machine.

On inquiry, I was informed by management that a feasibility study of the project was conducted by involving several stakeholders, including TANESCO who were informed through a letter with reference number MZA/KDC/M.20/5/58 dated 18/07/2017, for supporting development of the rural community. The Council decided to locate the project at Mahiga area with an intention of adding value to the existing irrigation scheme where crop productivity was high.

I am convinced that with the conditions of the abandoned market and warehouse infrastructures, it is obvious that, in the long run, the project will be dilapidated before it could deliver the intended benefits.

**I call for PO-RALG, TANESCO and LGAs Management to consider lack of power supply to the warehouse as a matter of urgency, which needs an immediate action to operationalize the abandoned project and obtain value for money.**

### **13.3 Loss of Revenue Arising from Demolished Tarime Market TZS 900 Million**

Tarime Market was among strategic projects approved by the Ministry of Finance and Planning for the financial year 2018/2019. The contract for implementation of the project was signed on 5



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February, 2019 between the Ministry of Finance and Planning and Tarime TC team led by Mara Regional Secretariat.

Following that agreement, the existing market was demolished during site clearance to allow the construction of Tarime Modern Market. On 14 May, 2019, the Council entered into contract with one company at the contract price of TZS 8.07 billion.

However, before the commencement of the project, the Government waved aside all strategic market projects in selected LGAs which had not started, including Tarime Market project. Review of the underlying financial records revealed an average collection of TZS 300 million from the demolished market per annum (or TZS 900 million in 3 years)

Although the Management of the Council explained that TZS 3 billion has been allocated in the Council's 2021/22 budget, and tendering process for the construction of Tarime Modern Market has resumed, I am convinced that the government order to cease construction of the Tarime Modern Market, has led to a loss of TZS 900 million. This amount could have been collected from the demolished old Tarime Market.

**I urge the Council to communicate with the Ministry of Finance and Planning and PO - RALG to ensure that budgeted funds are released timely to resume the implementation of the project to avoid further losses of revenue.**

**More importantly, government officials entrusted with governance and accountability of public resources to ensure due diligence during decision making to avoid substantial losses of public funds.**

#### **13.4 Unconducive Environment and Hygiene in Markets and Bus Stands**

I observed at Temeke Stereo, Tazara, Mbagala Rangitatu, Mbande and Kisewe Markets substandard structures, deprived drainage system, uncontrolled leakages, solid wastes accumulation, poor hygiene facilities including inadequate number of toilets, bathrooms, hand washing facilities and smashed walls, floors and stalls which remained unrepaired for a long period.

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In response to the observed situation, Temeke MC Management informed me that TZS 230 million has been set aside in the Council's budget for the financial year 2021/22 to rectify such anomalies.

Generally, most LGAs have relaxed to recommend safety measures in markets and bus stands without justifiable reasons. A greater number of markets and bus stands no longer practice health safety measures, including those relating to wastes management. I am convinced that the current situation could lead to outbreaks of diseases, such as cholera, as lack of hand wash facilities in markets and bus stands could escalate widespread of COVID 19 pandemic and other communicable diseases if adequate measures are not timely undertaken.

**I call for PO-RALG and LGAs to liaise with the Ministry of Water and other responsible authorities to strengthen health safety measures, by ensuring the provision of safe water, sanitation and waste management and hygienic conditions in marketplaces and bus stands to control the outbreak of diseases.**

**Moreover, I urge PO-RALG to issue a Circular to all LGAs to allocate funds in their budgets for rehabilitating damaged markets and bus stands infrastructures and ensure that there is office for supervisors for controlling and overseeing day to day operations.**

### **13.5 Rented Stalls in Markets and Bus Stands Without Contracts**

I found that the majority of tenants for stalls at various markets and bus stands operated without valid contract agreements. This situation was noted at Mtwara-Mikindani MC, where 347 out of 737 tenants at three markets, and one bus stand assessed (or 47%), did not possess signed agreements with the Council. In a similar vein, 248 tenants along Lindi Bus Stand, Ilulu Stadium and Lindi Market within Lindi MC were found without contracts.

At Musoma MC, despite my recommendation on this matter during the financial year 2019/20, regarding Central Market, Nyasho Market, Nyasho Mlango Market, Bweri Stand and Kamnyonge Market, only 99 out of 715 contracts were availed for audit verification, implying that 616 shops are still rented without contracts.

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One possible explanation provided by respective management regarding the absence of tenancy contracts in markets was that there were disputes over ownership of the said stalls between the Council and the business owners, who in the past, built the stalls within the market areas without legally binding agreements.

In the light of series of audits, I conducted in multiple years, disputes over market stalls ownership had been observed in LGAs. My assessment found that LGAs experience negative consequences as a result of their past decisions of allowing people to build stalls in LGAs' market spaces without entering into signed and documented enforceable terms.

**I call for PO-RALG to liaise with LGAs to ensure disputes arising from past arrangements are regulated in favour of all parties involved. Thereafter, every tenant to be served with a contract agreement to regulate the anomalies observed.**

### **13.6 Invasions of Market Spaces and Lack of Title Deeds for Market Lands**

I reviewed cases No. 196/2021, 188/2021, 191/2021, 193/2021 and 195/2021 filed by Temeke MC at the District Land and Housing Tribunal against respondents praying for the tribunal to investigate on the legality of ownership of an area on which shops were built at Madenge Market, while the Municipal claimed to be the legal owner of the area.

Invasion of market places observed at Madenge Market is just an example which cuts across all LGAs. Lands reserved for public use, including constructions of markets and bus stands, are usually invaded resulting into disputes, some of which have been filed in various courts and tribunals without a notable success.

In my opinion, this is prompted by lack of title deeds, informal land transactions aggravated by widespread corruption and entrenched behaviour of local administrators and political leaders, including Councilors who have the mandates and responsibilities to safeguard LGAs assets.

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The situation is even alarming in Mwanza and former Dar es Salaam CC which had land valued at TZS 199.02 billion and TZS 199.77 billion missing title deeds respectively, while at Dar es Salaam CC (formerly Ilala MC), 93% of land valued at TZS 925 billion had no title deed. This situation escalates invasions of lands allocated for LGAs' markets, bus stands and for other purposes.

**I call for LGAs to address all the legal gaps and inconsistencies relating to land disputes, by instituting measures, which will prevent corruption and political influence to invade LGAs plots, particularly, those allocated for market constructions.**

**More importantly, I call for LGAs to survey and obtain title deeds or certificates of right of occupancy of the Councils' lands, as required by section 29(1) (b) of the Land Act, Cap 113.**



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## CHAPTER 14

### REVIEW OF INVESTMENTS PERFORMANCE

#### 14.0 Introduction

In a bid to increase own source revenue and have steady cash flows to meet growing demand for quality services, some LGAs have invested in different portfolios to earn returns. The investments include shares, hotels, investment properties and other business ventures. In ensuring effectiveness in managing the investments, some LGAs have established vehicles, such as subsidiaries and joint ventures to take up the operations of the newly established entities.

In this chapter, I assess the viability and performance of investments made by LGAs. I further analyse the effectiveness of management of the respective LGAs in managing the investments. I also discuss in detail the available laws, regulations, policies, guidelines and other frameworks, which streamline all investment decisions by LGAs to ensure public funds are efficiently spent on viable investments.

#### 14.1 Investment in Shares



##### 14.1.1 LGAs Investments in Underperforming Commercial Bank

My assessment of one Commercial Bank performance derived from the published audited financial statements for the year ended 31 December, 2020 revealed that the bank recognized a profit of TZS 0.45 billion, compared to TZS 2.04 billion as at 31 December, 2019. The Bank is not cost effective as 96% of its income is absorbed by operating cost, that means the Bank is not generating enough profit for its shareholders.

Despite such unfavorable financial and economic performance, a number of LGAs have continued to invest in the Bank, hence risking the public funds through such unfeasible investment.

For instance, return on Assets (ROA) for the year ended 31 December, 2020 was 0.3% which was below 5% considered favorable, indicating inability of the Bank to generate income out of its

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investment assets, despite the growth of asset by 22% compared to 7% of the previous year.

Further, the ratio of income generated by the shareholders' equity (return on equity) of 2% was very minimal compared to the industry average of 15%-20%.

Additionally, my review of the Bank's audited financial statements for the year ended 31 December, 2020 revealed that, earnings per share dropped from TZS 22 to TZS 5.

On 23 July, 2018, PO-RALG issued a directive with reference No.DB.59/184/01/81 which required some LGAs to boost Bank's capital by buying more shares. However, in implementing the directives, LGAs were not advised or provided with an option to assess the viability of investments to be made to the Bank.

In response to the PO-RALG directives, former Dar es Salaam CC purchased 3,103,448 additional shares from the Bank, valued at TZS 900 million despite unfavorable performance indicators of the Bank.

**The situation at the Bank is not conducive for a serious investor. I, therefore, advise the respective LGAs to come up with a comprehensive and robust strategy to turn around the bank to enhance its profitability and performance.**

Similarly, my review found that five LGAs own 24,036,348 shares in one Bank which had market value of TZS 6.97 billion (or TZS 290 per share) as at 30 June, 2020. However, these LGAs recorded a combined provisional loss of TZS 1.20 billion in just 12 months after the drop of share price from TZS 290 per share to TZS 240 per share, as at 30 June, 2021.

According to DSE published market reports, the Bank's shares were sold at a market value of TZS 170 per share on 10 February, 2022 from TZS 240 per share recorded on 30 June, 2021. This implies that the respective LGAs could further record provisional losses of more than TZS 1.68 billion at the end of the financial year 2021/22, if the share price will not stabilize, as detailed in **Table 14-1**.

**Table 14 - 1: Trend of Market Price Per Share**

No.	Name	No. of shares	Loss in Value (290-240) -TZS	Loss in Value (240-170) -TZS
1.	Dar es Salaam CC	10,207,566	510,378,300	714,529,620
2.	Kinondoni MC	5,625,019	281,250,950	393,751,330
3.	Temeke MC	3,422,252	171,112,600	239,557,640
4.	Ubungo MC	2,500,009	125,000,450	175,000,630
5.	Kigamboni MC	2,281,502	114,075,100	159,705,140
	<b>Total</b>	<b>24,036,348</b>	<b>1,201,817,400</b>	<b>1,682,544,360</b>

**I call for management of the respective LGAs to make a close monitoring on the movement of share values and come up with an investment strategy which will ensure steady share prices.**

#### **14.1.2 Lack of Specialized Personnel to Manage Investments in Shares**

I assessed LGAs organizational structures and institutional arrangements and observed that they lack specialized units or personnel to administer investments especially in shares.

The current LGAs' organization structures, investments programs are underpinned to planning and logistics officers who are also responsible for supervision, coordination and preparation of information on development projects, population, human resources, community development, sustainable environment, natural resources and budgets.

In my assessment, apart from acute shortage of qualified and professional staff in planning departments, LGAs' planning and logistics officers are currently overwhelmed with numerous projects, implemented by councils mainly through force account, some with urgent completion deadlines.

In that regard, it is almost impracticable for planning officers, particularly in municipals and cities, to effectively examine investment opportunities, particularly in shares, monitor and assessing risks and evaluating the related returns on investment (ROI).

**I advise PO-RALG to liaise with LGAs with substantial number of investments in stock markets and other investments to revisit and establish an institutional set up, or a mechanism which will be suitable for effective management of investments.**

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Further, LGAs should establish a close collaboration and cooperation with the Bank of Tanzania and other investors in enhancing efficiency of supervision, risk mitigation and exchange of important information as part of their investment plan to maximize the viability of return on their investments.

## **14.2 Investments in Properties and Subsidiaries**

### **14.2.1 Ineffective Investment in Mwanjelwa Modern Market TZS 49.20 Billion**

Mbeya CC acquired a loan from one commercial bank of TZS 19.56 billion between the year 2008 and 2015 for construction of Mwanjelwa Modern Market. Initial terms of the loan revealed that total amount payable by 2030 was TZS 61.55 billion, implying that the interest on loan was TZS 41.99 billion.

Following numerous initiatives made by the government, the bank agreed to revise the terms of loan to TZS 49.20 billion, payable by 2033. The Council managed to pay the sum of TZS 6.55 billion only, hence, TZS 35.44 billion was outstanding as of December, 2021.

Literally, in order for the Council to meet the terms of the loan by 2033, it must pay instalments of TZS 2.95 billion per annum for 12 consecutive years. However, I was informed by Management that the gross revenue collections from the market ranges between 750 million to 850 million per annum.

Management further informed me that the bank is willing to waive the entire interest on loan if the Council will pay the lump sum of TZS 13 billion of principal loan, in addition to the TZS 6.55 billion already paid.

Failure to timely repay the agreed instalments will result into substantial increase in interest on the existing loan. Unless the Council excises an option which waives the interest, the expected return on investment at Mwanjelwa modern market is not feasible.

**I call for PO-RALG to seek resolutions which will rescue the Council from further losses at Mwanjelwa Modern Market. Also, the Council Management is advised from the next financial year,**



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to prepare separate periodical financial reports of the market, which will quantify, among other things, losses encountered on the investment.

#### **14.2.2 Unascertained Cost of Investment in Mwanza City Commercial Complex Co. Ltd TZS 6.16 Billion**

Mwanza City Commercial Complex Co. Ltd was incorporated on 11 March 2010. Currently, the company is under partnership between PSSSF, Mwanza CC and Ilemela MC. The company owns and operationalizes Mwanza Rock City Mall located at Ilemela municipality.

Pursuant to the Memorandum of Understanding signed on 28 January, 2009, the Council entered into an agreement with the then LAPF (now PSSSF), to establish an investment, namely Mwanza City Commercial Complex Co. Ltd, worth TZS 20 billion at a share capital of 40:60, respectively, under the condition that Mwanza CC will provide land and PSSSF to finance the construction and cover other project cost.

During the year under review, PSSSF reported in its financial statements holdings in the Company of 93% equivalent to TZS 83.97 billion, while Mwanza CC and Ilemela MC reported investments in the Company of TZS 3.7 billion and TZS 2.46 billion respectively. This implies that the combined Councils' share capital have been diluted from 40% in 2010 to 7%.

As a result of the above, the Board of Directors reviewed the share structure of the company from 40:60 to 20:80 in favour of PSSSF. Further, the Board proposed that in order for the Councils to maintain shareholding to the company, as per Clause 5 of the Memorandum and Articles of Association, besides the land value, it is required to raise the level of investment to 20% by buying shares worth TZS 10 billion, payable in the ratio of 40:60 for Ilemela MC and Mwanza CC respectively.

However, there was no evidence to justify the additional investment purported to have been made by PSSSF from TZS 20 billion on inception to TZS 83.97 billion as at 30 June, 2021. In the absence of such supporting evidence, chances that the claimed investment cost

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has been exaggerated to the extent of diluting the Councils' share capitals below the agreed mark cannot be underestimated.

As a result of the disputed reported investment costs which are rising from time to time, Mwanza CC and Ilemela MC have not obtained any return from the investment made in Mwanza City Commercial Complex Co. Ltd for more than 11 years, as a result of consistent losses reported regularly by the company since its inception.

**I reiterate the directive issued during LAAC session held on 20 October, 2021 to the City Director, in collaboration with PO-RALG and RAS, to communicate with all the stakeholders to discuss the share structure of the Company and supervision arrangements of the project in favour of all the parties involved.**

In addition, I call for a joint committee composed of well-informed experts to review the investment cost reported by PSSSF for justification in order to regularize disputed share structure.

#### **14.2.3 Unascertained Investment in Machinga Complex TZS 16.27 Billion**

In July, 2007, Dar es Salaam CC entered into a long term borrowing contract with NSSF for the construction of Dar es Salaam Business Park (Machinga Complex). The initial loan was TZS 13.50 billion with capitalized interest of TZS 2.77 billion payable in 11 years.

However, in the year 2016, the terms of the loan were disputed by the Council. As a result, a joint Committee between Dar es Salaam CC, NSSF and the Ministry of Finance and Planning was formed to review them.

These back and forth twisting regarding payment and recognition of the loan for the construction of Machinga Complex, casts doubt on the entire arrangement of the investment made in the project for both parties.

Given the fact that the loan term expired since July, 2018 without any further information from NSSF, or the joint Committee on the status of the loan, I failed to validate the amount reported in the financial statements of the Council for the year ended 30 June, 2021.

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Since a substantial amount of loan has remained unpaid for more than 13 years and insufficient disclosures in the financial statements of both parties relating the loan and revenue obtained from Machinga Complex, it is likely that the return on this investment is being misappropriated rather than being used to settle the loan.

**I call for the government to dismiss the appointed committee since six years have lapsed without the Committee finalizing its report on the matter without justifiable reasons.**

**Additionally, the government should consider undertaking special investigation on the long outstanding loan and issue directives on the proper management and operationalization of Machinga Complex.**

**PO-RALG should direct the Council management to prepare separate financial reports of Machinga Complex, including income statement from its inception and submit the same to me with all supporting documents for audit.**

#### **14.2.4 Inadequate Reporting of Investment in Misungwi District Council Co. Ltd**

Misungwi District Council Company Limited (MDCC LTD) was launched on 21 November, 2019. Currently, the company runs a brick project, pharmacy and a dairy factory.

The share capital of the company is TZS 1 billion and up to the time of audit (August, 2021), only shares worth TZS 24.55 million was paid as initial capital investment from the Council.

However, I found that MDCC LTD does not have a Board of Directors, therefore, there has been no General Board Meetings since the inception of the company. This is contrary to the Memorandum and Article of Association which established the company. Additionally, MDCC LTD does not maintain books of account or prepare financial statements. There has never been an auditor to audit its financial records as stipulated in the Memorandum and Articles of Association.

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I am of the view that inadequate controls on operations of the company could render to misappropriation of funds and failure by the company to generate profits.

**Management of the Council is urged to ensure that the Company Board is established, and that the accounts of the Company are prepared and audited as stipulated in the Memorandum and Articles of Association.**

#### **14.2.5 Unresolved Investment Disputes and Operational Inefficiencies in Arusha Meat Company Limited**

In my previous years' report, I called upon the appropriate measures to be considered against Officials who were allegedly involved in the controversial joint Investment between Arusha CC and one Company forming Arusha Meat Company Limited, and the transfer of ownership of Council Plot No. 2 Block "FF" to the former Company.

However, I have not observed any progress on the recommended actions regarding the illegal transfer of ownership of the said Plot.

During my current year assessment of the investment, I continued to detect numerous inefficiencies in the operationalization of Arusha meat Company Limited. For instance, my review on banking of daily collections from the sales against the bank statements, found that cash sales aggregating to TZS 54.4 million were not banked timely, resulting into a delay for a period between 4 to 59 days.

Also, I made a comparison between the inventory and sales data. I noticed discrepancies whereby the quantity sold was more than the quantity available for sale which, in principle, are supposed to be the same. Further, I found that 974 kg out of 1,716 kg of meat cut was available at Company's stores and sales points at the year-end. This implies that 741 kg worth TZS 9.52 million was not accounted for or the related funds were misappropriated.

I reviewed the procurement processes for the supply of building materials and found that in most cases, mini competition forms were repetitively issued to same suppliers for every order placed, irrespective of availability of other shortlisted suppliers. Also, the invitation for pre-qualification of suppliers for the supply of goods

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and services were made via company's notice board only, instead of using a widely covered communication platform as stipulated in procurement regulations.

**In view of the above, I reiterate my previous year recommendation that Arusha CC should make a follow up on the illegally transferred plot and take appropriate measures against all the officials involved in such a dubious deal.**

**The Company's Board of Directors is further advised to strengthen compliance with laws and regulations on financial and procurement management and ensure timely banking of cash proceed including inventory management production and sales.**

#### **14.2.6 Inefficiencies in Investment in Dar es Salaam Development Corporation**

The Dar es Salaam Development Corporation (DDC) which is owned by Dar es Salaam CC was established in 1971 by the District Development Corporation Act, Cap 382 [R.E. 2002].

The Corporation was established with an objective of carrying out commercial or industrial activities or enterprise which may be specified in the established instrument.

During the year under review, I noted a substantial loss of revenue due to the selection of inappropriate investment options. I observed during the site visit on various DDC investments that DDC properties owned in highly rated areas at Keko, Mlimani, Kariakoo and Magomeni were in poor conditions. As a result of the dilapidated buildings, the rates charged to the tenants are low, leading to loss of revenues

At DDC Mlimani, the market rate for rent is around USD 10 to 50 per square meter, equivalent to TZS 23,000 and TZS 113,000, while DDC charges only TZS 10,000 per square meter.

At Mlimani Mlalakuwa, DDC planned to construct a hostel. The project proposal was submitted to the Board in February 2019. However, I found that the start of the project was delayed resulting into losses of revenue. Also, there is a left-out space rented as a

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yard, earning only 12 million in a year which is considerably very minimal compared to the prevailing market rates.

Similarly, I found a left-out space at DDC Magomeni. However, the tenant has used the space as a yard paying TZS 36 million in a year. This area is in poor condition and if DDC develops this space, it will earn more income than having it as a yard.

At Keko, I found that DDC constructed shops, Hall and Bar since the year 2020. However, the Bar is still vacant, and the hall is not as modern as other social halls. Therefore, the project does not give the expected rate of return on investment (ROI).

**I recommend that DDC designs a comprehensive investment strategy, including renovating all the properties it owns which seem to be running below their capacity after having been left shabbier and dilapidated for a considerable long period. This will enable the Corporation to benefit from competitive rates to maximize the return on investment for its properties.**

#### **14.2.7 Unfruitful Deposits in Local Government Loan Board TZS 4.88 Billion**

Section 56 of the Local Government Finance Act, Cap 290 [R.E. 2019] established a Local Government Loans Board which consist of one member appointed by the Minister responsible for finance, and such other members as the Minister shall appoint. Functions of the Board include: to receive, administer and invest the funds of the Board; to lend, out of the funds of the Board, funds to local authorities for the provision of development works and services; to provide financial assistance to local authority whether by way of grants, furnishing of guarantees or in any other way; and to provide and operate services on behalf or for the benefit of local authorities.

The funds and resources of the Board consist of such sums deposited with the Board by LGAs, other receipts of the Board whether by way of interest on investments of the Board or otherwise and donations, grants, bequests and loans as the Board may, from time to time, receive from any person or body of persons. The Board is required to pay interest to LGAs in respect of monies deposited by them with

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the Board at such rate as the Minister may, with the approval of the Minister responsible for finance, determine.

As per Order 20.3 (b) LAAM (June 2019) “the Council shall maintain the reserve at a set percentage of the recurrent income of the previous year before grant is included and shall vary from year to year. According to Order 20.4 (b) of the LAAM 2019, the deposits are supposed to be part of the assets of the LGAs.

In a sample of 81 LGAs assessed out of 185 available, I found that TZS 4.88 billion had been contributed to Local Government Loan Board (LGLB) as at 30 June, 2021. However, these deposits referred in LAAM as “an asset to Local Authority”, have not provided any return to the respective LGAs. Details are shown in **Appendix 14-1**.

Dar es Salaam CC considers the amount deposited in LGLB as a permanent unrealizable surplus because the same is expected to exist indefinitely without receiving the money back from LGLB.

Additionally, the establishment of LGLB does not have any provision to appropriate dividend to LGAs for the money deposited. Since the year 2000, the Council managed to borrow only 20 million once out of their total contributions of TZS 942 million.

It seems that LGLB objectives as per its establishment have not been effectively achieved since a greater number of LGAs are seeking loans from PSSSF and commercial banks. In doing so, LGAs suffer from overrated interest rates which adversely affect their investments.

I call for PO-RALG to liaise with the Ministry of Finance and Planning to revisit the law which established LGLB and come up with all the key areas which need improvement to enable LGAs to benefit from the deposited funds which seem to be sitting idle in the Board’s bank account without giving any meaningful return.

#### **14.2.8 Improper Accounting of Investment in Mwanza Airport TZS 2.95 Billion**

I have noted that Mwanza Regional Secretariat has since the year 2019/20 been constructing Mwanza Airport terminal at an estimated

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cost of TZS 5.4 billion. This amount was supposed to be contributed by two LGAs, namely, Mwanza CC and Ilemela MC, whereby Mwanza CC was to contribute TZS 2.2 billion and Ilemela MC TZS 1.8 billion.

In the years 2019/20 and 2020/21, Mwanza CC and Ilemela MC transferred funds amounting to TZS 2.95 billion to a special bank account No. 31110064751 namely Mwanza Airport Terminal which is under the Regional Secretariat (RS) - Mwanza Region, as shown in Table 14-2.

**Table 14 - 2: Transfers for Construction of Mwanza Airport Terminal**

F/Year	MWANZA CC (TZS)	ILEMELA MC (TZS)	TOTAL (TZS)
2020/21	617,000,000	470,000,000	1,087,000,000
2019/20	882,708,316	980,000,000	1,862,708,316
<b>TOTAL</b>	<b>1,499,708,316</b>	<b>1,450,000,000</b>	<b>2,949,708,316</b>

However, there was no any documented justification given to support these transfers. Further, it was not certain whether the transfers formed an investment by the two Councils or loans issued to the Regional Secretariat. Also, there was no any agreement between the said LGAs and RS - Mwanza Region, hence legitimacy of the transferred funds could not be established.

I further noticed that the funds transferred were neither appropriated in the Councils' budgets nor endorsed by the responsible Minister, contrary to section 41 (1) of the Budget Act, Cap 439 [R.E. 2015].

I call for PO-RALG to develop an investment policy for LGAs and establish a Memorandum of Understanding with entities seeking financial supports from the monies appropriated in LGAs' budgets. Also, the concerned LGAs should enter into agreement on how they can benefit from the payments of TZS 2.95 billion made to RS - Mwanza Region for the construction of Mwanza Airport terminal.

Additionally, I advise PO-RALG to direct all LGAs to seek approvals from all levels, as described in regulatory framework before making any disbursements to other entities or making investments.



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## CHAPTER 15

### OVERVIEW ON SPECIAL AUDIT REPORTS

#### 15.0 Introduction

This chapter summarizes key findings that were observed during special audits performed in the year 2021 in respect of transactions and operations covering the financial period from 2009/10 to 2020/21.

Section 29 of the Public Audit Act, Cap 418 (R.E. 2021) together with Regulation 78 and 79(1) of the Public Audit Regulations, 2009 gives the Controller and Auditor General (CAG) the mandate to undertake Special Audit through his initiatives or upon written request from Accounting Officer, or any person, Institution, Public Authority, Ministry, Independent Department, Agency, Local Government Authority, and such any other body.

During the reporting period I conducted 37 special audits in 36 LGAs; requested by various stakeholders and through my initiatives. The results of these audits are detailed in the specific reports of each special audit submitted to the institutions that requested the audit, and to the Chief Secretary for audits initiated by me. The category of these special audits are as summarised below:

#### **Special Audit Conducted on Request of Individuals and Institutions**

The request for the audit was submitted to me by the Prevention and Combating Corruption Bureau (PCCB) and a member of Parliament for Sengerema Constituency. The audited LGAs are Temeke MC, Bukoba MC and Sengerema DC.

#### **Special Audits Initiated by the Controller and Auditor General**

These special audits were conducted in 34 LGAs as shown in **Table 15-1**.

**Table 15 - 1: Special Audit Initiated by CAG Mandate**

SN.	Region	Name of LGA	Audited Financial Years
1.	Arusha	Longido District Council	2018/19 to 2020/21
2.		Arusha District Council	2018/19 to 2020/21
3.	Dar es Salaam	Kigamboni Municipal Council	2018/19 to 2020/21
4.		Ubungu Municipal Council	2018/19 to 2020/21
5.		Temeke Municipal Council	2018/19 to 2020/21
6.		Kinondoni Municipal Council	2018/19 to 2020/21
7.		Dar es Salaam City Council	2018/19 to 2020/21
8.	Dodoma	Mpwapwa District Council	2018/19 to 2020/21
9.	Geita	Mbogwe District Council	2018/19 to 2020/21
10.		Geita Town Council	2013/14 to 2020/21
11.	Iringa	Iringa District Council	2018/19 to 2020/21
12.	Kagera	Kyerwa District Council	2018/19 to 2020/21
13.		Biharamulo District Council	2018/19 to 2020/21
14.	Katavi	Mpanda District Council	2018/19 to 2020/21
15.	Kigoma	Kankonko District Council	2018/19 to 2020/21
16.	Kilimanjaro	Moshi District Council	2018/19 to 2020/21
17.	Lindi	Nachingwea District Council	2018/19 to 2020/21
18.	Manyara	Babati Municipal Council	2018/19 to 2020/21
19.	Mara	Bunda District Council	2018/19 to 2020/21
20.	Mbeya	Chunya District Council	2018/19 to 2020/21
21.	Morogoro	Ifakara District Council	2018/19 to 2020/21
22.	Mtwara	Masasi Town Council	2018/19 to 2020/21
23.	Mwanza	Ilemela District Council	2018/19 to 2020/21
24.	Njombe	Ludewa District Council	2018/19 to 2020/21
25.	Pwani	Rufiji District Council	2018/19 to 2020/21
26.	Rukwa	Kalambo District Council	2018/19 to 2020/21
27.	Ruvuma	Tunduru District Council	2018/19 to 2020/21
28.	Shinyanga	Shinyanga District Council	2018/19 to 2020/21
29.	Simiyu	Bariadi Town Council	2018/19 to 2020/21
30.	Singida	Singida District Council	2018/19 to 2020/21
31.	Songwe	Songwe District Council	2018/19 to 2020/21
32.	Tabora	Igunga District Council	2018/19 to 2020/21
33.		Urambo District Council	2018/19 to 2020/21
34.	Tanga	Kilindi District Council	2018/19 to 2020/21

The key issues of significant importance that were observed in the special audit reports conducted for the financial year 2020/21 are summarized as follows:

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## **15.1 Special Audit Requested by PCCB and a Member of Parliament**

### **15.1.1 Sengerema DC**

#### **i. Cash Collected by Revenue Collectors through POS Machines Not Banked TZS 645.24 Million**

I noted that for a period of five years from 01 July, 2015 to 15 February, 2021, the Council through the Revenue Collection System (LGRSIS) collected an amount of TZS 3.03 billion, out of which TZS 2.38 billion was remitted to the bank and TZS 645.24 million was not banked by 87 revenue collectors.

This is contrary to section 42 (2) of the Local Government Finances Act, Cap 290 [R.E. 2019] together with Order 50 (5) of the Local Government Financial Memorandum, 2009.

**The Government through the Permanent Secretary Po-RALG should ensure that appropriate actions are taken against those responsible for non-banking of the collected revenue; and also ensure immediate banking of the remaining balance of TZS 645.24 million.**

#### **ii. Loss of TZS 681.10 Million Due to Abandonment of an Irrigation Dam Construction Project in Katunguru Village**

Sengerema DC signed a contract No. LGA/094/HQ/IRR/2009-2010/44 for the construction of an irrigation infrastructure in Katunguru Village worth TZS 883.80 million. The project commenced on 10 August, 2011, and was to be completed on 10 April, 2012. In addition, I noted an increase in the scope of work to the tune of TZS 1.01 billion, which resulted into an increase in the contract value from TZS 883.80 million to TZS 1.89 billion, equivalent to 114%.

Due to inadequate design, as of April 2021, when this special audit was carried out, the project had not been completed and the contractor had abandoned the site while having been paid TZS 681.1 million through IPC No. 1 to 3. The amount already paid to the contractor is a loss to the Council.

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**I urge the Government to ensure the completion of the Irrigation Dam project at Katunguru Village to realise value for money from the project.**

**iii. Loss Due to Payments of TZS 354.59 Million to Contractors for Unexecuted Works**

Regulation 243 (2) of the Public Procurement Regulations of 2013 requires the procuring entity to authorise payments by measurements and certification at the intervals or stages specified in the contract.

My review of three contracts valued at TZS 3.93 billion (excluding VAT) revealed that TZS 354.59 million was paid to the contractors for the works which were not executed.

The amount includes TZS 31.76 million for work not done at Buyagu-Kalangalala-Bitoto Water Project, TZS 89.88 million for the construction of a water project at Katunguru and Nyamtelela villages, TZS 73.76 million for rehabilitating and upgrading water infrastructures at Busisi ward; and TZS 159.19 million for work not executed at three water projects for Chamabanda, Nyantakubwa and Kasungamile villages.

The Council and the Rural Water Supply and Sanitation Agency (RUWASA) were not careful to measure the relevant executed works before making payments, as required by the above cited regulation.

**I recommend that PO-RALG communicates with PCCB for them to investigate the payments made for the unexecuted works and take to task all the involved officials who were involved in the execution of the projects.**

**iv. Abandoned and Non-Functioning Water Project (LVWATSAN II) Valued at TZS 1.08 Billion**

Mwanza Urban Water Supply and Sanitation Authority (MWAUWASA) entered into a contract No. MWAUWASA/LVWATSAN II/EAC/2014/001 worth 24.76 billion for implementation of the second phase water project (LVWATSAN) at Sengerema DC, financed by the African

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Development Bank (AfDB). The project commenced on 7 October, 2014 and it was supposed to be completed on 31 March, 2017.

However, at the time of concluding my audit on 30 April, 2021, sanitation and sewerage infrastructures worth 1.08 billion were not functioning, which were mainly attributed to lack of feasibility studies and inadequate design. The infrastructure includes land fill site, constructed at Ibondo area worth TZS 931.96 million and the abandoned 29 containers for storage of garbage worth TZS 152.95 million.

**I urge the Ministry of Water with other relevant authorities to take appropriate action against the Project Consultant, Contractor, and Project Coordinator of MWAUWASA LVWATSAN II for the loss of TZS 931.96 million spent on an unused landfill site. Similarly, the Permanent Secretary PO-RALG, in collaboration with the Council Management, should take appropriate action to ensure that the project infrastructure operates as was planned, including the construction of embankments around the landfill site to protect the area against flood.**

#### **15.1.2 Bukoba MC - Construction and Rehabilitation of Ihungo Boys Secondary School**

##### **i. Inclusion of VAT in Payment Certificates Contrary to Contract Terms TZS 393.64 Million**

On 22 December, 2016, the Ministry of Education, Science and Technology entered into contract no. ME-024/CTR/HQ/2016-17/10 worth TZS 10.49 billion for the construction and major renovation of Ihungo Boys' Secondary School. The project also had an addendum of TZS 463.60 million, thus, making total project cost to be TZS 10.95 billion.

As of March 2021, the Contractor had already been paid TZS 10.69 billion through Certificate No. (1-7). However, certificate No.2 worth TZS 2.58 billion included VAT amounting to TZS 393.64 million, which was inappropriately paid to the contractor while the contract did not specify that the price was VAT inclusive.

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In my opinion, the cost of the contract increased by TZS 393.64 million paid to the Contractor, was against the requirements of the contract.

**The Permanent Secretary - Ministry of Education, Science and Technology is advised to communicate with PCCB to investigate upon TZS 393.64 million paid as VAT in payment certificate 2 and appropriate action should be taken against all the officials who were responsible for approving the payment.**

**ii. Use of Substandard Building Materials TZS 518.2 Million**

The Contractor purchased substandard 10mm iron bars worth TZS 387.73 million from various suppliers, contrary to the requirements of the contract.

Likewise, the Contractor bought paints worth TZS 130.47 million from Kiboko Paints Ltd, which was not recommended in the contract, and the paints were purchased not in compliance with the standards of quality specified in clause 13.2 of the SCC, that required the contractor to use paint according to specifications in BS 2521-2524.

The Contractor using iron bars and paint that do not meet specified standards could affect the life span of the school buildings.

**The Permanent Secretary - PO-RALG should communicate with the Permanent Secretary of the Ministry of Works and Transport so that appropriate action can be taken against TBA staff who was responsible for purchasing substandard iron bars and paints, used in the construction of Ihungo Secondary School.**

**15.1.3 Temeke MC - Special Audit of Kijichi Road - Toangoma (5.5 Km) and Kijichi - Mwanamtoti (1.8 Km) constructed Under the Dar es Salaam Metropolitan Development Project (DMDP)**

**i. Overpayments of Executed Works by TZS 120 Million**

I discovered that the contractor for Kijichi - Toangoma Road Construction Project, through the contract No. LGA/016/2015-2016/W/DMDP/01 worth TZS 21.67 billion, was supposed to be paid TZS 13.46 billion for the certified works. However, the Contractor

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was paid TZS 13.50 billion, leading to an overpayment of TZS 40 million. Similarly, on Mwanamtoti road construction, the Contractor was to be paid TZS 5.15 billion for the executed works, but instead, TZS 5.23 billion was paid, resulting in an overpayment of TZS 80 million.

**I urge the Permanent Secretary PO-RALG to take appropriate action against the employees who were responsible for making and approving payments for work not performed. The Permanent Secretary should also ensure that the contractor reimburses TZS 120 million for the unexecuted work.**

**ii. Loss of TZS 1.22 Bilion Due to Disqualification of the Lowest Bidder**

Contrary to section 72 of Public Procurement Act, 2011; regulation 17 (2-4) and regulation 203 (2) of Public Procurement Regulation, 2013, I found that a contractor with the lowest price of TZS 20.45 billion (excluding VAT) was excluded in the evaluation process without justifiable grounds. The contract was awarded to another contractor with a bid price of TZS 21.67 billion (excluding VAT) resulting in a loss of TZS 1.22 billion.

The decision to exclude the contractor with the lowest bid was based on unreasonable criteria used by the evaluation committee, resulting to an increase of the cost of the project by TZS 1.22 billion, which is a loss to the Government.

**I urge the Permanent Secretary PO-RALG to take appropriate actions against those responsible for causing the loss of TZS 1.22 billion to the Government by not awarding the contract to the lowest bidder.**

## 15.2 Special Audits Initiated by the Controller and Auditor General

### 15.2.1 Observations Noted to Have Common Features to Most Audited LGAs

#### i. Revenue Collected Not Banked TZS 9.60 Billion

I found that during the financial years 2018/19 to 2020/21, revenue collecting agents in 32 LGAs collected revenues totaling TZS 9.60 billion from various sources, but the amount was not banked. Out of the unbanked amount, TZS 242.36 million relates to the cost sharing revenue.

Non banking of revenues was mainly attributed to inefficiencies of the respective LGAs' internal control systems over collection and banking of revenue. Non-remittance of the amount to the bank is contrary to the requirement of Order 50 (5) of the Local Government Financial Memorandum, 2009, which requires all collections to be remitted to the bank on the same day or the next working day.

Analysis of the cash collections not banked for each audited LGA is as shown in **Table 15-2** below.

**Table 15 - 2: Revenue Collected through POS Machines Not Banked**

SN.	Region	Name of LGA	Amount(TZS)
1.	Arusha	Longido DC	298,781,938
2.		Arusha DC	117,865,762
3.	Dar es Salaam	Ubungo MC	563,076,800
4.		Kigamboni MC	127,673,100
5.		Kinondoni MC	1,265,668,160
6.	Dodoma	Mpwapwa DC	301,700,393
7.	Geita	Mbogwe DC	179,822,016
8.	Iringa	Iringa DC	35,575,031
9.	Kagera	Kyerwa DC	19,749,683
10.	Kagera	Biharamulo DC	482,544,529
11.	Katavi	Mpanda DC	334,755,218
12.	Kigoma	Kakonko DC	217,251,755
13.	Kilimanjaro	Moshi DC	154,731,663
14.	Lindi	Nachingwea DC	4,960,395
15.	Manyara	Babati MC	93,891,092
16.	Mara	Bunda DC	144,011,399
17.	Mbeya	Chunya DC	259,280,247
18.	Morogoro	Ifakara MC	236,638,459
19.	Mtwara	Masasi C	44,337,100
20.	Mwanza	Ilemela MC	627,856,616
21.	Njombe	Ludewa DC	150,096,454



SN.	Region	Name of LGA	Amount(TZS)
22.	Pwani	Rufiji DC	1,962,855,526
23.	Rukwa	Kalambo DC	97,918,150
24.	Ruvuma	Tunduru DC	300,420,128
25.	Shinyanga	Shinyanga DC	999,240,060
26.	Simiyu	Bariadi TC	151,124,348
27.	Singida	Singida DC	15,039,326
28.	Songwe	Songwe DC	218,772,736
29.	Tabora	Urambo DC	25,620,000
30.	Tabora	Igunga DC	48,442,460
31.	Tanga	Kilindi DC	118,153,195
<b>Total</b>			<b>9,597,853,739</b>

I advise the Permanent Secretary PO-RALG to communicate with the probing institution, including PCCB and the Police Force to carry out investigations and take appropriate action against the involved personnel.

ii. **Unauthorised Adjustments Made in LGRCIS TZS 28.33 Billion**

I discovered that 16 LGAs made adjustments of transactions in the LGRCIS for own-source revenues totaling TZS 28.33 billion, without observing the laid down adjustment procedures.

These adjustments were not approved by the respective accounting officers, and did not have any documentary evidence. This anomaly was attributed to weak systems of internal controls over the adjustments of the transactions in the LGRCIS. Analysis of such unauthorized adjustments for each Council is as shown in **Table 15-3** below.

**Table 15 - 3: Unauthorised Adjustments Made in LGRCIS**

SN.	Region	Name of LGA	Amount(TZS)
1.	Arusha	Longido DC	23,122,895
2.		Arusha DC	32,239,000
3.	Dar es Salaam	Ubungu MC	156,900,936
4.		Kinondoni MC	10,857,780,242
5.	Dodoma	Mpwapwa DC	129,265,756
6.	Kagera	Biharamulo DC	466,857,403
7.	Kilimanjaro	Moshi DC	508,551,089
8.	Lindi	Nachingwea DC	2,626,096,232
9.	Manyara	Babati MC	1,524,857,685
10.	Mara	Bunda DC	36,040,721
11.	Mwanza	Ilemela MC	8,724,331,077
12.	Njombe	Ludewa DC	168,007,444
13.	Rukwa	Kalambo DC	1,236,658,523
14.	Ruvuma	Tunduru DC	1,466,155,022

SN.	Region	Name of LGA	Amount(TZS)
15.	Shinyanga	Shinyanga DC	131,248,516
16.	Simiyu	Bariadi TC	243,000,669
<b>Total</b>			<b>28,331,113,210</b>

In my opinion, unauthorised adjustments could be misappropriated revenues or fraudulent transactions made through own sources revenues. Likewise, reconciliations made by means of erasing and correcting transactions of revenue in the system without an approval from proper authorities could facilitate misappropriation of Government revenues.

**I recommend to the responsible authorities to take appropriate measures against the officials mentioned in the respective reports who made adjustments in the system without observing proper procedures.**

**Also, PO-RALG is advised to improve controls over the Local Government Revenue Collection Information System (LGRSIS) being used by LGAs.**

### iii. **Payment Vouchers Not Submitted for Audit TZS 1.37 Billion**

During the audit, 7 LGAs did not submit to me payment vouchers for TZS 1.37 billion, in respect of payments made in the financial years 2018/19 to 2020/21. Following non submission of payment vouchers for auditing, the validity of the payments made could not be verified.

This is contrary to section 15 (2) of the Public Audit Act, 2008 and Order 8 (2) (c) of the Local Government Financial Memorandum, 2009. List of LGAs with missing payment vouchers is shown in **Table 15-4 below.**

**Table 15 - 4: Payment Vouchers Not Submitted for Audit**

SN.	Region	Name of LGA	Amount(TZS)
1.	Arusha	Arusha District Council	49,507,236
2.	Dodoma	Mpwapwa District Council	185,689,454
3.	Iringa	Iringa District Council	21,977,000
4.	Manyara	Babati Municipal Council	401,802,862
5.	Mara	Bunda District Council	233,931,243
6.	Rukwa	Kalambo District Council	432,519,015
7.	Shinyanga	Shinyanga District Council	43,862,800
<b>Total</b>			<b>1,369,289,610</b>

I recommend that the Permanent Secretary PO-RALG to take appropriate actions against LGA's staff mentioned in the specific audit reports for non submission of the payment vouchers.

**iv. Inclusion of Fictitious Liabilities on Final Accounts of LGAs TZS 1.52 Billion**

I found that 20 LGAs reported fictitious liabilities in their financial statements totaling to TZS 1.52 billion, which were already paid. These liabilities should not have been included in the creditors' list. This is contrary to Order 8(2)(c) of the Local Government Finance Memorandum, 2009; and the situation could lead to embezzlement of public funds in case the liabilities would be paid. A summary of the LGAs with fictitious liabilities is as shown in **Table 15-5** below.

**Table 15 - 5: Inclusion of Fictitious Debts on Final Accounts of LGAs**

SN.	Region	Name of LGA	Amount (TZS)
1.	Arusha	Arusha District Council	100,469,222
2.		Longido District Council	120,258,007
3.	Dodoma	Mpwapwa District Council	37,023,123
4.	Geita	Mbogwe District Council	47,848,740
5.	Iringa	Iringa District Council	127,261,363
6.	Kagera	Kyerwa District Council	14,892,232
7.	Kigoma	Kakonko District Council	107,438,685
8.	Kilimanjaro	Moshi District Council	57,015,400
9.	Mara	Bunda District Council	105,160,181
10.	Mbeya	Chunya District Council	22,590,520
11.	Morogoro	Ifakara Town Council	29,449,602
12.	Mwanza	Ilemela Municipal Council	200,519,659
13.	Njombe	Ludewa District Council	192,381,080
14.	Pwani	Rufiji District Council	122,171,822
15.	Rukwa	Kalambo District Council	9,229,471
16.	Ruvuma	Tunduru District Council	13,784,000
17.	Shinyanga	Shinyanga District Council	62,949,405
18.	Simiyu	Bariadi Town Council	16,882,353
19.	Tabora	Urambo District Council	112,662,196
20.		Igunga District Council	19,985,865
Total			1,519,972,926

I recommend to the Permanent Secretary PO-RALG to direct LGAs to ensure that only legitimate liabilities are included in the final accounts.

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### **15.2.2 Dar es Salaam CC (former Ilala MC) - Special Audit on Revenue Collections at the Dar es Salaam CC for the Financial Years 2019/20 and 2020/21**

Upon receiving indications that revenue collected from own sources at the Dar es Salaam CC (former Ilala MC) are possibly being misappropriated, on 1 November, 2021, I conducted a special audit in accordance with section 27 of the Public Audit Act Chapter 418, to determine whether the funds collected were fully accounted for, as well as to confirm whether there was any misappropriation of the collected funds. My audit revealed the following:

#### **(i) Misappropriation of Collected Revenue by 10 Agents and 19 Staff Amounting to TZS 10.13 Billion**

Considering the procedures involved in the collection of the Council's revenues from own sources, I examined the Local Government Revenue System (LGRSIS) information and the Council revenue accounts bank statements maintained with NMB, CRDB, NBC and DCB Banks for the period from July 2019 to June 2021.

I noted that 10 contracted collection agents and 19 Council employees collected a sum of TZS 9.07 billion and TZS 7.29 billion respectively. The agents were supposed to remit to the Council a total of TZS 5.62 billion from the collection, while the Council employees were supposed to remit the total amount collected. Instead, the collectors and staff remitted to the Council a total of TZS 987.76 million and TZS 1.8 billion only, thus, TZS 4.64 billion and TZS 5.49 billion was respectively unremitted, making a total of TZS 10.13 billion collected but not banked.

The misappropriation of the collected funds was perpetrated through altering LGRSIS information to conceal the facts and producing fabricated receipts.

**I urge the Government to take appropriate actions to ensure that it recovers the amount from the personnel and agents responsible.**

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**(ii) Embezzled Collected Revenue by the Agent TZS 495.57 Million**

I also reviewed the management of the implementation of the Agreements entered into with agents (revenue collectors) for the collection of its avenue from own sources and identified various weaknesses. For instances, I found that despite expiry of the contract with M/s Pick Trading Ltd on 30 November, 2019, the company continued collecting revenue without contract for 11 months from 01 December, 2019 to 30 October, 2020, where a total amount of TZS 496.47 million was collected, however, only TZS 900,000 was remitted to the Council leaving a sum of TZS 495.57 million unremitted.

**The Government should take appropriate actions against the Agent and staff involved in the misappropriation.**

**(iii) Deceits in Using of POS Machines Used to Collect TZS 131.35 Million**

I noted falsified revenue collection information by the agents in distortion of the LGRCIS information geared at misleading the collection period to avoid proper capturing of collected revenue amounts. I noted that during the financial year 2019/20 and 2020/21, the Agent M/s Pick Trading Ltd and M/s Workers General Supply collected using POS machines a total of TZS 131.07 million and TZS 289,500 respectively.

I noticed that the agents altered the POS machines information by backdating the collections period from 2008 to 2017; however, the indicated timelines were incorrect as they were far behind even when the Payer Identification Numbers were registered into the LGRCIS System.

I confirmed that the move was aimed at distorting the actual collections which would have compelled them to remit the collected revenue to the Council.

**The Government should take appropriate actions against the Agents and staff involved in the misappropriation.**

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### 15.2.3 Temeke MC

I conducted three special audits at Temeke MC in the financial year 2020/21. These special audits include: refuse collection; loans from CRDB Bank used to pay compensation to enable implementation of the Dar es Salaam Metropolitan Development Project (DMDP); and implemented development projects through DMDP. The key issues raised are as follow: -

#### **a) Special Audit on Refuse Collection**

##### **i. Refuse Collection Not Submitted to the Council TZS 719.77 Million**

I noted that for the financial years 2018/19 to 2020/21, an amount of TZS 3.60 billion was collected from refuse collection fee. Of the amount, TZS 2.09 billion was collected at ward levels and TZS 1.51 billion was collected by collection agents.

Clauses 3 and 6 (iii) of the agreement between the Council, refuse collection agents and ward executive officers requires 20% of refuse collections fee to be submitted to the Council.

However, I found that TZS 719.77 million (equivalent to 20%) of the refuse collections was not submitted to the Council.

**I recommend to PO-RALG that appropriate action should be taken against Council officials who failed to monitor the implementation of contracts, leading to non-collection of revenue amounting to TZS 719.77 million.**

##### **ii. Fictitious Payment for Hiring of Motor vehicles used for Refuse Collections TZS 114.45 Million**

I found that the imprest totaling TZS 298.40 million was paid to Environmental and Sanitation Department staff, in respect of hiring 43 vehicles used to carry refuse collections to the landfill site (Pugu Kinyamwezi).

I cross-checked with the Tanzania Revenue Authority, Kariakoo Regional Office, regarding the vehicles listed on the retirement particulars. I detected that among the listed vehicles were

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motorbikes, three-wheeled motorbikes and light-duty motor vehicles, while other vehicle registration numbers were not indicated.

Out of the paid and retired amount, TZS 183.95 million was retirement for the legitimate vehicles and TZS 114.45 million was retirement of particulars involving fictitious vehicles.

I also found that the Council did not have contracts to hire these vehicles which contravenes section 60 (7) of the Public Procurement Act, 2011.

**I recommend to PO-RALG that, an appropriate action to be taken against the Council officials who submitted forged documents to endorse the payment of TZS 114.45 million for refuse collection.**

**iii. Forged Electronic Fiscal Device Receipts for Waste Disposal and Purchase of Sanitation Equipment TZS 373.67 Million**

I found that the amount of TZS 410.42 million was paid as an imprest to various Council employees in the Environmental and Sanitation Department, in respect to collection and disposal of waste.

However, the verification of the validity of the Electronic Fiscal Devices (EFD) receipts submitted to support the retirements made at Tanzania Revenue Authority, revealed that the attached EFD receipts totaling TZS 373.67 million were not honored by the Authority. This suggests that the Council officials submitted forged receipts, thus occasioning the loss of TZS 373.67 million to the Government.

**I recommend to PO-RALG that appropriate actions should be taken against the Council officials who were involved in attaching forged Electronic Fiscal Device Receipts worth TZS 373.67 million.**

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**b) Audit of Dar es Salaam Metropolitan Development Project (DMDP)**

**i. Overpayment for Insurance Cost Resulted in a Loss of TZS 2.02 Billion**

Regulation 3 (a) (Third Schedule) of the Public Procurement Regulations, 2013 details that payment to agents and other third parties shall be limited to appropriate compensation for legitimate services.

The Council paid TZS 2.38 billion to construction companies to cater for insurance cost during the implementation of DMDP. However, I found that only TZS 376.55 million was paid by the construction companies, implying an overpayment by TZS 2.02 billion, contrary to the cited regulation above.

I consider that overpayment of TZS 2.02 billion for insurance cover has unnecessarily increased the project's implementation costs, and is a loss to the Council.

**I urge the Permanent Secretary PO-RALG to take appropriate action against those who in one way or another were involved in those irregularities.**

**ii. Additional Costs by Including Some Items Twice in the Bills of Quantity TZS 1.23 Billion**

My review of BOQ relating to the maintenance and construction of Kijichi Tuangoma bridge and roads (3 km), together with Mwanamtoti road 1.8 (km) phase one, revealed that item No. 23.08 (a) detailing cast in situ concrete lining grade 25 to drains inclusive of formworks, were included twice in the BOQ, leading to an additional cost of TZS 1.23 billion.

**I recommend to the Permanent Secretary PO-RALG to take appropriate action against the officers who failed to discharge their duties properly.**



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**iii. Fictitious Payments of TZS 219.05 Million for Relocation of Water and Communication Infrastructures**

The Council made payments of TZS 219.05 million to contractors for relocation of water and communication infrastructure.

I found that out of the amount paid through the Certificate No. 7 of the Contract No. LGA/016/2018-2019/W/DMDP/05 (Package 10), the contractor was paid TZS 67.65 million to relocate water infrastructure at Msikitini, Kizinga and Baghdadi.

In addition, through the Certificate No. 4 of Contract No. LGA/016/2018-2019/W/DMDP/04 (Package 9), an amount of TZS 151.40 million was also paid for relocation of communication infrastructures owned by TTCL.

Through letters with reference numbers DAWASA/TMK/CAG/2021/01 of 28 April, 2021 from DAWASA and Ref. No. DF 4120/DG dated 5 May, 2021 from TTCL, both DAWASA and TTCL confirmed to have neither had a contract agreement with Temeke MC for relocation of the infrastructure nor implemented any such kinds of activities.

It is obvious that TZS 219.05 million was incurred for work not performed by the respective contractors, implying that the payments were fraudulently made.

**I urge the Permanent Secretary PO-RALG to initiate legal measures to recover from the Contractors TZS 219.05 million paid for the unexecuted work.**

**iv. Missing Supporting Documents for Relocation of Infrastructures TZS 4.11 Billion**

Temeke MC signed contracts with various contractors for DMDP activities worth TZS 4.11 billion to relocate electrical infrastructure.

The contracts specifically stated that the quoted costs for relocation of infrastructures were provisional sums, while payments will have based on actual costs, as will be submitted by institutions responsible for the relevant infrastructures.

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My audit revealed an expenditure of TZS 4.11 billion that did not have relevant supporting documents in respect of the payments made by contractors to various institutions responsible for the relocation of the infrastructure.

**I recommend to the Permanent Secretary PO-RALG to communicate with probing institutions to investigate on the legitimacy of payments of TZS 4.11 billion, including taking necessary action against all staff who misplaced the relevant documents to support the payments.**

**c) Special Audit on CRDB Loan for DMDP Project Compensation**

**i. Increase of Loan Amount Due to Errors in Debt Recovery Calculations TZS 5.33 Billion**

On 18 February, 2016, Temeke MC signed an agreement with CRDB Bank for a loan worth TZS 29.28 billion, inclusive of interest. Recovery period of the loan was 72 months, exclusive of the grace period of 6 months after the date of signing the contract. The agreed repayment instalment was TZS 1.22 billion per quarter for 24 instalments and the last instalment will be on 30 September, 2022.

My analysis on the repayment of the loan schedule found incorrect calculations for the repayment of the loan and interest, resulting in an excess of TZS 5.34 billion. This amount comprised of TZS 2.17 billion and TZS 3.16 billion relating to the calculation of the principal and interest respectively.

**I recommend for PO-RALG to communicate with investigative organs to investigate the invalid calculation of the amount of loan of TZS 5.33 billion and, review of the repayment schedule to come up with the right amount required to be paid by the Council.**

**ii. Payment of Compensation to Beneficiaries Not Recognized by Lower-Level Leaders TZS 2.16 Billion**

Temeke MC through various companies conducted a valuation exercise in order to make compensations to pave way for the construction of DMDP funded projects. As of 24 April, 2021, the

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Council had already made compensations amounting to TZS 18.79 billion.

I found 94 residents who could not be recognised by lower level leaders, and were paid a total amount of TZS 2.16 billion, indicating that these payments could be fraudulent compensations.

**I recommend to PO-RALG to make follow up on the genuineness of TZS 2.16 billion paid to unrecognized beneficiaries.**

#### **15.2.4 Ubungo MC**

##### **i. Inadequate Management of Revenue Collections Causing Loss of TZS 4.64 Billion**

I performed a special audit on the trends of the collection of revenue at Ubungo MC for the financial years 2018/19 to 2020/2021, of which I identified shortcomings in collection revenue resulting into a loss of TZS 4.64 billion as follows:

- (i) I noted the presence of 69,020 square meters of an open space that had been invaded. The space would have yielded the Council a total revenue of TZS 2.96 billion, had it was leased by charging TZS 15,552 per square meter, as decided by the Finance Committee meeting on 12 February, 2019.
- (ii) For tender No. LGA / 180 / 2018-2019 / NCS / 53 LOT 2 and LGA / 180 / 2018-2019 / NCS / 53 LOT 1, relating to the collection of revenue from use of toilet at the Bus Station 'SIMU 2000' and Mabibo Market, the Council awarded tenders to agents who quoted a lower amount of revenue of TZS 131.96 million, while leaving the one with a higher amount of TZS 207 million. This resulted into a loss of TZS 75.04 million without any justifiable reasons.
- (iii) I found that the Council has lost revenue to the tune of TZS 373.39 million in the form of rent from market stalls at various Council's markets, due to the application of lower rates of less than 500 shillings that are set as minimum amounts in the Council By-Law No. 226 dated 22 March, 2019.

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- (iv) Subsequent to the division of Kinondoni MC in July 2016, Ubungo MC was allocated with seven (7) apartments at Oysterbay Villa. I discovered that the Council has not collected any rent from these apartments for more than three years from 2017/18, thus depriving the Council a revenue of TZS 720 million.
  - (v) I noted Ubungo MC claims service levy from 38 major businesses out of 6,270 businesses, thus depriving the Council a revenue amounting to TZS 507.52 million, contrary to section 6 (1) (u) and 7 (1) of the Local Government Finance Act, CAP 290 [R.E 2019].

**I recommend to the Dar es Salaam Regional Administrative Secretary in collaboration with the Council Management to make a follow up on all open spaces, and enter into lease agreements for all areas being used by tenants without paying the relevant rent.**

**ii. 10% of Outstanding Works Not Deducted During Termination of Contract for construction of Office building Causing Loss of TZS 284.31 Million**

On 23 June, 2020, Ubungo MC terminated a contract for the construction of its office building with the contractor due to violation of the terms of the contract by the contractor.

I found that the Council did not deduct TZS 284.31 million from the contractor, being 10% of the remaining work worth TZS 2.84 billion. Lack of deducting 10% is contrary to clause 68.1 of the Special Conditions of the Contract No. LGA/180/2017-2018/W/11 with a contract value of TZS 6.30 billion.

**I recommend to the Permanent Secretary PO-RALG, Dar es Salaam Regional Administrative Secretary in collaboration with other relevant authorities to take appropriate action against Council officials mentioned in the special audit report for causing losses to the Council due to non-compliance with rules, procedures, and the terms of the contract, as well as communicating with the contractor to ensure that TZS 284.31 million is recovered.**

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### 15.2.5 Kigamboni MC

In the financial year 2020/21, I conducted two special audits at Kigamboni MC, including a special audit on the Local Government Revenue Collection System (LGRCIS) and the Land management system (MOLIS), as well as a special audit on revenue, projects, receivables, and creditors. During my audit, the following significant findings were identified: -

#### **a) Special Audit on LGRCIS and MOLIS**

##### **i. Loss of TZS 264.75 Million Revenue Due to Forgery of Receipts**

I conducted a forensic audit on LGRCIS and MOLIS operations covering periods from January 2017 to July 2020 at Kigamboni MC. The audit of the existence of 825 fictitious receipts worth TZS 264.75 million, which comprised of 92 receipts worth TZS 59.77 million which were physically availed, and 733 receipts worth TZS 204.99 million used to grant building permits which were not availed for audit but were obtained from the authorized minutes of the Committee on Building Permit.

Additionally, I discovered that all 825 receipts had different information relating to the names of the payee, address, amount paid, and purpose of payment, when compared with the information of the same receipts found in the LGRCIS.

Difference of information contained in 825 receipts, were mainly triggered by the application available in LGRCIS, which allows system users to download receipts in editable format (excel and pdf), whereby unfaithful Council staff took advantage of it by exporting, and editing the contents of the receipts for their own benefits occasioning the misappropriation of TZS 264.75 million.

I urge PO-RALG to restrict the functionality of the application in the LGRCIS that allow system users to download receipts in an editable format to avoid misuse of the application by the unfaithful staff. PO-RALG is also advised to ensure full use of MOLIS in all land related services, and ensure that appropriate measures are taken against Council staff who were involved in issuing forged receipts causing a loss of TZS 264.75 million.

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## **b) Special Audit On Revenue, Projects, and Debts**

### **ii. Loss of TZS 229.84 Million due to Sale of Plots at Lower Prices than Prices Approved by Land Distribution Committee**

Kigamboni MC land distribution committee approved a selling price for plots at Gezaule to a range between TZS 1,000 and TZS 10,000 per square meter.

Contrary to the approved prices, I found that sixty-nine (69) plots valued at TZS 229.84 million at Gezaule area were sold at the constant price of TZS 1,000 per square meter, leading to the loss of revenue amounting to TZS 229.84 million.

Selling plots at lower prices led to a loss of revenue amounting to TZS 229.84 million

**PO-RALG is advised to communicate with PCCB for investigation of the loss of TZS 229.84 million; and take appropriate measures against all employees responsible for the loss.**

### **iii. Misappropriation of TZS 63.16 Million of Revenue Done Through LGRCIS Back Office**

I revealed misappropriations of the Council revenue of TZS 63.16 million during three financial years (2018/19 to 2020/21), done by dishonest employees through LGRCIS back office, by editing the information on revenue, source of revenue, payment identification (Payer ID), and the amount paid. Out of the misappropriated amount, TZS 61.98 million was revenue from the sale of plots and building permits through forged receipts, and TZS 1.18 million was miscellaneous revenue collected but not banked.

**PO-RALG is advised to communicate with PCCB for investigation of the loss of and misappropriation of TZS 63.16 million; and take appropriate measures against all employees responsible for the loss.**

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### 15.2.6 Kinondoni MC

#### i. **Fraudulent Use of Vehicles for Garbage Collection TZS 196.65 Million**

In the special audit of refuse collection, I found that Kinondoni MC paid a total of TZS 196.65 million to waste collection and disposal agents during three financial years (2018/19 to 2020/21). I discovered that among the vehicles purported to have been used in garbage collection were saloon cars, which in essence could not be used to collect garbage.

Moreover, I noticed that vehicles with local government registration numbers (SM) were also used to collect and dispose off waste at Magomeni, Tandale and Tegeta Nyuki markets, while the particulars of payments indicated that the agents hired private vehicles to cater for the task.

Payment for claims not appropriately supported could result into fruitless expenditure by the Council.

**PO-RALG is advised to communicate with PCCB to investigate the legitimacy of all the payments made to waste collection agents amounting to TZS 196.65 million using forged motor vehicle documents.**

#### ii. **Payments Made to Waste Collection Agents Without Proof of the Quantity of Refuse Collected TZS 278.7 Million**

The Council paid TZS 278.78 million as refuse collection commission without any records to support the delivery of the waste at Pugu Kinyamwezi landfill site, indicating lack of proper expenditure management leading to ineligible payments of TZS 278.7 million.

**P O-RALG is advised to communicate with PCCB to investigate the legitimacy of TZS 278.7 million paid for contract services not confirmed to have been performed.**

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### 15.2.7 Masasi TC

#### i. **Non-Recovery of Advance Payment to a Contractor TZS 172.35 Million**

I noted that on 24 June, 2019, the Council signed a contract No. LGA/135/2018/2019/W/NCT/02 worth TZS 1.15 billion for a second phase in respect of the construction of an administration block.

On 26 June, 2019 through the payment voucher No.802031V1902335, the Contractor was paid a down payment of 15% of the contract value equivalent to TZS 172.35 million.

I found that up to 10 February, 2021, the Council had already paid the contractor an amount equivalent to 72% of the contract sum, without deducting 15% advance payment, contrary to condition No. 24 of the General Conditions of the Contract, indicating lack of adequate contract management by the Council.

**Appropriate action should be taken against all the responsible staff for making payments for unexecuted works and failure to deduct the 15% advance payment from contractor's interim payment certificates.**

#### ii. **Retention Funds Utilized for Unintended Activities TZS 146.18 Million**

Masasi TC signed the contract No. LGA/135/2015/2016/W/01, and the contract No. LGA/135/2018/2019/W/NCT/02 for the construction of the Council's administration block in the financial year 2015/16.

I noted that a total of TZS 146.18 million was deducted as a retention amount from different contractors and transferred to a deposit account. Out of the deposited amount, TZS 128.37 million related to the contract No. LGA/135/2015/2016/W/01 and TZS 17.81 million related to the contract No. LGA/135/2018/2019/W/NCT/02.

However, I found that the fund was utilized for unintended purposes, which could result into the Council's failure to pay the contractors



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after the agreed defects liability period, which could lead into litigation.

**I recommend to Mtwara Regional Secretariat in collaboration with the relevant authorities to ensure that the Council recovers the retention amount of TZS 146.18 utilized for unplanned activities, including taking appropriate measures against those responsible for the diversion of the retention funds.**

**iii. Payment for Unexecuted Works TZS 105.99 Million**

I noted that the Council through the payment Certificate No. 3, in respect of the contract No. LGA/135/2018/2019/W/NCT/02 paid TZS 105.99 million, for the construction of Council's administration block for works not executed.

The amount included TZS 17.02 million paid over and above the actual work performed. The amount of TZS 88.97 million was also paid to the contractor as 'prime cost and provisional sums', without measuring the work performed. This is contrary to clause 45.2 of the General Conditions of Contract that requires the contractor to be paid according to the works performed and at a price specified in the bills of quantities (BOQ).

**I recommend to the Council Management to ensure that appropriate measures are taken against all officials who paid TZS 105.99 million for works not executed.**

**15.2.8 Mpwapwa DC**

**i. Missing Documents for Construction of Kibakwe Health Center TZS 400 million**

Mpwapwa DC received a total of TZS 400 million from the Ministry of Finance and Planning for the construction of Kibakwe Health Center. However, I could not confirm its utilization due to the missing of the project documents, despite my request through letter with reference No. NAO/SA/MPD/2021/50 dated 23 June, 2021.

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Non-submission of the project documents hindered me to verify the legitimacy of the related payments for the construction of Kibakwe Health Center.

**I urge PO-RALG to liaise with PCCB to investigate the validity of TZS 400 million paid for the construction of Kibakwe Health Center, and ascertain whether the funds were used for the intended purpose or misused.**

**ii. Amounts Paid Over and Above the Value of Work Performed TZS 150.03 Million**

Clause 39.2 of the GCC states that, the contractor is paid according to the work performed at the rate agreed upon in the BOQ. On the contrary, I detected that some payments were made to contractors and local artisans without taking measurements for the work performed, leading to payment of over and above the work performed by TZS 150.03 million.

**I recommend to PO-RALG and Council Management to ensure that the overpaid amount of TZS 150.03 million to the contractors is recovered.**

**15.2.9 Geita TC**

**i. Loss Incurred Due to Termination of the Contract TZS 1.70 Billion**

During the special audit of the Modern Abattoir at Kisasa Mpomvu, I found that Geita TC entered into a contract No.LGA/160/ULGSP/W/2016/2017/01 worth TZS 2.71 billion on 14 March, 2017, for the construction of a modern abattoir at Kisasa Mpomvu. The contract was expected to be completed on 11 December, 2018.

The Council terminated the contract on 22 February, 2019, and signed another contract No. LGA /160/2019-2020/HQ/ULGSP/06 on 20 January, 2020, with another contractor at the value of TZS 150.72 million, resulting in a loss of TZS 1.70 billion.

The Council also paid the new contractor an advance payment of TZS 80.95 million, which was already paid to the first contractor but not

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recovered, an additional cost to the new contractor of TZS 1.40 billion; and payment of legal fees of TZS 75.83 million for terminating the contract.

These short comings could be attributable to inadequate contract management by the Council legal officers.

**I urge PO-RALG to communicate with PCCB to investigate the loss of TZS 1.70 billion as a result of termination of the contract by the Council, and validate the amount due to the contractor who signed the new contract.**

**ii. Double Payment for Soil Research and Testing TZS 44.14 million**

I noted that in the implementation of the construction of a modern abattoir, Geita TC made a total payment of TZS 44.14 million for soil research and testing. The cost had already been previously paid to a consultant who undertook a topographical survey at TZS 21.4 million and the one who conducted a soil research at TZS 22.74 million, but who did not perform the two activities.

**The Permanent Secretary PO-RALG is advised to ensure that the Consultant reimburses TZS 44.14 million paid by the Council for land survey activities that were not performed.**

**15.2.10 Kyerwa DC**

**i. Double Payment for Works Already Performed TZS 281.87 Million**

The Council entered into a Contract No.LGA/137/2016-2017SS/ADM/BLOCK/W/01 worth TZS 717.21 million for the construction of the administration building (phase I), which was to be implemented from 05 May, 2017 until 05 September, 2017.

However, the Council terminated the contract by a letter with Ref. No. CE.3/992/03/37 dated 04 July, 2018, and signed another contract No. LGA/137/2017/2018/ADM BLOCK/W/04 worth TZS 1.44 billion with another contractor for completion of the first phase.

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I noted that the amount of work valued at TZS 281.87 million was carried out by the first contractor, which was fully paid for, was also included in the payments made to the new contractor.

**The relevant authority should take appropriate action against all the officials mentioned in the special audit report who were involved in approving and paying TZS 281.87 for work already paid.**

**ii. Advance Payment Not Recovered from Contractor TZS 62.41 Million**

Kyerwa DC paid a contractor the sum of TZS 156.02 million, as an advance payment for the construction of the Council's administration building. Of the amount paid, TZS 93.61 million was deducted from payment of certificates, and the remaining TZS 62.41 million was to be deducted from subsequent payment of certificates.

Further, on 06 December, 2020, the Council terminated the contract and the contractor left the site. The Council did not the remaining amount of TZS 62.41 million which was paid in advance for subsequent certificates.

**The Council Management is advised to ensure the contractor pays the unrecovered advance payment of TZS 62.41 million.**

**15.2.11 Biharamulo DC**

**i. POS Defaulters with False Names TZS 44.57 Million**

I noted nine (9) POS with debts amounting to TZS 44.57 million which were registered using false names, thus, making it difficult to determine the legitimacy of the collected revenues which was not banked.

This is contrary to the requirement of letter with Ref No. EB.151/297/01/79 dated 6 October, 2017, from the Permanent Secretary PO-RALG, directing each POS to be registered and known by username, work station, and contact details for easier monitoring.

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This malpractice was prompted by inadequate control over the collection of revenue, leading to a loss of revenue of TZS 44.57 million.

**I recommend that the Permanent Secretary of PO-RALG communicates with PCCB to conduct an investigation regarding revenue collectors with POS machines having invalid user names and contact details.**

#### **15.2.12 Kakonko DC**

##### **i. Payments for Undelivered Building Materials TZS 231.17**

On 27 February, 2021, the Council received TZS 1 billion for the construction of Kakonko District Hospital - phase II.

I noted that the Council made payments of TZS 231.17 million to various suppliers for procurement of building materials, which up to the time of this audit on 30 June, 2021, the materials had not been delivered at the project premises.

This is contrary to regulations 242 and 248 of the Public Procurement Regulations, 2013, which requires all goods to be inspected and accepted before being received.

Payments for undelivered building materials was mainly caused by lack of control over procurements.

**The Council Management is advised to ensure that TZS 231.17 million paid for undelivered building materials is being refunded by the responsible suppliers.**

##### **ii. Loss of TZS 160.96 Million Due to Payment in Respect of Processing Insurance Bond by the Contractor**

On 31 May, 2019, Kakonko DC entered into a Contract No. LGA/139/HQ/2018-2019/W/02 worth TZS 2.15 billion for the construction of Kakonko bus station. The contract was for a duration of one year from 14 June, 2019 to 14 June, 2020.

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I observed that the Council, through the payment voucher No. 743110V2001023 dated 14 February, 2020 and IPC No. 1, paid TZS 239.24 million to the contractor, which included TZS 165.26 million for the insurance bond.

Additionally, I discovered that the total cost of insurance bond paid by the contractor to the insurance company was TZS 4.29 million only, indicating that the Council overpaid the contractor by TZS 160.96 million for an insurance cover which was not paid by the contractor.

**The Council management is advised to ensure that the contractor refunds TZS 160.96 million of performance insurance guarantee ineligibly paid.**

#### **15.2.13 Nachingwea DC**

##### **i. Unprofitable Investment on Radio and Construction of Rental Premises at Nachingwea Bus Stand TZS 209.91 Million**

Nachingwea DC entered into contracts worth TZS 209.91 million for the construction of commercial premises for renting, 12-rooms booking offices at Nachingwea bus stand, and purchase and installation of various radio equipment.

However, a site visit made at the bus stand and the radio project revealed that 12 premises had no tenants for about ten years since the completion, and 26 premises were left at the lintel stage for a considerable long time. The radio was registered as a community radio station for providing services to the community and not for profit-making, thus, becoming a burden to the Council as the related operating costs are met by the Council.

Such deficiencies were attributed to lack of feasibility studies and business plans before the projects were initiated.

**The Council Management is advised to improve business environment at the bus stand to attract businessmen; and transform Nachingwea Radio into a commercial radio station so that it can operate without depending on the grants provided by the Council.**

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**ii. Loss of TZS 69.91 Million Due to Under-Collected Service Levies**

My analysis of the reports on sales of minerals from the District Mineral Commission at Nachingwea District Office, and tax returns payable to the Tanzania Revenue Authority by companies for the sale of minerals for a period of three financial years from 2018/19 to 2020/21, found that 103 companies underpaid service levy by TZS 69.91 million, contrary to section 6 (1) (u) and 7 (1) of the Local Government Finance Act, Cap 290 (R.E 2019).

**Management should make efforts to recover TZS 69.91 million from companies/businesses which underpaid their service levies.**

**15.2.14 Babati TC**

**i. Plots Compensation TZS 367.81 Million Paid to Unconfirmed Beneficiaries**

My review of creditors schedule for three financial years (2018/19 to 2020/21) revealed that the Council paid TZS 367.81 million for land compensation to beneficiaries not among those who were verified by the Council.

**PO-RALG is advised to communicate with PCCB for them to investigate the legitimacy of the compensated funds amounting to TZS 367.82 million to beneficiaries not previously recognised.**

**ii. Revenue from Sale of Plots Paid into Employees Personal Bank Accounts TZS. 167.43 Million**

I noted that the Council sold plots to 58 buyers for TZS 167.43 million. However, the amount received were deposited into the bank accounts of the Council's employee. As at the time of the audit, the funds had not been remitted to the Council revenue collection account.

**PO-RALG is advised to communicate with PCCB for them to investigate the validity of the revenue of TZS 167.43 million deposited into employee's personal bank accounts.**

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#### **15.2.15 Bunda DC**

##### **i. Missing Documents Used to Procure Local Artisan Services TZS 255.85 Million**

During the special audit, I could not satisfy myself on the legitimacy of an expenditure of TZS 255.85 million due to non-submission of documents used to procure local artisan services for the construction of Kisorya and Kasahunga Health Centers, and a District Hospital - Phase I.

This contravenes Paragraph 7 of the PO-RALG guideline on the use of force account dated 21 September, 2017, with Reference No. AD.296/303/01/I/82, which provides instructions on the use of force account in the renovation of health care facilities.

Absence of procurement proceedings limited the scope of my audit.

**The Council Management should ensure that all the documents relating to the construction projects of health facilities and the district hospital worth TZS 255.85 million are available for my verification.**

#### **15.2.16 Chunya DC**

##### **i. Loss of TZS 281.14 Million Due to Under-collected Mineral Service Levy**

I made a comparison of the reports on the sale of minerals from the District Mining Commission against the information on the service levy provided by the Councils for three financial years (2018/19 to 2020/21). I noted that the service levy which was not collected from mining amounted to TZS 281.14 million.

This is contrary to Clause 4 (2) of the Council Bylaw 2019, enacted under section 6 (1) (u) and 7 (1) of the Local Government Finances Act, Cap 290 (R.E. 2019).

Non-collection of the service levy affected the implementation of the planned activities that were supposed to be implemented in the respective years.



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**I recommend to the Council Management to ensure that all revenues from mineral service levy are appropriately collected.**

**ii. Loss of TZS 328.56 Million Due to Disqualification of the Lowest Bidder**

Review of tender No.LGA/075/W/BLD/2016-2017/01 for the construction of the Council's administration building noted that the lowest bidder was unfairly excluded in the evaluation process leading to the loss of TZS 328.56 million.

Detailed review of the evaluation report revealed that Chunya DC unfairly applied an evaluation criterion to reject a bid from a company which quoted TZS 1.86 billion and awarded the tender to another company which quoted TZS 2.194 billion.

Removal of the lowest bidder by using the criteria not specified in the tender documents resulted in a loss of TZS 328.56 million.

**I recommend for the Council Management to take necessary action against all the officials involved in awarding a tender to the higher priced bidder.**

**15.2.17 Ifakara TC**

**i. Loss of TZS 172.58 Million Caused by Contractors Negligence**

Review of the soil survey test for the construction of an administration building revealed that the constructed foundation of the pad footing could not be able to withstand the weight of the building due to the type of soil. It was therefore, decided to construct another concrete foundation (raft foundation) and backfill the previous foundation. This caused the Government to lose TZS 172.58 million.

Additionally, I found that the formworks intended to be used for the construction remained unused from 20 October, 2018 to 9 July, 2019 due to the exercise of testing the soil, such that it could no longer be used for the intended work as they were damaged and dried after being exposed to direct sun and rain.

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**I recommend for PO-RALG to communicate with TBA Management to ensure that the overpaid sum of TZS 172.58 million is recovered.**

**ii. Overpayment for the Executed Works TZS 221.04 Million**

My review of the interim certificates of payment together with measurement sheets for the construction of the Council's administration block noted that TBA, through the certificates of payments 2 and 3, was paid TZS 221.04 million more than the actual work executed, contrary to Regulation 243 (2) of the Public Procurement Regulations, 2013.

**The Council Management is advised to deduct TZS 221.04 million from the next contractor's certificates of payments and ensure that the contractor resumes work as per the agreed timeframe.**

**15.2.18 Ilemela MC**

**i. Failure to Use POS Machine by an Agent Resulting to a Loss of TZS 40.40 Million**

The Council engaged one revenue collection agent who used "own devices" to collect revenue, instead of using the POS machines given by the Council, leading to a loss of TZS 40.40 million which was not banked.

This is contrary to paragraphs 6 of the letter from the Permanent Secretary PO-RALG with Ref.No.EB.110/156/01/26 dated 11 July, 2016, that emphasizes hired revenue collection agents to use Council POS machines to collect revenue. The malpractice above is caused by weak internal control systems over revenue collection by agents.

**I recommend to Mwanza Regional Administrative Secretary in collaboration with the Council and the relevant authorities to take appropriate action to recover TZS 40.40 million from the revenue collection agent who did not use the Council POS machines, consequently not banking the collected revenue.**

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**ii. Payment of TZS 161.27 Million for Unexecuted Works**

My audit revealed that TZS 161.27 million was paid by the Council to some contractors for work that was not done. Of the amount paid, TZS 22.51 million was paid to the contractor for truck parking at Nyamhongolo area through the Contract No. LGA/1592/018/2019/W/2 - lot 2, dated 17 July, 2019 and TZS 138.76 million for the construction of an administration building through the Contract No. LGA/159/2017/2018/W/03, dated 26 March, 2018.

Lack of adequate supervision by Council Management has caused a loss of TZS 161.27 million.

**I recommend that the Council should recover from the contractors TZS 161.27million paid for unexecuted works.**

**15.2.19 Ludewa DC**

**i. Fruitless Expenditure from Boat Hiring Charges TZS 122.79 Million**

On 24 August, 2018 Ludewa DC received TZS 200 million from the Ministry of Finance and Planning for the construction of one boat to serve all the wards and villages along Lake Nyasa shores.

On 13 March, 2019, the Council signed a Contract No. LGA/030/2018-2019/G/01, for TZS 169.92 million, to construct the boat which was expected to be completed within three months from 20 March, 2019 to 20 June, 2019.

I noted that on 27 August, 2019, the contractor handed over the boat to the Council, and on 02 December, 2019 the boat was returned to the contractor for maintenance. Up to the time of finalizing this audit in June 2021, a total amount of TZS 101.95 million had been paid to the contractor, while the boat was still at the contractor's premises, this being one year since it was returned for maintenance.

I also noted that during that period (02 December to June 2021) TZS 20.84 million was incurred by the Council for hiring the boat, which could have been avoided if the boat was operating. This scenario has led to fruitless expenditure of TZS 122.79 million.

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**I recommend for PO-RALG to ensure that Ludewa DC closely follows up with the contractor to ensure that the boat is brought back to the Council.**

**15.2.20 Kalambo DC**

**i. Loss of TZS 91.22 Due to Disqualification of the Lowest Bidder TZS 91.22 Million**

My review of procurement procedures for electrical and ICT system work in respect of the Council administration building construction revealed that the Council approved a contractor with a bid price of TZS 907.41 million and rejected the one who quoted TZS 816.20 million, contrary to section 72 of PPA, 2011, regulation 203 (2), and regulation 76 of the Public Procurement Regulations of 2013 (as amended in 2016).

This has caused a loss of TZS 91.22 million to the Council.

**I advise PO-RALG and the Council Management to ensure that appropriate measures are taken against all those who were involved in the procurement process from the evaluation stage to awarding the tender.**

**15.2.21 Bariadi TC**

**i. Unjustifiable Removal of the Bidder, which Caused a Loss of TZS 112.05 Million**

Bariadi TC entered into contract No.LGA/158/2018/2019/HQ/C/01 on 20 May, 2019, for the provision of consultancy services for the construction of a car park at the cost of TZS 496.80 million.

Contrary to regulation 203 (2) and 17 (2-4) of the Public Procurement Regulations, 2013, I found that the contractor with the lowest bid of TZS 384.75 million was removed on grounds that the bidder was ranked low on the key personnel criteria, understanding of reference points and performance categories compared to the bidder with a bid of TZS 522.80 million, which was later negotiated down to TZS 496.80 million.

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However, these evaluation criteria could not be justified in the evaluation report submitted for our review and there were no remarks against the scores given to the rejected bidder, contrary to Clause 11.3 and 19.4 of the Tender Evaluation Guideline, 2014 issued by PPRA, which requires Evaluation Committee Members to make remarks against allocated scores for each bidder.

This non compliance has denied the Council a chance to save TZS 112.05 million.

**I recommend that PO-RALG takes appropriate actions against all those involved in the disqualification of the lowest bidder without any justifiable grounds which caused the loss of TZS 112.05 million.**

**ii. Loss Due to Payment of Ineligible Electricity Compensation TZS 116. 89 Million**

During the year under review, Bariadi TC paid a compensation of TZS 116.89 million to 7 residents of Sesele I and Sesele II villages to pave way for the construction of the 33KV grid power line by TANESCO to provide electricity services to Bariadi residents.

Inquiry from TANESCO in Simiyu Region, which was responded to through a letter with Ref. No. RM/SMY/GC/24/2021 of 10 June, 2021, confirmed that the beneficiaries of the project were not entitled to be compensated since they voluntarily provided their land according to letter with Ref. No. RM/SMY/MVL/1.

**I recommend that PO-RALG takes appropriate actions against all those responsible for making payments for compensation of land and causing a loss of TZS 116.89 million.**

**iii. Payments for Unexecuted Work TZS 114 Million**

Bariadi TC entered into Contract No. LGA/158/2016/2017/C/02 on 29 May, 2017 for supervision of a modern bus station, constructed at Somanda, and the construction of 1.5 km tarmac roads, all worth TZS 691.95 million. The Council also entered into another Contract No. LGA/158/2018/2019/C/01 with the same company for the

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supervision of the construction of the trucks parking for TZS 496.80 million.

I revealed that the Council paid the contractor TZS 532.03 million in relation to the Contract No. LGA/158/2016/2017/C/02. Of the paid amount, TZS 95 million was paid for 'drainage engineer', 'structural engineer' and 'topographical surveyor' salaries. The Council also paid TZS 400.20 million in respect of executed works for contract No. LGA/158/2018/2019/C/01 including TZS 19 million to cater for topographical surveyor and project director's salaries.

I found out that, the personnel mentioned above were not among the company's employees listed in the submitted bid documents and did not participate in site meetings held during the whole period of the implementation of the project.

**I recommend that PO-RALG take appropriate actions against all responsible officers who paid TZS 114 million to the consultants for unexecuted work, resulting in a loss of funds.**

**iv. Diversion of ULGSP Funds TZS 704.11 Million**

Bariadi TC received a total of TZS 22.82 billion in five years for the ULGSP development project, and as of 30 June, 2021, the Council had spent a total of TZS 22.12 billion, leaving unutilised amount of TZS 704.11 million.

I found that on 26 June, 2020, the Council transferred TZS 471.01 million from development account to a deposit account through Payment Voucher No. 472036V2003099. I also noted through review of the Contract No. LGA/158/ULGSP/2017/2018/W/02 that a total of TZS 290.14 million was deducted from contractor's payments and deposited in a deposit account as retention money.

However, as of 22 May, 2021, the deposit account had a balance of TZS 111.49 million only, implying that the remaining ULGSP funds totaling TZS 704.11 million were used for unintended activities.

This is contrary to the signed Memorandum of Understanding between the International Development Association and the Government of the United Republic of Tanzania which required,

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beneficiary entities to ensure that funds are used for intended purposes based on value for money, transparency, and accountability.

**Permanent Secretary PO-RALG is advised to ensure that Management of the Council refunds TZS 704.11 million of ULGSP.**

#### **15.2.22 Songwe DC**

##### **i. Misappropriation and Loss of Revenue TZS 65.16 Million**

During the audit of the revenue collection system (LGRCIS) for the financial years 2018/19 to 2020/21, I revealed that some Council staff deleted the transactions of the debt collectors totaling TZS 19.76 million by injecting fake receipt numbers in the system through back office. I also found that TZS 33.59 million was handed over to the revenue accountants by the revenue collectors, but was not banked. In addition, TZS 11.80 million from licensing fee was also not remitted to the bank.

The misappropriation of revenue amounting to TZS 65.16 which is contrary to Order 50(5) of LGFM, 2009 was due to inadequate control over adjustments of transactions in LGRCIS via back office of the revenue system.

**I recommend to PO-RALG to communicate with PCCB to investigate and verify the legitimacy of the transactions of revenue deleted through back office in LGRCIS, and take appropriate measures against all responsible staff for the loss of TZS 65.16 million.**

#### **15.2.23 Igunga DC**

##### **i. Questionable Registration of Two POS Machines Which Collected TZS 130.99 Million**

Through back end information from LGRCIS, I revealed the existence of two (2) revenue collection machines (POS) registered with questionable numbers eg. "NULL", having collected TZS 130.99 million.

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Absence of POS machine registration numbers was attributed to lack of adequate control over revenue collection, leading to failure in preventing the loss of revenue, which could also provide an opportunity for dishonest employees to obtain personal gain.

**PO-RALG is advised to communicate with investigative organs to investigate the misappropriation of public funds amounting to TZS 130.99 million collected through POS machines, which were registered with doubtful numbers and take appropriate measures against those responsible for such deficiencies.**

**ii. Forged Electronic Fiscal Device Receipts Worth TZS 190.12 Million**

During the construction of Simbo health centre, a total of TZS 192.48 million was paid to various contractors for the purchase of building materials.

I noted that Electronic Fiscal Device receipts for TZS 190.13 million issued by those contractors were not genuine according to Tanzania Revenue Authority (TRA) confirmation through letter with Ref. Na. TRA/DM/IG/GC/VOL.2/86 dated 15 June, 2021.

**I urge the Tanzania Revenue Authority to take appropriate measures against these contractors for issuing counterfeit Electronic Fiscal Device Receipts for TZS 190.13 million.**

**15.2.24 Kilindi DC**

**i. Revenue Collected by Agents with Terminated Contracts Not Banked TZS 360.23 Million**

Kilindi DC entered into agreements with two revenue collecting agents, who were required to remit TZS 183.33 million and TZS 45 million per month respectively.

The first agent signed an agreement to collect revenue using POS machines from 5 October, 2017 to 5 April, 2018, and the second agent collected revenue from 01 August, 2015 to 30 June, 2016 using physical revenue books (HW5). Both agents were supposed to remit revenue within 15 days after collection, thereafter the Council was to impose 20% of the collected amount as penalty upon delay.



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The two agents did not abide by the agreed contractual terms leading to their contracts being terminated. Despite the Council's termination of the two contracts, and filing a case in the court of law, which was however dropped from the court, and thereafter the Council signed a contract No. LGA/127/2019/2020/NC/02 on 1 August, 2020 with an auction broker to sell by auction the secured assets by the agents for recovery of TZS 360.23 million. However, the amount was not recovered as the assets could not fetch any reasonable price on the market.

**I urge PO-RALG to communicate with PCCB to investigate on the unremitted revenue in order to take appropriate measures against the responsible agents.**

**ii. Fraudulent Adjustments of Transactions in LGRCIS Leading to Loss of TZS 547.59 Million**

I revealed that for the financial years 2018/19 to 2020/21, some Council employees made inappropriate revenue adjustments in LGRCIS worth TZS 547.59 million to conceal revenue which was misappropriated by those staff.

**I recommend to the Permanent Secretary PO-RALG that appropriate measures should be taken against all employees involved in the misappropriation of revenue which was not banked and effecting inappropriate transactions of adjustments in LGRCIS.**

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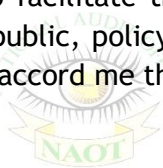
## GENERAL RECOMMENDATION AND CONCLUSION

### General Recommendation

It is my expectation that the Government will develop a sustainable action plan to facilitate timely implementation of recurring recommendations, while engaging practicable strategies to execute long term recommendations. Further, PO-RALG should institute and strengthen prevailing and newly-established internal controls including electronic systems to mitigate the risks relating to revenue collection; and ensure compliance with laid down laws and procedures.

### Conclusion

I am profoundly grateful for the close cooperation with our stakeholders including the Government, Parliament and LGAs for their dedicated efforts to facilitate the preparation of this report that would speak to the public, policymakers and experts. It is my expectation that you will accord me the same in the coming years.



## APPENDICES

**Appendix 1 - 1: Audit Opinion Issued During the Year**

S/N	Name of LGA	2017/18	2018/19	2019/20	2020/21
1.	Arusha CC	Unqualified	Unqualified	Qualified	Unqualified
2.	Arusha DC	Unqualified	Unqualified	Unqualified	Unqualified
3.	Babati DC	Unqualified	Unqualified	Unqualified	Unqualified
4.	Babati TC	Unqualified	Unqualified	Unqualified	Unqualified
5.	Bagamoyo DC	Unqualified	Unqualified	Unqualified	Unqualified
6.	Bahi DC	Unqualified	Unqualified	Qualified	Unqualified
7.	Bariadi DC	Unqualified	Unqualified	Qualified	Unqualified
8.	Bariadi TC	Unqualified	Unqualified	Unqualified	Unqualified
9.	Biharamulo DC	Unqualified	Unqualified	Qualified	Unqualified
10.	Buchosa DC	Unqualified	Unqualified	Qualified	Unqualified
11.	Buhigwe DC	Unqualified	Qualified	Qualified	Unqualified
12.	Bukoba DC	Unqualified	Unqualified	Adverse	Unqualified
13.	Bukoba WC	Unqualified	Unqualified	Unqualified	Unqualified
14.	Bukombe DC	Unqualified	Unqualified	Qualified	Unqualified
15.	Bumbuli DC	Unqualified	Unqualified	Unqualified	Unqualified
16.	Bunda DC	Unqualified	Unqualified	Qualified	Adverse
17.	Bunda TC	Unqualified	Unqualified	Unqualified	Unqualified
18.	Busega DC	Unqualified	Unqualified	Unqualified	Unqualified
19.	Busokelo DC	Unqualified	Unqualified	Unqualified	Unqualified
20.	Butiama DC	Unqualified	Qualified	Qualified	Unqualified
21.	Chalinze DC	Unqualified	Unqualified	Unqualified	Unqualified
22.	Chamwino DC	Unqualified	Unqualified	Qualified	Unqualified
23.	Chato DC	Unqualified	Unqualified	Unqualified	Unqualified
24.	Chemba DC	Unqualified	Unqualified	Qualified	Unqualified
25.	Chunya DC	Unqualified	Unqualified	Qualified	Unqualified
26.	Dar es Salaam CC (Former Ilala)	Unqualified	Unqualified	Unqualified	Unqualified
27.	Former Dar es Salaam CC	Unqualified	Unqualified	Adverse	Qualified
28.	Dodoma CC	Unqualified	Unqualified	Unqualified	Unqualified
29.	Gairo DC	Unqualified	Unqualified	Unqualified	Unqualified
30.	Geita DC	Unqualified	Unqualified	Qualified	Unqualified
31.	Geita TC	Unqualified	Unqualified	Unqualified	Unqualified
32.	Hai DC	Unqualified	Unqualified	Unqualified	Unqualified
33.	Hanang DC	Unqualified	Unqualified	Qualified	Unqualified

S/N	Name of LGA	2017/18	2018/19	2019/20	2020/21
34.	Handeni DC	Unqualified	Qualified	Unqualified	Unqualified
35.	Handeni TC	Unqualified	Unqualified	Unqualified	Unqualified
36.	Ifakara TC	Unqualified	Unqualified	Unqualified	Unqualified
37.	Igunga DC	Unqualified	Unqualified	Adverse	Unqualified
38.	Ikungu DC	Unqualified	Unqualified	Unqualified	Unqualified
39.	Ileje DC	Unqualified	Unqualified	Unqualified	Unqualified
40.	Itemela MC	Unqualified	Unqualified	Unqualified	Unqualified
41.	Iramba DC	Unqualified	Unqualified	Qualified	Unqualified
42.	Iringa DC	Unqualified	Unqualified	Qualified	Unqualified
43.	Iringa MC	Unqualified	Unqualified	Qualified	Unqualified
44.	Itigi DC	Unqualified	Unqualified	Adverse	Unqualified
45.	Itilima DC	Unqualified	Unqualified	Unqualified	Unqualified
46.	Kahama MC	Unqualified	Unqualified	Unqualified	Unqualified
47.	Kakonko DC	Unqualified	Unqualified	Qualified	Unqualified
48.	Kalambo DC	Unqualified	Unqualified	Unqualified	Unqualified
49.	Kaliua DC	Unqualified	Unqualified	Unqualified	Unqualified
50.	Karagwe DC	Unqualified	Unqualified	Qualified	Unqualified
51.	Karatu DC	Unqualified	Qualified	Unqualified	Unqualified
52.	Kasulu DC	Unqualified	Unqualified	Qualified	Unqualified
53.	Kasulu TC	Unqualified	Unqualified	Qualified	Unqualified
54.	Kibaha DC	Unqualified	Unqualified	Unqualified	Unqualified
55.	Kibaha TC	Unqualified	Unqualified	Unqualified	Unqualified
56.	Kibiti DC	Unqualified	Unqualified	Unqualified	Unqualified
57.	Kibondo DC	Unqualified	Unqualified	Unqualified	Unqualified
58.	Kigamboni MC	Unqualified	Unqualified	Unqualified	Unqualified
59.	Kigoma DC	Unqualified	Unqualified	Unqualified	Unqualified
60.	Kigoma/Ujiji MC	Adverse	Unqualified	Qualified	Unqualified
61.	Kilindi DC	Unqualified	Unqualified	Qualified	Unqualified
62.	Kilolo DC	Unqualified	Unqualified	Qualified	Unqualified
63.	Kilosa DC	Unqualified	Unqualified	Unqualified	Unqualified
64.	Kilwa DC	Unqualified	Unqualified	Unqualified	Unqualified
65.	Kinondoni MC	Unqualified	Unqualified	Qualified	Unqualified
66.	Kisarawe DC	Unqualified	Unqualified	Unqualified	Qualified
67.	Kishapu DC	Unqualified	Unqualified	Qualified	Unqualified
68.	Kiteto DC	Unqualified	Unqualified	Unqualified	Unqualified
69.	Kondoa DC	Unqualified	Unqualified	Qualified	Unqualified

S/N	Name of LGA	2017/18	2018/19	2019/20	2020/21
70.	Kondoa TC	Unqualified	Unqualified	Qualified	Unqualified
71.	Kongwa DC	Unqualified	Unqualified	Qualified	Unqualified
72.	Korogwe DC	Unqualified	Unqualified	Qualified	Unqualified
73.	Korogwe TC	Unqualified	Unqualified	Qualified	Unqualified
74.	Kwimba DC	Unqualified	Unqualified	Adverse	Unqualified
75.	Kyela DC	Unqualified	Unqualified	Unqualified	Unqualified
76.	Kyerwa DC	Unqualified	Unqualified	Unqualified	Unqualified
77.	Lindi MC	Unqualified	Unqualified	Unqualified	Unqualified
78.	Liwale DC	Unqualified	Unqualified	Adverse	Unqualified
79.	Longido DC	Unqualified	Unqualified	Unqualified	Qualified
80.	Ludewa DC	Unqualified	Unqualified	Unqualified	Unqualified
81.	Lushoto DC	Unqualified	Unqualified	Unqualified	Unqualified
82.	Madaba DC	Unqualified	Unqualified	Unqualified	Unqualified
83.	Mafia DC	Unqualified	Unqualified	Unqualified	Unqualified
84.	Mafinga TC	Unqualified	Unqualified	Unqualified	Unqualified
85.	Magu DC	Unqualified	Unqualified	Unqualified	Unqualified
86.	Makambako TC	Unqualified	Unqualified	Unqualified	Unqualified
87.	Makete DC	Qualified	Unqualified	Unqualified	Unqualified
88.	Malinyi DC	Unqualified	Unqualified	Unqualified	Unqualified
89.	Manyoni DC	Unqualified	Unqualified	Unqualified	Unqualified
90.	Masasi DC	Unqualified	Unqualified	Unqualified	Unqualified
91.	Masasi TC	Unqualified	Unqualified	Unqualified	Unqualified
92.	Maswa DC	Unqualified	Unqualified	Unqualified	Unqualified
93.	Mbarali DC	Unqualified	Unqualified	Unqualified	Unqualified
94.	Mbeya CC	Unqualified	Unqualified	Unqualified	Unqualified
95.	Mbeya DC	Unqualified	Unqualified	Unqualified	Unqualified
96.	Mbinga DC	Unqualified	Unqualified	Unqualified	Unqualified
97.	Mbinga TC	Unqualified	Unqualified	Unqualified	Unqualified
98.	Mbogwe DC	Unqualified	Unqualified	Qualified	Unqualified
99.	Mbozi DC	Unqualified	Unqualified	Unqualified	Unqualified
100.	Mbulu DC	Unqualified	Unqualified	Unqualified	Unqualified
101.	Mbulu TC	Unqualified	Unqualified	Unqualified	Unqualified
102.	Meatu DC	Unqualified	Unqualified	Unqualified	Unqualified
103.	Meru DC	Unqualified	Unqualified	Unqualified	Unqualified
104.	Missenyi DC	Unqualified	Unqualified	Qualified	Unqualified
105.	Misungwi DC	Unqualified	Unqualified	Unqualified	Unqualified

S/N	Name of LGA	2017/18	2018/19	2019/20	2020/21
106.	Mkalama DC	Unqualified	Qualified	Unqualified	Unqualified
107.	Mkinga DC	Unqualified	Unqualified	Qualified	Unqualified
108.	Mkuranga DC	Unqualified	Unqualified	Unqualified	Unqualified
109.	Mlele DC	Unqualified	Unqualified	Unqualified	Qualified
110.	Mlimba DC	Qualified	Unqualified	Unqualified	Unqualified
111.	Momba DC	Unqualified	Unqualified	Adverse	Unqualified
112.	Monduli DC	Unqualified	Unqualified	Unqualified	Unqualified
113.	Morogoro DC	Unqualified	Unqualified	Unqualified	Unqualified
114.	Morogoro MC	Unqualified	Unqualified	Unqualified	Unqualified
115.	Moshi DC	Unqualified	Unqualified	Unqualified	Unqualified
116.	Moshi MC	Unqualified	Unqualified	Unqualified	Unqualified
117.	Mpanda DC	Unqualified	Unqualified	Unqualified	Unqualified
118.	Mpanda MC	Unqualified	Unqualified	Unqualified	Unqualified
119.	Mpimbwe DC	Unqualified	Unqualified	Unqualified	Unqualified
120.	Mpwapwa DC	Unqualified	Unqualified	Qualified	Unqualified
121.	Msalala DC	Unqualified	Unqualified	Qualified	Unqualified
122.	Mtama DC (Former Lindi DC)	Unqualified	Unqualified	Unqualified	Unqualified
123.	Mtwara DC	Unqualified	Unqualified	Unqualified	Unqualified
124.	Mtwara MC	Unqualified	Unqualified	Unqualified	Unqualified
125.	Mufindi DC	Unqualified	Unqualified	Unqualified	Unqualified
126.	Muheza DC	Unqualified	Unqualified	Unqualified	Unqualified
127.	Muleba DC	Unqualified	Unqualified	Qualified	Unqualified
128.	Musoma DC	Unqualified	Unqualified	Unqualified	Qualified
129.	Musoma MC	Unqualified	Unqualified	Unqualified	Unqualified
130.	Mvomero DC	Unqualified	Unqualified	Unqualified	Unqualified
131.	Mwanga DC	Unqualified	Unqualified	Qualified	Unqualified
132.	Mwanza CC	Unqualified	Unqualified	Unqualified	Unqualified
133.	Nachingwea DC	Unqualified	Unqualified	Unqualified	Unqualified
134.	Namtumbo DC	Unqualified	Unqualified	Qualified	Unqualified
135.	Nanyamba TC	Unqualified	Unqualified	Unqualified	Unqualified
136.	Nanyumbu DC	Unqualified	Unqualified	Unqualified	Unqualified
137.	Newala DC	Unqualified	Unqualified	Unqualified	Unqualified
138.	Newala TC	Unqualified	Unqualified	Unqualified	Unqualified
139.	Ngara DC	Unqualified	Unqualified	Unqualified	Unqualified
140.	Ngorongoro DC	Unqualified	Unqualified	Qualified	Unqualified
141.	Njombe DC	Unqualified	Unqualified	Unqualified	Unqualified

S/N	Name of LGA	2017/18	2018/19	2019/20	2020/21
142.	Njombe TC	Unqualified	Unqualified	Unqualified	Unqualified
143.	Nkasi DC	Unqualified	Qualified	Unqualified	Unqualified
144.	Nsimbo DC	Unqualified	Unqualified	Unqualified	Unqualified
145.	Nyaghw'ale DC	Disclaimer	Unqualified	Qualified	Unqualified
146.	Nyasa DC	Unqualified	Unqualified	Qualified	Unqualified
147.	Nzega DC	Unqualified	Unqualified	Qualified	Unqualified
148.	Nzega TC	Unqualified	Unqualified	Qualified	Unqualified
149.	Pangani DC	Unqualified	Unqualified	Unqualified	Unqualified
150.	Rombo DC	Unqualified	Unqualified	Unqualified	Unqualified
151.	Rorya DC	Unqualified	Unqualified	Qualified	Unqualified
152.	Ruangwa DC	Unqualified	Unqualified	Unqualified	Unqualified
153.	Rufiji DC	Unqualified	Unqualified	Unqualified	Unqualified
154.	Rungwe DC	Qualified	Unqualified	Unqualified	Unqualified
155.	Same DC	Unqualified	Unqualified	Unqualified	Unqualified
156.	Sengerema DC	Unqualified	Unqualified	Qualified	Qualified
157.	Serengeti DC	Unqualified	Unqualified	Unqualified	Unqualified
158.	Shinyanga DC	Unqualified	Unqualified	Adverse	Unqualified
159.	Shinyanga MC	Unqualified	Unqualified	Unqualified	Unqualified
160.	Siha DC	Unqualified	Unqualified	Qualified	Unqualified
161.	Sikonge DC	Qualified	Unqualified	Adverse	Unqualified
162.	Simanjiro DC	Unqualified	Unqualified	Unqualified	Unqualified
163.	Singida DC	Unqualified	Unqualified	Adverse	Unqualified
164.	Singida MC	Unqualified	Unqualified	Qualified	Unqualified
165.	Songea DC	Unqualified	Qualified	Qualified	Unqualified
166.	Songea MC	Unqualified	Qualified	Unqualified	Unqualified
167.	Songwe DC	Unqualified	Unqualified	Unqualified	Unqualified
168.	Sumbawanga DC	Unqualified	Unqualified	Unqualified	Unqualified
169.	Sumbawanga MC	Unqualified	Unqualified	Unqualified	Unqualified
170.	Tabora MC	Unqualified	Qualified	Adverse	Unqualified
171.	Tandahimba DC	Unqualified	Unqualified	Unqualified	Unqualified
172.	Tanga CC	Unqualified	Unqualified	Unqualified	Unqualified
173.	Tarime DC	Unqualified	Unqualified	Unqualified	Unqualified
174.	Tarime TC	Unqualified	Unqualified	Unqualified	Unqualified
175.	Temeke MC	Unqualified	Unqualified	Unqualified	Unqualified
176.	Tunduma TC	Unqualified	Unqualified	Unqualified	Unqualified
177.	Tunduru DC	Unqualified	Unqualified	Qualified	Unqualified

S/N	Name of LGA	2017/18	2018/19	2019/20	2020/21
178.	Ubungo MC	Unqualified	Unqualified	Unqualified	Unqualified
179.	Ukerewe DC	Qualified	Unqualified	Qualified	Unqualified
180.	Ulanga DC	Qualified	Unqualified	Unqualified	Unqualified
181.	Urambo DC	Unqualified	Unqualified	Adverse	Unqualified
182.	Ushetu DC	Unqualified	Unqualified	Qualified	Unqualified
183.	Uvinza DC	Unqualified	Unqualified	Qualified	Unqualified
184.	Uyui DC	Qualified	Unqualified	Unqualified	Unqualified
185.	Wanging'ombe DC	Unqualified	Unqualified	Unqualified	Unqualified





## Appendix 2 - 1: Unimplemented Audit Recommendations

No.	Name of LGAS	Number of outstanding recommendation			No.	Name of LGAS	Number of outstanding recommendation		
		2014/15	2015/16	2016/17			2014/15	2015/16	2016/17
1.	Bariado Dc	2	1	1	59.	Kilolo Dc	1	2	1
2.	Bariadi Tc	1	3	1	60.	Kyela Dc		4	
3.	Bukombe Dc	1	1	1	61.	Namtumbo Dc			5
4.	Bumbuli Dc	2	4	4	62.	Nkasi Dc	4	6	3
5.	Busega Dc	3	5	5	63.	Nzega Dc	5	10	5
6.	Handeni Dc			4	64.	Sumbawanga Mc	2	4	4
7.	Ilunga Dc	2	2	4	65.	Iringa Mc	2		
8.	Ikungi Dc	1		1	66.	Geita Dc	1	2	2
9.	Itilima Dc	2	4		67.	Misungwi Dc		1	1
10.	Kaliua Dc	1	4	3	68.	Muleba Dc	1	6	1
11.	Kibondo Dc	1		2	69.	Mwanza Cc	3		4
12.	Kilosa Dc		1	1	70.	Sengerema Dc			3
13.	Kinondoni Mc			1	71.	Siha Dc	1	1	4
14.	Kishapu Dc		3	6	72.	Chamwino Dc	2	3	1
15.	Kondoa Dc	4	2	2	73.	Chemba Dc	1	1	
16.	Kongwa Dc	1	2		74.	Dodoma Cc	1	2	
17.	Korogwe Tc	1		3	75.	Kalambo Dc	3	2	1
18.	Kyerwa Dc	3		6	76.	Kwimba Dc	3	6	1
19.	Lushoto Dc	2		1	77.	Kondoa Tc			2
20.	Mbogwe Dc	1	6	9	78.	Arusha DC		1	2
21.	Meru Dc	1	4	7	79.	Bukoba DC	9	4	4
22.	Mlele Dc		4	4	80.	Bukoba MC			2
23.	Mpanda Dc	2		3	81.	Bunda DC	2	1	4
24.	Mpwapwa Dc		2		82.	Busekelo DC	4	2	2
25.	Msalala Dc	1	6	4	83.	Butiama DC		6	4
26.	Muheza Dc	2	7	4	84.	Chunya DC			1
27.	Mwanga Dc	3	13	6	85.	Karagwe DC	2	1	2
28.	Ngara Dc	2	6	4	86.	Magu DC		2	2
29.	Ngorongoro Dc	2		3	87.	Mbeya CC			1
30.	Nsimbo Dc	1	3	1	88.	Mbogwe Dc	1		15
31.	Shinyanga Dc	3	5	4	89.	Moshi MC	2	8	3
32.	Shinyanga Mc		1		90.	Moshi DC	2	2	1
33.	Sikonge Dc	2	1		91.	Musoma MC			3
34.	Singida Dc	1	2		92.	Rorya DC	1	2	2

No.	Name of LGAS	Number of outstanding recommendation			No.	Name of LGAS	Number of outstanding recommendation		
		2014/15	2015/16	2016/17			2014/15	2015/16	2016/17
35.	Tabora Mc	1	2		93.	Same DC		2	1
36.	Tanga Cc	1	5	3	94.	Serengeti DC		3	4
37.	Tarime Cc	1	2		95.	Shinyanga DC	3	4	4
38.	Ukerwe Dc	4	2	11	96.	Shinyanga MC		1	
39.	Urambo Dc	3	10	6	97.	Tarime Dc	2		2
40.	Mbeva Dc		2		98.	Ukerewe DC	4	2	4
41.	Mufindi Dc	1		1	99.	Ushetu DC	1		4
42.	Muheza Tc	3	8	3	100.	Kilwa DC	1	1	
43.	Nyang'hwale Dc	1	1	2	101.	Masasi TC	3		
44.	Nyasa Dc	1	1	1	102.	Mkuranga DC		1	3
45.	Sumbawanga Dc	4	2	3	103.	Mlimba DC		1	
46.	Uyui Dc			1	104.	Morogor DC		2	
47.	Meatu Dc	5	2	1	105.	Morogor MC		1	
48.	Moshi Mc	8	7	3	106.	Mtwara MC		1	
49.	Kiteto Dc			4	107.	Mvomero DC		2	
50.	Longido Dc	8	19	3	108.	Nachingea DC		2	
51.	Hanang'	1		1	109.	Newala DC			1
52.	Handeni Tc		4	3	110.	Ruangwa DC	1	1	1
53.	Korogwe Dc	10	5	6	111.	Temeke MC			1
54.	Mkinga Dc	2	1	4	112.	Biharamulo DC		5	3
55.	Pangani Dc	4	4	6	113.	Chato DC			4
56.	Rombo Dc		5	5	114.	Nanyamba TC			1
57.	Iramba Dc	3		1		Total	178	285	283
58.	Bahi Dc	1	3	1					

Source: Management Letters for 2020/21

## Appendix 2 - 2: LGAs with Long Period Unimplemented Recommendations

S/N	Name of LGAS	Number of unimplemented recommendations				S/N	Name of LGAS	Number of unimplemented recommendations			
		2010/11	2011/12	2012/13	2013/14			2010/11	2011/12	2012/13	2013/14
1.	Bariadi Dc				1	32.	Kyela Dc			1	4
2.	Bariadi Tc				3	33.	Nkasi Dc		1	3	
3.	Bumbuli Dc				2	34.	Nzega Dc				2
4.	Gairo Dc				2	35.	Sumbawanga Mc			1	
5.	Handeni Dc			2	1	36.	Tandahimba Dc				1
6.	Itilima Dc				1	37.	Iringa Mc				1
7.	Kakonko Dc				4	38.	Geita Dc	1		1	1
8.	Kibondo Dc			1	39.	Misungwi Dc					1
9.	Korogwe Tc			1	1	40.	Mwanza Cc			1	
10.	Lushoto Dc				1	41.	Sengerema Dc		1		
11.	Mbogwe Dc				1	42.	Siha Dc				1
12.	Mpanda Dc				2	43.	Dodoma Cc	2	1		
13.	Muheza Dc				3	44.	Kalambo Dc				2
14.	Mwanga Dc				1	45.	Kwimba Dc			1	3
15.	Ngara Dc			3	1	46.	Bukoba Dc				1
16.	Shinyanga Dc				1	47.	Bukoba MC	1		4	1
17.	Shinyanga Mc	1				48.	Bunda Dc			1	1
18.	Tabora Mc			2		49.	Busekelo DC				1
19.	Ukerwe Dc		2	2	1	50.	Karagwe DC		2	3	
20.	Mufindi Dc				3	51.	Magu DC			1	
21.	Muheza Tc				3	52.	Mbogwe Dc				1
22.	Nyang'hwale Dc				3	53.	Moshi MC			1	
23.	Sumbawanga Dc			1	4	54.	Moshi DC			1	
24.	Uyui Dc		1			55.	Same DC				2
25.	Meatu Dc			1	4	56.	Serengeti DC				1
26.	Kiteto Dc			1		57.	Shinyanga DC				1
27.	Longido Dc				4	58.	Shinyanga MC		1		
28.	Mkinga Dc	1	1	2	2	59.	Ukerewe DC		2	2	
29.	Pangani Dc	1		5	1	60.	Masasi TC				1
30.	Iramba Dc	1	1	2	4	61.	Chato DC	1			
31.	Rungwe Dc			1	1		Total	9	13	45	80

Source: Management Letters for 2020/21

## Appendix 2 - 3: Implementation Status of LAAC Directives

S/N	Name of LGA	2016/17			2017/18			2018/19			2019/20		
		Impl emented	Not imple mented	Under- Implem ented	Implem ented	Not implem ented	Under- Implem ented	Implem ented	Not implem ented	Under- Implem ented	Implem ented	Not implem ented	Under- Implem ented
1.	Chamwino DC												
2.	Chemba DC												
3.	Dodoma CC												3
4.	Kalambo DC	4	2										
5.	Kwimba DC	6									9		
6.	Mafia DC												
7.	Mbeya DC				2								
8.	Mkalama DC												3
9.	Mpanda MM												
10.	Mufindi DC										8	4	
11.	Muheza DC		1			1			1			1	
12.	Songea MC												
13.	Sumbawanga DC		3			3			3		2	3	3
14.	Nyasa DC		2			2			2			2	
15.	Uvinza DC		3			3			3			3	
16.	Uvui DC		6			6			6			6	
17.	Geita DC		2			2			2			2	
18.	Iringa MC		5			5			5			5	
19.	Kahama MC		1			1			1			1	
20.	Kibaha Tc		2			2			2			2	
21.	Makete Dc										4	2	
22.	Misungwi Dc		3			3			3			3	
23.	Muleba Dc							2					
24.	Sengerema Dc										2	1	
25.	Siha Dc										2	1	1
26.	Iramba Dc		4	3									
27.	Bahi Dc		1	3									
28.	Ileje Dc												3
29.	Iringa Dc				2	3							
30.	Kigoma Dc		7			2			7			7	
31.	Kilolo Dc				5	3							
32.	Kyela Dc				2	7							
33.	Ludewa Dc					1							
34.	Makambako Tc											5	

S/N	Name of LGA	2016/17			2017/18			2018/19			2019/20		
		Impl eme nted	Not Imple mente d	Under- Implem ented	Implem ented	Not Implem ented	Under- Implem ented	Implem ented	Not Implem ented	Under- Implem ented	Implem ented	Not Implem ented	Under- Implem ented
35.	Mbinga DC				3	2							
36.	Mbozi DC	5	2										
37.	Namtumbo DC		6										
38.	Njombe TC	3											
39.	Nzega DC						3						
40.	Rungwe DC					2	3						
41.	Sumbawanga MC		1										
42.	Tandahimba DC		6										
43.	Ubungo MC		3										
44.	Wang'ombe DC										2	2	
45.	Bariadi DC	2	2										
46.	Bariadi TC												3
47.	Buchosa DC					1	1						
48.	Bukombe DC	3		3				3	1				
49.	Bumbuli DC										5		3
50.	Busega DC												
51.	Gairo DC	2		2									
52.	Handeni DC				1		4						
53.	Igunga DC						3						
54.	Ilemela DC							5					
55.	Itigi DC				2		1						
56.	Ititi DC	1	3	1									
57.	Kaliua DC	2	2										
58.	Kibondo DC												7
59.	Kilosa DC				2	2					2	2	
60.	Kinondoni MC												
61.	Kondoa DC				3					2			
62.	Kongwa DC							1		1	4		1
63.	Korogwe TC	7		1						4			
64.	Kyerwa DC												
65.	Lushoto DC				15	1	4						
66.	Maswa DC	2		2									
67.	Mbarali DC	2		4									
68.	Mbogwe DC	1		3							3	1	
69.	Meru DC												

S/N	Name of LGA	2016/17			2017/18			2018/19			2019/20		
		Impl eme nted	Not Imple mente d	Under- Implem nted	Implem nted	Not Impleme nted	Under- Implem nted	Impleme nted	Not Impleme nted	Under- Implem nted	Implem nted	Not Impleme nted	Under- Implem nted
70.	Mtele DC	6		2									
71.	Mpanda DC							2		1			
72.	Muheza DC	7	1										
73.	Ngara DC							3		2			
74.	Nsimbo DC	4		2									
75.	Nzega TC							2		1			
76.	Serengeti DC	1	1										
77.	Sikonge DC	9	1	2									
78.	Nyang'hwale DC						5						
79.	Singida DC										2	8	
80.	Tabora MC	9	4										
81.	Tanga CC		1	5									
82.	Tarime TC							4	1	1			
83.	Ukerewe DC							12	3				
84.	Ulanga DC	5											
85.	Urambo DC				1		1						
86.	Meatu DC										2	6	
87.	Mbulu TC										2	2	
88.	Babati TC											2	
89.	Karatu DC											2	
90.	Kiteto DC	4		2									
91.	Longido DC				6		8						
92.	Hanang DC				2		4						
93.	Korogwe DC	7		1	3								
94.	Kyerwa DC	4	3	1									
95.	Lushoto DC	2	6										
96.	Mkinga DC									3			
97.	Pangani DC	2	5	3									
98.	Monduli DC											3	1
99.	Rombo DC								2	1			
Total		100	89	40	49	54	39	34	45	16	49	76	28

### Appendix 3 - 1: Irregularities Noted in the Internal Audit Units

Name of LCA	Shortage of Internal Auditors	Inadequate Allocation	Budget	100% of own source budget not allocated to internal audit	Shortage of equipment vehicle, furniture etc.)	working (Motor Laptops,	Audit works as per annual internal audit plan not finalized
Arusha DC	2				X		
Babati DC	3						X
Babati TC	2	X					
Bagamoyo DC	2	X					x
Bahi DC	3				x		x
Bariadi DC	3				X		
Bariadi TC	2	X			X		
Buchosa DC	3	x					
Buhigwe DC	4	x					
Bukoba DC	2	X			X		
Bukoba MC		X					X
Bumbuli DC	1	x			x		x
Busega DC	2	x					x
Chalinze DC	2						
Chamwino DC	2	x			x		
Chemba DC	X				X		X
Hanang DC	3	x					x
Handeni DC	2				x		
Handeni TC	2	x			x		x
Igunga DC							x
Ikungi DC	2						x
Ilala MC		x					X
Ilemela MC	2	X			X		X
Iramba DC	3	x			x		x
Itigi DC	4	X			X		X
Itilima DC	5	x			x		X
Kahama MC							X
Kakonko DC	3	x			x		x
Kaliua DC	2				x		x
Karagwe DC	1	x					x
Karatu DC	2	x			x		x
Kasulu DC	4	x					x
Kasulu TC		x					x
Kibaha DC	4	X			X		X
Kibaha TC							

Name of LGA	Shortage of Internal Auditors	Inadequate Allocation	Budget	100% of own source budget not allocated to internal audit	Shortage of equipment vehicle, furniture etc.)	working (Motor Laptops,	Audit works as per annual internal audit plan not finalized
Kibiti DC	2	X					
Kigoma DC	3	X			X		X
Kigoma/Ujiji MC	4						X
Kilindi DC	1	X			X		
Mimba DC	4	X			X		X
Kilosa DC	4	X					X
Kishapu Dc	2	X					X
Kiteto DC		X					
Kondoa DC	3						X
Kongwa DC	2	X					X
Korogwe DC	2	X			X		X
Korogwe TC	2	X			X		X
Kwimba DC		X			X		X
Kyerwa DC	2	X					X
Longido DC	1	X					X
Ludewa DC	2	X					X
Lushoto DC	4	X					
Magu DC	5	X			X		X
Makambako TC	3				X		
Manyoni DC	2	X					X
Maswa DC	2						X
Mbinga DC	4	X					X
Mbogwe DC	4	X					
Mbulu DC	2	X					X
Mbulu TC	2						X
Meatu DC	3			X		X	X
Meru DC	4	X			X		X
Missenyi DC	1	X					X
Misungwi DC	2				X		X
Mkalama DC	4	X					X
Mkinga DC	3	X			X		X
Mkuranga DC	2	X					X
Mlele DC	2	X			X		X
Monduli DC	2	X			X		X
Morogoro DC		X			X		X
Mpanda MC	4						X



Name of LGA	Shortage of Internal Auditors	Inadequate Allocation	Budget	100% of own source budget not allocated to internal audit	Shortage of equipment vehicle, furniture etc.)	working (Motor Laptops,	Audit annual plan not finalized	works as per internal audit
Mpwapwa DC	3	X					X	
Msalala DC	4	X			X		X	
Mtwara MC		X					X	
Muleba DC	3	X			X		X	
Musoma DC	3	X			X		X	
Mwanga DC	1	X			X		X	
Mwanza CC	1	X			X		X	
Namtumbo DC		X			X			
Nanyamba TC	2							
Nanyumbu DC	3	X						
Newala TC	2	X			X		X	
Njombe DC	2				X		X	
Nzega TC	2	X			X		X	
Pangani DC	3	X			X		X	
Rorya DC		X					X	
Serengeti DC							X	
Siha DC		X			X		X	
Sikonge DC	2	X			X		X	
Simanjiro DC	1	X			X		X	
Singida DC	3	X					X	
Singida MC	4	X					X	
Tanga CC	2	X					X	
Tarime DC	3	X					X	
Tarime TC	2	X			X		X	
Tunduru DC	2							
Ukerewe DC	2	X			X		X	
Urambo DC	2	X					X	
Ushetu DC	1	X					X	
Uyui DC	2	X			X		X	
Uvinza DC	3	X			X		X	
<b>Total</b>	<b>219</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Number of LGAs</b>	<b>87</b>	<b>79</b>	<b>1</b>	<b>49</b>	<b>78</b>			

### Appendix 3 - 2: Irregularities on Performance of Audit Committees

Name of LGA	Annual report on Audit Committees activities was not prepared and/or sent to relevant authority	Audit committee did not review financial statements	No induction conducted to new members of Audit Committee	Capacity building in terms of workshop or training was not conducted to members of Audit Committee	The Committee did not perform annual self-assessment
Bagamoyo DC				x	
Bahi DC	x	x			x
Bukombe DC	x	x			x
Bumbuli DC	x			x	
Busega DC				x	
Busokelo DC		x			
Chalinze DC		x			
Handeni TC	x	x		x	
Ilunga DC		x			
Ikungi DC	X				
Iramba DC					
Itigi DC	X				
Itilima DC	x	x			
Kakonko DC	x	x	x	x	x
Kasulu DC					x
Kasulu TC		x			
Kibaha TC		x			
Kibiti DC	x	x		x	
Kibondo DC	x	x			
Kireto DC	x	x			X
Kondoa TC	X				
Kongwa DC	x				
Korogwe DC	x	x		x	
Korogwe TC		X	X	X	
Lushoto DC	X			X	
Magu DC	x		x		
Makete DC	x				x
Malinyi DC	X			X	
Manyoni DC	X				
Mbogwe DC	X		X	X	
Mbulu DC		X			
Meru DC	X			X	

Name of LGA	Annual report on Audit Committees activities was not prepared and/or sent to relevant authority	Audit committee did not review financial statements	No induction conducted to new members of Audit Committee	Capacity building in terms of workshop or training was not conducted to members of Audit Committee	The Committee did not perform annual self-assessment
Mkinga DC	x	x			
Mlele DC	X	X			
Monduli DC					
Mpwapa DC					
Namtumbo DC					
Nanyumbu DC	x				
Newala TC	x				
Njombe DC					
Njombe TC	X				X
Nyasa DC		x			
Nzega TC	x				
Pangani DC	X			X	
Shinyanga DC					
Sikonge DC		x		x	
Singida DC	x		x		
Tanga CC			x	x	
Tarime DC		x			
Ukerewe DC	x				
Uyui DC					
Uvinza DC	x		x		x
<b>Number of LGAs</b>	<b>31</b>	<b>21</b>	<b>7</b>	<b>15</b>	<b>8</b>

### Appendix 3 - 3: Irregularities Noted on Fraud Risk Management

Name of LGA	Risk assessment not done on various risk areas such as Financial Statements, LGRCIS, assets management, etc.	LGA does not update register and/or	No risk coordinator and risk champions	No Risk policy	management
Arusha CC	X	X			X
Bahi DC	x	x			
Bariadi TC	X	X			
Bukombe DC	x	x			
Bunda TC	x	x			
Busega DC	x	x			
Chalinze DC	x				
Handeni TC					
Ilala MC	x				
Itilima DC		x			
Karagwe DC	x	x			
Karatu DC	x	x			x
Kibaha TC	x				x
Kigoma/Ujiji MC					x
Kilosa DC	x				
Kongwa DC	x				
Korogwe DC	x				x
Korogwe TC					
Kwimba DC	x		x		
Kyela DC	X				
Longido DC	x				
Mafia DC	x	x			
Malinyi DC	X	X	X		
Mbarali DC	X				X
Meatu DC	x				
Meru DC	X	X			
Missenyi DC	x	x			
Mkalama DC	x				
Mkinga DC	x				x
Mkuranga DC	X	X			X
Mlele DC	X		X		X
Mpanda MC	X				
Musoma DC	x	x			

Name of LGA	Risk assessment not done on various risk areas such as Financial Statements, LGRCIS, assets management, etc.	LGA does not maintain and/or update risk register	No risk coordinators and risk champions	No Risk management policy	Risk management
Ngorongoro DC	X	X	X	X	X
Nsimbo DC					
Nzega TC	X	X		X	X
Rorya DC	X	X		X	X
Sengerema DC	X				
Shinyanga DC	X	X			
Tanga CC	X				
Ubungo MC	X				
Ukerewe DC	X			X	X
Ushetu DC	X	X			
Uvinza DC	X				
<b>Number of LGAs</b>	<b>39</b>	<b>20</b>	<b>4</b>	<b>13</b>	<b>13</b>



### Appendix 3 - 4: Irregularities on ICT Controls

Name of LGA	Shortage of ICT experts	No approved strategic committee and IT strategic plan	Lack of Disaster Recovery Plan	Absence of Training Program to build ICT Capacity	Non installation of an updated Anti-virus Program	Inadequate equipment such as fire extinguishers, suppression system etc.	preventive as fire
Arusha DC			X				X
Arusha CC							
Babati DC	8						
Babati TC	4				X		X
Bahi DC	1	X	X	X	X		
Biharamulo DC	3	X	X				
Buhigwe DC							X
Bumbuli DC	2				X		X
Bunda DC	3			X	X		X
Bunda TC	4						
Busega DC			X		X		
Chalinze DC	3		X	X	X		
Chato DC					X		
Dodoma CC							
Geita TC							X
Handeni DC		X	X		X		X
Handeni TC	2						X
Ilunga DC				X	X		X
Ileje DC			X	X			
Iramba DC			X	X			X
Itigi DC			X	X	X		X
Kaliua DC	4	X	X	X			
Karatu DC		X	X	X			
Kasulu DC							X
Kibaha TC	4						
Kigoma DC			X				
Kigoma/Ujiji MC							X
Kilindi DC					X		
Mlimba DC	2		X				
Kondoa TC	1	X	X	X	X		X
Kongwa DC	1	X	X	X	X		X
Korogwe DC	2						X

Name of LGA	Shortage of ICT experts	No approved strategic committee and IT strategic plan	Lack Disaster Recovery Plan	Absence of Training Program to build Capacity	Non installation of an updated Anti-virus Program	Inadequate equipment such as fire extinguishers, suppression system etc.	preventive as fire
Korogwe TC		X	X				X
Kwimba DC		x		x			x
Ludewa DC			X				X
Lushoto DC	6	X	X	X			
Mafia DC	1						
Manyoni DC							
Maswa DC					X		
Mbeya DC	2	x		x	x		x
Mbogwe DC		X	X	X			X
Meatu DC							
Meru DC		X	X				
Missenyi DC		x	x				
Mkalama DC		x					
Mkinga DC	4						
Mkuranga DC			X				
Mlele DC	3				X		X
Momba DC			x				x
Monduli DC	1		X	X			
Morogoro MC							
Mpanda DC	5	X					X
Muheza DC				x	x		
Musoma MC							x
Namtumbo DC					x		
Nanyamba TC	2						
Njombe DC		X	X				X
Nzega TC					x		x
Pangani DC	2	X	X	X			
Same DC							x
Sengerema DC	7		X	X			X
Sikonge DC				x	x		x
Singida DC		x	x				
Singida MC			x	x			x
Songwe DC		x	x				
Tanga CC		x	x	x			x

Name of LGA	Shortage of ICT experts	No approved strategic committee and IT strategic plan	Lack of Disaster Recovery Plan	Absence of Training Program to build ICT Capacity	Non installation of an updated Anti-virus Program	Inadequate equipment such as fire extinguishers, suppression system etc..	preventive as fire fire system etc..
Tarime TC			x		x		x
Ukerewe DC		x	x				x
Urambo DC	6						
Ushetu DC				x			x
Uvinza DC			x				
<b>Total</b>	<b>83</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Number of LGAs</b>	<b>26</b>	<b>22</b>	<b>34</b>	<b>23</b>	<b>22</b>	<b>35</b>	<b>35</b>





### Appendix 3 - 5: Irregularities on Controls relating to POS Machines

Name of LGA	Number of machines offline period	Number of POS found long	Number of missing POS devices	Existence of tax payers with more than one payer ID	POS register not properly maintained	Lack of reconciliation between revenue collected in the POS Machines, LGRCIS and own source bank account
Bagamoyo DC	18					
Bahi DC	37					
Bariadi TC	77					
Bunda DC					X	
Bunda TC	4					
Busega DC	27					
Chalinze DC					X	
Geita TC				111		X
Igunga DC					X	
Dar es Salaam CC	48					X
Illemela MC				15		
Iringa DC	3			139		
Iringa MC						
Itilima DC	24					
Kahama MC				14		
Karagwe DC				63		
Karatu DC	3			105		
Kasulu TC	11					
Kibondo DC	44					
Kigamboni MC					X	
Kilindi DC	12					
Kilwa DC	17		1			
Kinondoni MC	76			108	X	
Kisarawe DC	23					
Kondoa DC	31				X	X
Kondoa TC	55					
Kongwa DC	34					
Kyerwa DC				26		
Mtama DC				4		
Lindi MC				23		
Lushoto DC					X	

Name of LGA	Number of machines offline period	Number of POS found long	Number of missing POS devices	Existence of tax payers with more than one payer ID	POS register not properly maintained	Lack of reconciliation between revenue collected in the POS Machines, LGRCIS and own source bank account
Mafia DC	3	1			x	
Mafinga TC	43			21		
Makambako TC	81					
Makete DC	17					
Manyoni DC	63					
Masasi DC				4		
Maswa DC	19					
Mbeya DC				10		X
Mbogwe DC	31					
Mbulu TC	15					
Meatu DC	69					
Missenyi DC				82		
Mlele DC	13					
Moshi DC	30		11			
Mpanda MC	2		3			
Mpimbwe DC	10					
Mpwapwa DC	70					
Mufindi DC	40					
Musoma DC					x	
Mwanga DC	24			4		
Nachingwea DC				8		
Newala DC	22			9		
Ngorongoro DC						X
Nyanghw'ale DC	6					
Nyasa DC	9		6			
Pangani DC	20					
Rorya DC					x	x
Ruangwa DC	22					
Same DC	22		3	88	x	
Shinyanga DC				18	x	
Sikonge DC					x	
Simanjiro DC	22			38		
Singida DC	24					

Name of LGA	Number of POS machines found offline period	Number of POS found long	Number of missing POS devices	Existence of tax payers with more than one payer ID	POS register not properly maintained	Lack of reconciliation between revenue collected in the POS Machines, LGRCIS and own source bank account
Tandahimba DC	26					
Tarime TC	4					
Ukerewe DC	8		8			
Urambo DC			1			
Ushetu DC	96				x	
<b>TOTAL</b>	<b>1355</b>		<b>34</b>	<b>890</b>	<b>-</b>	<b>-</b>
Number of LGAs	46		8	20	14	6



#### Appendix 4 - 1: Own Source Revenue Trend Against Approved Budget

SN	Name of LGA	Final approved budget in TZS	Revenue collected in TZS	(Under)/Over collection in TZS	Performance %
1.	Arusha CC	22,607,873,000	20,039,746,000	(2,568,127,000)	89
2.	Arusha DC	4,235,139,160	3,396,576,010	(838,563,150)	80
3.	Babati DC	2,934,996,000	3,073,629,000	138,633,000	105
4.	Babati TC	3,533,254,537	2,904,160,511	(629,094,026)	82
5.	Bagamoyo DC	3,493,108,000	3,185,253,000	(307,855,000)	91
6.	Bahi DC	1,480,832,915	1,548,642,932	67,810,017	105
7.	Bariadi DC	1,759,350,000	1,796,691,000	37,341,000	102
8.	Bariadi TC	2,755,745,000	2,473,776,000	(281,969,000)	90
9.	Biharamulo DC	3,818,620,000	2,655,229,000	(1,163,391,000)	70
10.	Buchosa DC	3,226,571,000	2,122,489,759	(1,104,081,241)	66
11.	Buhigwe DC	676,662,000	983,538,000	306,876,000	145
12.	Bukoba DC	1,723,532,000	2,149,361,995	425,829,995	125
13.	Bukoba MC	3,555,551,704	2,883,730,414	(671,821,290)	81
14.	Bukombe DC	1,953,731,000	1,779,623,000	(174,108,000)	91
15.	Bumbuli DC	1,181,751,968	586,325,442	(595,426,526)	50
16.	Bunda DC	1,426,548,000	1,271,870,000	(154,678,000)	89
17.	Bunda TC	1,377,381,000	1,416,799,601	39,418,601	103
18.	Busega DC	2,345,145,000	1,509,756,000	(835,389,000)	64
19.	Busokelo DC	1,523,020,000	1,557,515,743	34,495,743	102
20.	Butiama DC	1,522,500,000	1,405,512,450	(116,987,550)	92
21.	Chalinze DC	8,591,451,000	8,472,519,000	(118,932,000)	99
22.	Chamwino DC	2,668,678,000	2,419,688,000	(248,990,000)	91
23.	Chato DC	3,382,577,706	3,566,423,000	183,845,294	105
24.	Chemba DC	1,488,670,000	1,346,316,000	(142,354,000)	90
25.	Chunya DC	5,301,516,848	4,283,306,701	(1,018,210,147)	81
26.	Dar es Salaam CC	13,669,703,000	7,880,038,000	(5,789,665,000)	58
27.	Dodoma CC	47,104,504,276	38,406,698,444	(8,697,805,832)	82
28.	Gairo DC	1,092,495,288	893,022,168	(199,473,120)	82
29.	Geita DC	4,078,343,000	5,408,746,000	1,330,403,000	133
30.	Geita TC	10,511,396,818	13,206,523,512	2,695,126,694	126
31.	Hai DC	3,740,374,105	3,072,020,829	(668,353,276)	82
32.	Hanang DC	3,159,243,162	3,378,737,998	219,494,836	107
33.	Handeni DC	2,308,852,025	1,777,692,024	(531,160,001)	77
34.	Handeni TC	1,608,393,724	1,323,972,789	(284,420,935)	82
35.	Ifakara TC	3,154,548,750	3,192,809,870	38,261,120	101

SN	Name of LGA	Final approved budget in TZS	Revenue collected in TZS	(Under)/Over collection in TZS	Performance %
36.	Igunga DC	2,790,879,000	2,761,067,311	(29,811,689)	99
37.	Ikungi DC	1,976,820,000	2,025,893,713	49,073,713	102
38.	Ikala MC	60,000,269,000	62,749,754,863	2,749,485,863	105
39.	Ileje DC	1,233,151,156	1,169,249,901	(63,901,255)	95
40.	Ilemela MC	9,280,504,491	9,038,638,582	(241,865,909)	97
41.	Iramba DC	2,120,102,000	1,775,069,000	(345,033,000)	84
42.	Iringa DC	3,520,538,000	3,463,224,000	(57,314,000)	98
43.	Iringa MC	5,260,707,000	4,289,408,660	(971,298,340)	82
44.	Itigi DC	1,951,976,000	1,209,277,000	(742,699,000)	62
45.	Itilima DC	1,434,558,653	998,963,910	(435,594,743)	70
46.	Kahama MC	12,409,835,539	11,653,130,124	(756,705,415)	94
47.	Kakonko DC	986,119,260	877,158,422	(108,960,838)	89
48.	Kalambo DC	1,853,110,000	1,516,757,000	(336,353,000)	82
49.	Kaliua DC	3,415,694,000	3,647,977,344	232,283,344	107
50.	Karagwe DC	2,864,456,000	2,711,063,366	(153,392,634)	95
51.	Karatu DC	4,501,993,140	4,044,960,269	(457,032,871)	90
52.	Kasulu DC	3,016,690,000	2,303,569,000	(713,121,000)	76
53.	Kasulu TC	1,475,373,000	1,371,334,532	(104,038,468)	93
54.	Kibaha DC	2,287,427,309	1,755,994,516	(531,432,793)	77
55.	Kibaha TC	3,919,640,000	4,485,006,876	565,366,876	114
56.	Kibiti DC	2,155,779,000	2,219,849,000	64,070,000	103
57.	Kibondo DC	1,500,000,000	1,539,129,269	39,129,269	103
58.	Kigamboni MC	7,738,578,304	9,012,490,022	1,273,911,718	116
59.	Kigoma DC	535,200,000	553,659,971	18,459,971	103
60.	Kigoma/Ujiji MC	2,700,497,000	2,154,133,874	(546,363,126)	80
61.	Kilindi DC	2,438,494,250	1,558,980,490	(879,513,760)	64
62.	Kilolo DC	4,061,760,000	4,148,180,000	86,420,000	102
63.	Kilosa DC	5,175,239,000	4,458,240,000	(716,999,000)	86
64.	Kilwa DC	3,867,832,500	3,346,845,495	(520,987,005)	87
65.	Kinondoni MC	44,660,387,765	45,106,286,000	445,898,235	101
66.	Kisarawe DC	3,994,422,333	3,489,331,892	(505,090,441)	87
67.	Kishapu Dc	2,667,722,650	1,397,259,498	(1,270,463,152)	52
68.	Kiteto DC	2,275,096,000	2,288,168,515	13,072,515	101
69.	Kondoa DC	1,485,031,486	1,089,130,334	(395,901,152)	73
70.	Kondoa TC	1,465,276,028	1,466,271,793	995,765	100
71.	Kongwa DC	3,237,730,000	3,083,206,427	(154,523,573)	95

SN	Name of LGA	Final approved budget in TZS	Revenue collected in TZS	(Under)/Over collection in TZS	Performance %
72.	Korogwe DC	2,447,400,666	1,453,973,654	(993,427,012)	59
73.	Korogwe TC	2,601,509,400	1,788,691,338	(812,818,062)	69
74.	Kwimba DC	2,202,705,200	2,335,890,808	133,185,608	106
75.	Kyela DC	3,621,067,000	3,941,431,000	320,364,000	109
76.	Kyerwa DC	2,674,199,360	2,682,856,043	8,656,683	100
77.	Lindi DC	3,194,141,000	1,615,408,000	(1,578,733,000)	51
78.	Lindi MC	2,500,000,000	1,158,000,000	(1,342,000,000)	46
79.	Liwale DC	3,850,043,936	2,583,422,404	(1,266,621,532)	67
80.	Longido DC	2,908,158,000	2,163,398,000	(744,760,000)	74
81.	Ludewa DC	2,027,166,000	1,916,263,000	(110,903,000)	95
82.	Lushoto DC	2,269,027,000	1,944,116,084	(324,910,916)	86
83.	Madaba DC	1,187,013,350	847,981,141	(339,032,209)	71
84.	Mafia DC	1,711,928,000	1,356,645,500	(355,282,500)	79
85.	Mafinga TC	4,613,801,000	4,848,457,000	234,656,000	105
86.	Magu DC	2,504,555,000	3,034,037,601	529,482,601	121
87.	Makambako TC	3,078,062,000	2,724,491,108	(353,570,892)	89
88.	Makete DC	2,400,268,680	3,044,198,254	643,929,574	127
89.	Malinyi DC	2,432,340,000	2,425,004,865	(7,335,135)	100
90.	Manyoni DC	2,885,438,000	2,376,398,000	(509,040,000)	82
91.	Masasi DC	2,980,000,000	3,396,434,377	416,434,377	114
92.	Masasi TC	2,370,676,543	1,973,190,372	(397,486,171)	83
93.	Maswa DC	3,395,561,002	2,307,287,573	(1,088,273,429)	68
94.	Mbarali DC	4,672,006,000	5,328,156,000	656,150,000	114
95.	Mbeya CC	15,949,287,599	14,966,845,275	(982,442,324)	94
96.	Mbeya DC	3,888,212,000	3,961,940,448	73,728,448	102
97.	Mbinga DC	4,017,701,646	3,096,745,000	(920,956,646)	77
98.	Mbinga TC	1,787,208,200	1,932,224,000	145,015,800	108
99.	Mbogwe DC	997,716,000	1,341,841,452	344,125,452	134
100.	Mbozi DC	4,420,304,270	3,299,627,356	(1,120,676,914)	75
101.	Mbulu DC	1,580,230,000	1,748,926,749	168,696,749	111
102.	Mbulu TC	1,025,133,000	830,708,055	(194,424,945)	81
103.	Meatu DC	2,476,736,848	2,522,573,314	45,836,466	102
104.	Meru DC	3,665,484,731	3,493,296,889	(172,187,842)	95
105.	Missionyi DC	3,041,629,000	3,543,123,671	501,494,671	116
106.	Misungwi DC	2,260,000,000	2,593,894,490	333,894,490	115
107.	Mkalama DC	1,636,160,000	1,302,425,701	(333,734,299)	120

SN	Name of LGA	Final approved budget in TZS	Revenue collected in TZS	(Under)/Over collection in TZS	Performance %
108.	Mkinga DC	1,430,852,100	1,236,240,539	(194,611,561)	86
109.	Mkuranga DC	7,180,220,000	7,416,237,000	236,017,000	103
110.	Mlele DC	725,043,900	1,045,835,713	320,791,813	144
111.	Mlimba DC	3,446,437,000	3,320,373,000	(126,064,000)	96
112.	Momba DC	1,345,330,930	1,602,239,644	256,908,714	119
113.	Monduli DC	2,277,907,654	1,951,209,002	(326,698,652)	86
114.	Morogoro DC	3,078,732,000	3,622,797,753	544,065,753	118
115.	Morogoro MC	8,478,798,000	8,005,699,000	(473,099,000)	94
116.	Moshi DC	3,587,947,100	2,959,105,295	(628,841,805)	82
117.	Moshi MC	6,186,836,000	5,786,000,000	(400,836,000)	94
118.	Mpanda DC	3,372,173,904	3,715,086,499	342,912,595	110
119.	Mpanda MC	2,627,606,000	3,586,187,685	958,581,685	136
120.	Mpimbwe DC	1,376,595,000	1,855,689,977	479,094,977	135
121.	Mpwapwa DC	2,671,600,000	2,252,941,965	(418,658,035)	84
122.	Msalala DC	2,478,090,128	3,731,984,655	1,253,894,527	151
123.	Mtwara DC	2,582,390,000	2,320,248,321	(262,141,679)	90
124.	Mtwara MC	7,930,000,000	3,695,278,000	(4,234,722,000)	47
125.	Mufindi DC	6,088,623,000	6,226,637,000	138,014,000	102
126.	Muheza DC	2,416,000,000	2,256,288,244	(159,711,756)	93
127.	Muleba DC	5,214,000,000	5,129,240,626	(84,759,374)	98
128.	Musoma DC	1,740,936,236	1,232,784,494	(508,151,742)	71
129.	Musoma MC	2,681,703,942	2,626,381,289	(55,322,653)	98
130.	Mvomero DC	3,898,032,638	2,915,550,655	(982,481,983)	75
131.	Mwanga DC	4,034,436,000	2,300,605,000	(1,733,831,000)	57
132.	Mwanza CC	13,227,224,971	15,794,745,608	2,567,520,637	119
133.	Nachingwea DC	5,463,506,000	4,644,531,000	(818,975,000)	85
134.	Namtumbo DC	1,770,000,000	1,456,361,443	(313,638,557)	82
135.	Nanyamba TC	1,694,959,000	1,331,777,602	(363,181,398)	79
136.	Nanyumbu DC	2,885,372,000	2,678,985,008	(206,386,992)	93
137.	Newala DC	1,815,500,000	1,206,860,218	(608,639,782)	66
138.	Newala TC	2,027,063,082	2,021,881,870	(5,181,212)	100
139.	Ngara DC	3,962,554,000	2,681,727,000	(1,280,827,000)	68
140.	Ngorongoro DC	1,634,339,000	1,350,589,000	(283,750,000)	83
141.	Njombe DC	3,879,101,827	3,621,932,000	(257,169,827)	93
142.	Njombe TC	6,707,334,000	8,127,912,044	1,420,578,044	121
143.	Nkasi DC	2,489,992,000	1,947,421,000	(542,571,000)	78

SN	Name of LGA	Final approved budget in TZS	Revenue collected in TZS	(Under)/Over collection in TZS	Performance %
144.	Nsimbo DC	1,227,583,000	1,166,873,000	(60,710,000)	95
145.	Nyanghw'ale DC	833,190,300	1,503,156,958	669,966,658	180
146.	Nyasa DC	1,103,390,000	848,081,101	(255,308,899)	77
147.	Nzega DC	2,567,181,000	2,002,977,000	(564,204,000)	78
148.	Nzega TC	2,810,760,000	2,492,443,000	(318,317,000)	89
149.	Pangani DC	1,646,274,988	1,492,173,915	(154,101,073)	91
150.	Rombo DC	2,433,546,789	2,078,684,286	(354,862,503)	85
151.	Rorya DC	1,350,378,000	1,067,889,000	(282,489,000)	79
152.	Ruangwa DC	4,802,000,000	3,737,898,011	(1,064,101,989)	78
153.	Rufiji DC	2,986,732,000	5,227,419,000	2,240,687,000	175
154.	Rungwe DC	5,229,986,675	4,938,608,791	(291,377,884)	94
155.	Same DC	2,222,211,000	2,034,666,325	(187,544,675)	92
156.	Sengerema DC	2,492,352,000	1,995,348,780	(497,003,220)	80
157.	Serengeti DC	3,277,872,000	1,676,621,250	(1,601,250,750)	51
158.	Shinyanga DC	2,552,536,577	2,058,551,310	(493,985,267)	81
159.	Shinyanga MC	4,011,648,800	3,110,250,246	(901,398,554)	78
160.	Siha DC	1,319,604,000	1,284,457,000	(35,147,000)	97
161.	Sikonge DC	3,029,000,000	2,270,445,000	(758,555,000)	75
162.	Simanjiro DC	2,389,005,000	2,414,974,426	25,969,426	101
163.	Singida DC	1,578,000,000	1,728,624,000	150,624,000	110
164.	Singida MC	3,674,372,780	3,367,189,105	(307,183,675)	92
165.	Songea DC	1,733,966,390	1,591,708,778	(142,257,612)	92
166.	Songea MC	3,974,254,290	3,762,501,993	(211,752,297)	95
167.	Songwe DC	2,933,015,389	2,942,776,157	9,760,768	100
168.	Sumbawanga DC	2,526,187,000	2,428,610,574	(97,576,426)	96
169.	Sumbawanga MC	2,234,908,000	2,384,089,000	149,181,000	107
170.	Tabora MC	4,855,251,000	3,836,234,000	(1,019,017,000)	79
171.	Tandahimba DC	5,053,319,400	3,744,091,276	(1,309,228,124)	74
172.	Tanga CC	15,310,151,576	13,330,766,000	(1,979,385,576)	87
173.	Tarime DC	6,099,225,947	6,211,488,479	112,262,532	102
174.	Tarime TC	1,777,985,000	1,469,908,000	(308,077,000)	83
175.	Teneke MC	33,835,905,672	35,582,424,000	1,746,518,328	105
176.	Tunduma TC	5,982,432,500	6,545,373,287	562,940,787	109
177.	Tunduru DC	3,076,638,496	3,263,703,145	187,064,649	106
178.	Ubungo MC	18,002,949,000	18,124,620,000	121,671,000	101
179.	Ukerewe DC	4,527,189,000	3,509,194,989	(1,017,994,011)	78





SN	Name of LGA	Final approved budget in TZS	Revenue collected in TZS	(Under)/Over collection in TZS	Performance %
180.	Ulanga DC	2,315,987,200	1,843,687,574	(472,299,626)	80
181.	Urambo DC	2,883,197,000	2,049,545,000	(833,652,000)	71
182.	Ushetu DC	2,838,337,500	2,404,342,382	(433,995,118)	85
183.	Uvinza DC	1,719,809,000	2,033,283,000	313,474,000	118
184.	Uyui DC	2,780,092,000	2,669,180,000	(110,912,000)	96
185.	Wanging'ombe DC	3,446,466,600	3,534,799,091	88,332,491	103
<b>Total</b>		<b>822,375,950,562</b>	<b>769,422,329,061</b>	<b>(52,286,152,902)</b>	<b>94</b>

#### Appendix 4 - 2: LGAs with Over Collection of Own Source

SN	Name of LGA	Final approved budget in TZS	Revenue collected in TZS	Over collection in TZS	Performance %
1.	Babati DC	2,934,996,000	3,073,629,000	138,633,000	105
2.	Bahi DC	1,480,832,915	1,548,642,932	67,810,017	105
3.	Bariadi DC	1,759,350,000	1,796,691,000	37,341,000	102
4.	Buhigwe DC	676,662,000	983,538,000	306,876,000	145
5.	Bukoba DC	1,723,532,000	2,149,361,995	425,829,995	125
6.	Bunda TC	1,377,381,000	1,416,799,601	39,418,601	103
7.	Busokelo DC	1,523,020,000	1,557,515,743	34,495,743	102
8.	Chato DC	3,382,577,706	3,566,423,000	183,845,294	105
9.	Geita DC	4,078,343,000	5,408,746,000	1,330,403,000	133
10.	Geita TC	10,511,396,818	13,206,523,512	2,695,126,694	126
11.	Hanang DC	3,159,243,162	3,378,737,998	219,494,836	107
12.	Ifakara TC	3,154,548,750	3,192,809,870	38,261,120	101
13.	Ikungi DC	1,976,820,000	2,025,893,713	49,073,713	102
14.	Ilala MC	60,000,269,000	62,749,754,863	2,749,485,863	105
15.	Kaliua DC	3,415,694,000	3,647,977,344	232,283,344	107
16.	Kibaha TC	3,919,640,000	4,485,006,876	565,366,876	114
17.	Kibiti DC	2,155,779,000	2,219,849,000	64,070,000	103
18.	Kibondo DC	1,500,000,000	1,539,129,269	39,129,269	103
19.	Kigamboni MC	7,738,578,304	9,012,490,022	1,273,911,718	116
20.	Kigoma DC	535,200,000	553,659,971	18,459,971	103
21.	Kiloto DC	4,061,760,000	4,148,180,000	86,420,000	102
22.	Kinondoni MC	44,660,387,765	45,106,286,000	445,898,235	101
23.	Kiteto DC	2,275,096,000	2,288,168,515	13,072,515	101
24.	Kondoa TC	1,465,276,028	1,466,271,793	995,765	100
25.	Kwimba DC	2,202,705,200	2,335,890,808	133,185,608	106
26.	Kyela DC	3,621,067,000	3,941,431,000	320,364,000	109
27.	Kyerwa DC	2,674,199,360	2,682,856,043	8,656,683	100
28.	Mafinga TC	4,613,801,000	4,848,457,000	234,656,000	105
29.	Magu DC	2,504,555,000	3,034,037,601	529,482,601	121
30.	Makete DC	2,400,268,680	3,044,198,254	643,929,574	127
31.	Masasi DC	2,980,000,000	3,396,434,377	416,434,377	114
32.	Mbarali DC	4,672,006,000	5,328,156,000	656,150,000	114
33.	Mbeya DC	3,888,212,000	3,961,940,448	73,728,448	102
34.	Mbinga TC	1,787,208,200	1,932,224,000	145,015,800	108
35.	Mbogwe DC	997,716,000	1,341,841,452	344,125,452	134

SN	Name of LGA	Final approved budget in TZS	Revenue collected in TZS	Over collection in TZS	Performance %
36.	Mbulu DC	1,580,230,000	1,748,926,749	168,696,749	111
37.	Meatu DC	2,476,736,848	2,522,573,314	45,836,466	102
38.	Missenyi DC	3,041,629,000	3,543,123,671	501,494,671	116
39.	Misungwi DC	2,260,000,000	2,593,894,490	333,894,490	115
40.	Mkalama DC	1,636,160,000	1,302,425,701	333,734,299	120
41.	Mkuranga DC	7,180,220,000	7,416,237,000	236,017,000	103
42.	Mlele DC	725,043,900	1,045,835,713	320,791,813	144
43.	Momba DC	1,345,330,930	1,602,239,644	256,908,714	119
44.	Morogoro DC	3,078,732,000	3,622,797,753	544,065,753	118
45.	Mpanda DC	3,372,173,904	3,715,086,499	342,912,595	110
46.	Mpanda MC	2,627,606,000	3,586,187,685	958,581,685	136
47.	Mpimbwe DC	1,376,595,000	1,855,689,977	479,094,977	135
48.	Msalala DC	2,478,090,128	3,731,984,655	1,253,894,527	151
49.	Mufindi DC	6,088,623,000	6,226,637,000	138,014,000	102
50.	Mwanza CC	13,227,224,971	15,794,745,608	2,567,520,637	119
51.	Njombe TC	6,707,334,000	8,127,912,044	1,420,578,044	121
52.	Nyaghw'ale DC	833,190,300	1,503,156,958	669,966,658	180
53.	Rufiji DC	2,986,732,000	5,227,419,000	2,240,687,000	175
54.	Simanjiro DC	2,389,005,000	2,414,974,426	25,969,426	101
55.	Singida DC	1,578,000,000	1,728,624,000	150,624,000	110
56.	Songwe DC	2,933,015,389	2,942,776,157	9,760,768	100
57.	Sumbawanga MC	2,234,908,000	2,384,089,000	149,181,000	107
58.	Tarime DC	6,099,225,947	6,211,488,479	112,262,532	102
59.	Temeke MC	33,835,905,672	35,582,424,000	1,746,518,328	105
60.	Tunduma TC	5,982,432,500	6,545,373,287	562,940,787	109
61.	Tunduru DC	3,076,638,496	3,263,703,145	187,064,649	106
62.	Ubungo MC	18,002,949,000	18,124,620,000	121,671,000	101
63.	Uvinza DC	1,719,809,000	2,033,283,000	313,474,000	118
64.	Wanging'ombe DC	3,446,466,600	3,534,799,091	88,332,491	103
	<b>Total</b>	<b>346,128,129,473</b>	<b>376,302,581,046</b>	<b>30,841,920,172</b>	<b>1099</b>

#### Appendix 4 - 3: LGAs with Under-Collection of Own Source Revenue

SN	Name of LGA	Final Approved Budget in TZS	Revenue Collected in TZS	Under collection in TZS	Performance %
1.	Arusha DC	4,235,139,160	3,396,576,010	(838,563,150)	80
2.	Arusha CC	22,607,873,000	20,039,746,000	(2,568,127,000)	89
3.	Babati TC	3,533,254,537	2,904,160,511	(629,094,026)	82
4.	Bagamoyo DC	3,493,108,000	3,185,253,000	(307,855,000)	91
5.	Bariadi TC	2,755,745,000	2,473,776,000	(281,969,000)	90
6.	Biharamulo DC	3,818,620,000	2,655,229,000	(1,163,391,000)	70
7.	Buchosa DC	3,226,571,000	2,122,489,759	(1,104,081,241)	66
8.	Bukoba MC	3,555,551,704	2,883,730,414	(671,821,290)	81
9.	Bukombe DC	1,953,731,000	1,779,623,000	(174,108,000)	91
10.	Bumbuli DC	1,181,751,968	586,325,442	(595,426,526)	50
11.	Bunda DC	1,426,548,000	1,271,870,000	(154,678,000)	89
12.	Busega DC	2,345,145,000	1,509,756,000	(835,389,000)	64
13.	Butiama DC	1,522,500,000	1,405,512,450	(116,987,550)	92
14.	Chalinze DC	8,591,451,000	8,472,519,000	(118,932,000)	99
15.	Chamwino DC	2,668,678,000	2,419,688,000	(248,990,000)	91
16.	Chemba DC	1,488,670,000	1,346,316,000	(142,354,000)	90
17.	Chunya DC	5,301,516,848	4,283,306,701	(1,018,210,147)	81
18.	Dar es Salaam CC	13,669,703,000	7,880,038,000	(5,789,665,000)	58
19.	Dodoma CC	47,104,504,276	38,406,698,444	(8,697,805,832)	82
20.	Gairo DC	1,092,495,288	893,022,168	(199,473,120)	82
21.	Hai DC	3,740,374,105	3,072,020,829	(668,353,276)	82
22.	Handeni DC	2,308,852,025	1,777,692,024	(531,160,001)	77
23.	Handeni TC	1,608,393,724	1,323,972,789	(284,420,935)	82
24.	Igunga DC	2,790,879,000	2,761,067,311	(29,811,689)	99
25.	Ileje DC	1,233,151,156	1,169,249,901	(63,901,255)	95
26.	Ilemela MC	9,280,504,491	9,038,638,582	(241,865,909)	97
27.	Iramba DC	2,120,102,000	1,775,069,000	(345,033,000)	84
28.	Iringa DC	3,520,538,000	3,463,224,000	(57,314,000)	98
29.	Iringa MC	5,260,707,000	4,289,408,660	(971,298,340)	82
30.	Itigi DC	1,951,976,000	1,209,277,000	(742,699,000)	62
31.	Itilima DC	1,434,558,653	998,963,910	(435,594,743)	70
32.	Kahama MC	12,409,835,539	11,653,130,124	(756,705,415)	94
33.	Kakonko DC	986,119,260	877,158,422	(108,960,838)	89
34.	Kalambo DC	1,853,110,000	1,516,757,000	(336,353,000)	82
35.	Karagwe DC	2,864,456,000	2,711,063,366	(153,392,634)	95

SN	Name of LGA	Final Approved Budget in TZS	Revenue Collected in TZS	Under collection in TZS	Performance %
36.	Karatu DC	4,501,993,140	4,044,960,269	(457,032,871)	90
37.	Kasulu DC	3,016,690,000	2,303,569,000	(713,121,000)	76
38.	Kasulu TC	1,475,373,000	1,371,334,532	(104,038,468)	93
39.	Kibaha DC	2,287,427,309	1,755,994,516	(531,432,793)	77
40.	Kigoma/Ujiji MC	2,700,497,000	2,154,133,874	(546,363,126)	80
41.	Kilindi DC	2,438,494,250	1,558,980,490	(879,513,760)	64
42.	Kilosa DC	5,175,239,000	4,458,240,000	(716,999,000)	86
43.	Kilwa DC	3,867,832,500	3,346,845,495	(520,987,005)	87
44.	Kisarawe DC	3,994,422,333	3,489,331,892	(505,090,441)	87
45.	Kishapu DC	2,667,722,650	1,397,259,498	(1,270,463,152)	52
46.	Kondoa DC	1,485,031,486	1,089,130,334	(395,901,152)	73
47.	Kongwa DC	3,237,730,000	3,083,206,427	(154,523,573)	95
48.	Korogwe DC	2,447,400,666	1,453,973,654	(993,427,012)	59
49.	Korogwe TC	2,601,509,400	1,788,691,338	(812,818,062)	69
50.	Lindi DC	3,194,141,000	1,615,408,000	(1,578,733,000)	51
51.	Lindi MC	2,500,000,000	1,158,000,000	(1,342,000,000)	46
52.	Liwale DC	3,850,043,936	2,583,422,404	(1,266,621,532)	67
53.	Longido DC	2,908,158,000	2,163,398,000	(744,760,000)	74
54.	Ludewa DC	2,027,166,000	1,916,263,000	(110,903,000)	95
55.	Lushoto DC	2,269,027,000	1,944,116,084	(324,910,916)	86
56.	Madaba DC	1,187,013,350	847,981,141	(339,032,209)	71
57.	Mafia DC	1,711,928,000	1,356,645,500	(355,282,500)	79
58.	Makambako TC	3,078,062,000	2,724,491,108	(353,570,892)	89
59.	Malinyi DC	2,432,340,000	2,425,004,865	(7,335,135)	100
60.	Manyoni DC	2,885,438,000	2,376,398,000	(509,040,000)	82
61.	Masasi TC	2,370,676,543	1,973,190,372	(397,486,171)	83
62.	Maswa DC	3,395,561,002	2,307,287,573	(1,088,273,429)	68
63.	Mbeya CC	15,949,287,599	14,966,845,275	(982,442,324)	94
64.	Mbinga DC	4,017,701,646	3,096,745,000	(920,956,646)	77
65.	Mbozi DC	4,420,304,270	3,299,627,356	(1,120,676,914)	75
66.	Mbulu TC	1,025,133,000	830,708,055	(194,424,945)	81
67.	Meru DC	3,665,484,731	3,493,296,889	(172,187,842)	95
68.	Mkinga DC	1,430,852,100	1,236,240,539	(194,611,561)	86
69.	Mlimba DC	3,446,437,000	3,320,373,000	(126,064,000)	96
70.	Monduli DC	2,277,907,654	1,951,209,002	(326,698,652)	86
71.	Morogoro MC	8,478,798,000	8,005,699,000	(473,099,000)	94

SN	Name of LGA	Final Approved Budget in TZS	Revenue Collected in TZS	Under collection in TZS	Performance %
72.	Moshi DC	3,587,947,100	2,959,105,295	(628,841,805)	82
73.	Moshi MC	6,186,836,000	5,786,000,000	(400,836,000)	94
74.	Mwapwa DC	2,671,600,000	2,252,941,965	(418,658,035)	84
75.	Mtwara DC	2,582,390,000	2,320,248,321	(262,141,679)	90
76.	Mtwara MC	7,930,000,000	3,695,278,000	(4,234,722,000)	47
77.	Muheza DC	2,416,000,000	2,256,288,244	(159,711,756)	93
78.	Muleba DC	5,214,000,000	5,129,240,626	(84,759,374)	98
79.	Musoma DC	1,740,936,236	1,232,784,494	(508,151,742)	71
80.	Musoma MC	2,681,703,942	2,626,381,289	(55,322,653)	98
81.	Mvomero DC	3,898,032,638	2,915,550,655	(982,481,983)	75
82.	Mwanga DC	4,034,436,000	2,300,605,000	(1,733,831,000)	57
83.	Nachingwea DC	5,463,506,000	4,644,531,000	(818,975,000)	85
84.	Namtumbo DC	1,770,000,000	1,456,361,443	(313,638,557)	82
85.	Nanyamba TC	1,694,959,000	1,331,777,602	(363,181,398)	79
86.	Nanyumbu DC	2,885,372,000	2,678,985,008	(206,386,992)	93
87.	Newala DC	1,815,500,000	1,206,860,218	(608,639,782)	66
88.	Newala TC	2,027,063,082	2,021,881,870	(5,181,212)	100
89.	Ngara DC	3,962,554,000	2,681,727,000	(1,280,827,000)	68
90.	Ngorongoro DC	1,634,339,000	1,350,589,000	(283,750,000)	83
91.	Njombe DC	3,879,101,827	3,621,932,000	(257,169,827)	93
92.	Nkasi DC	2,489,992,000	1,947,421,000	(542,571,000)	78
93.	Nsimbo DC	1,227,583,000	1,166,873,000	(60,710,000)	95
94.	Nyasa DC	1,103,390,000	848,081,101	(255,308,899)	77
95.	Nzega DC	2,567,181,000	2,002,977,000	(564,204,000)	78
96.	Nzega TC	2,810,760,000	2,492,443,000	(318,317,000)	89
97.	Pangani DC	1,646,274,988	1,492,173,915	(154,101,073)	91
98.	Rombo DC	2,433,546,789	2,078,684,286	(354,862,503)	85
99.	Rorya DC	1,350,378,000	1,067,889,000	(282,489,000)	79
100.	Ruangwa DC	4,802,000,000	3,737,898,011	(1,064,101,989)	78
101.	Rungwe DC	5,229,986,675	4,938,608,791	(291,377,884)	94
102.	Same DC	2,222,211,000	2,034,666,325	(187,544,675)	92
103.	Sengerema DC	2,492,352,000	1,995,348,780	(497,003,220)	80
104.	Serengeti DC	3,277,872,000	1,676,621,250	(1,601,250,750)	51
105.	Shinyanga DC	2,552,536,577	2,058,551,310	(493,985,267)	81
106.	Shinyanga MC	4,011,648,800	3,110,250,246	(901,398,554)	78
107.	Siha DC	1,319,604,000	1,284,457,000	(35,147,000)	97

SN	Name of LGA	Final Approved Budget in TZS	Revenue Collected in TZS	Under collection in TZS	Performance %
108.	Sikonge DC	3,029,000,000	2,270,445,000	(758,555,000)	75
109.	Singida MC	3,674,372,780	3,367,189,105	(307,183,675)	92
110.	Songea DC	1,733,966,390	1,591,708,778	(142,257,612)	92
111.	Songea MC	3,974,254,290	3,762,501,993	(211,752,297)	95
112.	Sumbawanga DC	2,526,187,000	2,428,610,574	(97,576,426)	96
113.	Uyui DC	2,780,092,000	2,669,180,000	(110,912,000)	96
114.	Tabora MC	4,855,251,000	3,836,234,000	(1,019,017,000)	79
115.	Tandahimba DC	5,053,319,400	3,744,091,276	(1,309,228,124)	74
116.	Tanga CC	15,310,151,576	13,330,766,000	(1,979,385,576)	87
117.	Tarime TC	1,777,985,000	1,469,908,000	(308,077,000)	83
118.	Ukerewe DC	4,527,189,000	3,509,194,989	(1,017,994,011)	78
119.	Ulanga DC	2,315,987,200	1,843,687,574	(472,299,626)	80
120.	Urambo DC	2,883,197,000	2,049,545,000	(833,652,000)	71
121.	Ushetu DC	2,838,337,500	2,404,342,382	(433,995,118)	85
		<b>476,247,821,089</b>	<b>393,119,748,015</b>	<b>(83,128,073,074)</b>	<b>83</b>



**Appendix 4 - 4: Own Source revenue versus recurrent Expenditure**

S/N	Name of LGA	Own Source (TZS)	Recurrent Expenditure (TZS)	S/N	Name of LGA	Own Source (TZS)	Recurrent Expenditure (TZS)
1.	Dar es salaam CC	62,749,754,863	114,243,776,200	34.	Simanjiro DC	2,414,974,426	18,814,618,561
2.	Kinondoni MC	45,106,286,000	58,072,625,000	35.	Ushetu DC	2,404,342,382	19,290,843,722
3.	Dodoma CC	38,406,698,444	56,856,435,462	36.	Sumbawanga MC	2,384,089,000	30,936,502,000
4.	Temeke MC	35,582,424,000	81,497,676,000	37.	Manyoni DC	2,376,398,000	19,665,864,000
5.	Arusha CC	20,039,746,000	61,195,161,000	38.	Kwimba DC	2,335,890,808	34,629,078,156
6.	Ubungu MC	18,124,620,000	73,207,669,000	39.	Mtwara DC	2,320,248,321	15,645,290,767
7.	Mwanza CC	15,794,745,608	57,214,981,707	40.	Kasulu DC	2,303,569,000	19,643,130,000
8.	Tanga CC	13,330,766,000	39,823,084,938	41.	Mwanga DC	2,300,605,000	22,719,871,000
9.	Geita TC	13,206,523,512	22,050,346,538	42.	Kiteto DC	2,288,168,515	23,219,580,402
10.	Kahama MC	11,653,130,124	27,576,604,150	43.	Muheza DC	2,256,288,244	26,522,264,616
11.	Kigamboni MC	9,012,490,022	31,910,868,301	44.	Mpwapwa DC	2,252,941,965	28,350,859,623
12.	Chalinze DC	8,472,519,000	28,008,549,090	45.	Kibiti DC	2,219,849,000	16,924,365,000
13.	Njombe TC	8,127,912,044	29,294,626,340	46.	Longido DC	2,163,398,000	20,562,457,000
14.	Morogoro MC	8,005,699,000	59,277,091,427	47.	Kigoma/Ujiji MC	2,154,133,874	25,877,354,700
15.	Former Dar es Salaam CC	7,880,038,000	1,115,684,000	48.	Rombo DC	2,078,684,286	31,849,820,648
16.	Mkuranga DC	7,416,237,000	33,609,943,080	49.	Shinyanga DC	2,058,551,310	26,525,560,208
17.	Tunduma TC	6,545,373,287	16,534,802,000	50.	Uvinza DC	2,033,283,000	19,608,483,000
18.	Mufindi DC	6,226,637,000	35,973,274,000	51.	Ikungi DC	2,025,893,713	25,095,444,000
19.	Tarime DC	6,211,488,479	23,976,693,072	52.	Newala TC	2,021,881,870	13,909,978,715
20.	Moshi MC	5,786,000,000	33,242,547,629	53.	Masasi TC	1,973,190,372	15,057,209,534
21.	Geita DC	5,408,746,000	46,785,918,000	54.	Monduli DC	1,951,209,002	27,658,985,969
22.	Rufiji DC	5,227,419,000	16,050,222,000	55.	Nkasi DC	1,947,421,000	24,218,723,000
23.	Mafinga TC	4,848,457,000	16,884,344,476	56.	Lushoto DC	1,944,116,084	34,049,276,706
24.	Nachingwea DC	4,644,531,000	23,914,479,000	57.	Mbinga TC	1,932,224,000	20,498,698,000
25.	Kibaha TC	4,485,006,876	25,625,832,000	58.	Ludewa DC	1,916,263,000	22,133,454,000
26.	Kilosa DC	4,458,240,000	38,416,457,352	59.	Mpimbwe DC	1,855,689,977	10,433,406,164
27.	Iringa MC	4,289,408,660	32,073,155,000	60.	Ulanga DC	1,843,687,574	16,246,834,759
28.	Kiloto DC	4,148,180,000	32,242,527,940	61.	Korogwe TC	1,788,691,338	17,861,127,193
29.	Karatu DC	4,044,960,269	26,257,071,714	62.	Handeni DC	1,777,692,024	24,715,333,382
30.	Songea MC	3,762,501,993	31,307,779,199	63.	Kibaha DC	1,755,994,516	18,463,875,170
31.	Tandahimba DC	3,744,091,276	24,618,935,429	64.	Mbulu DC	1,748,926,749	21,738,241,480
32.	Ruangwa DC	3,737,898,011	18,207,518,164	65.	Singida DC	1,728,624,000	23,148,303,000
33.	Mpanda DC	3,715,086,499	15,639,224,986	66.	Lindi DC	1,615,408,000	17,255,363,000



S/N	Name of LGA	Own Source (TZS)	Recurrent Expenditure (TZS)	S/N	Name of LGA	Own Source (TZS)	Recurrent Expenditure (TZS)
34.	Mtwara MC	3,695,278,000	21,417,200,000	67.	Songea DC	1,591,708,778	15,359,167,525
35.	Morogoro DC	3,622,797,753	34,565,798,051	68.	Bahi DC	1,548,642,932	17,434,310,568
36.	Njombe DC	3,621,932,000	17,124,544,000	69.	Kibondo DC	1,539,129,269	22,768,826,649
37.	Mpanda MC	3,586,187,685	17,584,900,619	70.	Kalambo DC	1,516,757,000	22,093,538,000
38.	Missenyi DC	3,543,123,671	21,762,142,966	71.	Pangani DC	1,492,173,915	11,093,172,093
39.	Wangingombe DC	3,534,799,091	22,708,735,657	72.	Tarime TC	1,469,908,000	14,973,835,914
40.	Ukerewe DC	3,509,194,989	31,223,226,004	73.	Kondoa TC	1,466,271,793	11,305,615,313
41.	Meru DC	3,493,296,889	52,393,939,000	74.	Namtumbo DC	1,456,361,443	21,013,901,208
42.	Kisarawe DC	3,489,331,892	27,075,837,000	75.	Korogwe DC	1,453,973,654	28,844,408,690
43.	Iringa DC	3,463,224,000	37,253,356,314	76.	Kasulu TC	1,371,334,532	20,056,623,187
44.	Arusha DC	3,396,576,010	44,608,336,937	77.	Mafia DC	1,356,645,500	9,720,034,770
45.	Masasi DC	3,396,434,377	22,236,277,827	78.	Ngorongoro DC	1,350,589,000	21,627,850,000
46.	Hanang' DC	3,378,737,998	32,015,399,942	79.	Chemba DC	1,346,316,000	20,421,642,000
47.	Kilwa DC	3,346,845,495	21,805,379,329	80.	Mbogwe DC	1,341,841,452	19,408,657,446
48.	Tunduru DC	3,263,703,145	31,640,756,908	81.	Nanyamba TC	1,331,777,602	11,446,233,495
49.	Ifakara TC	3,192,809,870	19,351,486,211	82.	Handeni TC	1,323,972,789	12,352,671,611
50.	Bagamoyo DC	3,185,253,000	23,770,330,000	83.	Mkalama DC	1,302,425,701	19,027,364,000
51.	Mbinga DC	3,096,745,000	25,603,795,329	84.	Siha DC	1,284,457,000	15,070,648,564
52.	Kongwa DC	3,083,206,427	27,245,549,505	85.	Mkinga DC	1,236,240,539	15,563,461,807
53.	Babati DC	3,073,629,000	35,094,495,534	86.	Itigi DC	1,209,277,000	11,035,875,000
54.	Hai DC	3,072,020,829	31,663,713,001	87.	Newala DC	1,206,860,218	12,940,790,775
55.	Makete DC	3,044,198,254	19,975,652,026	88.	Nsimbo DC	1,166,873,000	11,982,776,600
56.	Moshi DC	2,959,105,295	52,136,744,744	89.	Lindi MC	1,158,000,000	14,016,011,456
57.	Mvomero DC	2,915,550,655	40,278,691,936	90.	Kondoa DC	1,089,130,334	17,340,932,460
58.	Babati TC	2,904,160,511	19,427,554,470	91.	Mele DC	1,045,835,713	6,752,158,000
59.	Bukoba MC	2,883,730,414	23,303,615,447	92.	Buhigwe DC	983,538,000	16,262,845,000
60.	Makambako TC	2,724,491,108	18,407,729,998	93.	Gairo DC	893,022,168	16,263,988,579
61.	Karagwe DC	2,711,063,366	28,239,871,000	94.	Kakonko DC	877,158,422	11,495,623,507
62.	Nanyumbu DC	2,678,985,008	16,500,579,165	95.	Nyasa DC	848,081,101	15,985,119,472
63.	Liwale DC	2,583,422,404	14,152,752,153	96.	Madaba DC	847,981,141	8,059,135,112
64.	Sumbawanga DC	2,428,610,574	25,844,165,272	97.	Mbulu TC	830,708,055	15,880,196,000
65.	Malinyi DC	2,425,004,865	9,907,193,023	98.	Kigoma DC	553,659,971	20,765,740,490
66.	Chamwino DC	2,419,688,000	39,230,351,000		<b>Total</b>	<b>615,579,732,914</b>	<b>3,379,889,357,327</b>

### Appendix 4 -5: LGAs with Over Released Recurrent Grants

SN	Name of LGA	Final Approved Budget	Released Recurrent Grants	(Under)/Over release	%
1.	Arusha CC	39,122,129,000	45,834,559,000	6,712,430,000	17
2.	Babati DC	28,587,900,000	32,335,926,000	3,748,026,000	13
3.	Busokelo DC	13,641,993,658	14,248,987,070	606,993,412	4
4.	Butiama DC	20,519,607,000	23,846,666,000	3,327,059,000	16
5.	Chamwino DC	35,719,047,000	36,503,212,000	784,165,000	2
6.	Chato DC	29,904,374,294	32,246,781,000	2,342,406,706	8
7.	Gairo DC	14,328,399,839	15,421,230,459	1,092,830,620	8
8.	Ifakara TC	17,845,140,209	19,040,729,159	5,195,588,950	38
9.	Igunga DC	27,832,417,823	28,874,451,000	1,042,033,177	4
10.	Ilala MC	100,126,714,000	111,057,668,093	10,930,954,093	11
11.	Itigi DC	9,948,670,050	10,035,330,000	86,659,950	1
12.	Kibaha TC	23,636,334,000	26,249,113,722	2,612,779,722	11
13.	Kigoma DC	20,003,805,190	20,908,316,620	904,511,430	5
14.	Kigoma/Ujiji MC	22,328,799,499	24,102,406,791	1,773,607,292	8
15.	Kondoa TC	10,532,329,256	11,158,928,835	626,599,579	0
16.	Kongwa DC	27,232,127,471	27,709,793,707	477,666,236	2
17.	Korogwe TC	17,496,243,015	17,930,526,365	434,283,350	2
18.	Kyerwa DC	19,860,004,895	23,293,845,630	3,433,840,735	17
19.	Madaba DC	7,318,167,656	7,586,423,861	268,256,205	4
20.	Makambako TC	15,392,042,500	16,232,168,748	840,126,248	5
21.	Masasi DC	19,542,623,000	19,703,979,981	161,356,981	1
22.	Masasi TC	12,223,178,000	13,476,791,263	1,253,613,263	10
23.	Mbeya CC	50,479,586,406	51,744,707,803	1,265,121,397	3
24.	Mbinga DC	23,282,719,479	23,366,418,269	83,698,790	0
25.	Mbozi DC	39,790,666,613	44,597,068,753	4,806,402,140	12
26.	Mkuranga DC	27,765,516,316	27,821,887,123	56,370,807	0
27.	Mlele DC	5,644,930,000	6,150,871,000	505,941,000	9
28.	Momba DC	12,499,069,672	13,690,969,472	1,191,899,800	10
29.	Moshi MC	28,170,133,621	29,658,193,947	1,488,060,326	5
30.	Mpimbwe DC	4,056,887,396	9,526,695,143	5,469,807,747	135
31.	Mwapapa DC	22,654,765,399	25,841,591,647	3,186,826,248	14
32.	Msalala DC	18,749,439,253	18,978,816,711	229,377,458	1
33.	Nanyumbu DC	14,065,470,486	14,180,044,008	114,573,522	1
34.	Rombo DC	29,162,971,764	30,224,516,095	1,061,544,331	4
35.	Sikonge DC	16,967,892,539	17,011,749,000	43,856,461	0



SN	Name of LGA	Final Approved Budget	Released Recurrent Grants	(Under)/Over release	%
36.	Songwe DC	9,455,496,506	10,969,441,885	1,513,945,379	16
37.	Sumbawanga MC	24,962,992,200	28,293,009,000	3,330,016,800	13
38.	Tabora (Uyui) DC	23,210,260,000	24,029,186,000	818,926,000	4
39.	Ubungu MC	58,838,042,792	59,391,494,792	553,452,000	1
<b>Total</b>		<b>938,898,887,797</b>	<b>1,013,274,495,952</b>	<b>74,375,608,155</b>	<b>8</b>

## Appendix 4 - 6: LGAs with under released Recurrent Grants

SN	Name of LGA	Final approved budget	Released Recurrent Grants	(Under)/Over release	%
1.	Arusha DC	49,256,009,840	41,327,804,228	(7,928,205,612)	(16)
2.	Babati TC	20,617,558,213	17,058,540,391	(3,559,017,822)	(17)
3.	Bagamoyo DC	33,384,363,000	20,788,529,000	(12,595,834,000)	(38)
4.	Bahi DC	18,476,872,279	17,548,406,462	(928,465,817)	(5)
5.	Bariadi DC	20,578,703,000	20,060,439,810	(518,263,190)	(3)
6.	Bariadi TC	19,640,124,000	17,988,556,000	(1,651,568,000)	(8)
7.	Biharamulo DC	27,243,681,000	25,332,132,927	(1,911,548,073)	(7)
8.	Buchosa DC	26,083,953,006	23,194,005,000	(2,889,948,006)	(11)
9.	Buhigwe DC	23,274,199,228	16,674,052,000	(6,600,147,228)	(28)
10.	Bukoba DC	30,310,260,339	27,173,630,837	(3,136,629,502)	(10)
11.	Bukoba MC	25,225,145,351	19,620,079,413	(5,605,065,938)	(22)
12.	Bukombe DC	26,923,243,000	24,160,811,000	(2,762,432,000)	(10)
13.	Bumbuli DC	21,166,867,679	16,936,866,000	(4,230,001,679)	(20)
14.	Bunda DC	21,226,400,000	18,719,746,000	(2,506,654,000)	(12)
15.	Bunda TC	22,795,949,502	22,065,850,628	(730,098,874)	(3)
16.	Busega DC	22,206,691,000	22,078,576,000	(128,115,000)	(1)
17.	Chalinze DC	27,729,823,223	22,939,684,693	(4,790,138,530)	(17)
18.	Chemba DC	22,621,010,000	20,901,179,000	(1,719,831,000)	(8)
19.	Chunya DC	20,223,324,343	15,925,216,536	(4,298,107,807)	(21)
20.	Dar es Salaam CC	1,934,817,000	1,122,714,000	(812,103,000)	(42)
21.	Dodoma CC	66,103,828,498	56,646,042,706	(9,457,785,792)	(14)
22.	Geita DC	59,267,622,236	46,882,879,000	(12,384,743,236)	(21)
23.	Geita TC	43,520,591,507	22,322,238,795	(21,198,352,712)	(49)
24.	Hai DC	32,805,097,625	28,695,715,735	(4,109,381,890)	(13)
25.	Hanang DC	37,518,607,956	30,997,729,284	(6,520,878,672)	(17)
26.	Handeni DC	34,900,221,796	24,627,970,904	(10,272,250,892)	(29)
27.	Handeni TC	16,034,772,555	11,069,197,138	(4,965,575,417)	(31)
28.	Ikungi DC	36,321,240,000	23,265,019,000	(13,056,221,000)	(36)
29.	Ileje DC	17,150,282,847	15,605,658,000	(1,544,624,847)	(9)
30.	Ilemela MC	45,146,289,654	39,587,865,929	(5,558,423,725)	(12)
31.	Iramba DC	28,298,301,000	22,685,122,000	(5,613,179,000)	(20)
32.	Iringa DC	38,550,000,000	36,408,183,207	(2,141,816,793)	(6)
33.	Ititima DC	29,301,380,806	18,108,348,783	(11,193,032,023)	(38)
34.	Kahama MC	29,192,669,084	27,701,717,454	(1,490,951,630)	(5)
35.	Kakonko DC	15,080,908,000	11,946,044,000	(3,134,864,000)	(21)
36.	Kalambo DC	22,495,132,968	20,138,100,008	(2,357,032,960)	(10)
37.	Kaliua DC	25,683,221,900	24,383,983,000	(1,299,238,900)	(5)

SN	Name of LGA	Final approved budget	Released Recurrent Grants	(Under)/Over release	%
38.	Karagwe DC	28,025,516,000	27,255,936,000	(769,580,000)	(3)
39.	Karatu DC	29,384,638,528	26,106,784,502	(3,277,854,026)	(11)
40.	Kasulu DC	20,354,484,000	18,414,658,000	(1,939,826,000)	(10)
41.	Kasulu TC	22,331,599,263	18,953,494,000	(3,378,105,263)	(15)
42.	Kibaha DC	24,562,483,220	18,637,507,736	(5,924,975,484)	(24)
43.	Kibiti DC	17,393,773,790	15,203,453,000	(2,190,320,790)	(13)
44.	Kibondo DC	27,365,942,000	22,187,329,000	(5,178,613,000)	(19)
45.	Kigamboni MC	31,196,644,968	24,239,457,196	(6,957,187,772)	(22)
46.	Kilindi DC	20,651,836,000	20,625,836,882	(25,999,118)	(0)
47.	Kilolo DC	35,229,148,000	35,138,143,000	(91,005,000)	(0)
48.	Kilosa DC	40,137,365,000	39,136,648,948	(1,000,716,052)	(2)
49.	Kilwa DC	22,292,063,000	19,249,194,000	(3,042,869,000)	(14)
50.	Kinondoni MC	79,240,657,000	62,161,745,000	(17,078,912,000)	(22)
51.	Kisarawe DC	31,979,642,944	23,514,982,416	(8,464,660,528)	(26)
52.	Kishapu DC	25,451,753,775	22,671,366,864	(2,780,386,911)	(11)
53.	Kiteto DC	26,639,772,013	21,038,198,579	(5,601,573,434)	(21)
54.	Kondoa DC	26,522,686,004	16,990,776,249	(9,531,909,755)	(36)
55.	Korogwe DC	33,280,029,960	27,201,650,807	(6,078,379,153)	(18)
56.	Kwimba DC	38,350,403,135	34,537,799,665	(3,812,603,470)	(10)
57.	Kyela DC	33,006,814,239	26,676,245,000	(6,330,569,239)	(19)
58.	Lindi DC	26,791,727,000	17,915,614,000	(8,876,113,000)	(33)
59.	Lindi MC	19,648,000,000	11,527,000,000	(8,121,000,000)	(41)
60.	Liwale DC	18,958,347,000	12,894,797,000	(6,063,550,000)	(32)
61.	Longido DC	16,447,716,000	16,230,134,000	(217,582,000)	(1)
62.	Ludewa DC	27,784,008,000	21,570,526,000	(6,213,482,000)	(22)
63.	Lushoto DC	40,456,646,126	31,880,976,883	(8,575,669,243)	(21)
64.	Mafia DC	12,211,162,000	8,593,659,760	(3,617,502,240)	(30)
65.	Mafinga TC	20,188,476,525	14,270,006,743	(5,918,469,782)	(29)
66.	Magu DC	36,072,389,797	32,416,341,618	(3,656,048,179)	(10)
67.	Makete DC	20,075,032,738	19,360,384,469	(714,648,269)	(4)
68.	Malinyi DC	19,301,169,000	8,990,612,000	(10,310,557,000)	(53)
69.	Manyoni DC	19,638,992,000	17,126,877,000	(2,512,115,000)	(13)
70.	Maswa DC	37,120,302,369	28,457,701,992	(8,662,600,377)	(23)
71.	Mbarali DC	37,112,403,483	29,585,410,000	(7,526,993,483)	(20)
72.	Mbeya DC	44,564,633,830	38,072,027,203	(6,492,606,627)	(15)
73.	Mbinga TC	20,402,459,529	18,628,129,413	(1,774,330,116)	(9)
74.	Mbogwe DC	18,408,241,000	15,371,124,078	(3,037,116,922)	(16)
75.	Mbulu DC	22,193,367,432	19,919,134,000	(2,274,233,432)	(10)
76.	Mbulu TC	16,590,140,000	15,344,539,000	(1,245,601,000)	(8)

SN	Name of LGA	Final approved budget	Released Recurrent Grants	(Under)/Over release	%
77.	Meatu DC	27,908,357,265	23,471,214,336	(4,437,142,929)	(16)
78.	Meru DC	42,299,483,308	41,099,206,794	(1,200,276,514)	(3)
79.	Missenyi DC	19,220,526,200	19,183,069,877	(37,456,323)	(0)
80.	Misungwi DC	36,893,337,000	35,769,109,478	(1,124,227,522)	(3)
81.	Mkalama DC	18,949,392,170	18,764,883,370	(184,508,800)	(1)
82.	Mkinga DC	18,912,316,162	14,544,261,565	(4,368,054,597)	(23)
83.	Mlimba DC	31,941,267,000	25,081,698,000	(6,859,569,000)	(21)
84.	Monduli DC	32,773,258,851	25,487,044,300	(7,286,214,551)	(22)
85.	Morogoro DC	36,932,358,000	30,639,858,787	(6,292,499,213)	(17)
86.	Morogoro MC	66,016,483,014	52,658,385,461	(13,358,097,553)	(20)
87.	Moshi DC	51,649,727,526	50,303,899,794	(1,345,827,732)	(3)
88.	Mpanda DC	16,614,528,636	13,063,765,376	(3,550,763,260)	(21)
89.	Mpanda MC	14,733,154,461	14,480,086,972	(253,067,489)	(2)
90.	Mtwara DC	18,302,152,000	14,424,117,684	(3,878,034,316)	(21)
91.	Mtwara MC	22,897,916,000	17,994,830,000	(4,903,086,000)	(21)
92.	Mufindi DC	34,334,566,000	31,474,774,000	(2,859,792,000)	(8)
93.	Mulheza DC	26,576,682,562	24,642,119,131	(1,934,563,431)	(7)
94.	Muleba DC	47,078,702,435	41,088,907,979	(5,989,794,456)	(13)
95.	Musoma DC	16,809,077,000	16,405,307,000	(403,770,000)	(2)
96.	Musoma MC	23,695,857,744	19,058,079,000	(4,637,778,744)	(20)
97.	Mvomero DC	36,716,081,842	36,603,506,831	(112,575,011)	(0)
98.	Mwanga DC	25,606,067,000	23,495,354,000	(2,110,713,000)	(8)
99.	Mwanza CC	66,200,916,775	57,395,125,186	(8,805,791,589)	(13)
100.	Nachingwea DC	23,944,461,000	20,209,346,000	(3,735,115,000)	(16)
101.	Namtumbo DC	20,445,759,200	20,403,714,641	(42,044,559)	(0)
102.	Nanyamba TC	13,181,873,000	10,997,137,426	(2,184,735,574)	(17)
103.	Newala DC	18,513,598,059	11,907,144,605	(6,606,453,454)	(36)
104.	Newala TC	13,583,591,917	12,558,994,739	(1,024,597,178)	(8)
105.	Ngorongoro DC	33,304,914,072	19,974,014,000	(13,330,900,072)	(40)
106.	Njombe DC	22,197,384,000	15,593,301,000	(6,604,083,000)	(30)
107.	Njombe TC	28,557,563,672	23,494,646,100	(5,062,917,572)	(18)
108.	Nkasi DC	23,633,209,000	22,126,796,000	(1,506,413,000)	(6)
109.	Nsimbo DC	11,997,127,253	10,839,967,855	(1,157,159,398)	(10)
110.	Nyanghwale DC	17,172,813,000	14,516,496,000	(2,656,317,000)	(15)
111.	Nyasa DC	19,002,977,166	15,491,680,537	(3,511,296,629)	(18)
112.	Nzega DC	26,126,177,000	25,450,652,410	(675,524,590)	(3)
113.	Nzega TC	16,400,000,000	12,378,553,485	(4,021,446,515)	(25)
114.	Pangani DC	10,597,874,732	9,691,845,245	(906,029,487)	(9)
115.	Rorya DC	22,022,575,000	20,444,653,920	(1,577,921,080)	(7)

SN	Name of LGA	Final approved budget	Released Recurrent Grants	(Under)/Over release	%
116.	Ruangwa DC	32,690,237,823	15,514,073,401	(17,176,164,422)	(53)
117.	Rufiji DC	18,510,235,000	13,668,374,000	(4,841,861,000)	(26)
118.	Rungwe DC	38,437,799,900	37,895,284,794	(542,515,106)	(1)
119.	Same DC	38,732,888,617	33,048,358,926	(5,684,529,691)	(15)
120.	Sengerema DC	40,243,753,500	36,385,674,000	(3,858,079,500)	(10)
121.	Serengeti DC	28,017,213,244	26,513,776,191	(1,503,437,053)	(5)
122.	Shinyanga DC	36,454,207,710	25,024,262,671	(11,429,945,039)	(31)
123.	Shinyanga MC	25,325,580,316	18,999,422,547	(6,326,157,769)	(25)
124.	Siha DC	15,115,585,245	13,930,742,000	(1,184,843,245)	(8)
125.	Simanjiro DC	17,800,616,875	17,291,636,845	(508,980,030)	(3)
126.	Singida DC	25,543,990,000	21,690,350,000	(3,853,640,000)	(15)
127.	Singida MC	28,944,849,931	20,985,984,903	(7,958,865,028)	(27)
128.	Songea DC	23,716,260,894	14,624,763,157	(9,091,497,737)	(38)
129.	Songea MC	32,010,143,414	31,488,039,697	(522,103,717)	(2)
130.	Sumbawanga DC	26,153,683,227	23,965,208,764	(2,188,474,463)	(8)
131.	Tabora MC	30,138,570,817	29,327,648,000	(810,922,817)	(3)
132.	Tandahimba DC	25,866,828,182	22,117,283,628	(3,749,544,554)	(14)
133.	Tanga CC	48,617,426,987	39,706,816,170	(8,910,610,817)	(18)
134.	Tarime DC	28,759,815,000	24,799,770,159	(3,960,044,841)	(14)
135.	Tarime TC	16,143,528,000	14,836,310,252	(1,307,217,748)	(8)
136.	Temeke MC	88,533,045,000	82,654,658,511	(5,878,386,489)	(7)
137.	Tunduma TC	16,169,846,000	11,928,980,646	(4,240,865,354)	(26)
138.	Tunduru DC	30,318,196,518	29,743,668,759	(574,527,759)	(2)
139.	Ukerewe DC	30,357,445,036	28,255,443,665	(2,102,001,371)	(7)
140.	Ulanga DC	18,809,712,012	16,246,834,759	(2,562,877,253)	(14)
141.	Urambo DC	19,545,853,000	17,733,193,000	(1,812,660,000)	(9)
142.	Ushetu DC	21,245,125,445	18,313,364,307	(2,931,761,138)	(14)
143.	Uvinza DC	34,449,761,000	19,581,931,000	(14,867,830,000)	(43)
144.	Wanging'ombe DC	22,395,092,751	20,293,319,479	(2,101,773,272)	(9)
<b>Total</b>		<b>4,058,443,028,569</b>	<b>3,410,557,559,986</b>	<b>(647,885,468,582)</b>	<b>(16)</b>

#### Appendix 4 - 7: LGAs with Over Release of Development Grants

SN	Name of LGA	Final Approved Budget (TZS)	Released Development Grants in (TZS)	Over release (TZS)	%
1.	Bunda DC	2,537,715,000	2,830,062,000	292,347,000	12
2.	Chato DC	22,265,443,000	26,621,566,693	4,356,123,693	20
3.	Dodoma CC	2,721,470,613	4,954,301,346	2,232,830,733	82
4.	Ilemela MC	8,375,478,863	11,140,388,683	2,764,909,820	33
5.	Kaliua DC	3,865,517,544	4,315,414,999	449,897,455	12
6.	Kigamboni MC	7,091,844,927	7,153,733,632	61,888,705	1
7.	Liwale DC	1,996,234,000	2,253,918,000	257,684,000	13
8.	Lushoto DC	2,209,642,000	3,009,642,000	800,000,000	36
9.	Mafia DC	3,190,008,000	4,403,822,750	1,213,814,750	38
10.	Magu DC	1,796,489,505	2,560,075,745	763,586,240	43
11.	Mtwara MC	802,333,000	831,294,000	28,961,000	4
12.	Mufindi DC	4,517,330,000	4,760,111,079	242,781,079	5
13.	Muleba DC	2,551,450,161	2,671,204,049	119,753,888	5
14.	Nachingwea DC	655,272,925	1,610,630,913	955,357,988	146
15.	Newala TC	564,933,500	622,310,769	57,377,269	10
16.	Njombe TC	1,602,530,172	1,657,588,617	55,058,445	3
17.	Tarime TC	1,736,882,000	2,123,862,401	386,980,401	22
18.	Temeke MC	16,829,278,652	47,410,643,434	30,581,364,782	182
19.	Tunduma TC	4,874,532,000	6,441,320,277	1,566,788,277	32
		90,184,385,862	137,371,891,387	47,187,505,525	52



### Appendix 4 - 8: LGAs with under release of Development Grants

SN	Name of LGA	Final Approved Budget	Released Development Grants	(Under)/Over release	%
1.	Arusha CC	18,166,948,000	17,148,921,000	(1,018,027,000)	(6)
2.	Arusha DC	4,725,750,535	2,275,907,602	(2,449,842,933)	(52)
3.	Babati DC	4,649,343,000	2,558,189,000	(2,091,154,000)	(45)
4.	Babati TC	2,323,708,143	1,504,556,093	(819,152,050)	(35)
5.	Bagamoyo DC	7,991,515,150	2,082,498,000	(5,909,017,150)	(74)
6.	Bahi DC	7,974,096,129	1,524,582,551	(6,449,513,578)	(81)
7.	Bariadi DC	5,639,932,000	3,844,660,190	(1,795,271,810)	(32)
8.	Bariadi TC	2,252,838,000	2,176,955,000	(75,883,000)	(3)
9.	Biharamulo DC	4,106,048,000	3,099,427,505	(1,006,620,495)	(25)
10.	Buchosa DC	6,107,925,211	4,087,223,000	(2,020,702,211)	(33)
11.	Buhigwe DC	4,174,385,951	1,060,249,000	(3,114,136,951)	(75)
12.	Bukoba DC	3,879,118,000	2,974,118,034	(904,999,966)	(23)
13.	Bukoba MC	3,961,504,655	1,538,632,582	(2,422,872,073)	(61)
14.	Bukombe DC	7,487,549,000	2,048,113,000	(5,439,436,000)	(73)
15.	Bumbuli DC	3,893,374,024	2,768,312,000	(1,125,062,024)	(29)
16.	Bunda TC	1,344,145,098	1,202,897,260	(141,247,838)	(11)
17.	Busega DC	4,159,405,000	3,778,954,000	(380,451,000)	(9)
18.	Busokelo DC	4,165,606,243	2,414,866,000	(1,750,740,243)	(42)
19.	Butiama DC	6,470,224,505	3,562,929,000	(2,907,295,505)	(45)
20.	Chalinze DC	4,281,478,069	2,961,428,855	(1,320,049,214)	(31)
21.	Chamwino DC	4,965,409,000	4,587,147,000	(378,262,000)	(8)
22.	Chemba DC	10,240,441,765	2,550,858,161	(7,689,583,604)	(75)
23.	Chunya DC	3,521,948,880	2,336,691,324	(1,185,257,556)	(34)
24.	Dar es Salaam CC	20,775,000,000	15,599,170,122	(5,175,829,878)	(25)
25.	Gairo DC	2,985,510,027	1,667,010,027	(1,318,500,000)	(44)
26.	Geita DC	7,724,230,377	2,975,632,000	(4,748,598,377)	(61)
27.	Geita TC	1,808,497,172	1,759,162,196	(49,334,976)	(3)
28.	Hanang DC	3,866,545,743	2,122,276,843	(1,744,268,900)	(45)
29.	Handeni DC	5,555,927,522	3,596,962,275	(1,958,965,247)	(35)
30.	Handeni TC	1,816,000,000	1,631,190,031	(184,809,969)	(10)
31.	Ifakara TC	2,705,769,705	1,420,819,080	(1,284,950,625)	(47)
32.	Ilunga DC	2,441,266,419	2,084,340,419	(356,926,000)	(15)
33.	Ikungi DC	5,440,066,000	4,104,839,020	(1,335,226,980)	(25)
34.	Ilala MC	54,879,699,240	39,254,705,980	(15,624,993,260)	(28)

SN	Name of LGA	Final Approved Budget	Released Development Grants	(Under)/Over release	%
35.	Ileje DC	2,796,672,000	1,657,687,634	(1,138,984,366)	(41)
36.	Iramba DC	4,338,152,000	1,637,711,000	(2,700,441,000)	(62)
37.	Iringa DC	6,239,245,275	5,796,653,700	(442,591,575)	(7)
38.	Iringa MC	1,793,079,000	1,387,029,000	(406,050,000)	(23)
39.	Itigi DC	3,364,989,220	1,873,325,000	(1,491,664,220)	(44)
40.	Itilima DC	4,275,835,753	3,005,962,310	(1,269,873,443)	(30)
41.	Kahama MC	2,072,236,906	1,263,545,000	(808,691,906)	(39)
42.	Kakonko DC	3,653,221,000	3,220,535,043	(432,685,957)	(12)
43.	Kalambo DC	3,828,315,742	2,862,060,000	(966,255,742)	(25)
44.	Karagwe DC	4,258,190,000	2,400,455,000	(1,857,735,000)	(44)
45.	Karatu DC	2,518,648,000	2,188,957,591	(329,690,409)	(13)
46.	Kasulu DC	4,382,203,000	3,199,513,000	(1,182,690,000)	(27)
47.	Kasulu TC	6,067,182,737	4,188,465,969	(1,878,716,768)	(31)
48.	Kibaha DC	6,832,439,030	3,185,038,739	(3,647,400,291)	(53)
49.	Kibaha TC	11,627,530,639	2,440,979,723	(9,186,550,916)	(79)
50.	Kibiti DC	3,149,561,210	2,925,574,000	(223,987,210)	(7)
51.	Kibondo DC	2,587,058,000	1,693,219,000	(893,839,000)	(35)
52.	Kigoma DC	7,831,576,000	4,995,773,000	(2,835,803,000)	(36)
53.	Kigoma/Ujiji MC	6,122,936,193	3,961,313,996	(2,161,622,197)	(35)
54.	Kilindi DC	2,136,861,323	1,622,888,698	(513,972,625)	(24)
55.	Kilolo DC	6,179,780,000	2,003,008,493	(4,176,771,507)	(68)
56.	Kilosa DC	4,790,786,000	3,791,502,052	(999,283,948)	(21)
57.	Kinondoni MC	9,465,911,896	7,441,467,213	(2,024,444,683)	(21)
58.	Kisarawe DC	6,979,193,056	5,234,991,497	(1,744,201,559)	(25)
59.	Kishapu DC	3,276,879,940	2,473,284,321	(803,595,619)	(25)
60.	Kiteto DC	1,728,758,879	1,609,843,955	(118,914,924)	(7)
61.	Kondoa DC	4,220,863,143	3,519,067,993	(701,795,150)	(17)
62.	Kondoa TC	5,020,414,800	1,012,484,403	(4,007,930,397)	(80)
63.	Kongwa DC	5,241,540,980	5,164,155,124	(77,385,856)	(1)
64.	Korogwe DC	4,701,702,913	3,203,190,913	(1,498,512,000)	(32)
65.	Korogwe TC	1,439,823,585	1,408,691,585	(31,132,000)	(2)
66.	Kwimba DC	4,036,399,906	2,895,808,174	(1,140,591,732)	(28)
67.	Kyela DC	2,256,356,761	1,327,248,000	(929,108,761)	(41)
68.	Kyerwa DC	8,685,911,296	3,734,319,536	(4,951,591,760)	(57)
69.	Lindi DC	3,169,509,298	2,476,899,975	(692,609,323)	(22)

SN	Name of LGA	Final Approved Budget	Released Development Grants	(Under)/Over release	%
70.	Lindi MC	2,389,785,703	1,295,743,544	(1,094,042,159)	(46)
71.	Longido DC	4,069,746,000	2,828,980,000	(1,240,766,000)	(30)
72.	Ludewa DC	2,651,428,000	2,056,845,000	(594,583,000)	(22)
73.	Madaba DC	4,446,549,473	2,986,523,546	(1,460,025,927)	(33)
74.	Mafinga TC	1,642,259,172	1,270,473,172	(371,786,000)	(23)
75.	Makambako TC	2,931,100,218	2,481,382,762	(449,717,456)	(15)
76.	Makete DC	2,041,556,090	2,008,889,762	(32,666,328)	(2)
77.	Malinyi DC	4,867,812,000	2,889,418,000	(1,978,394,000)	(41)
78.	Manyoni DC	1,729,589,000	1,363,966,000	(365,623,000)	(21)
79.	Masasi DC	12,116,509,000	6,626,154,714	(5,490,354,286)	(45)
80.	Masasi TC	4,144,645,815	2,165,202,571	(1,979,443,244)	(48)
81.	Maswa DC	5,234,915,322	4,504,539,000	(730,376,322)	(14)
82.	Mbarali DC	3,052,440,517	1,482,741,000	(1,569,699,517)	(51)
83.	Mbeya CC	5,712,168,430	3,055,418,615	(2,656,749,815)	(47)
84.	Mbeya DC	3,598,401,624	2,579,937,233	(1,018,464,391)	(28)
85.	Mbinga DC	3,440,882,150	2,666,273,802	(774,608,348)	(23)
86.	Mbinga TC	2,839,635,049	1,699,665,591	(1,139,969,458)	(40)
87.	Mbogwe DC	7,599,366,801	5,893,376,922	(1,705,989,879)	(22)
88.	Mbozi DC	7,982,260,717	2,373,804,797	(5,608,455,920)	(70)
89.	Mbulu TC	1,662,209,000	838,804,000	(823,405,000)	(50)
90.	Meatu DC	4,558,159,172	2,109,071,897	(2,449,087,275)	(54)
91.	Meru DC	2,345,670,000	1,359,251,472	(986,418,528)	(42)
92.	Missenyi DC	2,192,301,645	1,406,815,400	(785,486,245)	(36)
93.	Misungwi DC	3,934,019,000	2,822,126,522	(1,111,892,478)	(28)
94.	Mkalama DC	5,246,861,000	2,836,740,000	(2,410,121,000)	(46)
95.	Mkinga DC	3,145,693,819	2,867,654,460	(278,039,359)	(9)
96.	Mkuranga DC	2,494,106,524	1,305,866,000	(1,188,240,524)	(48)
97.	Mlele DC	4,210,247,000	2,809,814,000	(1,400,433,000)	(33)
98.	Mlimba DC	6,822,759,000	2,986,588,000	(3,836,171,000)	(56)
99.	Mombasa DC	3,513,655,188	1,425,979,155	(2,087,676,033)	(59)
100.	Monduli DC	3,084,267,567	2,380,022,622	(704,244,945)	(23)
101.	Morogoro DC	3,277,227,956	3,253,737,300	(23,490,656)	(1)
102.	Morogoro MC	4,942,294,287	3,947,989,511	(994,304,776)	(20)
103.	Moshi DC	4,973,993,212	3,154,434,000	(1,819,559,212)	(37)
104.	Moshi MC	6,726,175,379	1,902,892,189	(4,823,283,190)	(72)

SN	Name of LGA	Final Approved Budget	Released Development Grants	(Under)/Over release	%
105.	Mpanda DC	4,736,931,661	3,511,297,412	(1,225,634,249)	(26)
106.	Mpanda MC	3,881,528,740	2,261,664,316	(1,619,864,424)	(42)
107.	Mpimbwe DC	8,997,388,000	2,900,002,737	(6,097,385,263)	(68)
108.	Mpwapwa DC	9,080,846,934	2,248,408,942	(6,832,437,992)	(75)
109.	Msalala DC	3,820,158,091	3,035,055,420	(785,102,671)	(21)
110.	Mtwara DC	4,736,653,080	2,328,218,751	(2,408,434,329)	(51)
111.	Muheza DC	3,091,436,627	2,950,826,492	(140,610,135)	(5)
112.	Musoma DC	6,907,700,385	5,365,171,000	(1,542,529,385)	(22)
113.	Musoma MC	1,063,088,256	998,782,000	(64,306,256)	(6)
114.	Mvomero DC	3,078,183,282	2,989,268,000	(88,915,282)	(3)
115.	Mwanga DC	2,685,514,217	888,015,816	(1,797,498,401)	(67)
116.	Mwanza CC	22,946,331,041	15,490,171,297	(7,456,159,744)	(32)
117.	Namtumbo DC	5,049,188,907	2,370,641,000	(2,678,547,907)	(53)
118.	Nanyamba TC	4,186,200,090	1,829,949,070	(2,356,251,020)	(56)
119.	Nanyumbu DC	2,476,880,000	1,970,753,785	(506,126,215)	(20)
120.	Newala DC	3,614,406,187	3,157,547,191	(456,858,996)	(13)
121.	Ngara DC	2,463,934,810	1,179,889,423	(1,284,045,387)	(52)
122.	Ngorongoro DC	3,500,566,927	3,121,539,927	(379,027,000)	(11)
123.	Njombe DC	2,786,525,000	1,912,898,000	(873,627,000)	(31)
124.	Nkasi DC	2,902,073,000	2,796,923,000	(105,150,000)	(4)
125.	Nsimbo DC	2,927,485,747	1,765,412,146	(1,162,073,601)	(40)
126.	Nyaghw'ale DC	3,721,770,000	2,750,587,000	(971,183,000)	(26)
127.	Nyasa DC	6,078,600,014	1,997,218,533	(4,081,381,481)	(67)
128.	Nzega DC	3,098,160,590	3,081,455,590	(16,705,000)	(1)
129.	Nzega TC	2,307,737,000	1,944,398,530	(363,338,470)	(16)
130.	Pangani DC	3,515,060,403	1,980,826,723	(1,534,233,680)	(44)
131.	Rombo DC	5,931,826,452	3,129,283,921	(2,802,542,531)	(47)
132.	Rorya DC	8,335,731,000	5,535,619,225	(2,800,111,775)	(34)
133.	Ruangwa DC	9,448,106,000	8,023,924,968	(1,424,181,032)	(15)
134.	Rufiji DC	5,912,142,000	1,415,723,000	(4,496,419,000)	(76)
135.	Rungwe DC	3,955,433,088	1,663,449,000	(2,291,984,088)	(58)
136.	Same DC	3,649,663,618	2,868,113,263	(781,550,355)	(21)
137.	Sengerema DC	3,945,529,000	2,616,236,000	(1,329,293,000)	(34)
138.	Serengeti DC	3,471,843,000	2,379,108,983	(1,092,734,017)	(31)
139.	Shinyanga DC	7,159,970,188	2,675,942,457	(4,484,027,731)	(63)

SN	Name of LGA	Final Approved Budget	Released Development Grants	(Under)/Over release	%
140.	Shinyanga MC	1,403,121,981	532,009,974	(871,112,007)	(62)
141.	Siha DC	2,850,492,755	2,579,734,000	(270,758,755)	(9)
142.	Sikonge DC	4,776,016,461	3,144,519,173	(1,631,497,288)	(34)
143.	Simanjiro DC	2,682,168,125	1,292,782,155	(1,389,385,970)	(52)
144.	Singida DC	9,622,403,000	2,759,259,000	(6,863,144,000)	(71)
145.	Singida MC	4,401,197,052	998,352,950	(3,402,844,102)	(77)
146.	Songea DC	2,862,178,500	2,435,305,416	(426,873,084)	(15)
147.	Songea MC	5,179,688,786	1,445,176,178	(3,734,512,608)	(72)
148.	Songwe DC	5,562,157,878	1,919,382,383	(3,642,775,495)	(65)
149.	Sumbawanga DC	4,393,672,112	2,968,337,000	(1,425,335,112)	(32)
150.	Sumbawanga MC	2,880,132,800	2,792,584,800	(87,548,000)	(3)
151.	Tabora MC	3,185,998,183	2,529,007,753	(656,990,430)	(21)
152.	Tandahimba DC	2,784,685,490	1,790,236,373	(994,449,117)	(36)
153.	Tanga CC	4,204,342,013	3,421,084,143	(783,257,870)	(19)
154.	Tarime DC	4,050,151,755	3,678,984,571	(371,167,184)	(9)
155.	Tunduru DC	7,093,914,042	1,468,672,632	(5,625,241,410)	(79)
156.	Ubungu MC	15,190,459,208	13,690,459,208	(1,500,000,000)	(10)
157.	Ukerewe DC	6,604,580,669	2,848,512,913	(3,756,067,756)	(57)
158.	Ulanga DC	1,240,711,988	1,239,986,988	(725,000)	(0)
159.	Urambo DC	1,565,900,000	1,345,881,000	(220,019,000)	(14)
160.	Ushetu DC	5,567,828,754	3,537,918,329	(2,029,910,425)	(36)
161.	Uvinza DC	2,917,783,000	2,867,783,000	(50,000,000)	(2)
162.	Uyui DC	7,356,552,000	3,435,630,000	(3,920,922,000)	(53)
163.	Wanging'ombe DC	4,465,762,577	4,347,069,990	(118,692,587)	(3)
<b>Total</b>		<b>831,478,155,338</b>	<b>518,946,990,193</b>	<b>(312,531,165,145)</b>	<b>(38)</b>

#### Appendix 4 -9: Own source Not Allocated to Development Projects

SN	Name of LGA	Amount (TZS)	SN	Name of LGA	Amount (TZS)
1.	Arusha CC	158,085,000	47.	Makete DC	96,256,918
2.	Babati TC	224,457,362	48.	Manyoni DC	161,717,206
3.	Bariadi DC	214,603,761	49.	Maswa DC	308,407,723
4.	Bariadi TC	245,285,757	50.	Mbeya CC	1,357,622,412
5.	Buchosa DC	82,836,493	51.	Mbeya DC	403,870,198
6.	Buhigwe DC	182,152,719	52.	Mbogwe DC	159,032,800
7.	Bukoba DC	228,268,136	53.	Mbulu DC	261,276,546
8.	Bukoba MC	246,263,830	54.	Meatu DC	490,979,718
9.	Bumbuli DC	121,610,817	55.	Mkinga DC	205,441,400
10.	Bunda DC	260,735,920	56.	Mlele DC	58,312,405
11.	Bunda TC	16,273,559	57.	Momba DC	220,711,528
12.	Busega DC	247,159,237	58.	Monduli DC	19,699,173
13.	Busokelo DC	86,843,467	59.	Moshi DC	258,555,701
14.	Chamwino DC	583,445,200	60.	Moshi MC	440,914,605
15.	Chemba DC	158,609,069	61.	Muheza DC	186,636,113
16.	Gairo DC	126,080,879	62.	Musoma DC	76,241,739
17.	Geita DC	106,126,392	63.	Musoma MC	146,521,814
18.	Hai DC	52,463,798	64.	Mvomero DC	117,232,277
19.	Hanang DC	215,417,040	65.	Mwanga DC	34,522,964
20.	Handeni DC	108,643,019	66.	Nachingwea DC	153,505,886
21.	Handeni TC	231,533,952	67.	Namtumbo DC	96,941,017
22.	Igunga DC	99,129,755	68.	Ngorongoro DC	485,000,000
23.	Ikungi DC	27,335,000	69.	Njombe DC	27,403,264
24.	Ileje DC	196,798,581	70.	Nkasi DC	620,823,200
25.	Iramba DC	103,580,002	71.	Nyaghw'ale DC	61,490,300
26.	Iringa MC	372,378,707	72.	Nzega DC	438,244,531
27.	Itigi DC	234,373,491	73.	Nzega TC	93,657,302
28.	Itilima DC	211,617,265	74.	Rombo DC	395,798,876
29.	Kakonko DC	87,503,858	75.	Rorya DC	240,168,861
30.	Kalambo DC	523,369,200	76.	Rungwe DC	373,680,935
31.	Karatu DC	285,417,015	77.	Same DC	90,938,035
32.	Kasulu DC	274,752,485	78.	Serengeti DC	203,753,264
33.	Kibiti DC	46,059,585	79.	Shinyanga DC	258,174,629
34.	Kigoma/Ujiji MC	81,049,540	80.	Sikonge DC	199,582,507
35.	Kisarawe DC	289,660,989	81.	Singida MC	812,189,389

SN	Name of LGA	Amount (TZS)	SN	Name of LGA	Amount (TZS)
36.	Kishapu Dc	258,174,629	82.	Songea DC	82,393,926
37.	Kiteto DC	184,495,335	83.	Songwe DC	457,163,328
38.	Kongwa DC	171,086,778	84.	Sumbawanga DC	784,305,291
39.	Korogwe DC	373,018,976	85.	Sumbawanga MC	1,108,886,668
40.	Kyela DC	695,999,927	86.	Tanga CC	1,306,091,556
41.	Lindi DC	133,409,455	87.	Tarime TC	76,220,206
42.	Ludewa DC	99,915,023	88.	Urambo DC	311,575,948
43.	Lushoto DC	170,076,327	89.	Ushetu DC	507,064,668
44.	Madaba DC	127,871,119	90.	Uvinza DC	239,342,696
45.	Magu DC	324,954,407	91.	Tabora (Uyui) DC	232,143,951
46.	Makambako TC	236,050,506	92.	Wanging'ombe DC	76,650,600
<b>Total</b>					<b>24,242,117,434</b>



## Appendix 5 - 1: Collections Not Banked

S/N	Name of LGA	Amount (TZS)	S/N	Name of LGA	Amount (TZS)
1.	Chemba DC	757,425,818	75.	Ifakara TC	57,723,534
2.	Bahi DC	714,280,653	76.	Chunya DC	57,671,950
3.	Momba DC	624,352,722	77.	Musoma DC	54,998,801
4.	Shinyanga DC	603,541,575	78.	Misungwi DC	53,705,919
5.	Ukerewe DC	558,873,692	79.	Meatu DC	53,422,788
6.	Kinondoni MC	528,850,236	80.	Bariadi DC	51,678,169
7.	Kisarawe DC	473,777,952	81.	Nkasi DC	50,757,444
8.	Mlele DC	441,578,558	82.	Mtama DC	48,456,845
9.	Sumbawanga DC	396,278,280	83.	Njombe TC	46,307,633
10.	Kaliua DC	387,270,012	84.	Masasi TC	46,055,840
11.	Mwapwa DC	382,615,115	85.	Siha DC	45,635,900
12.	Rufiji DC	372,815,083	86.	Arusha DC	44,705,825
13.	Uyui DC	341,203,250	87.	Handeni TC	44,609,720
14.	Iramba DC	335,043,196	88.	Busega DC	43,044,492
15.	Former DSM CC	321,542,900	89.	Makete DC	42,517,243
16.	Mpanda MC	294,461,687	90.	Newala DC	41,875,152
17.	Ushetu DC	242,262,030	91.	Mtwara MC	40,388,312
18.	Kilwa DC	234,932,104	92.	Singida MC	38,251,920
19.	Kyela DC	214,519,596	93.	Bukombe DC	38,175,082
20.	Sengerema DC	213,650,256	94.	Monduli DC	36,756,200
21.	Korogwe DC	210,133,989	95.	Mpimbwe DC	35,696,162
22.	Butiama DC	192,320,455	96.	Mbeya CC	34,235,790
23.	Nzega TC	192,089,198	97.	Itilima DC	33,382,586
24.	Mlimba DC	190,444,920	98.	Babati TC	32,786,000
25.	Kilindi DC	188,395,388	99.	Maswa DC	31,173,400
26.	Kilolo DC	183,898,127	100.	Buchosa DC	30,982,672
27.	Mbogwe DC	181,149,000	101.	Urambo DC	30,080,278
28.	Songwe DC	176,190,000	102.	Ngara DC	29,943,000
29.	Ubungo MC	173,368,905	103.	Simanjiro DC	29,723,066
30.	Rorya DC	173,011,745	104.	Kakonko DC	26,864,974
31.	Busokelo DC	167,789,343	105.	Tanga CC	26,772,440
32.	Njombe DC	167,465,401	106.	Magu DC	26,430,350
33.	Madaba DC	160,784,854	107.	Gairo DC	26,037,730
34.	Chalinze DC	159,385,095	108.	Mkuranga DC	25,026,370
35.	Chamwino DC	158,728,000	109.	Ikungi DC	24,595,308



S/N	Name of LGA	Amount (TZS)	S/N	Name of LGA	Amount (TZS)
36.	Itigi DC	156,676,712	110.	Nachingwea DC	23,943,200
37.	Mafia DC	151,926,903	111.	Kiteto DC	23,934,631
38.	Dar Es Salaam CC	146,688,468	112.	Mkinga DC	23,120,650
39.	Handeni DC	144,435,971	113.	Kwimba DC	22,877,636
40.	Kibaha TC	143,330,146	114.	Longido DC	21,461,200
41.	Mbozi DC	141,754,902	115.	Mufindi DC	21,385,100
42.	Kalambo DC	140,978,501	116.	Muleba DC	21,311,645
43.	Mpanda DC	136,475,073	117.	Nzega DC	20,914,950
44.	Shinyanga MC	130,812,880	118.	Kibiti DC	19,241,325
45.	Lindi MC	128,513,378	119.	Tandahimba DC	18,824,313
46.	Hanang DC	128,196,505	120.	Iringa DC	18,447,256
47.	Liwale DC	125,429,565	121.	Geita DC	18,413,889
48.	Wanging'ombe DC	121,677,485	122.	Babati DC	15,462,900
49.	Mbarali DC	120,729,290	123.	Mbulu DC	14,915,000
50.	Namtumbo DC	117,528,717	124.	Ngorongoro DC	14,893,040
51.	Mbeya DC	117,139,265	125.	Singida DC	14,658,856
52.	Songea DC	113,035,750	126.	Msalala DC	14,260,000
53.	Muheza DC	104,592,549	127.	Kondoa DC	14,228,800
54.	Kilosa DC	99,360,337	128.	Kibaha DC	14,086,604
55.	Bunda DC	96,401,244	129.	Ruangwa DC	14,001,455
56.	Bagamoyo DC	92,916,460	130.	Tarime DC	13,697,944
57.	Manyoni DC	91,770,769	131.	Buhigwe DC	11,430,340
58.	Serengeti DC	90,536,051	132.	Pangani DC	10,867,946
59.	Chato DC	90,033,170	133.	Rombo DC	10,409,300
60.	Ileje DC	87,134,800	134.	Karatu DC	9,198,300
61.	Rungwe DC	82,648,700	135.	Geita TC	8,845,716
62.	Moshi DC	81,125,400	136.	Kishapu DC	8,836,700
63.	Bariadi TC	80,757,848	137.	Biharamulo DC	8,551,800
64.	Ilemela MC	79,442,071	138.	Tunduru DC	5,752,655
65.	Uvinza DC	76,614,973	139.	Mafinga TC	4,872,110
66.	Nyaghw'ale C	73,359,000	140.	Mkalama DC	4,184,800
67.	Bumbuli DC	72,876,944	141.	Mwanza CC	4,177,650
68.	Moshi MC	72,103,804	142.	Kigoma/Ujiji MC	3,658,400
69.	Nsimbo DC	68,895,293	143.	Mtwara DC	3,542,870
70.	Yasa DC	68,421,414	144.	Malinyi DC	3,285,000
71.	Hai DC	67,529,377	145.	Mvomero DC	2,875,000

S/N	Name of LGA	Amount (TZS)	S/N	Name of LGA	Amount (TZS)
72.	Korogwe DC	60,780,909	146.	Korogwe TC	2,445,300
73.	Ludewa DC	58,388,942	147.	Tarime TC	2,110,700
74.	Iringa MC	57,808,955	Total		17,002,851,532

**Source: LGRCIS Report**



## Appendix 5 - 2: Uncollected Revenue

SN	Name of LGA	Sources of revenue (TZS)					Liquor License	
		Sale of Plots	Hotel Levy	Rental Fees	Abattoir Slaughter/Vaccines/B each Fees	Agriculture Produce Cess		Market Stalls
1.	Arusha DC							63,659,000
2.	Bagamoyo DC		41	24,927,600				
3.	Bariadi TC							11,415,955
4.	Bukoba MC			39,428,704				
5.	Bukombe DC		191	72,340,000				1,670,000
6.	Bumbuli DC	323,737,991		2,712,000				
7.	Bunda TC		42	-		-		
8.	Busega DC	193,741,162						
9.	Busokelo DC							4,176,000
10.	Chalinze DC		68					
11.	Chato DC	23,190,200						10,939,000
12.	Chemba DC		155					
13.	Dar es Salaam CC			67,457,520				
14.	Former Dar es Salaam CC			344,434,126				
15.	Dodoma CC							38,649,000
16.	Geita DC				90,000,000			
17.	Geita TC						69,862,100	7,466,000
18.	Hai DC		9	3,188,000				
19.	Hanang DC		47					7,220,000
20.	Handeni DC	56,716,205						3,940,000
21.	Handeni TC			179,799,808				
22.	Igunga DC	42,349,000				14,366,130		
23.	Ikungi DC							2,680,000
24.	Ilemela MC			28,235,600				
25.	Ileje DC			23,647,500				
26.	Itilima DC					116,602,495		
27.	Kahama MC			149,135,000				71,761,949
28.	Kakonko DC	33,791,400					3,299,985	
29.	Kalambo DC				14,646,200			5,616,000
30.	Kaliua DC		97			34,642,090		17,775,000
31.	Karagwe DC					310,695,311		

SN	Name of LGA	Sources of revenue (TZS)						
		Sale of Plots	Hotel Levy	Rental Fees	Abattoir Slaughter/Vaccines/B each Fees	Agriculture Produce Cess	Market Stalls	Liquor License
32.	Karatu DC		52	13,960,000		26,944,200	196,530,667	125,692,000
33.	Kibaha TC	290,456,000						
34.	Kibondo DC			12,105,000				
35.	Kigamboni MC	142,119,458		16,705,000	54,000,000			
36.	Kigoma DC					1,775,854,913		
37.	Kigoma/Ujiji MC							3,431,995
38.	Kilindi DC			11,660,000				5,786,000
39.	Kitoloto DC							43,224,000
40.	Mlimba DC							4,656,000
41.	Kilosa DC			23,800,000				19,325,000
42.	Kilwa DC		56					
43.	Kinondoni MC		162					6,674,000
44.	Kisarawe DC					21,020,000		
45.	Kishapu DC			42,555,000				
46.	Kongwa DC			16,915,011				
47.	Korogwe DC			11,530,000				3,860,500
48.	Korogwe TC							7,008,800
49.	Kwimba DC			30,525,000			16,376,000	
50.	Kyela DC							
51.	Kyerwa DC	282,721,715				276,135,226		
52.	Ludewa DC			251,181,533				
53.	Lushoto DC		120	65,883,333				
54.	Mafia DC		25					
55.	Mafinga TC			440,000				17,058,900
56.	Makambako TC			21,690,000				16,200,000
57.	Makete DC							
58.	Manyoni DC		61	15,000,000				
59.	Masasi TC	631,896,050		44,560,000			12,840,000	
60.	Mbeya CC		219	219,614,556				50,811,251
61.	Mbeya DC		4					
62.	Mbinga TC			12,780,000				3,515,000
63.	Mbozi DC					568,048,986	125,955,000	

SN	Name of LGA	Sources of revenue (TZS)						
		Sale of Plots	Hotel Levy	Rental Fees	Abattoir Slaughter/Vaccines/B each Fees	Agriculture Produce Cess	Market Stalls	Liquor License
64.	Meatu DC			34,680,000		37,771,855		
65.	Meru DC			58,535,000				1,288,500
66.	Missenyi DC	411,426,513				441,449,489		
67.	Mkalama DC							2,326,000
68.	Mkinga DC			1,800,000				
69.	Mkuranga DC		51					3,004,000
70.	Mlele DC			7,620,000				3,430,000
71.	Momba DC							2,286,000
72.	Monduli DC	88,768,167	10	21,113,265				5,195,000
73.	Morogoro DC			23,060,000				
74.	Morogoro MC			67,173,624				18,924,000
75.	Moshi DC			498,380,000		84,262,405		187,087,892
76.	Moshi MC			61,037,000				
77.	Mpanda DC		13	38,330,000				
78.	Mpanda MC			85,710,000				
79.	Mpimbwe DC	2,720,513						
80.	Mtwara DC			5,180,000				444,000
81.	Mtwara MC			196,387,000			163,212,000	
82.	Mufindi DC			33,900,000				
83.	Muleba DC			8,170,000				
84.	Mwanza CC		113,619,040	286,656,000				11,777,000
85.	Nachingwea DC			57,847,500				
86.	Namtumbo DC							
87.	Nanyamba TC			76,397,850				
88.	Nanyumbu DC					6,572,700		
89.	Newala DC			16,970,000		73,866,778		
90.	Ngara DC		30					
91.	Ngorongoro DC	251,793,490						
92.	Njombe TC					67,760,378	45,600,000	
93.	Nkasi DC							21,370,000
94.	Nyasa DC							3,366,000
95.	Nzega DC		53			23,170,467		25,971,000

SN	Name of LGA	Sources of revenue (TZS)						
		Sale of Plots	Hotel Levy	Rental Fees	Abattoir Slaughter/Vaccines/B each Fees	Agriculture Produce Cess	Market Stalls	Liquor License
96.	Nzega TC	31,358,165		131,410,000				
97.	Pangani DC		16	12,818,000				7,000,000
98.	Rombo DC			47,130,123		16,798,725		
99.	Rorya DC			44,449,000				
100.	Ruangwa DC	454,819,814						
101.	Rufiji DC					103,160,000		
102.	Rungwe DC					381,945,857	18,700,000	
103.	Sengerema DC					22,464,936		
104.	Serengeti DC							21,000,000
105.	Shinyanga DC		366					5,416,000
106.	Siha DC						27,000,000	
107.	Simanjiro DC		129					47,711,000
108.	Singida DC			6,514,360				
109.	Songea DC			39,328,400				20,442,000
110.	Tabora MC	42,079,120					98,283,851	8,992,976
111.	Tandahimba DC			49,594,400				
112.	Tanga CC	232,964,982						
113.	Tarime TC		41					
114.	Tunduma TC						46,440,000	
115.	Tunduru DC						28,099,500	
116.	Ubungo MC			38,611,111				
117.	Ukerewe DC							9,105,000
118.	Urambo DC		34	17,515,000		114,735,164		
119.	Ushetu DC					442,398,030		1,516,000
120.	Wanging'ombe DC		22					
	Total	3,536,649,945	113,619,040	3,712,527,924	158,646,200	4,960,666,135	852,199,103	961,863,718

Source: LGRCIS Report

### Appendix 5 - 3: Long Outstanding Amount of Accounts Receivables

S/N	Name of LGA	Amount (TZS)		S/N	Name of LGA	Amount (TZS)		Total
		Under 12 months	Above 12 months			Under 12 months	Above 12 months	
1.	Dar Es Salaam CC	12,355,626,690	7,530,259,850	69.	Busega DC	537,641,000	334,197,000	871,838,000
2.	Msalala DC	1,976,885,256	5,711,327,200	70.	Chunya DC	687,560,595	171,890,149	859,450,744
3.	Arusha CC	5,956,655,314	856,165,217	71.	Rombo DC	495,000,000	363,877,647	858,877,647
4.	Ushetu DC	744,011,647	5,094,286,663	72.	Bukoba DC	768,107,886	83,177,940	851,285,826
5.	Mbinga DC	387,123,914	4,277,183,495	73.	Same DC	0	840,397,277	840,397,277
6.	Tembeke MC	4,546,835,000	0	74.	Kondoa TC	729,746,563	81,669,760	811,416,323
7.	Ubungo MC	1,746,137,800	2,031,831,116	75.	Hanang DC	372,395,500	428,410,000	800,805,500
8.	Mbeya CC	2,602,056,200	702,510,878	76.	Njombe DC	351,478,000	412,531,000	764,009,000
9.	Geita TC	1,143,279,496	2,031,823,200	77.	Sumbawanga MC	492,308,000	267,667,000	759,975,000
10.	Chato DC	753,942,467	2,247,212,208	78.	Kondoa DC	460,704,832	295,108,591	755,813,423
11.	Mwanza CC	2,481,651,054	371,886,500	79.	Ifakara TC	686,964,700	61,318,300	748,283,000
12.	Baradi TC	2,303,158,000	276,143,000	80.	Iringa DC	205,597,000	527,982,000	733,579,000
13.	Karagwe DC	1,477,970,495	897,250,141	81.	Morogoro DC	87,117,092	645,751,244	732,868,336
14.	Kigamboni MC	1,092,225,226	1,098,866,980	82.	Busokelo DC	444,880,000	255,240,888	700,120,888
15.	Mbeya DC	1,595,479,124	542,863,598	83.	Makete DC	674,059,644	14,336,785	688,396,429
16.	Mtwara DC	1,175,919,071	930,521,439	84.	Musoma DC	487,335,000	192,122,000	679,457,000
17.	Tandahimba DC	12,218,400	1,905,548,347	85.	Kwimba DC	348,373,562	318,686,420	667,059,982
18.	Mbarali DC	1,314,213,653	498,585,347	86.	Korogwe DC	241,831,343	423,626,900	665,458,243
19.	Kasulu DC	508,768,070	1,288,014,930	87.	Bukombe DC	615,309,000	615,309,000	615,309,000
20.	Babati TC	1,528,540,118	249,833,450	88.	Iramba DC	225,130,000	384,542,000	609,672,000
21.	Songwe DC	1,010,977,203	678,864,183	89.	Butiama DC	605,028,000	0	605,028,000
22.	Meru DC	883,776,040	804,092,441	90.	Kitindi DC	304,039,500	283,783,640	587,823,140
23.	Meatu DC	1,032,224,090	655,137,369	91.	Kibiti DC	412,814,000	170,281,000	583,095,000
24.	Mpanda DC	969,416,265	705,403,172	92.	Muheza DC	374,189,199	205,377,863	579,567,062
25.	Njombe TC	1,572,642,644	66,436,370	93.	Siha DC	556,528,000	0	556,528,000
26.	Moshi DC	1,331,200,873	279,016,985	94.	Nkasi DC	497,018,000	58,269,000	555,287,000
27.	Handeni DC	984,095,139	579,947,109	95.	Buhigwe DC	523,487,000	27,500,000	550,987,000
28.	Tarime DC	958,588,876	579,428,044	96.	Miskenyi DC	304,079,129	225,729,275	529,808,404
29.	Maswa DC	265,982,155	1,232,678,435	97.	Milele DC	279,510,000	248,082,000	527,592,000
30.	Sumbawanga DC	316,923,314	1,173,642,300	98.	Masasi DC	441,175,178	80,885,950	522,061,128
31.	Kyerwa DC	1,217,365,273	246,503,000	99.	Ulanga DC	292,974,000	227,846,658	520,820,658
32.	Kishapu DC	853,497,493	588,445,231	100.	Kalambo DC	342,097,000	158,377,000	500,474,000
33.	Tanga CC	922,852,500	449,126,774	101.	Gairo DC	193,870,263	305,297,154	499,167,417
34.	Baradi DC	773,916,000	585,964,000	102.	Chemba DC	464,759,212	31,115,000	495,874,212
35.	Rufiji DC	1,072,883,000	281,257,000	103.	Mvomero DC	361,977,844	110,307,230	472,285,074
36.	Geita DC	1,016,779,000	335,000,000	104.	Mbogwe DC	167,248,000	302,747,000	469,995,000

S/N	Name of LGA	Amount (TZS)		S/N	Name of LGA	Amount (TZS)		Total
		Under 12 months	Above 12 months			Under 12 months	Above 12 months	
37.	Uvinza DC	820,559,067	515,453,796	105.	Longido DC	161,594,083	265,410,797	427,004,880
38.	Rungwe DC	561,613,943	749,293,903	106.	Kahama MC	157,732,737	262,843,052	420,575,789
39.	Buchosa DC	713,532,000	596,556,000	107.	Ngara DC	410,143,000	0	410,143,000
40.	Iringa MC	924,893,000	358,077,000	108.	Itigi DC	257,983,000	148,675,000	406,658,000
41.	Bahi DC	514,191,261	766,325,353	109.	Chamwino DC	43,750,000	347,855,000	391,605,000
42.	Kiteto DC	182,147,500	1,091,788,311	110.	Shinyanga MC	138,387,456	247,809,610	386,197,066
43.	Kongwa DC	1,085,968,414	174,881,394	111.	Mufindi TC	382,132,000	0	382,132,000
44.	Monduli DC	624,015,154	631,199,393	112.	Masasi DC	71,712,175	302,400,000	374,112,175
45.	Nachingwea DC	589,762,000	650,052,000	113.	Mbulu TC	225,287,000	125,919,000	351,206,000
46.	Mtwara MC	1,121,569,000	81,050,000	114.	Simanjiro DC	0	334,842,690	334,842,690
47.	Momba DC	328,342,700	870,924,500	115.	Mbulu DC	250,729,165	74,405,835	325,135,000
48.	Bagamoyo DC	219,395,090	975,988,090	116.	Mtama DC	136,510,000	186,206,000	322,716,000
49.	Ngorongoro DC	813,138,000	339,111,000	117.	Ileje DC	57,915,000	258,674,000	316,589,000
50.	Singida DC	1,048,424,000	98,123,000	118.	Singida MC	97,173,224	190,038,217	287,211,441
51.	Malinyi DC	947,033,000	183,705,000	119.	Manyoni DC	258,926,105	16,496,000	275,422,105
52.	Kilolo DC	1,056,287,000	69,344,000	120.	Newala TC	274,472,428	0	274,472,428
53.	Bunda DC	932,731,970	189,621,830	121.	Bunda TC	215,511,352	47,262,300	262,773,652
54.	Wanging'ombe DC	296,682,093	812,589,065	122.	Nanyamba TC	104,731,550	154,285,300	259,016,850
55.	Tunduma TC	646,155,573	444,208,739	123.	Lushoto DC	172,194,658	77,388,940	249,583,598
56.	Itilima DC	639,428,556	443,414,914	124.	Ikungi DC	242,466,000	707,566	243,173,566
57.	Mbozi DC	656,287,000	406,671,000	125.	Babati DC	54,715,000	181,878,000	236,593,000
58.	Nanyumbu DC	255,208,449	777,262,662	126.	Kakonko DC	232,942,448	0	232,942,448
59.	Korogwe TC	441,128,000	568,321,363	127.	Mkinga DC	153,473,879	72,672,407	226,146,286
60.	Makambako TC	324,943,031	669,594,079	128.	Tarime TC	53,190,342	153,547,658	206,738,000
61.	Serengeti DC	538,309,083	418,478,134	129.	Bumbuli DC	137,318,817	57,512,406	194,831,223
62.	Shinyanga DC	0	950,671,629	130.	Newala DC	110,296,550	83,146,400	193,442,950
63.	Kyela DC	900,776,000	28,643,000	131.	Rorya DC	60,154,000	119,878,000	180,032,000
64.	Handeni TC	268,945,024	651,353,196	132.	Ludewa DC	74,372,000	19,945,000	94,317,000
65.	Mpwapwa DC	746,421,348	170,632,761	133.	Kisarawe DC	57,034,890	21,977,000	79,011,890
66.	Karatu DC	734,209,675	165,342,000	134.	Bharamulo DC	75,094,000	0	75,094,000
67.	Musoma MC	479,875,000	417,583,000	135.	Pangani DC	43,724,623	21,005,383	64,730,006
68.	Ukerewe DC	879,644,000	0		Total	100,921,434,315	75,360,229,316	176,281,663,631

Source: Management Letter



## Appendix 6 - 1: Nugatory Expenditures

S/N	Name of LGA	Amount (TZS)	Nature of Expenditure
1.	Bunda DC	9,600,000	House allowance paid to officer allocated Council house
2.	Chalinze DC	38,148,890	Payment for materials never delivered
3.	Chunya DC	19,310,005	Penalty for failure to remit deductions
4.	Dodoma CC	38,006,092	Fines due to untimely submission of statutory deductions
5.	Handeni DC	35,658,233	Penalty on unpaid statutory deductions to PSSSF
6.	Ilala MC	2,242,832	Overpayment to contractor
7.	Kakonko DC	11,350,741	Penalty for non-submission of employee deductions on time
8.	Kaliua DC	5,919,390	Overpayment of VAT to the supplier
9.	Kishapu DC	42,348,804	Penalty due to default in complying with loan agreement
10.	Korogwe DC	17,340,000	Ineligible payment of gratuity and lost court case
11.	Mbarali DC	35,273,873	Penalty for non-submission of employee deductions to PSSSF on time
12.	Mbeya CC	8,589,572	Penalty for non-submission of employee deductions to PSSSF on time
13.	Mlimba DC	50,283,688	Interest for late payment of certificates
14.	Morogoro MC	13,329,334	Overpayment to GPSA for procurement of motor vehicle
15.	Moshi MC	50,171,421	Additional cost due to delay in clearing of consignment
16.	Msalala DC	60,441,428	Penalty for failure to comply with loan repayment schedule
17.	Mwanga DC	31,527,050	Overpricing of goods procured from suppliers
18.	Nkasi DC	18,340,300	Acting allowance paid to unentitled acting officers TZS 7,677,000 and forgery payment to suppliers TZS 10,663,300
19.	Ruangwa DC	51,912,268	Overpayment to the contractor
20.	Rufiji DC	15,239,000	Ineligible payment to contractor
21.	Shinyanga MC	15,773,790	Penalty due to delay in payment of staff deductions
22.	Uyui DC	7,504,727	Penalty due to delay in remittance of social benefits contribution
23.	Tunduma TC	57,728,500	Rejection of paving blocks from supplier resulting to additional costs
24.	Wanging'ombe DC	35,466,625	Overpayment to Contractor
	<b>Total</b>	<b>664,001,836</b>	

## Appendix 6 - 2: Payment for Goods and Services Not Received

S/N	Name of LGA	Delay (Months)	Amount (TZS)
1.	Bariadi DC	6	160,415,664
2.	Bunda DC	6	455,532,483
3.	Busega DC	5	162,934,913
4.	Chalinze DC	12	9,000,000
5.	Chamwino DC	7	430,127,474
6.	Chemba DC	6	33,486,602
7.	Gairo DC	4	162,934,583
8.	Geita TC	4	27,150,000
9.	Handeni TC	11	15,739,700
10.	Ikungi DC	10	19,716,000
11.	Ilemela MC	7	6,992,000
12.	Iringa DC	6	464,333,941
13.	Itigi DC	4	106,673,800
14.	Kahama MC	3	31,646,500
15.	Kilosa DC	3	14,754,040
16.	Kinondoni MC	11	287,505,853
17.	Kisarawe DC	4	9,163,050
18.	Kondoa DC	6	247,125,729
19.	Kongwa DC	6	210,000,000
20.	Korogwe DC	5	1,350,000
21.	Kyela DC	12	18,000,000
22.	Mtama DC	3	60,188,187
23.	Longido DC	7	403,290,580
24.	Ludewa DC	4	162,934,584
25.	Madaba DC	3	71,123,400
26.	Makambako TC	3	179,092,100
27.	Mbinga DC	5	422,558,996
28.	Mbinga TC	6	304,793,554
29.	Mkalama DC	6	449,735,426
30.	Mkinga DC	8	1,334,690
31.	Mkuranga DC	7	92,346,913
32.	Mlimba DC	14	20,000,000
33.	Morogoro MC	14	24,300,000
34.	Mpanda DC	6	27,573,700
35.	Mpwapwa DC	6	150,470,000
36.	Mufindi DC	7	25,315,200
37.	Muleba DC	6	26,318,219
38.	Musoma MC	6	162,934,583
39.	Mvomero DC	5	22,500,000
40.	Mwanza CC	7	70,231,600
41.	Nachingwea DC	4	168,471,316
42.	Namtumbo DC	3	4,854,000
43.	Nanyamba TC	3	42,680,746
44.	Newala DC	5	162,934,584
45.	Newala TC	6	154,868,816
46.	Njombe TC	7	11,086,000
47.	Rombo DC	6	84,963,915
48.	Rorya DC	6	69,982,080
49.	Ruangwa DC	6	138,951,400
50.	Rufiji DC	3	309,737,632
51.	Same DC	3	7,381,500
52.	Sengerema DC	5	142,826,500
53.	Serengeti DC	24	52,090,035
54.	Shinyanga DC	6	10,614,813
55.	Simanjiro DC	6	57,897,500

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S/N	Name of LGA	Delay (Months)	Amount (TZS)
56.	Singida DC	5	637,996,632
57.	Songea DC	3	80,710,000
58.	Songea MC	5	113,110,672
59.	Tunduru DC	4	217,589,999
60.	Ulanga DC	6	405,770,823
61.	Wanging'ombe DC	4	16,986,229
	<b>Total</b>		<b>8,443,129,256</b>



### Appendix 6 - 3: Payment to Vendors without Demanding EFD Receipts

S/N	Name of LGA	Amount (TZS)	S/N	Name of LGA	Amount (TZS)
1.	Arusha DC	76,447,923	37.	Mbeya DC	21,706,725
2.	Bariadi TC	22,497,550	38.	Mbinga DC	132,181,622
3.	Bunda DC	782,173,337	39.	Mbozi DC	511,893,585
4.	Busokelo DC	35,734,000	40.	Mkalama DC	86,552,630
5.	Butiama DC	74,793,154	41.	Momba DC	9,537,963
6.	Chalinze DC	97,660,812	42.	Morogoro MC	134,427,671
7.	Chato DC	53,026,100	43.	Mpanda DC	33,378,800
8.	Hai DC	37,032,705	44.	Mpanda MC	7,475,148
9.	Handeni DC	15,367,200	45.	Mpimbwe DC	50,218,326
10.	Handeni TC	2,500,000	46.	Mufindi DC	13,796,000
11.	Ifakara TC	8,377,166	47.	Muheza DC	17,308,500
12.	Igunga DC	5,016,500	48.	Mvomero DC	12,725,920
13.	Ikungi DC	5,000,000	49.	Mwanga DC	48,683,970
14.	Iramba DC	8,325,000	50.	Ngorongoro DC	60,206,942
15.	Iringa MC	42,446,000	51.	Nkasi DC	72,215,393
16.	Itigi DC	40,000,851	52.	Nsimbo DC	20,957,400
17.	Kahama MC	8,915,000	53.	Nyasa DC	35,039,164
18.	Kakonko DC	139,753,452	54.	Rombo DC	9,937,640
19.	Kalambo DC	75,213,986	55.	Rorya DC	57,682,080
20.	Kaliua DC	26,792,950	56.	Serengeti DC	37,471,569
21.	Kasulu DC	21,494,994	57.	Shinyanga DC	34,815,010
22.	Kilindi DC	18,603,371	58.	Sikonge DC	14,930,000
23.	Kisarawe DC	42,357,620	59.	Singida MC	54,566,062
24.	Kiteto DC	4,891,186	60.	Songea DC	56,226,900
25.	Kondoa TC	18,693,970	61.	Songea MC	1,129,447,692
26.	Kongwa DC	9,102,200	62.	Sumbawanga DC	163,861,396
27.	Kwimba DC	4,536,016	63.	Uyui DC	4,900,000
28.	Kyela DC	29,330,644	64.	Tabora MC	52,785,300
29.	Longido DC	5,000,000	65.	Tanga CC	30,196,508
30.	Ludewa DC	43,729,417	66.	Tarime TC	47,227,700
31.	Madaba DC	301,900,512	67.	Temeke MC	162,638,060
32.	Mafia DC	20,023,436	68.	Tunduma TC	310,938,458
33.	Masasi DC	63,928,084	69.	Tunduru DC	39,511,724
34.	Maswa DC	7,343,700	70.	Ukerewe DC	19,036,600
35.	Mbarali DC	14,902,000	71.	Ushetu DC	377,720,994
36.	Mbeya CC	39,421,975		<b>Total</b>	<b>6,074,532,263</b>

### Appendix 6 - 4: Unmanaged Payments in Deposit Account

S/N	Name of LGA	Amount (TZS)	S/N	Name of LGA	Amount (TZS)
1.	Arusha DC	35,730,000	42.	Makambako TC	9,994,900
2.	Arusha CC	18,869,204	43.	Makete DC	56,791,745
3.	Bagamoyo DC	13,246,772	44.	Malinyi DC	117,322,296
4.	Bariadi DC	7,889,813	45.	Manyoni DC	53,268,412
5.	Bariadi TC	391,288,426	46.	Maswa DC	75,869,300
6.	Buchosa DC	75,652,000	47.	Mbeya DC	27,282,723
7.	Buhigwe DC	24,299,851	48.	Mbinga DC	18,877,604
8.	Bukombe DC	57,372,438	49.	Mbinga TC	11,180,000
9.	Bumbuli DC	75,135,500	50.	Mkuranga DC	85,768,433
10.	Bunda DC	96,983,012	51.	Monduli DC	161,177,732
11.	Busega DC	41,363,000	52.	Morogoro DC	194,183,091
12.	Butiama DC	185,441,792	53.	Morogoro MC	102,712,406
13.	Chalinze DC	214,241,662	54.	Mpanda DC	4,984,299
14.	Chunya DC	7,300,000	55.	Muleba DC	25,063,400
15.	Dar es Salaam CC	1,140,641,502	56.	Musoma MC	348,818,903
16.	Gairo DC	40,598,005	57.	Mwanga DC	146,856,851
17.	Geita TC	39,113,436	58.	Nachingwea DC	104,143,550
18.	Handeni DC	63,393,255	59.	Namtumbo DC	116,982,500
19.	Handeni TC	41,345,000	60.	Newala DC	58,372,499
20.	Iramba DC	53,405,468	61.	Ngorongoro DC	197,749,957
21.	Iringa DC	125,426,688	62.	Njombe DC	215,873,220
22.	Iringa MC	14,600,000	63.	Nyang'hwale DC	13,810,579
23.	Itigi DC	61,650,945	64.	Nzega TC	8,523,987
24.	Kaliua DC	3,680,000	65.	Rombo DC	283,140,272
25.	Karatu DC	12,083,056	66.	Rorya DC	491,278,391
26.	Kasulu TC	144,782,648	67.	Rufiji DC	138,314,420
27.	Kibaha DC	354,369,802	68.	Rungwe DC	445,946,319
28.	Kibaha TC	55,554,500	69.	Same DC	1,500,000
29.	Kigamboni MC	36,672,718	70.	Sengerema DC	203,019,256
30.	Kigoma DC	108,807,051	71.	Serengeti DC	65,497,756
31.	Kigoma/Ujiji MC	40,460,377	72.	Shinyanga MC	73,305,832
32.	Kilwa DC	62,929,050	73.	Singida DC	49,825,500
33.	Kinondoni MC	209,550,222	74.	Singida MC	281,572,000
34.	Kishapu DC	28,861,406	75.	Songea DC	48,219,874
35.	Korogwe DC	6,815,000	76.	Songea MC	102,336,620
36.	Kyela DC	397,052,553	77.	Tabora MC	12,584,000
37.	Mtama DC	22,057,914	78.	Tarime DC	298,393,243
38.	Longido DC	316,692,111	79.	Tarime TC	3,154,419
39.	Ludewa DC	44,855,278	80.	Ukerewe DC	343,335,757
40.	Madaba DC	22,252,000	81.	Wanging'ombe DC	20,580,405
41.	Mafinga TC	31,955,000		<b>Total</b>	<b>9,742,030,906</b>

## Appendix 6 - 5: LGAs with Missing Expenditure Particulars

S/N	Name of LGA	Amount (TZS)	S/N	Name of LGA	Amount (TZS)
1.	Arusha DC	14,615,000	34.	Magu DC	39,288,525
2.	Bagamoyo DC	45,561,372	35.	Malinyi DC	37,841,000
3.	Bariadi TC	18,150,300	36.	Manyoni DC	17,337,534
4.	Bukombe DC	25,756,109	37.	Mbarali DC	13,140,000
5.	Bunda DC	1,289,272,143	38.	Mbeya CC	51,746,358
6.	Busoga DC	38,287,500	39.	Mkuranga DC	20,181,700
7.	Busokelo DC	15,603,750	40.	Mlele DC	9,969,000
8.	Chato DC	20,629,480	41.	Morogoro MC	20,254,132
9.	Dar es Salaam CC	495,960,343	42.	Moshi DC	53,983,444
10.	Gairo DC	12,214,000	43.	Mpanda MC	54,113,340
11.	Geita TC	21,984,200	44.	Musoma DC	51,241,732
12.	Handeni DC	8,945,300	45.	Mvomero DC	30,848,933
13.	Handeni TC	33,916,496	46.	Mwanga DC	16,176,000
14.	Ilala MC	78,354,500	47.	Mwanza CC	28,379,000
15.	Itigi DC	37,137,500	48.	Nachingwea DC	47,544,190
16.	Itilima DC	13,080,000	49.	Namtumbo DC	15,490,000
17.	Kahama MC	20,201,400	50.	Ngorongoro DC	9,571,365
18.	Karatu DC	6,674,000	51.	Nyasa DC	6,700,400
19.	Kibaha DC	8,702,400	52.	Rorya DC	67,755,659
20.	Kibiti DC	65,908,500	53.	Ruangwa DC	31,406,163
21.	Kigoma/Ujiji MC	80,656,000	54.	Sengerema DC	12,256,000
22.	Kilindi DC	4,000,000	55.	Shinyanga DC	31,550,000
23.	Kilolo DC	150,000,000	56.	Sikonge DC	10,965,000
24.	Kilwa DC	30,527,020	57.	Songea DC	19,200,640
25.	Kishapu DC	75,016,231	58.	Sumbawanga MC	23,922,548
26.	Kongwa DC	9,783,255	59.	Tarime DC	30,575,583
27.	Korogwe DC	15,115,501	60.	Temeke MC	186,000,000
28.	Kwimba DC	27,188,000	61.	Tunduru DC	12,825,000
29.	Mtama DC	21,343,387	62.	Ubungo MC	56,114,400
30.	Lindi MC	58,128,000	63.	Ukerewe DC	17,891,000
31.	Liwale DC	16,040,801	64.	Ushetu DC	50,422,687
32.	Lushoto DC	19,492,000		<b>Total</b>	<b>3,868,270,321</b>
33.	Madaba DC	15,334,500			

## Appendix 6 - 6: Analysis of Outstanding Payables

SN	Name of LGA	Within 12 months	More than 12 months	Total (TZS)
		(TZS)	(TZS)	
1.	Arusha DC	1,364,414,849	608,307,732	1,972,722,581
2.	Arusha CC	1,131,069,528	18,026,000	1,149,095,528
3.	Babati DC	170,181,000	1,007,044,000	1,177,225,000
4.	Babati TC	873,965,004	792,713,398	1,666,678,402
5.	Bagamoyo DC	581,082,303	633,271,903	1,214,354,206
6.	Bahi DC	122,796,884	588,839,413	711,636,297
7.	Bariadi DC	307,986,000	24,135,000	332,121,000
8.	Bariadi TC	544,629,000	0	544,629,000
9.	Biharamulo DC	0	1,115,210,000	1,115,210,000
10.	Buchosa DC	62,010,000	63,338,000	125,348,000
11.	Buhigwe DC	554,237,000	1,180,907,000	1,735,144,000
12.	Bukoba DC	33,032,995	539,127,415	572,160,410
13.	Bukoba MC	0	1,935,999,222	1,935,999,222
14.	Bukombe DC	94,827,000	753790000	848,617,000
15.	Bumbuli DC	424,941,073	0	424,941,073
16.	Bunda DC	192,369,000	770,864,000	963,233,000
17.	Bunda TC	638,538,976	231,358,975	869,897,951
18.	Busega DC	659,258,000	1,651,319,000	2,310,577,000
19.	Busokelo DC	334,108,000	516,533,971	850,641,971
20.	Butiama DC	63,311,000	1,626,923,000	1,690,234,000
21.	Chamwino DC	1,774,216,000	3,104,412,000	4,878,628,000
22.	Chato DC	109,375,139	6,260,914,267	6,370,289,406
23.	Chemba DC	549,540,700	2,521,417,401	3,070,958,101
24.	Chunya DC	1,047,650,254	971,024,422	2,018,674,676
25.	Dar es Salaam CC	153,068,062	4,740,300,938	4,893,369,000
26.	Gairo DC	10,004,200	316,956,789	326,960,989
27.	Geita DC	217,269,000	1,287,448,000	1,504,717,000
28.	Geita TC	569,091,715	1,358,475,171	1,927,566,886
29.	Hanang DC	1,614,971,491	281,402,646	1,896,374,137
30.	Handeni DC	90,888,917	169,188,191	260,077,108
31.	Handeni TC	200,436,288	95,198,201	295,634,489
32.	Ifakara TC	294,527,330	316,796,670	611,324,000
33.	Ikungi DC	242,466,000	707,566,000	950,032,000
34.	Ilala MC	11,650,740,780	6,930,030,160	18,580,770,940
35.	Ileje DC	0	2,252,487,877	2,252,487,877
36.	Iramba DC	318,281,235	789,243,765	1,107,525,000
37.	Iringa DC	69,597,000	574,167,000	643,764,000
38.	Iringa MC	2,865,962,000	22,762,000	2,888,724,000
39.	Itigi DC	83,848,000	1,475,406,000	1,559,254,000
40.	Itilima DC	220,281,716	1,978,867,597	2,199,149,313
41.	Kahama MC	401,177,376	442,410,202	843,587,578
42.	Kakonko DC	422,604,718	160,047,381	582,652,099
43.	Kalambo DC	708,602,000	1,927,365,000	2,635,967,000
44.	Karagwe DC	87,500,000	3,114,883,292	3,202,383,292
45.	Karatu DC	609,689,016	1,285,397,722	1,895,086,738
46.	Kasulu DC	471,250,310	4,917,980,690	5,389,231,000
47.	Kibiti DC	357,860,000	0	357,860,000
48.	Kigamboni MC	439,824,648	1,404,400,032	1,844,224,680
49.	Kilindi DC	0	469,786,867	469,786,867
50.	Kilolo DC	297,246,000	550,672,000	847,918,000
51.	Kisarawe DC	359,877,578	583,102,422	942,980,000
52.	Kishapu Dc	310,049,728	609,304,847	919,354,575
53.	Kiteto DC	450,616,773	377,155,867	827,772,640
54.	Kondoa DC	3,407,240	2,381,994,935	2,385,402,175

SN	Name of LGA	Within 12 months	More than 12 months	Total (TZS)
		(TZS)	(TZS)	
55.	Kondoa TC	786,573,616	2,094,739,333	2,881,312,949
56.	Kongwa DC	169,315,355	594,356,286	763,671,641
57.	Korogwe DC	122,789,539	1,241,538,670	1,364,328,209
58.	Korogwe TC	94,796,113	187,153,628	281,949,741
59.	Kwimba DC	28,786,535	554,327,612	583,114,147
60.	Kyela DC	0	3,253,087,000	3,253,087,000
61.	Kyerwa DC	896,637,570	2,778,950,355	3,675,587,925
62.	Mtama DC	0	1,885,985,000	1,885,985,000
63.	Longido DC	38,351,460	2,830,960,371	2,869,311,831
64.	Ludewa DC	112,963,000	287,019,000	399,982,000
65.	Lushoto DC	0	336,488,634	336,488,634
66.	Makambako TC	592,985,526	305,248,330	898,233,856
67.	Makete DC	259,877,436	862,117,682	1,121,995,118
68.	Malinyi DC	622,833,942	330,086,058	952,920,000
69.	Manyoni DC	959,469,594	54,270,484	1,013,740,078
70.	Masasi DC	2,744,867,643	217,230,103	2,962,097,746
71.	Masasi TC	501,936,869	258,005,287	759,942,156
72.	Maswa DC	209,905,404	885,637,255	1,095,542,659
73.	Mbarali DC	307,337,555	2,140,429,445	2,447,767,000
74.	Mbeya CC	1,564,084,503	32,159,678,020	33,723,762,523
75.	Mbeya DC	758,655,996	1,629,631,484	2,388,287,480
76.	Mbinga DC	86,343,931	3,773,438,069	3,859,782,000
77.	Mbogwe DC	436,100,000	2,076,071,000	2,512,171,000
78.	Mbozi DC	610,510,538	4,257,821,000	4,868,331,538
79.	Mbulu DC	166,622,000	1,175,124,000	1,341,746,000
80.	Mbulu TC	84,228,000	348,911,000	433,139,000
81.	Meatu DC	999,427,105	1,628,125,286	2,627,552,391
82.	Meru DC	256,471,008	397,448,680	653,919,688
83.	Missenyi DC	226,915,732	955,459,395	1,182,375,127
84.	Mkalama DC	51,679,000	111,179,000	162,858,000
85.	Mkinga DC	6,188,756	114,167,533	120,356,289
86.	Mlele DC	27,525,000	1,118,705,000	1,146,230,000
87.	Momba DC	381,326,600	2,191,904,744	2,573,231,344
88.	Monduli DC	863,038,497	551,252,846	1,414,291,343
89.	Morogoro DC	9,478,500	1,427,205,398	1,436,683,898
90.	Moshi DC	8,540,576	90,583,987	99,124,563
91.	Mpanda DC	18,673,045	1,412,093,909	1,430,766,954
92.	Mpwapa DC	279,540,714	1,455,751,036	1,735,291,750
93.	Msalala DC	310,847,801	1,177,627,564	1,488,475,365
94.	Mtwara DC	1,581,755,236	291,785,859	1,873,541,095
95.	Mtwara MC	312,051,000	0	312,051,000
96.	Mufindi DC	181,621,236	605,509,764	787,131,000
97.	Muheza DC	25,998,500	536,547,979	562,546,479
98.	Musoma DC	775,050,000	1,993,745,000	2,768,795,000
99.	Musoma MC	1,825,208,000	1,348,502,000	3,173,710,000
100.	Mvomero DC	211,030,597	1,223,136,597	1,434,167,194
101.	Mwanza CC	1,406,560,421	5,010,586,980	6,417,147,401
102.	Nachingwea DC	858,245,000	305,811,000	1,164,056,000
103.	Nanyamba TC	171,122,000	628,686,000	799,808,000
104.	Nanyumbu DC	609,656,930	74,303,096	683,960,026
105.	Newala DC	0	213,498,548	213,498,548
106.	Newala TC	68,896,780	0	68,896,780
107.	Ngara DC	107,872,470	4,357,530	112,230,000
108.	Ngorongoro DC	595,821,000	575,833,000	1,171,654,000
109.	Njombe DC	267,724,000	366,095,000	633,819,000
110.	Njombe TC	1,350,975,114	120,622,700	1,471,597,814



SN	Name of LGA	Within 12 months	More than 12 months	Total (TZS)
		(TZS)	(TZS)	
111.	Nkasi DC	493,639,000	1,766,929,000	2,260,568,000
112.	Pangani DC	34,330,479	186,230,665	220,561,144
113.	Rombo DC	319,400,000	742,167,046	1,061,567,046
114.	Rorya DC	314,636,000	1,458,173,000	1,772,809,000
115.	Rufiji DC	1,483,613,000	590,525,000	2,074,138,000
116.	Rungwe DC	2,679,291,302	2,217,575,357	4,896,866,659
117.	Same DC	31,499,851	761,858,540	793,358,391
118.	Sengerema DC	0	3,848,721,000	3,848,721,000
119.	Serengeti DC	1,458,644,209	2,682,938,239	4,141,582,448
120.	Shinyanga DC	223,483,662	330,498,831	553,982,493
121.	Shinyanga MC	141,945,409	767,147,909	909,093,318
122.	Siha DC	320,740,000	387,448,000	708,188,000
123.	Simanjiro DC	24,978,000	1,284,220,000	1,309,198,000
124.	Singida DC	243,595,000	869,077,000	1,112,672,000
125.	Singida MC	110,694,979	789,243,765	899,938,744
126.	Songwe DC	337,150,294	1,278,682,864	1,615,833,158
127.	Sumbawanga DC	307,323,016	2,277,531,886	2,584,854,902
128.	Sumbawanga MC	4,419,567,000	2,626,152,000	7,045,719,000
129.	Tandahimba DC	109,390,393	0	109,390,393
130.	Tanga CC	474,136,040	1,078,893,960	1,553,030,000
131.	Tarime DC	858,864,237	1,842,744,713	2,701,608,950
132.	Tarime TC	260,303,814	252,149,186	512,453,000
133.	Temeke MC	1,537,905,000	2,108,857,000	3,646,762,000
134.	Tunduma TC	218,663,975	664,764,232	883,428,207
135.	Tunduru DC	166,434,290	731,845,569	898,279,859
136.	Ubungu MC	0	1,912,393,137	1,912,393,137
137.	Ukerewe DC	479,001,270	1,036,201,730	1,515,203,000
138.	Ulanga DC	164,911,603	570,090,802	735,002,405
139.	Ushetu DC	156,192,146	563,588,539	719,780,685
140.	Uvinza DC	499,149,413	1,792,915,354	2,292,064,767
141.	Wanging'ombe DC	1,849,556,035	334,570,490	2,184,126,525
	<b>Total</b>	<b>80,818,930,986</b>	<b>198,639,239,732</b>	<b>279,458,170,718</b>

### Appendix 7 - 1: List of LGAS with Expenditure Incurred to Non-Existing Employees

SN	Name of LGA	Retired Amount (TZS)	Absentees Amount (TZS)	Deceased Amount (TZS)	Others Amount (TZS)	Total Amount (TZS)
1.	Bariadi TC	1,307,877				1,307,877
2.	Bunda TC	6,175,000				6,175,000
3.	Chemba DC	43,480,000				43,480,000
4.	Dodoma CC	15,383,000		31,350,000	4,430,000	51,163,000
5.	Handeni DC	1,235,000				1,235,000
6.	Ilemela MC	-	4,398,000			4,398,000
7.	Iringa DC	8,543,600				8,543,600
8.	Kasulu TC	6,052,903			378,135	6,431,038
9.	Kiloto DC		5,306,502		2,550,000	7,856,502
10.	Makete DC			3,651,000		3,651,000
11.	Mbeya CC	17,600,000		3,580,000		21,180,000
12.	Mbeya DC	24,357,454		2,148,000		26,505,454
13.	Mbozi DC		39,630,000			39,630,000
14.	Missenyi DC	28,651,000				28,651,000
15.	Morogoro MC	56,316,800		10,543,000	-	66,859,800
16.	Moshi DC		11,178,291		39,660,625	50,838,916
17.	Mpwapwa DC	52,317,000	20,062,000		1,053,000	73,432,000
18.	Njombe TC			2,840,000		2,840,000
19.	Same DC	4,110,000				4,110,000
20.	Sengerema DC	12,576,000				12,576,000
21.	Serengeti DC	17,186,338				17,186,338
22.	Siha DC	4,013,000	802,000			4,815,000
23.	Ubungu MC	42,951,000		8,983,660		51,934,660
24.	Urambo DC	1,175,134				1,175,134
25.	Uyui DC				20,860,957	20,860,957
<b>Total</b>		<b>343,431,106</b>	<b>81,376,793</b>	<b>63,095,660</b>	<b>68,932,717</b>	<b>556,836,276</b>

## Appendix 7 - 2: Employees Contributions Not Transferred to Social Security Funds

SN	Name of LGA	PSSSF - Principal Contribution	PSSSF - Imposed Penalties	Total - PSSSF	Income Tax	WCF	NHIF	Others	Grand Total
1.	Arusha CC	4,680,000	-	4,680,000	388,800	-	-	-	5,068,800
2.	Bariadi DC	55,084,927	-	55,084,927	9,654,327	-	532,860	30,118,885	95,390,998
3.	Biharamulo DC	904,098	5,116,098	6,020,196	-	-	-	-	6,020,196
4.	Chalinze DC	53,478,000	3,543,229	57,021,229	-	-	-	-	57,021,229
5.	Chato DC	31,015,836	1,833,035,236	1,864,051,072	-	-	-	-	1,864,051,072
6.	Chunya DC	19,430,800	127,190,966	146,621,766	-	-	-	-	146,621,766
7.	Dodoma CC	-	56,810,683,823	56,810,683,823	-	-	-	-	56,810,683,823
8.	Hai DC	10,934,768	15,469,584	26,404,352	-	-	-	-	26,404,352
9.	Handeni DC	22,699,749	35,658,233	58,357,982	-	-	-	-	58,357,982
10.	Ilunga DC	141,112,365	256,544,512	397,656,877	-	-	-	4,652,893	402,309,770
11.	Ileje DC	2,725,600	3,576,340	6,301,940	-	-	-	-	6,301,940
12.	Iringa DC	-	-	-	-	-	-	11,640,597	11,640,597
13.	Itilima DC	1,671,525	-	1,671,525	2,435,527	-	222,870	2,757,367	7,087,289
14.	Kakonko DC	11,862,000	11,350,741	23,212,741	-	-	-	-	23,212,741
15.	Kalambo DC	23,431,120	2,929,346	26,360,466	-	176,074,605	-	-	202,435,071
16.	Kibiti DC	9,134,600	40,651,017	49,785,617	-	-	-	-	49,785,617
17.	Kigamboni MC	-	-	-	-	-	-	4,327,738	4,327,738
18.	Kilolo DC	8,657,000	-	8,657,000	1,051,440	-	595,650	963,147	11,267,237
19.	Kisarawe DC	8,078,200	26,693,284	34,771,484	-	-	-	-	34,771,484
20.	Longido DC	747,963	-	747,963	-	-	-	-	747,963
21.	Lushoto DC	31,439,850	-	31,439,850	6,921,421	-	15,810,840	26,810,131	80,982,242
22.	Manyoni DC	1,579,200	-	1,579,200	474,864	-	236,880	157,920	2,448,864
23.	Masasi DC	2,869,200	-	2,869,200	634,562	3,869,865	430,380	25,980,932	33,784,939
24.	Maswa DC	1,805,200	-	1,805,200	-	-	424,520	-	2,229,720
25.	Mbarali DC	57,543,565	24,923,996	82,467,561	-	-	-	-	82,467,561
26.	Mbeya CC	-	1,814,417	1,814,417	-	-	-	-	1,814,417
27.	Mbeya DC	-	-	-	1,411,904	-	-	4,114,907	5,526,811
28.	Mbozi DC	92,497,400	73,937,860	166,435,260	-	-	-	-	166,435,260
29.	Meatu DC	86,277,720	578,739,880	665,017,600	-	-	-	-	665,017,600
30.	Mlele DC	1,800,000	-	1,800,000	351,000	-	234,000	-	2,385,000

SN	Name of LGA	PSSSF - Principal Contribution	PSSSF - Imposed Penalties	Total - PSSSF	Income Tax	WCF	NHIF	Others	Grand Total
31.	Monduli DC	-	-	-	-	644,400	-	-	644,400
32.	Moshi DC	7,256,000	-	7,256,000	-	-	-	-	7,256,000
33.	Moshi MC	-	-	-	-	-	-	52,126,486	52,126,486
34.	Muheza DC	5,755,200	-	5,755,200	-	-	3,801,000	7,416,319	16,972,519
35.	Nkasi DC	-	-	-	-	162,956,225	-	-	162,956,225
36.	Nzega DC	108,314,530	117,807,449,984	117,915,764,514	-	-	-	-	117,915,764,514
37.	Nzega TC	36,127,808	3,668,399,974	3,704,527,781	-	-	-	-	3,704,527,781
38.	Same DC	95,200	-	95,200	-	-	-	77,874,161	77,969,361
39.	Siha DC	6,006,000	-	6,006,000	-	22,050	529,200	15,965,273	22,522,523
40.	Sumbawanga DC	-	-	-	-	188,733,860	-	-	188,733,860
41.	Sumbawanga MC	39,272,220	27,219,254	66,491,474	-	-	-	-	66,491,474
42.	Uvinza DC	4,680,000	-	4,680,000	959,040	-	936,000	-	6,575,040
<b>Total</b>		<b>888,967,644</b>	<b>181,354,927,774</b>	<b>182,243,895,418</b>	<b>24,282,885</b>	<b>532,301,005</b>	<b>23,754,200</b>	<b>264,906,756</b>	<b>183,089,140,263</b>

### Appendix 7 - 3: Long Outstanding Unpaid Salaries Arrears

SN	Name of Council	No. of Personnel	Salary Arrears Total (A+B)	No. of Personnel	Leave Travel Total (A+B)	No. of Personnel	Moving Expenses Total (A+B)	No. of Personnel	Others Etc. Total (A+B)	Total
1.	Buhigwe DC		211,981,000		101,025,000		611,160,000		127,265,000	1,051,431,000
2.	Kakonko DC	100	236,740,646	294	72,939,000	209	561,829,718	110	703,372,151	1,574,881,515
3.	Kasulu DC	758	906,633,778	752	102,558,204	733	350,551,426	763	607,311,292	1,967,054,700
4.	Kasulu TC	504	643,077,527	1305	232,225,000	72	148,615,100	115	244,819,900	1,268,737,527
5.	Kibondo DC	205	728,306,300	189	49,939,400	90	171,658,600	53	264,279,789	1,214,184,089
6.	Kigoma DC	205	633,712,132	147	315,714,074	910	1,044,751,719	550	634,375,431	2,628,553,356
7.	Kigoma MC	0	-	875	300,556,770	44	113,057,335	214	497,499,721	911,113,826
8.	Uvinza DC		435,214,528		-	77	459,788,877	57	225,304,595	1,120,308,000
9.	Kinondoni MC	871	463,060,000	1518	916,279,029	418	95,849,192	1019	627,795,779	2,102,984,000
10.	Songea MC	2043	1,946,216,030	149	67,109,556	41	90,065,919	244	215,169,858	2,318,561,363
11.	Mbinga TC	26	58,727,305	89	24,539,620	94	202,078,093	175	434,646,811	719,991,829
12.	Tunduru DC		-	193	46,118,420	173	561,969,322	160	213,070,730	821,158,472
13.	Namitumbo DC	75	20,718,924	60	37,395,500	208	428,995,303	302	777,886,005	1,264,995,732
14.	Madaba DC	79	116,642,972	89	21,351,800	73	525,010,962	22	11,014,000	674,019,734
15.	Mbinga DC	0	-	55	19,725,000	165	185,635,950		656,611,785	861,972,735
16.	Nyasa DC	153	149,486,800	248	31,080,500	362	462,144,673	362	650,920,100	1,293,632,073
17.	Songea DC	155	182,631,200	34	60,000,000	144	1,491,448,622	10	569,469,948	2,303,549,770
18.	Njombe DC	285	269,385,000	366	61,775,000	46	108,023,000	198	574,367,000	1,013,550,000
19.	Wanging'ombe DC	287	614,402,948	15	3,722,980	171	228,829,040	56	612,437,064	1,459,392,032
20.	Makambako TC	403	498,133,860	10	2,232,000	41	87,760,220	54	119,187,940	707,314,020
21.	Njombe TC	150	692,953,640	300	126,242,616	30	78,163,095	125	174,668,449	1,072,027,800
22.	Ludewa DC	597	1,241,748,371	78	16,902,000	141	210,166,967	286	321,948,519	1,790,765,857
23.	Makete DC	295	299,984,492	349	134,222,750	79	253,870,286	234	251,664,156	939,741,684
24.	Bagamoyo DC	113	169,483,000	28	8,845,000	16	78,517,000	18	120,514,000	377,359,000
25.	Rufiji DC	504	508,042,140	130	55,433,000	113	258,383,000	415	846,067,860	1,667,926,000
26.	Mafia DC		-	480	585,618,000		-	219	802,492,000	1,388,110,000
27.	Chalinze DC	10	7,242,200	342	80,832,000	73	2,226,000	105	336,395,226	426,695,426
28.	Kisarawe DC	0	-	0	-	0	-	0	900,916,000	900,916,000
29.	Kibiti DC	0	-	0	-	0	-	0	477,078,000	477,078,000
30.	Kibaha TC	0	-	625	216,182,120	9	18,183,824	5	64,117,000	298,482,944
31.	Mukuranga DC	0	-	0	-	0	-	0	1,375,009,000	1,375,009,000
32.	Kibaha DC	0	-	215	143,010,000	10	-	0	913,325,000	1,056,335,000
33.	Arusha CC	0	-	0	-	0	-	189	370,361,420	370,361,420
34.	Arusha DC	90	235,307,120	346	74,324,600	252	482,250,765	544	549,360,600	1,341,243,085
35.	Ngorongoro DC	3	121,933,210	104	31,965,902	42	59,943,900	387	722,704,218	936,547,230
36.	Monduli DC	339	2,761,969,780	71	103,224,380	55	215,963,682	3320	927,177,003	4,008,334,846

SN	Name of Council	No. of Personnel	Salary Arrears Total (A+B)	No. of Personnel	Leave Travel Total (A+B)	No. of Personnel	Moving Expenses Total (A+B)	No. of Personnel	Others Etc. Total (A+B)	Total
37.	Meru DC	244	396,312,153	19	4,988,200	9	24,557,500	162	478,207,684	904,065,537
38.	Longido DC	40	57,811,623	266	110,602,400	77	116,174,211	103	818,001,040	1,102,589,274
39.	Karatu DC	40	68,827,000	144	38,436,592	268	517,245,700	137	248,595,748	873,105,040
40.	Temeki MC	454	791,220,075	4206	1,519,980,181	338	690,687,603	38	3,024,446,659	855,283,129
41.	Chato DC	699	508,024,152	60	17,304,200	12	103,058,000	112	226,896,777	1,412,872,547
42.	Geita TC	0	-	428	103,129,800	0	-	0	1,309,742,747	773,586,341
43.	Kishapu DC	1	560,000	206	52,537,813	110	257,761,216	219	462,727,312	1,448,204,103
44.	Ushetu DC	0	623,997,000	0	195,104,163	0	622,413,600	0	6,689,340	1,001,846,767
45.	Shinyanga DC	129	637,589,504	0	90,246,360	0	80,683,600	0	193,327,303	2,079,168,654
46.	Mbogwe DC	463	685,351,468	469	166,558,422	106	541,449,566	102	685,809,198	381,050,652
47.	Igunga DC	67	125,964,418	170	36,619,800	81	65,624,560	130	152,841,874	358,352,600
48.	Katiua DC	5	76,333,000	0	-	71	420,849,830	81	263,134,172	893,342,165
49.	Nzega DC	94	205,913,016	300	63,963,410	182	360,331,568	0	255,435,454	474,065,000
50.	NzegaTC	17	32,024,525	171	113,820,000	24	72,785,021	258	474,067,078	1,183,890,543
51.	Sikonge DC	78	233,871,770	630	150,832,200	0	-	221	668,153,658	1,253,221,859
52.	Tabora MC	488	111,278,721	95	152,713,007	67	251,745,157	50	484,492,018	265,707,940
53.	Urambo DC	174	352,742,300	77	138,511,400	72	277,476,141	136	69,960,720	312,604,564
54.	Uyui DC	23	67,873,220	124	31,243,200	30	96,630,800	14	43,147,000	767,147,910
55.	Bukoba DC	144	185,665,604	123	22,237,160	38	61,554,800	32	458,398,954	2,570,989,238
56.	Shinyanga MC	0	-	0	80,632,584	0	228,116,372	0	741,610,400	2,587,027,250
57.	Bukombe DC	760	1,544,142,161	429	99,288,802	67	185,947,875	488	834,025,812	1,684,692,624
58.	Bariazi DC	559	839,851,497	374	64,891,900	235	254,973,280	455	170,052,100	3,268,453,071
59.	Bariadi TC	280	615,279,327	404	92,660,800	117	142,726,685	109	376,874,300	1,048,565,000
60.	Busega DC	953	1,597,512,470	146	39,034,001	194	109,912,487	21	22,859,700	1,855,670,914
61.	Iringa MC	1095	2,387,289,234	934	288,934,610	314	215,354,927	140	438,778,200	1,092,997,595
62.	Mafinga TC	218	426,745,525	291	80,942,400	145	258,983,475	263	73,702,740	1,941,264,000
63.	Mufindi DC	809	73,558,000	0	41,173,000	0	139,226,300	0	196,217,570	2,413,863,444
64.	Iringa DC	400	971,324,500	252	74,876,884	366	370,691,330	211	132,973,200	1,489,007,516
65.	Itilima DC	361	482,514,439	129	93,919,943	168	442,860,473	25	77,703,586	483,543,290
66.	Ileje DC	0	1,467,401,229	0	69,507,237	0	208,137,964	0	-	-
67.	Mbozi DC	1505	2,129,031,845	323	58,765,999	26	93,092,400	35	87,019,700	-
68.	Nomba DC	168	103,549,224	39	42,920,260	60	238,773,092	180	-	-
69.	Songwe DC	276	838,900,937	20	10,097,400	35	102,603,380	37	-	-
70.	Tunduma TC	222	381,918,490	26	9,872,600	76	87,019,700	8	-	-
71.	Kongwa DC	0	-	0	-	0	-	0	-	-
72.	Dodoma CC	0	-	0	-	0	-	0	-	-
73.	Ubungo MC	0	-	2224	672,962,300	1563	586,760,107	33	236,000,000	1,495,722,407
74.	Bahi DC	0	624,727,631	0	80,198,920	0	1,457,635,329	0	711,636,297	2,874,198,177

SN	Name of Council	No. of Personnel	Salary Arrears Total (A+B)	No. of Personnel	Leave Travel Total (A+B)	No. of Personnel	Moving Expenses Total (A+B)	No. of Personnel	Others Etc. Total (A+B)	Total
75.	Busokelo DC	103	648,552,980	0	-	0	-	115	360,170,000	1,008,722,980
76.	Chunya DC	631	1,531,717,311	3	3,500,000	63	135,469,979	5	13,908,000	1,684,595,290
77.	Kyela DC	504	1,820,119,442	511	124,783,100	114	254,166,670	119	473,144,100	2,672,213,312
78.	Mbarali DC	0	-	547	128,788,000	217	375,871,356	22	38,916,300	543,575,656
79.	Mbeva CC	2215	3,660,923,699	963	249,357,276	26	136,681,400	79	171,863,400	4,218,825,775
80.	Mbeva DC	800	1,666,801,382	618	180,827,142	84	202,526,532	153	296,639,529	2,346,794,585
81.	Rungwe DC	799	698,789,478	481	44,895,800	629	1,059,776,679	288	414,113,400	2,217,575,357
82.	Kalambo DC	0	984,682,000	0	-	0	484,358,581	0	208,486,223	1,677,526,804
83.	Nkasi DC	37	340,667,770	507	124,649,536	178	418,813,181	146	510,597,650	1,394,728,137
84.	Sumbawanga DC	399	1,046,999,420	0	-	165	955,141,960	0	-	2,002,141,380
85.	Bunda TC		299,167,774		2,956,000		8,825,920		116,050,306	427,000,000
86.	Musoma DC	0	-	100	29,182,660	110	338,821,331	158	368,261,960	736,265,951
87.	Musoma MC	78	77,400,382	138	57,525,000	0	-	893	837,236,429	972,161,811
88.	Rorya DC	234	320,165,548	99	25,873,500	208	260,921,413	219	649,652,179	1,256,612,640
89.	Serengeti DC	774	1,331,772,460	897	167,717,467	158	252,250,788	609	975,830,465	2,727,571,180
90.	Tarime DC	46	138,899,291	952	287,334,307	267	728,182,286	867	1,248,103,641	2,402,519,526
91.	Tarime TC	157	638,639,040	676	228,915,914	102	176,073,240	395	779,760,294	1,823,388,488
92.	Hai DC		1,084,317,682		14,446,500		133,506,300		52,175,708	1,284,446,190
93.	Moshi DC	615	692,216,407	39	25,989,400	42	441,893,223	217	864,146,660	2,024,245,690
94.	Moshi MC	4	8,520,000	59	10,539,100	179	106,421,487	81	79,801,519	205,282,106
95.	Mwanga DC	0	-	1	1,320,000	8	2,692,000	151	337,380,000	341,392,000
96.	Rombo DC	330	136,986,478	86	10,825,000	54	299,167,246	265	174,173,090	621,151,814
97.	Same DC	375	842,145,052	78	50,444,600	92	393,662,762	102	549,027,580	1,835,279,994
98.	Siha DC	67	89,502,877	34	9,502,000	47	93,266,200	197	195,176,923	387,448,000
99.	Lindi MC	0	-	311	76,880,924	86	182,070,700	68	656,426,874	915,378,498
100.	Babati DC	212	333,146,000	42	12,456,000	62	237,810,000	32	202,156,788	785,568,788
101.	Babati TC	0	-	49	14,103,950	35	71,061,136	540	724,075,444	809,240,530
102.	Hanang DC	610	640,530,668	105	5,337,000	40	84,187,180	56	221,975,108	952,069,956
103.	Kiteto DC	293	646,652,195	371	92,653,400	87	62,192,100	107	37,599,000	839,096,695
104.	Mbulu DC	153	494,250,274	175	18,716,000	306	819,592,910	327	645,666,816	1,978,226,000
105.	Mbulu TC	94	87,065,011	41	8,521,800	48	190,175,400	60	113,422,600	399,184,811
106.	Simanjoro DC	147	161,118,827	31	7,286,200	35	68,442,800	61	90,560,500	327,408,327
107.	Bumbuli DC	8	156,107,359	316	49,176,080	76	157,925,585	141	1,261,380,056	1,624,589,081
108.	Handeni DC	135	456,317,500	1852	197,397,814	98	510,704,400	163	482,430,186	1,646,849,900
109.	Handeni TC	120	199,196,779	102	27,606,000	63	125,894,250	61	158,744,652	511,441,681
110.	Kilindi DC	278	707,076,511	35	9,879,800	17	38,922,282	36	163,963,900	919,842,493
111.	Korogwe DC	16	26,535,106	18	6,024,747	140	225,144,525	213	726,597,079	984,301,458

SN	Name of Council	No. of Personnel	Salary Arrears Total (A+B)	No. of Personnel	Leave Travel Total (A+B)	No. of Personnel	Moving Expenses Total (A+B)	No. of Personnel	Others Etc. Total (A+B)	Total
112.	Korogwe TC	0	-	30	7,847,000	5	5,201,000	41	255,655,854	268,703,854
113.	Lushoto DC	768	1,370,970,020	93	293,854,700	131	17,616,000	193	563,671,801	2,246,112,521
114.	Mkinga DC	5	14,442,184	80	26,701,580	188	438,252,024	213	525,236,547	1,004,632,335
115.	Mulheza DC	233	814,153,237	334	147,962,859	73	108,068,631	35	39,937,500	1,110,122,227
116.	Pangani DC	145	324,144,927	100	41,889,053	59	223,211,271	273	889,307,820	1,478,553,071
117.	Tanga CC	1412	2,093,185,435	796	191,810,722	7	29,611,480	242	542,318,363	2,856,926,000
118.	Masasi DC		-		-		-		-	-
119.	Mtwara DC	126	244,967,475	215	74,414,498	286	838,002,652	179	392,048,336	1,549,432,961
120.	Nanyamba TC		30,585,798	14	80,922,161	20	300,362,777	86	216,814,846	628,685,582
121.	Nanyumba DC	0	623,812,297	0	245,044,876	0	11,641,000	0	116,547,890	997,046,063
122.	Newala TC	-	-	6	2,059,400	2	860,400	1	4,200,000	7,119,800
123.	Maswa DC	674	801,027,054	16	32,507,000	24	69,509,600	87	47,854,800	950,898,454
124.	Meatu DC	792	817,333,466	192	232,870,168	242	577,921,652	0	-	1,628,125,286
125.	Kilolo DC	0	932,032,837	0	35,247,945	0	446,226,069	0	382,496,148	1,796,003,000
	<b>Total</b>		<b>63,832,478,393</b>	<b>34648</b>	<b>12,671,181,149</b>	<b>14615</b>	<b>32,369,833,996</b>	<b>22,407</b>	<b>51,606,982,612</b>	<b>160,480,476,150</b>





## Appendix 8 - 1: Details of Uncompleted Projects

S/N	Council	Details of project	Project Cost
1.	Chemba	Construction of various structures in Secondary schools	591,403,816
2.	Kalambo	Construction of various projects	1,039,450,000
3.	Kondoa TC	Council Administration Block, Classes, laboratories and dispensaries	747,499,592
4.	Kwimba DC	Various structures at Dispensaries and Schools.	1,398,000,000
5.	Mafia DC	Kiegeani Health Centre Council Administration Block	500,000,000
		Construction of three staff houses	5,539,233,443
6.	Mbeya DC	Construction of toilet, classrooms and Office at Nsenga Primary School	160,000,000
		Construction of staff houses, Classrooms, Dispensaries, villages and Ward offices.	53,200,000
7.	Mkalama DC	Construction of various projects at Council HQ, Dispensaries and schools	349,077,000
8.	Mufindi DC	Construction of Various projects including Council District Hospital, temporary offices, and two HC	1,297,979,900
9.	Muheza DC	construction of school classrooms, small office building and dormitory	1,198,000,000
10.	Geita DC	Construction of Various projects including temporary offices, and two HC	1,328,490,450
11.	Iringa MC	Construction of Various projects including Ward and Village offices, Classrooms, Dispensaries	572,394,150
		Construction of Abattoir	2,449,317,049
		Other own source projects at bus stand, Mkimbizi and Mkoga HC	1,146,775,620
12.	Kibaha TC	District Hospital	196,545,000
13.	Madaba DC	District Hospital	548,399,563
14.	Makete DC	Construction of Various structures at secondary schools, Primary schools and HC	1,150,000,000
15.	Mbinga TC	Construction of Dining Hall	218,200,000
16.	Misungwi DC	Construction and completion of various structures at secondary schools and Health centres Construction Council Administrative block	100,000,000
17.	Momba DC	Construction of Various structures at secondary schools, Primary schools, HC and Kakozi International Market	261,954,997
18.	Muleba DC	Construction of Various structures at secondary schools, HC and Bus main stand	2,161,256,032
19.	Mwanza CC	Construction of Various structures at secondary schools, Primary schools, and HC	1,008,709,773
20.	Sengerema DC	Construction of Various structures at secondary schools, Primary schools, and HC Construction of Council Hospital	542,220,400
21.	Iramba DC	Construction of Council Hospital	624,355,471
22.	Bahi DC	Construction of Various structures at secondary schools, Primary schools, and HC	322,592,400
23.	Iringa DC	Construction of Various structures at secondary schools, Primary schools, HC, and Council Administration block.	1,225,716,720
24.	Kigoma DC	Construction of Council District Hospital	464,385,119
25.	Kilolo DC	Construction of Various structures at secondary schools, Primary schools, and HC	389,600,000
26.	Ludewa DC	Council Administration Block Construction of Various structures at secondary and Primary schools	2,048,845,214
			996,004,020
			3,953,600,903
			2,539,276,970
			352,734,671

S/N	Council	Details of project	Project Cost
27.	Makambako TC	Construction of school laboratory and dispensary	110,000,000
28.	Mbinga DC	Construction of District Hospital	500,000,000
29.	Mbozi DC	Rehabilitation of Mtunduru Dispensary	50,000,000
30.	Njombe TC	Council HQ - Laying Paving bricks and fencing	131,070,300
		Construction of Laboratories at Secondary schools	193,725,000
31.	Nkasi DC	Construction of District Hospital	2,300,000,000
32.	Nzega DC	Construction of Council Administration Block	1,000,000,000
33.	Sumbawanga MC	Classrooms at Mawenzusi Primary School	60,000,000
		Construction of District Hospital	956,340,753
		Construction of Council Bus Stand	7,245,598,024
34.	Wanging'ombe DC	Construction of various structures at different Health facilities	901,543,670
35.	Bariadi DC	construction of three wards at District hospital	482,770,574
36.	Buchosa DC	construction of two classrooms and one dormitory building at Nyakaliro Secondary School	120,000,000
		Construction of six houses for heads of Departments and one Godown at the Council	651,571,814
37.	Buhigwe DC	Construction of Various structures at Health Centres, secondary and Primary schools	290,297,500
		construction of two dormitories at Muyama Secondary School	150,000,000
38.	Bukombe DC	Construction of Various structures at Bugeleng and Bukombe Health Centres	84,000,000
		construction of four class rooms and two offices at Ilalwe Primary School	8,285,000
39.	Bumbuli DC	roofing for two classrooms at Bulega Secondary School	6,270,000
		construction of classrooms, dining hall and Toilet pits at kwehangala, Kiluwai, Soni, Funta, Mbelele, Maduda, Mibukwe and Baga	346,400,000
		Classrooms at Mashine and Bambaleta Primary Schools	52,500,000
		construction of Teachers house 2 in 1 at Kwalei Secondary School	50,000,000
40.	Busega DC	Construction of various structures at Primary and Secondary schools	1,680,000,000
		Construction of various structures at Health Centres, Primary and Secondary schools	317,600,000
41.	Gairo DC	Construction of various structures at Health Centres, Primary and Secondary schools	1,389,200,000
		three (3) Ward Buildings on Council Hospital	313,986,457
		Iyogwe Secondary Schools infrastructure	420,000,000
42.	Geita TC	Construction of various structures at Health Centres, Ward and village offices, Primary and Secondary schools	855,883,500
43.	Handeni DC	Construction of various structures at Health Centres, Primary and Secondary schools	779,179,573
		Council Administration Block	2,000,000,000
44.	Igunga DC	Igunga Bus Terminal, Irrigation Scheme and Market.	5,726,028,721
		Construction of various structures at primary schools	532,800,000
45.	Ikungi DC	Construction of various structures at different Health facilities	147,952,933
		construction of staff house at Igombwe Secondary School	100,000,000

S/N	Council	Details of project	Project Cost
		Completion 14 laboratories in 14 secondary schools	420,000,000
		Iglanson and Puma Secondary School	60,000,000
		District Hospital	1,174,806,000
		Construction of Latrines at various Primary schools.	106,400,000
46.	Ilemela MC	Construction of Bus stand, Council Building, Dispensaries, and primary school.	13,941,769,937
47.	Itigi DC	Construction of various projects at Council HQ, Dispensaries and schools	1,125,289,326
48.	Itilima DC	Construction of various structures at Dispensaries and Council Administration block	1,719,266,230
		three wards at District hospital	500,000,000
49.	Kaliua DC	Construction of Fence - 170 metres and Loading ramp at Ugansa Cattle Market	50,000,000
		construction of Kaliua District Hospital	283,896,350
		Science laboratories at Kanoge Secondary	30,000,000
50.	Kibondo DC	Construction of Kagezi crop collection market centre, various structures at Primary and secondary schools.	347,156,420
51.	Kongwa DC	Construction of District Hospital, and various structures at Primary and Secondary Schools.	3,585,000,000
52.	Korogwe TC	Construction of dormitories at Korogwe girls' school and ii. Completion of laboratory room at Old Korogwe Secondary School	190,000,000
53.	Kyerwa DC	Rwanyango and Korongo Dispensary	60,000,000
		Construction of Rutunguru, Nakake and Rwabwere Sec School	99,795,500
54.	Lushoto DC	Construction of various structures at different Health facilities, Primary and Secondary schools	2,301,564,000
		Construction of maternity ward at District Hospital	694,467,322
55.	Maswa DC	Construction of various structures in Dispensaries, primary and Secondary Schools.	143,000,000
56.	Maswa DC	Construction of Chalk factory and packaging factory	2,664,664,968
		construction of Wall at Ng'hami	108,194,200
57.	Meru DC	Construction of staff house and other structures at various Dispensaries	100,000,000
58.	Mlele DC	Construction of Administration block, and other structures in the District Hospital	2,125,413,093
59.	Mpanda DC	Completion of male, female and paediatric wards at Tanganyika District Hospital	425,000,000
		Construction various projects in Primary and Secondary schools	252,600,000
		construction of Laboratories in various Secondary schools	120,000,000
60.	Mpimbwe DC	Construction of various structures at secondary schools and staff houses	2,135,256,017
61.	Msalala DC	three laboratories at Majaliwa Secondary School, 14 toilet stances at Segese dispensary, construction of 2 classroom at Busungwa Primary School	157,500,000
		Council Administration block	
		construction of six buildings at Isaka Dispensary	4,314,837,383
			357,550,250
62.	Mwanga DC	Construction of various structures at primary school, and dispensaries.	140,000,000
63.	Ngara DC	Construction of various structures in various Health facilities.	725,140,125
64.	Nsimbo DC	Construction of various structures in various Health facilities, Secondary and Primary Schools.	456,000,000

S/N	Council	Details of project	Project Cost
65.	Nzega TC	Construction of laboratories in various secondary schools	90,000,000
		construction of three dispensaries	120,000,000
66.	Shinyanga DC	construction of Nzega Town Council headquarters	4,851,298,856
		construction of Council HQ	408,393,272
67.	Sikonge DC	Construction of school latrines and class rooms	149,443,180
		Construction of bee processing factory	441,774,704
		Construction of Paediatric, Female and Male wards	500,000,000
68.	Singida DC	Construction of Council HQ	1,000,000,000
69.	Tabora MC	Construction of paediatric ward, surgical female ward and surgical male ward at Singida District Hospital	500,000,000
		construction of 10 pit latrines at Manoleo primary school, construction of 12 pit latrines at Igombe B primary school and construction of Igosha dispensary at Igosha	72,200,000
70.	Tanga CC	Construction of Main Building at Kange Bus Stand	
		completion of Kihongwe Health Centre	8,163,015,889
71.	Tanga CC	Dormitories and Dining Hall at Macechu and Kirare	453,373,990
		Construction of School Laboratories	316,245,250
			534,800,000
72.	Tarime TC	Completion of kenyamanyori dispensary, Construction of Staff house at Magena HC	150,000,000
73.	Ukerewe DC	Construction of various structures in Primary and Secondary schools and markets	1,327,971,787
74.	Ulanga DC	Construction of various structures in various Health facilities, Secondary and Primary Schools.	319,140,150
75.	Moshi DC	Construction of Council HQ	970,582,654
		Construction of Sewage system at Umbwe Secondary	32,175,000
		Construction of Laboratory building at Cyril Chami Secondary School	11,003,500
76.	Karatu DC	Construction of pit latrines at Majengo Primary School	67,700,000
		construction of 1 Classroom and office at Baray Khusumay Secondary	15,000,000
		head of department residential houses	150,000,000
		construction of laboratory at Qaru Secondary School	30,000,000
		Uncompleted Dormitories at Domel and Mang'ola Secondary Schools	160,000,000
77.	Longido DC	completion of paediatric, women and male wards at district hospital	500,000,000
78.	Handeni TC	completion of Ground Floor for Council Administration Office Block	3,619,007,387
79.	Korogwe DC	Completion of various projects	550,000,000
80.	Pangani DC	Completion of various projects	354,817,500
		Completion of District Council Office Block Phase III	2,901,887,269
81.	Monduli DC	Completion of District Council Office Block	750,000,000
		Completion of Lemooti Dispensary	50,000,000
		Construction of three classrooms at Enguiki Primary School	60,000,000
		Construction of IPD and Mortuary building at Makuyuni Health centre	150,000,000

S/N	Council	Details of project	Project Cost
82.	Rombo DC	construction of sewage system at Mkuu Secondary School	30,000,000
		Construction of Motamburu Secondary School staff houses	100,000,000
83.	Arusha DC	Uncompleted works upon construction of District Hospital	387,543,766
		Completion of various projects	185,000,000
84.	Bukoba DC	Construction of dispensary at Laloi ward	50,000,000
		Completion of various projects	729,248,143
		Completion of various projects	298,871,448
85.	Bunda DC	Construction of Toilets	220,000,000
		Construction of Dispensaries	200,000,000
86.	Busokelo DC	construction of toilets at Bwilando primary school	13,200,000
87.	Butiama DC	Uncompleted completion of Mmazami, Nyakiswa and Magunga dispensaries	150,000,000
		Delayed construction of Butiama District Hospital and extension of Kirumi Dispensary worth construction at Makongolosi Health centre	800,000,000
88.	Chunya DC	Completion of construction contracts for three wards	267,377,500
89.	Karagwe DC	construction of Council's canteen	75,840,000
90.	Mafinga DC	Construction of Schools infrastructures, health facilities', wards office and road infrastructure	40,965,505
		Completion of various projects	762,146,111
91.	Magu DC	Construction of Office Building and Conference Hall	172,360,000
		Construction projects of Council's health facilities (Kabila and Kisesa "A" Health Center, Kabale, Matalale and Ilungu Dispensaries)	916,988,644
92.	Mbeya CC	Construction of science laboratories for three Secondary Schools	210,000,000
		construction of classrooms and office at Ilomba Secondary School	20,000,000
93.	Missenyi DC	Construction of a dormitory and Construction of two (2) classrooms	120,000,000
		Construction of a dormitory two (2) classrooms	150,000,000
94.	Musoma DC	Construction of three wards at District Hospital	500,000,000
		Completion of OPD block at Mmahare Dispensary	400,000,000
		Completion of OPD block at Mkirira Dispensary	50,000,000
		Completion of OPD block at Chironwe Dispensary	50,000,000
		Construction of Makojo Health Centre	250,000,000
95.	Tarime DC	Construction of a Market at Nyarero Ward	11,000,000
96.	Chalinze DC	Completion of various projects	678,351,182
		Construction of various projects in Dispensaries, primary and secondary schools	136,300,000
97.	Kisarawe DC	fabrication of desk, chair and table for primary and secondary school	76,740,000
98.	Bagamoyo DC	Construction of various structures at Mshikamano Primary School and Kitame dispensary.	45,111,000
		Construction of a fish market	1,415,910,550

S/N	Council	Details of project	Project Cost
99.	Arusha CC	Construction of various projects in Dispensaries, primary and secondary schools	743,356,500
100.	Kilindi DC	Completion of various projects	100,177,900
		Completion of three dispensaries	150,000,000
		Completion of various projects	78,138,500
101.	Manyoni DC	Construction of toilets at Kitalalo Primary School	13,200,000
		construction of Chibumagwa Health Center	400,000,000
		construction of toilets and installation of water harvesting systems in 10 health facilities	220,000,000
102.	Mbulu DC	Completion of 11 development projects	145,723,800
103.	Simanjoro DC	Completion of Council's Headquarters at Orkesumet	5,223,099,800
104.	Nanyamba TC	construction of 7 Buildings at the Nanyamba Town Council Hospital	1,800,000,000
		completion of the Patients Wards at Town Council Hospital	500,000,000
105.	Njombe DC	Construction of various projects in Dispensaries, primary and secondary schools	1,112,717,000
106.	Songea DC	Construction of various structures at Dispensaries and Secondary schools	993,000,000
107.	Tunduru DC	Construction of Business stalls	36,478,000
		Completion of various projects	385,087,759
108.	Biharamulo DC	Construction of various structures in Health facilities	2,900,000,000
109.	Chato DC	Construction of various structures in Health facilities and primary school.	243,500,000
110.	Kasulu DC	Completion of various projects	135,718,814
111.	Kasulu TC	Completion of various projects	1,411,996,948
112.	Kigoma Ujiji	Construction of a Rusimbi Dispensary, abattoir and CHMT office.	269,325,266
113.	Ifakara DC	Completion of various projects	318,888,326
114.	Kigamboni DC	construction of Kibada Modern Market	6,613,964,867
115.	Lindi MC	Construction and Suppliers Ltd, of PO. BOX 80254 Dar es Salaam for construction of proposed upgrading of Lindi Municipal roads, Uhuru (0.64KM), Msonobari (0.65KM) and Mchinga approach (0.12KM) to bitumen standard	1,725,502,862
116.	Malinyi DC	Construction of various projects	1,748,355,800
		construction of the District Hospital buildings	500,000,000
117.	Morogoro DC	Construction of various projects	2,559,507,841
118.	Morogoro MC	Construction of various structures in Schools and Health Centres	682,000,000
119.	Lindi DC	completion in the construction of ward buildings at District Hospitals	500,000,000
		Construction of Council HQ Building	3,771,159,876
		completion of Construction of toilets in 10 Health facilities	220,000,000
120.	Lindi DC	Construction of three dispensaries	150,000,000
121.	Mtwara MC	Construction of Dormitories in five schools.	400,000,000
		Construction of various structures at Secondary and Primary Schools	210,000,000
122.	Mvomero DC	Construction of various structures at Secondary and Health facilities	251,766,500

S/N	Council	Details of project	Project Cost
123.	Nachingwea DC	Construction of various structures at Council District Hospital	418,479,537
124.	Newala DC	upgrading Naipanga Dispensary to Health Centre Construction of OPD and Laboratory at Newala District Council Hospital Construction of various structures at Secondary Schools.	400,000,000 500,000,000 171,235,000
125.	Ruangwa DC	Construction of Office building	3,778,831,596
126.	Rufiji DC	Construction of Office building	557,057,820
127.	Temeke MC	construction of two projects in Mbande Dispensary completion of renovation of the X-ray room at Mbande Dispensary construction of the waiting shed area at Mbande Dispensary	17,881,500 8,800,000 9,081,500
128.	Kinondoni MC	Construction of Mwenge bus stand, Football pitch and Administration block	5,355,503,710
<b>Total</b>			<b>195,653,708,722</b>



## Appendix 8 - 2: Details of Abandoned Projects

S/N	Council	Abandoned project	Amount	No. of years	Reason
1.	Chamwino	Irrigation project at Chinangali village Chamwino DC	2,051,609,449		Inadequate management
2.	Chemba	Irrigation project at Kidoka village in Chemba DC	811,000,000		Lack of fund to Purchase and install a Water pump with sufficient capacity
3.	Muheza DC	Construction of various projects	548,304,658	From year 2013/14	Insufficient funds
4.	Geita DC	Various structures in Primary, Secondary and Health facilities	14,011,040,000	From year 2015-2021	Inadequate fund to complete projects
5.	Siha DC	Construction of various structures at secondary Schools	258,692,849	Between 2006 and 2020	Inadequate fund to complete projects due to inadequate planning
6.	Bahi DC	Construction of a community centre, Irrigation scheme and District Hospital OPD	1,055,021,451	About seven years	Inadequate fund to complete projects due to inadequate planning
7.	Tandahimba DC	Construction of various Health Facilities	578457357	About 11 years	Inadequate fund to complete projects due to inadequate planning
8.	Bariadi DC	school buildings at Matongo girls secondary school	1,342,103,979	From the year 2010/11	Inadequate fund to complete projects due to inadequate planning
		Construction of Agricultural Irrigation scheme at Mwasubuya	300,000,000	From the year 2013/14	Inadequate fund to complete projects due to inadequate planning
		Various structures in Primary, Secondary, Health facilities, ward and village/mitaa offices	840,822,750	Ranging from 2005/06 to 2019/20	Inadequate fund, inadequate supervision, and lack of community participation
9.	Buhigwe DC	Construction of Agriculture Resource Centre at Kibwiga Village	117,249,829	From 2015	Inadequate supervision of the projects
10.	Handeni DC	Various projects in Health facilities, primary and secondary schools	4,732,881,800	Ranging from 1 to 6 years	Inadequate supervision of the projects and inadequate funds
11.	Kondoa DC	Various building structures at Health Facilities, primary and secondary schools	4,461,822,749	Ranging from 1 to 5 years	Inadequate supervision of the projects and inadequate funds
12.	Maswa DC	Construction of various Health Facilities, primary and secondary schools.	1,381,000,000	2015/2016 to 2017/2018	Inadequate supervision of the projects and inadequate funds



S/N	Council	Abandoned project	Amount	No. of years	Reason
13.	Tanga CC	Construction Various structures in secondary schools	999,150,000	Ranging from 1 to 6 years	Inadequate supervision of the projects and inadequate funds
14.	Moshi DC	Construction of Mabungo, Chemchem and Chekereni Dispensaries.	120,816,400	Up to seven years	Inadequate supervision of the projects and inadequate funds
15.	Karatu DC	Various projects in primary and secondary schools	423,398,200	Ranging from 2014 to 2020	Insufficient funds
16.	Monduli DC	Various projects in Education and Health Sector	1,496,052,106	Ranging from 1 to 14 years	Insufficient funds
17.	Busokelo DC	Construction of various Health Facilities, primary and secondary schools.	610,000,000	Ranging from 2015 to 2019	Insufficient funds
18.	Kilindi DC	Construction laboratories in secondary schools	1,770,000,000	Ranging from 1 to 6 years	Insufficient funds
19.	Kigoma Ujiji	Construction of various structures in secondary schools.	1,251,000,000	Ranging from One to 11 years	Insufficient funds
20.	Masasi DC	Construction of various structures in Primary schools.	307,500,000	Ranging from one to 8 years	Insufficient funds
21.	Mkuranga DC	Construction of laboratories in Sec schools	542,338,397	Ranging from one to 8 years	Insufficient funds
<b>Total</b>			<b>41,506,314,080</b>		

### Appendix 8 - 3: Completed Projects Not in Use

S/N	Council	Item/Project	Year of Completion	Reason	Amount (TZS)
1.	Uvinza DC	Boat	Completed since 2011	Boat was procured to be used as Ambulance, now the Motor vehicle is being used	397,475,000
2.	Kalambo DC	Various Dispensaries and Classrooms	Completed in the year 2021	The management purported that the respective projects are waiting for completion of co-joint a infrastructures such as placenta pits and incinerators. The Classrooms will be used as of January 2022	370,000,000
3.	Kwimba DC	Rice storage Godown	Completed in the year 2021	Lack of Electricity	667,423,800
4.	Mkalama DC	Toilets in various Health Facilities	Completed in the year 2021	In adequate project management	140,000,000
5.	Kilolo DC	Three dispensaries of Lugalo, Mbawi and Ng'uruhe	Completed in the year 2021	No staffs has been allocated	120,000,000
6.	Namtumbo DC	District Hospital	Completed in the year 2021	Lack of specialized and other equipment	433,745,800
7.	Buchosa DC	Construction of Soswa, Igwanzozu and Nyashana Dispensary	Completed in the year 2021	Lack of staffs and equipments	150,000,000
8.	Busega DC	Construction of Pharmacy, Radiology and laundry at Nyashimo Hospital	Completed in the year 2021	Lack of equipment	543,879,085
9.	Igunga DC	Latrines at various dispensaries	Completed in the year	In adequate project management	154,000,000
10.	Katiua DC	construction of Igombe Dispensary	Completed in the year	lack of toilets, incinerator, placenta pit, medical and other equipments	50,000,000
11.	Kibondo DC	Bee processing factory, crop market, various buildings at secondary schools	Completed in the year	Lack of equipment	511,797,264
12.	Kyerwa DC	Itera and Chanya Dispensaries	Completed in the year	Lack of Incinerator, Specialists and equipments	100,000,000
13.	Lushoto DC	Mnadani vegetable market	Completed in the year	Inadequate planning of the project	1,045,500,861

S/N	Council	Item/Project	Year of Completion	Reason	Amount (TZS)
14.	Maswa DC	Kizungu, Mwabayanda, Mwatumbé Dispensaries and Ng'wami Industry Administration Block.	Completed in the year	Non-installation of required infrastructures	280,082,579
15.	Serengeti DC	Koréri dispensary, Kitunguruma dispensary	Completed in Jun-21	Lack of staffs and equipments	No value
16.	Sikonge DC	Constructed toilets in three dispensaries	Completed in the year	Water not installed	66,000,000
17.	Tabora MC	Construction of 22 pit latrines at Manoleo and Igombe B primary schools and Construction of Igosha Dispensary	Completed in the year	No reason provided	99,368,480
18.	Hai DC	Constructed Dormitory at Machame Girls Secondary	Completed in the year	No fund to acquire beds	80,000,000
19.	Handeni TC	Dispensaries at Kwamagome and Kwasindi wards and construction of maternity ward at Chanika	Completed in the year	non-availability of furniture, medical supplies and equipment, non-registration of dispensaries and other uncompleted minor works	99,746,174
20.	Missenyi DC	Pit Latrines at Kakindo, Kilimilile, and Bunazi Dispensary	Completed in the year	Non availability of water	66,000,000
21.	Kilindi DC	Two Classes at Kwamazuma Primary School	Completed in the year 2021	Non-availability of furniture	70,000,000
22.	Songea DC	Constructed Health facilities and Primary schools	Completed in the year	Lack of water in remote areas and inadequate supervision	489,600,000
23.	Tunduru DC	Construction of dining hall at Nandembo secondary school	Completed in the year	Lack of fund to construct a kitchen	157,009,450
24.	Kasulu TC	Various Dispensaries and Classrooms	Completed in the year	Lack of staffs and equipments	368,277,392
25.	Kigoma Ujiji MC	Completion of theatre and labour ward at Gungu Health Centre	Completed in the year	Lack of staffs and equipments	70,000,000
26.	Kibaha DC	three dispensaries of Misufini, Mpiji and Kipangege	Completed in the year	Lack of staffs and equipments	150,000,000
27.	Mkuranga DC	Kisegese Dispensary	Completed in the year	Lack of staffs, staff accommodation and equipments	66,500,000
28.	Morogoro DC	Construction of Health facilities and laboratories in Sec schools and classes in P/Schools.	Completed in the year	Lack of staffs, staff accommodation and equipments	423,922,516



S/N	Council	Item/Project	Year of Completion	Reason	Amount (TZS)
29.	Mtwara MC	Mortuary fridge and x-ray machine.	Completed in the year	Lack of Mortuary e-ray buildings	164,645,800
30.	Newala TC	five completed dispensaries and their staffs houses	Completed in the year	Health Facilities not registered	346,667,590
	<b>Total</b>				<b>7,681,641,791</b>

## Appendix 8 - 4: Funds Returned to Treasury

S/N	Name of Council	Recurrent			Unspent/swapped	Development		
		Available	Spent			Available	Spent	Unspent/
1.	Bahi DC	13,598,575,865	13,542,739,507		55,836,358	207,365,016	82,142,060	125,222,956
2.	Bukoba DC	22,663,970,080	22,655,899,651		8,070,429	-	-	-
3.	Bukombe DC	84,421,000	84,238,000		183,000	55,646,000	54,787,000	859,000
4.	Busega DC	9,113,608	3,154,692		5,958,916	-	-	-
5.	Butiama DC	23,544,512			23,544,512	7,178,287	-	7,178,287,300
6.	Chamwino DC	145,015,688	-		145,015,688	33,133,054	-	33,133,054
7.	Chemba DC	-	-		-	650,000,000	358,932,920	291,067,080
8.	Chunya DC	-	-		-	829,857,260	823,367,260	6,490,000
9.	Dodoma CC	13,657,000	5,366,797		8,290,203	-	-	-
10.	Geita TC	50,384,000	40,266,137		10,117,863	-	-	-
11.	Hanang' DC	450,293,326	448,282,326		2,011,000	703,783,000	655,611,000	48,172,000
12.	Handeni DC	252,288,000	214,238,954		38,049,046	1,000,000,000	982,618,155	17,381,845
13.	Handeni TC	8,683,990,886	8,670,876,528		13,114,359	750,000,000	689,114,811	60,885,189
14.	Igunga DC					733,702,376	723,488,475	127,033
15.	Ileje DC	1,099,538,710	1,088,501,514		11,037,196	220,000,000	-	220,000,000
16.	Iringa Dc					300,000,000	210,087,761	89,912,239
17.	Iringa MC	26,303,195,918	26,299,103,826		4,092,092	255,018,024	250,402,704	4,615,320
18.	Kakonko DC	103,518,518	90,448,580		13,069,938	151,916,000	142,518,986	9,397,014
19.	Kibaha DC	936,025,156	931,041,079		4,984,077	1,593,229,006	1,956,268,130	47,540,620
20.	Kibondo DC	-	-		-	162,934,584	-	162,934,584
21.	KIGOMA MC	1,677,610,089	1,665,067,779		12,542,310	-	-	-
22.	Kilindi D.C	238,071,575	219,833,278		18,238,297	550,000,000	85,419,917	464,580,083
23.	kisarawe DC	80,040,000	79,353,419		686,581	-	-	-
24.	Kishapu DC	1,511,009,574	1,500,749,230		10,260,344	-	-	-
25.	Kiteto DC	-	-		-	121,334,000	121,124,526	209,474
26.	Kondoa DC	115,912,066	69,704,697		46,207,369	-	-	-
27.	Korogwe Dc	171,690,987	153,750,696		17,940,291	-	-	-
28.	Korogwe TC	1,451,829,741	1,446,222,193		5,607,547	-	-	-
29.	Kyela DC	110,754,649	46,604,985		64,149,664	-	-	-
30.	Lushoto DC	3,025,352	-		3,025,352	150,000,000	149,892,680	107,314
31.	Mafia Dc	21,740,774	16,714,193		5,026,581	-	-	-
32.	Makete DC	16,983,446,339	16,981,375,249		2,071,090	-	-	-
33.	Masasi DC					916,004,922	772,485,890	143,519,032

S/N	Name of Council	Recurrent			Unspent/swapped	Development		
		Available	Spent			Available	Spent	Unspent/
34.	Mbarali DC	2,718,918,058	2,649,826,789		69,091,269	70,974,000	64,883,000	6,091,000
35.	Mbeya CC	45,903,476,015	45,889,581,258		13,894,757	-	-	-
36.	Mbeya DC	1,125,999,944	1,122,462,286		3,537,650	-	-	-
37.	Mbinga DC	23,366,418,269	23,359,026,256		7,392,013	-	-	-
38.	MBINGA TC	166,466,954	152,754,775		13,712,179	-	-	-
39.	Mbozi DC	3,614,075,328	3,601,788,211		12,287,117	-	-	-
40.	MBULU DC	56,878,000	47,006,000		9,872,000	-	-	-
41.	MBULU TC	614,155,657	486,396,060		127,759,598	-	-	-
42.	Mkinga DC	34,377,580	20,566,692		13,810,888	56,100,272	53,930,992	2,169,281
43.	MOMBA DC	969,886,100	968,426,559		1,284,294	46,350,000	45,915,000	2,135,417,000
44.	Moshi DC	217,274,100	89,429,387		127,844,713	-	-	-
45.	Mufindi DC	9,545,976	5,892,443		3,653,533	1,082,733,000	1,059,761,461	22,971,539
46.	Musoma DC	1,151,999,100	1,148,867,071		3,132,029	301,946,000	290,845,029	11,100,971
47.	Mwanga DC	1,639,005,892	1,500,171,740		138,834,152	-	-	-
48.	Nachingwea DC	70,010,624	68,980,136		1,030,488	150,000,000	147,264,804	2,735,196
49.	Nanyamba TC	652,386,696	614,963,946		37,422,749	-	-	-
50.	Newala TC	798,025,500	765,367,377		2,658,123	35,695,000	35,437,480	257,520
51.	Njombe TC					774,374,155	762,710,523	11,663,623
52.	Nyasa Dc					491,376,520	235,634,670	255,741,850
53.	Nzega DC	19,913,696,175	19,887,827,052		25,869,122	106,340,000	103,170,085	3,169,915
54.	Pangani Dc	799,172,594	645,134,020		154,038,574	-	-	-
55.	Rombo DC	25,621,044,220	25,611,375,779		9,668,441	-	-	-
56.	Rombo DC					-	-	-
57.	Rungwe DC	31,478,254,097	31,474,724,928		3,529,169	-	-	-
58.	Same DC	91,816,747	77,072,672		14,269,575	293,173,000	282,403,965	6,512,735
59.	Shinyanga DC	-	-		-	1,716,426,000	619,017,614	1,097,408,386
60.	Shinyanga MC	16,908,899,588	16,896,273,347		12,626,241	1,780,907,221	1,768,033,914	12,873,308
61.	Siha DC	1,153,075,683	1,137,199,288		15,876,396	755,761,394	735,622,567	20,138,827
62.	SIKONGE DC	853,328,845	819,430,845		33,898,000	-	-	-
63.	SINGIDA MC	-	-		-	180,000,000	95,488,525	84,511,475
64.	Songea Dc	361,556,000	359,341,830		2,214,170	-	-	-
65.	Songea MC	8,417,296	7,759,296		658,000	107,572,500	64,056,129	43,516,371
66.	Songwe DC	760,370,118	755,838,584		4,531,534	1,250,000,000	928,864,383	321,135,617
67.	Tanga CC	2,987,275,665	2,972,292,568		14,983,097	453,875,792	433,690,617	20,185,175

S/N	Name of Council	Recurrent			Unspent/swapped	Development		
		Available	Spent			Available	Spent	Unspent/
68.	Tarime TC	8,237,313	7,942,313		295,000	-	-	-
69.	TEMEKE MC	5,745,989,983	5,733,039,679		12,950,304	-	-	-
70.	Tunduma TC	11,973,388,584	11,970,225,806		3,162,778	100,000,000	84,316,091	15,683,909
71.	Tunduru DC	19,254,928	16,883,298		2,371,630	-	-	-
72.	Urambo DC	13,382,005	6,562,964		6,819,041	112,519,080	109,084,692	3,434,388
73.	Ushetu DC	-	-		-	759,668,000	748,846,260	10,821,740
74.	Uvinza DC	134,191,000	-		134,191,000	-	-	-
75.	UYUI DC	-	-		-	114,744,000	104,830,454	9,913,546
76.	Wanging'ombe DC	1,480,205,704	1,479,499,223		706,481	-	-	-
77.	Kilolo DC	1,985,515,673	1,984,144,057		1,371,617	32,495,789	-	32,495,789
78.	Liwale DC	36,165,627	29,834,705		6,330,922	81,135,000	80,249,918	885,082
79.	Masasi TC	10,333,279	10,056,548		276,731	38,322,647	13,440,106	24,882,540
80.	Kahama MC	24,399,968,080	24,280,223,586		119,744,494	-	-	-
	<b>Total</b>	<b>326,635,102,411</b>	<b>324,907,722,688</b>		<b>1,696,729,967</b>	<b>20,283,590,900</b>	<b>16,925,760,554</b>	<b>13,060,157,921</b>



## Appendix 9 - 1: Projects Implemented using Force Account

No.	Name of LGAs	No. of Projects	Amount (TZS)	No.	Name of LGAs	No of Projects	Amount (TZS)
1.	Arusha CC	71	4,706,447,283.99	69.	Sikonge DC	3	1,481,703,038.21
2.	Arusha DC	89	1,534,754,629.75	70.	Uyui DC	87	4,549,192,728.00
3.	Karatu DC	11	1,843,602,799.83	71.	Tabora MC	15	1,321,951,291.49
4.	Longido DC	11	937,790,000.00	72.	Urambo DC	18	1,881,618,192.23
5.	Meru DC	7	1,444,086,300.42	73.	Babati DC	58	4,079,821,000.00
6.	Monduli DC	66	2,011,080,062.45	74.	Babati TC	87	1,535,318,894.93
7.	Ngorongoro DC	61	2,963,417,144.17	75.	Hanang' DC	123	5,674,419,000.00
8.	Bagamoyo DC	43	1,396,516,000.00	76.	Kiteto DC	52	1,430,397,888.00
9.	Chalinze DC	98	45,927,898,075.58	77.	Mbulu DC	76	1,541,836,117.52
10.	Kibaha DC	27	1,545,226,114.12	78.	Mbulu TC	30	794,219,080.00
11.	Kibaha TC	2	456,653,704.00	79.	Simanjiro DC	6	230,000,000.00
12.	Kibiti DC	43	1,360,740,438.00	80.	Bunda TC		799,583,618.29
13.	Kisarawe DC	113	4,779,877,480.22	81.	Butiama DC	46	1,768,300,000.00
14.	Mafia DC	13	1,241,799,762.72	82.	Musoma DC		2,453,501,000.00
15.	Mkuranga DC	75	3,177,477,477.85	83.	Rorya DC	8	1,315,453,122.50
16.	Rufiji DC	81	2,008,745,223.20	84.	Serengeti DC	67	1,741,575,085.71
17.	Kinondoni MC	74	9,298,091,342.05	85.	Tarime DC	93	4,187,759,983.33
18.	Temeke MC	11	1,530,894,345.00	86.	Tarime TC	5	769,083,172.41
19.	Ubungo MC	159	18,607,620,389.12	87.	Busokelo DC	34	2,334,219,000.00
20.	Bahi DC		1,623,983,580.00	88.	Chunya DC	43	2,444,801,296.00
21.	Chamwino DC		5,236,459.67	89.	Kyela DC	51	1,112,723,948.99
22.	Chemba DC	4	358,932,920.00	90.	Mbarali DC	46	1,828,800,000.00
23.	Dodoma CC	38	1,471,499,077.40	91.	Mbeya CC	93	5,143,095,584.89
24.	Kondoa DC	40	982,811,906.03	92.	Mbeya DC	82	2,258,735,441.00
25.	Kondoa TC	18	545,131,180.00	93.	Rungwe DC	15	2,812,616,720.00
26.	Kongwa DC	47	2,006,415,102.67	94.	Masasi DC	22	6,078,344,523.92
27.	Mpwapwa DC	83	1,084,954,312.64	95.	Masasi TC	27	742,132,900.01
28.	Bukombe DC	25	411,464,904.93	96.	Mtwara DC	49	2,259,347,651.30
29.	Chato DC	16	18,714,766,916.88	97.	Nanyamba TC	21	1,286,126,956.00
30.	Geita TC	51	2,696,853,092.31	98.	Nanyumbu DC	72	1,815,807,963.88
31.	Mbogwe DC	60	2,167,516,430.00	99.	Newala TC	81	1,917,043,353.00
32.	Iringa DC	132	4,314,602,799.31	100.	Ludewa DC	8	2,695,794,530.90
33.	Iringa MC	56	1,021,060,978.00	101.	Makambako TC	7	2,806,453,253.00
34.	Kiloto DC	35	1,507,370,163.16	102.	Makete DC	8	1,084,154,587.00
35.	Mafinga TC	20	1,729,730,269.58	103.	Njombe DC	8	1,714,206,529.01



No.	Name of LGAs	No. of Projects	Amount (TZS)	No.	Name of LGAs	No of Projects	Amount (TZS)
36.	Mufindi DC	66	2,374,280,002.74	104.	Njombe TC	5	2,305,343,904.00
37.	Bukoba DC	84	2,437,507,024.06	105.	Wang'ing'ombe DC	6	1,170,923,599.75
38.	Kakonko DC	77	2,083,565,906.00	106.	Nkasi DC	10	1,619,279,375.00
39.	Kasulu DC	89	2,078,912,138.00	107.	Sumbawanga DC	9	1,048,110,843.46
40.	Kasulu TC	57	1,559,466,451.00	108.	Madaba DC	1	860,000,000.00
41.	Kibondo DC	33	886,304,000.00	109.	Mbinga DC	164	2,370,553,954.16
42.	Kigoma DC	27	1,200,513,438.27	110.	Mbinga TC	92	662,336,055.39
43.	Kigoma/Ujiji MC	54	1,643,791,308.00	111.	Namtumbo DC	52	2,372,892,447.99
44.	Uvinza DC	75	2,063,057,000.00	112.	Nyasa DC	59	1,887,367,166.00
45.	Hai DC	20	3,499,950,275.70	113.	Songea DC	57	4,360,327,100.01
46.	Moshi DC	96	1,695,514,587.00	114.	Songea MC	105	1,318,973,752.00
47.	Moshi MC	77	2,308,527,967.43	115.	Tunduru DC	44	561,112,257.81
48.	Mwanga DC	73	1,577,777,325.00	116.	Kahama MC	112	2,653,435,422.63
49.	Rombo DC	49	1,821,231,486.00	117.	Kishapu DC	83	3,063,484,665.00
50.	Same DC	133	8,160,268,691.37	118.	Bariadi DC	48	1,692,476,720.81
51.	Siha DC	7	2,324,164,230.70	119.	Bariadi TC	31	813,914,301.00
52.	Lindi MC	16	379,160,000.00	120.	Busega DC	10	1,486,310,706.16
53.	Liwale DC	67	2,517,573,386.79	121.	Itilima DC	90	3,047,435,868.00
54.	Bumbuli DC	3	1,051,932,371.56	122.	Maswa DC	75	2,724,933,561.18
55.	Handeni DC	17	2,889,300,000.00	123.	Meatu DC	90	1,871,085,000.00
56.	Handeni TC	47	2,889,300,000.00	124.	Ikungi DC	126	4,832,297,947.00
57.	Kilindi DC	4	724,788,488.54	125.	Iramba DC	27	762,818,889.93
58.	Korogwe DC	5	2,433,280,616.00	126.	Itigi DC	13	1,526,619,584.00
59.	Korogwe TC	53	1,772,900,000.00	127.	Manyoni DC	8	1,084,219,000.00
60.	Lushoto DC	4	1,081,112,726.09	128.	Mkalama DC	42	1,974,301,000.00
61.	Mkinga DC	7	2,049,206,333.00	129.	Singida DC	39	2,796,953,360.00
62.	Muheza DC	6	1,651,640,299.00	130.	Singida MC	38	1,471,499,077.40
63.	Pangani DC	17	318,746,477.00	131.	Ileje DC	66	1,858,028,338.83
64.	Tanga CC	98	1,903,024,447.00	132.	Mbozi DC	7	2,136,679,246.00
65.	Igunga DC	180	1,580,988,069.24	133.	Momba DC	31	663,410,674.00
66.	Kaliua DC	18	2,943,834,881.18	134.	Songwe DC	86	3,397,277,863.44
67.	Nzega DC	46	173,961,203.53	135.	Tunduma TC	11	89,700,000.00
68.	Nzega TC	42	1,089,721,172.00	Total			350,954,590,099.71

## Appendix 10 - 1: Under-release of fee- Free Education Grants

S/No.	Name of LGA	Required (TZS.)	Released (TZS.)	Under Released (TZS.)	S/N o.	Name of LGA	Required (TZS.)	Released A (TZS.)	Under Released (TZS.)
1.	Ngorogoro DC	230,946,000	223,262,135	7,683,865	57.	Mwanga DC	128,850,000	124,760,516	4,089,484
2.	Monduli DC	211,134,000	183,244,833	27,889,167	58.	Mosho MC	143,490,000	127,870,020	15,619,980
3.	Meru DC	278,964,000	270,035,247	8,928,753	59.	Mosho DC	380,994,000	357,897,877	23,096,123
4.	Karatu DC	298,710,000	279,230,174	19,479,826	60.	Hai DC	189,510,000	175,774,854	13,735,146
5.	Arusha DC	400,716,000	372,587,937	28,128,063	61.	Ruangwa DC	151,302,000	147,307,283	3,994,717
6.	Arusha MC	415,098,000	361,903,699	53,194,301	62.	Nachingwea DC	219,354,000	209,187,054	10,166,946
7.	Rufiji DC	190,938,000	163,926,591	27,011,409	63.	Liware DC	124,776,000	118,993,456	5,782,544
8.	Mkuranga DC	519,660,000	427,420,249	92,239,751	64.	Lindi MC	167,532,000	84,068,606	83,463,394
9.	Mafia DC	65,160,000	57,743,542	7,416,458	65.	Kilwa DC	318,312,000	283,897,070	34,414,930
10.	Kisarawe DC	166,164,000	151,701,406	14,462,594	66.	Simanjiro DC	252,264,000	215,083,908	37,180,092
11.	Kibiti DC	242,196,000	211,319,642	30,876,358	67.	Mbulu TC	158,286,000	152,380,858	5,905,142
12.	Kibaha TC	209,802,000	175,402,891	34,399,109	68.	Mbulu DC	245,118,000	241,304,822	3,813,178
13.	Kibaha DC	113,286,000	103,306,535	9,979,465	69.	Kiteto DC	307,152,000	289,933,327	17,218,673
14.	Chalinze DC	342,834,000	302,532,224	40,301,776	70.	Babati DC	458,862,000	430,121,799	28,740,201
15.	Ilala MC	1,283,292,000	995,121,313	288,170,687	71.	Tarime TC	173,262,000	142,332,897	30,929,103
16.	Kigamboni MC	718,116,000	173,339,736	544,776,264	72.	Tarime DC	546,600,000	508,384,203	38,215,797
17.	Kinondoni MC	511,848,000	411,257,215	100,590,785	73.	Serengeti DC	509,004,000	483,636,263	25,367,737
18.	Temeke MC	1,062,942,000	887,831,139	175,110,861	74.	Rorya DC	524,784,000	486,929,375	37,854,625
19.	Ubungo MC	577,344,000	476,885,099	100,458,901	75.	Musoma TC	204,438,000	187,861,173	16,576,827
20.	Mpwapwa DC	447,552,000	409,878,472	37,673,528	76.	Musoma DC	360,408,000	349,169,144	11,238,856
21.	Kondoa TC	86,520,000	79,714,159	6,805,841	77.	Butiama DC	421,992,000	394,052,684	27,939,316
22.	Kondoa DC	296,784,000	286,857,896	9,926,104	78.	Bundi DC	381,876,000	362,415,988	19,460,012
23.	Dodoma CC	581,220,000	501,971,561	79,248,439	79.	Bundi TC	267,264,000	246,879,308	20,384,692
24.	Chemba DC	372,570,000	341,992,737	30,577,263	80.	Rungwe DC	312,300,000	292,850,222	19,449,778
25.	Chamwino DC	486,282,000	448,681,656	37,600,344	81.	Mbeya CC	484,872,000	430,014,071	54,857,929
26.	Kongwa DC	541,836,000	467,582,338	74,253,662	82.	Mbeya DC	444,204,000	405,603,376	38,600,624
27.	Bahi DC	295,590,000	281,362,762	14,227,238	83.	Mbarati DC	392,574,000	371,169,518	21,404,482
28.	Nyaghwale DC	275,274,000	255,153,232	20,120,768	84.	Kyela DC	293,622,000	271,047,082	22,574,918
29.	Mbogwe DC	441,894,000	385,676,077	56,217,923	85.	Chunya DC	265,254,000	237,406,650	27,847,350
30.	Geita TC	408,342,000	348,559,125	59,782,875	86.	Busekeleo DC	122,172,000	115,732,109	6,439,891
31.	Geita DC	1,485,600,000	1,293,290,690	192,309,310	87.	Ulanga DC	212,880,000	203,334,835	9,545,165
32.	Chato DC	861,546,000	750,671,008	110,874,992	88.	Mvomero DC	475,008,000	443,102,210	31,905,790

S/No.	Name of LGA	Required (TZS.)	Released (TZS.)	Under Released (TZS.)	S/N o.	Name of LGA	Required (TZS.)	Released A (TZS.)	Under Released (TZS.)
33.	Bukombe DC	550,698,000	478,329,590	72,368,410	89.	Morogoro MC	369,870,000	321,477,889	48,392,111
34.	Mufindi DC	362,970,000	349,595,662	13,374,338	90.	Morogoro DC	428,100,000	391,563,012	36,536,988
35.	Mafinga TC	107,898,000	93,099,869	14,798,131	91.	Malinyi DC	179,010,000	172,987,611	6,022,389
36.	Kiloto DC	316,842,000	294,103,736	22,738,264	92.	Kilosa DC	626,328,000	563,330,584	62,997,416
37.	Iringa MC	168,090,000	155,009,397	13,080,603	93.	Ifakara TC	290,094,000	129,066,215	161,027,785
38.	Iringa DC	392,832,000	365,232,988	27,599,012	94.	Gairo DC	274,920,000	246,120,504	28,799,496
39.	Ngara DC	466,062,000	440,934,906	25,127,094	95.	Tandahimba DC	334,566,000	310,623,854	23,942,146
40.	Muleba DC	800,622,000	751,201,675	49,420,325	96.	Newala TC	117,210,000	109,520,797	7,689,203
41.	Misenyi DC	266,838,000	250,281,530	16,556,470	97.	Newala DC	138,390,000	130,504,472	7,885,528
42.	Kyerwa DC	476,040,000	442,452,515	33,587,485	98.	Nanyumbu DC	214,788,000	201,961,544	12,826,456
43.	Karagwe DC	429,882,000	399,399,033	30,482,967	99.	Nanyamba TC	138,744,000	133,004,064	5,739,936
44.	Bukoba MC	160,536,000	112,456,826	48,079,174	100.	Mtwara MC	125,088,000	112,803,991	12,284,009
45.	Bukoba DC	415,170,000	397,876,464	17,293,536	101.	Mtwara DC	180,708,000	112,803,991	67,904,009
46.	Biharamulo DC	539,046,000	467,071,509	71,974,491	102.	Masasi TC	131,700,000	120,064,710	11,635,290
47.	Uvinza DC	573,096,000	505,130,767	67,965,233	103.	Masasi DC	325,650,000	300,119,618	25,530,382
48.	Kigoma MC	275,886,000	246,884,268	29,001,732	104.	Ukerewe DC	575,874,000	553,530,597	22,343,403
49.	Kigoma DC	347,892,000	322,239,020	25,652,980	105.	Sengerema DC	600,288,000	553,699,221	46,588,779
50.	Kibondo DC	380,226,000	347,968,943	32,257,057	106.	Mwanga CC	624,210,000	530,587,917	93,622,083
51.	Kasulu TC	326,778,000	300,784,192	25,993,808	107.	Misungwi DC	614,682,000	549,597,708	65,084,292
52.	Kasulu DC	492,612,000	418,879,977	73,732,023	108.	Magu DC	554,826,000	511,781,466	43,044,534
53.	Kakonko DC	254,796,000	219,150,704	35,645,296	109.	Kwimba DC	633,270,000	604,925,970	28,344,030
54.	Buhigwe DC	360,000,000	332,703,580	27,296,420	110.	Ilemela DC	469,440,000	381,341,467	88,098,533
55.	Siha DC	123,444,000	112,985,824	10,458,176	111.	Buchosa DC	581,370,000	544,132,277	37,237,723
56.	Same DC	296,754,000	281,567,721	15,186,279	Total		23,305,170,000	20,164,784,010	3,140,385,990
<b>Secondary Schools</b>									
S/No.	Name of LGA	Approved Budget (TZS.)		Released Amount (TZS.)		Under-Released (TZS.)			
1.	Bariadi TC	866,313,000		716,669,762		149,643,238			
3.	Kaliua DC	208,970,146		164,121,136		44,849,010			
4.	Kongwa DC	463,580,000		377,932,709		85,647,291			
5.	Maswa DC	1,256,582,500		946,853,110		309,728,990			
6.	Mpimbwe DC	43,187,500		38,029,855		5,157,645			

S/No.	Name of LGA	Required (TZS.)	Released (TZS.)	Under Released (TZS.)	S/N o.	Name of LGA	Required (TZS.)	Released A (TZS.)	Under Released (TZS.)
7.	Nsimbo DC				313,710,000		241,768,408		71,941,592
8.	Nzega TC				54,126,732		44,913,936		9,212,796
10.	Bahi DC				216,937,500		163,582,752		53,354,748
11.	Iringa DC				610,997,500		456,465,665		154,531,835
12.	Mbulu TC				218,700,000		179,506,831		39,193,169
13.	Monduli DC				908,675,000		391,821,792		516,853,208
14.	Bukoba DC				283,500,000		229,704,000		53,796,000
15.	Bunda DC				150,050,000		129,444,277		20,605,723
16.	Butiama DC				311,580,000		218,280,000		93,300,000
18.	Mbeya CC				356,800,000		318,804,392		37,995,608
19.	Musoma DC				498,372,500		409,895,686		88,476,814
20.	Serengeti DC				242,112,000		133,161,600		108,950,400
21.	Tarime DC				190,062,500		161,673,356		28,389,143
22.	Malinyi DC				280,305,000		183,188,046		57,116,954
25.	Mtwara DC				493,435,000		384,096,807		109,338,193
<b>Total</b>					<b>7,967,996,878</b>		<b>5,889,914,120</b>		<b>2,038,082,357</b>

Source: Summary of Capital Grants for 2020/21

## Appendix 10 - 2: Shortage of Secondary and Primary School Teachers

S/No.	LGA	Required	Actual	Shortage	S/No.	LGA	Required	Actual	Shortage
1.	Ngorongoro DC	689	551	138	53.	Rorya DC	1503	1147	356
2.	Monduli DC	724	677	47	54.	Musoma TC	683	621	62
3.	Longido DC	474	412	62	55.	Musoma DC	1053	816	237
4.	Arusha DC	1424	1356	68	56.	Butiama DC	1201	903	298
5.	Arusha CC	1479	1422	57	57.	Bunda DC	1147	925	222
6.	Temeke MC	3427	3033	394	58.	Bunda TC	873	773	100
7.	Kinondoni MC	1840	1786	54	59.	Mbeya DC	1473	1339	134
8.	Kigamboni MC	2526	2429	97	60.	Mbarali DC	1233	1054	179
9.	Ilala MC	4122	3584	538	61.	Kyela DC	987	897	90
10.	Mpwapa DC	1313	1026	287	62.	Chunya DC	750	560	190
11.	Kondoa TC	300	283	17	63.	Ukerewe DC	1700	1349	351
12.	Kondoa DC	845	635	210	64.	Sengerema DC	1877	1591	286
13.	Dodoma CC	1926	1735	191	65.	Misungwi DC	1852	1506	346
14.	Chemba DC	1043	761	282	66.	Magu DC	1627	1281	346
15.	Chamwino DC	1399	1068	331	67.	Kwimba DC	1919	1573	346
16.	Kongwa DC	1510	1102	408	68.	Ilemela DC	1569	1453	116
17.	Bahi DC	827	608	219	69.	Buchosa DC	1643	1226	417
18.	Nyangwale DC	890	788	102	70.	Tandahimba DC	1089	972	117
19.	Mbogwe DC	1246	923	323	71.	Newala TC	375	326	49
20.	Geita TC	1221	985	236	72.	Newala DC	462	420	42
21.	Geita DC	4110	2957	1153	73.	Nanyumbu DC	686	591	95
22.	Chato DC	2395	1748	647	74.	Nanyamba TC	454	402	52
23.	Mufindi DC	1282	1221	61	75.	Mtwara Mikindani	450	437	13
24.	Mafinga TC	373	349	24	76.	Mtwara DC	604	554	50
25.	Iringa DC	1298	1169	129	77.	Masasi TC	314	374	-60
26.	Ngara DC	1403	1141	262	78.	Ulangi DC	667	565	102
27.	Muleba DC	2501	2138	363	79.	Mvomero DC	1575	1432	143
28.	Misenyi DC	848	737	111	80.	Morogoro DC	1309	1082	227
29.	Kyerwa DC	1372	1055	317	81.	Malinyi DC	522	405	117
30.	Biharamulo DC	1547	1181	366	82.	Kilosa DC	1841	1438	403
31.	Uvinza DC	1572	1115	457	83.	Mlimba DC	872	656	216
32.	Kigoma MC	917	834	83	84.	Ifakara TC	967	871	96
33.	Kigoma DC	1139	999	140	85.	Gairo DC	790	603	187

S/No.	LGA	Required	Actual	Shortage	S/No.	LGA	Required	Actual	Shortage
34.	Kibondo DC	1092	840	252	86.	Wangingombe DC	751	689	62
35.	Kasulu TC	1017	855	162	87.	Njombe DC	427	403	24
36.	Kasulu DC	1253	788	465	88.	Tunduru DC	1289	1015	274
37.	Kakonko DC	694	489	205	89.	Songea DC	559	474	85
38.	Buhigwe DC	1018	754	264	90.	Nyasa DC	749	614	135
39.	Nachingwea DC	800	784	16	91.	Namtumbo DC	999	876	123
40.	Liwale DC	411	367	44	92.	Mbinga TC	580	504	76
41.	Lindi MC	526	446	80	93.	Mbinga DC	1040	832	208
42.	Mtama DC	531	474	57	94.	Madaba DC	219	203	16
43.	Kilwa DC	930	721	209	95.	Rufiji DC	548	415	133
44.	Simanjiro DC	750	605	145	96.	Kibiti DC	723	578	145
45.	Mbulu TC	570	553	17	97.	Chalinze DC	1071	915	156
46.	Mbulu DC	867	834	33	98.	Ushetu DC	1377	1005	372
47.	Kiteto DC	963	770	193	99.	Shinyanga MC	744	610	134
48.	Hanang DC	1363	1196	167	100.	Shinyanga DC	1546	1227	319
49.	Babati DC	1553	1425	128	101.	Msalala DC	1260	977	283
50.	Tarime TC	605	576	29	102.	Kishapu DC	1229	904	325
51.	Tarime DC	1547	1163	384	103.	Kahama MC	1406	1057	349
52.	Serengeti DC	1478	1155	323	Total		120,534	100,043	20,491

**Source: Council Primary Education Report for 2020/21**

## Appendix 11 - 1: Constructed Health Facilities Not Completed on Time and Within the Planned Cost

SN.	Name of LGA	Value (TZS)
1.	Chamwino DC	4,430,721,498
2.	Tandahimba DC	4,237,000,000
3.	Nyang'hwale DC	2,571,611,975
4.	Kongwa DC	2,300,000,000
5.	Mlele DC	2,125,413,093
6.	Msalala DC	1,757,161,010
7.	Chemba DC	1,545,000,000
8.	Iringa DC	1,301,498,864
9.	Busega DC	1,174,806,000
10.	Njombe DC	1,116,405,830
11.	Musoma DC	1,050,000,000
12.	Kakonko DC	1,000,000,000
13.	Songea DC	963,000,000
14.	Wang'ing'ombe DC	850,000,000
15.	Buchosa DC	500,000,000
16.	Singida DC	500,000,000
17.	Sikonge DC	500,000,000
18.	Iramba DC	464,385,119
19.	Mpanda DC	425,000,000
20.	Iringa MC	400,000,000
21.	Manyoni DC	400,000,000
22.	Maswa DC	390,000,000
23.	Geita TC	330,000,000
24.	Kaliua DC	283,896,350
25.	Chato DC	230,300,000
26.	Bariadi TC	220,000,000
27.	Kinondoni MC	203,415,858
28.	Bunda DC	200,000,000
29.	Lindi Mtama DC	150,000,000
30.	Kilindi DC	150,000,000
31.	Korogwe TC	135,000,000
32.	Moshi DC	120,816,400
33.	Ngorongoro DC	108,000,000
34.	Meru DC	100,000,000
35.	Mwanga DC	100,000,000
36.	Mbulu DC	75,000,000
37.	Kyerwa DC	60,000,000
38.	Bukoba DC	50,000,000
39.	Kibondo DC	50,000,000
40.	Kondoa TC	43,010,000
41.	Njombe TC	35,931,250
<b>Total</b>		<b>32,647,373,247</b>

## Appendix 11 - 2: List of LGAs with Expired Drugs Not Disposed-off

SN.	LGA	Amount (TZS)
1.	Mpanda MC	397,437,763
2.	Maswa DC	295,562,033
3.	Mpimbwe DC	273,528,944
4.	Korogwe TC	248,952,632
5.	Masasi DC	188,411,852
6.	Njombe TC	178,188,950
7.	DSM CC New	157,526,564
8.	Musoma MC	135,189,807
9.	Tanga CC	119,955,641
10.	Newala TC	119,705,302
11.	Kilolo DC	116,485,460
12.	Mtwara DC	97,149,530
13.	Namtumbo DC	85,255,822
14.	Mwanza CC	84,865,617
15.	Kibondo DC	83,602,240
16.	Lushoto DC	82,908,015
17.	Tandahimba DC	76,610,581
18.	Makete DC	74,032,677
19.	Singida MC	64,620,576
20.	Missenyi DC	62,613,788
21.	Uyui DC	56,105,280
22.	Kibaha DC	55,412,721
23.	Simanjiro DC	47,816,473
24.	Ludewa DC	47,072,104
25.	Mpanda DC	40,516,568
26.	Temeke MC	35,787,037
27.	Tarime TC	33,952,200
28.	Longido DC	32,222,990
29.	Nsimbo DC	27,253,725
30.	Bagamoyo DC	21,352,133
31.	Kondoa DC	20,841,140
32.	Dodoma CC	18,464,055
33.	Karagwe DC	16,090,077
34.	Karatu DC	15,497,554
35.	Nyasa DC	14,545,460
36.	Nanyumbu DC	12,565,600
37.	Bariadi TC	9,544,853
38.	Mkalama DC	7,557,328
39.	Iramba DC	7,468,390
40.	Handeni TC	5,448,159
41.	Monduli DC	5,361,449
42.	Kaliua DC	5,343,421
43.	Ileje DC	4,393,586
44.	Korogwe DC	2,493,163
45.	Ifakara TC	2,358,419
46.	Kyerwa DC	2,239,181
<b>Total</b>		<b>3,490,306,860</b>



### Appendix 11 - 3: LGAs with Rejected and Un-Refunded Amounts from NHIF

No.	Name of LGA	Amount (TZS)	No.	Name of LGA	Amount (TZS)
1.	Same DC	143,480,552	57.	Kibaha TC	15,330,672
2.	Temeke MC	108,489,838	58.	Korogwe TC	15,298,645
3.	Kigamboni MC	68,645,907	59.	Kilosa DC	15,283,387
4.	Chalinze DC	62,209,637	60.	Rorya DC	15,251,500
5.	Nsimbo DC	57,905,742	61.	Ukerewe DC	15,215,917
6.	Hanang DC	55,386,607	62.	Mbarali DC	14,422,895
7.	Handeni TC	54,811,345	63.	Urambo DC	13,932,795
8.	Musoma MC	49,069,042	64.	Nyanghw'ale DC	13,684,370
9.	Kilwa DC	45,212,284	65.	Meatu DC	13,620,867
10.	Kibondo DC	41,507,705	66.	Mpanda MC	13,476,670
11.	Kibaha DC	39,926,338	67.	Nzega DC	13,399,090
12.	Ngara DC	39,193,998	68.	Mwanga DC	13,187,942
13.	Magu DC	38,411,960	69.	Nzega TC	12,982,065
14.	Liwale DC	36,836,695	70.	Ileje DC	12,498,319
15.	Biharamulo DC	34,904,665	71.	Maswa DC	12,222,780
16.	Nanyumbu DC	34,397,314	72.	Kiteto DC	11,345,702
17.	Busega DC	33,482,321	73.	Sumbawanga MC	11,150,470
18.	Dar es Salaam CC	31,720,735	74.	Tunduru DC	11,026,630
19.	Mtwara MC	31,510,156	75.	Ulanga DC	10,914,569
20.	Arusha CC	30,867,250	76.	Kilindi DC	10,148,684
21.	Muleba DC	30,777,016	77.	Itilima DC	10,055,495
22.	Mbeya DC	30,329,590	78.	Mbeya CC	9,875,708
23.	Bunda DC	29,913,452	79.	Bukoba MC	9,692,835
24.	Chato DC	29,139,756	80.	Ikungi DC	8,914,953
25.	Missenyi DC	28,289,785	81.	Itigi DC	8,871,706
26.	Rombo DC	28,134,650	82.	Karagwe DC	8,662,320
27.	Karatu DC	27,891,285	83.	Iringa DC	8,067,088
28.	Bariadi TC	27,515,545	84.	Geita DC	8,052,975
29.	Buhigwe DC	26,857,869	85.	Songea MC	8,035,974
30.	Mwanza CC	26,393,065	86.	Kigoma/Ujiji MC	7,920,966
31.	Siha DC	25,824,004	87.	Buchosa DC	7,625,010
32.	Newala DC	25,499,665	88.	Monduli DC	7,445,675
33.	Kwimba DC	25,308,643	89.	Tabora MC	7,439,275
34.	Nachingwea DC	25,283,025	90.	Simanjiro DC	7,326,550
35.	Kinondoni MC	23,195,490	91.	Handeni DC	7,048,424
36.	Kyerwa DC	22,597,972	92.	Sikonge DC	6,992,290
37.	Arusha DC	22,206,820	93.	Newala TC	6,970,770
38.	Mbogwe DC	21,915,452	94.	Bumbuli DC	6,844,660
39.	Tarime DC	21,815,251	95.	Tarime TC	6,726,560
40.	Moshi DC	21,716,695	96.	Mtama DC	6,712,679
41.	Kakonko DC	21,153,655	97.	Moshi MC	6,597,098
42.	Mpanda DC	20,789,484	98.	Iramba DC	6,577,935
43.	Lindi MC	20,638,367	99.	Uyui DC	6,429,265
44.	Msalala DC	19,790,815	100.	Singida MC	6,154,920
45.	Busokelo DC	19,004,171	101.	Mlimba DC	6,047,891
46.	Chunya DC	18,893,270	102.	Bukoba DC	5,988,231
47.	Mlele DC	18,338,224	103.	Kalambo DC	5,200,079
48.	Manyoni DC	18,314,393	104.	Mkalama DC	4,960,036
49.	Kasulu TC	18,219,490	105.	Musoma DC	4,885,055
50.	Kasulu DC	17,976,723	106.	Bunda TC	3,604,793
51.	Namtumbo DC	17,619,165	107.	Malinyi DC	3,328,085
52.	Tanga CC	17,009,935	108.	Longido DC	3,170,540
53.	Bariadi DC	16,584,110	109.	Masasi TC	3,141,745

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No.	Name of LGA	Amount (TZS)	No.	Name of LGA	Amount (TZS)
54.	Kaliua DC	16,539,341	110.	Uvinza DC	2,936,820
55.	Kishapu Dc	16,446,915	111.	Mpimbwe DC	2,374,170
56.	Igunga DC	15,476,998		<b>Total</b>	<b>2,346,442,722</b>



## Appendix 12 - 1: List of LGAs with Unrecovered Loans

SN.	LGAs	Amount (TZS)	SN.	LGAs	Amount (TZS)	SN.	LGAs	Amount (TZS)
1	DSM CC New	4,826,674,270	51	Ifakara TC	296,703,281	101	Newala DC	90,941,400
2	Chalinze DC	2,048,855,973	52	Mtwara/Mikindani MC	288,667,450	102	Newala TC	90,246,800
3	Geita TC	2,031,823,200	53	Karagwe DC	285,597,296	103	Ngorongoro DC	90,000,000
4	Mwanza CC	2,020,565,670	54	Iringa MC	276,612,550	104	Wang'ing'ombe DC	87,721,433
5	Arusha CC	1,247,591,973	55	Ubugungu MC	273,720,200	105	Uyui DC	86,893,500
6	Kailua DC	1,187,583,750	56	Misingwi DC	266,084,262	106	Tandahimba DC	84,855,000
7	Tarime DC	1,181,048,586	57	Arusha DC	252,258,050	107	Shinyanga DC	83,907,100
8	Temeke MC	1,040,635,326	58	Njombe DC	249,448,000	108	Kiloto DC	79,062,450
9	Mkuranga DC	990,418,860	59	Nsimbo DC	244,971,300	109	Mkinga DC	72,782,160
10	Kibaha TC	956,245,840	60	Mbeya CC	236,195,191	110	Mbinga TC	72,407,256
11	Kilwa DC	860,613,989	61	Tunduru DC	235,028,190	111	Kigoma/Ujiji	71,760,500
12	Kahama MC	755,532,250	62	Kongwa DC	234,239,000	112	Sengerema DC	71,074,000
13	Songwe DC	706,317,600	63	Bukoba DC	230,024,500	113	Busega DC	70,206,850
14	Karatu DC	669,105,550	64	Ukerewe DC	222,973,797	114	Nyasa DC	67,504,492
15	Songea MC	664,365,763	65	Ikungi DC	220,352,800	115	Muleba DC	59,987,400
16	Chunya DC	658,876,638	66	Lindi MC	218,439,067	116	Tarime TC	59,384,363
17	Mpanda DC	570,466,488	67	Manyoni DC	217,530,708	117	Bahi DC	58,285,312
18	Monduli DC	568,445,650	68	Sumbawanga MC	204,337,802	118	Kigoma DC	56,103,000
19	Mbeya DC	547,053,450	69	Nzega DC	187,933,500	119	Korogwe DC	53,809,500
20	Siha DC	506,978,100	70	Moshi MC	186,995,789	120	Busokelo DC	51,415,600
21	Bukoba MC	502,175,400	71	Babati DC	181,878,360	121	Bukombe DC	49,356,300
22	Liwale DC	495,898,695	72	Handeni DC	180,657,140	122	Bariadi DC	48,826,810
23	Urambo DC	488,874,728	73	Muheza DC	180,034,453	123	Missenyi DC	46,998,288
24	Mpimbwe DC	484,123,400	74	Matinyi DC	178,601,750	124	Hai DC	46,777,476
25	Nzega TC	480,367,050	75	Mafia DC	165,794,400	125	Bunda DC	42,910,341
26	Hanang' DC	471,752,339	76	Mlele DC	160,052,200	126	Meru DC	42,500,000
27	Igunga DC	464,417,360	77	Nanyamba TC	154,285,300	127	Masasi DC	42,234,100
28	Rungwe DC	462,753,700	78	Mafinga TC	150,468,275	128	Itigi DC	41,457,200
29	Tunduma TC	454,509,538	79	Nkasi DC	144,269,210	129	Bumbuli DC	39,626,000
30	Tanga CC	449,126,774	80	Kyerwa DC	140,720,800	130	Rombo DC	36,010,200
31	Kyela DC	448,642,100	81	Ushetu DC	136,931,450	131	Handeni TC	32,148,250
32	Ludewa DC	410,000,000	82	Bunda TC	136,167,300	132	Nyang'hwale DC	30,583,827
33	Musoma DC	406,814,453	83	Rorya DC	135,758,000	133	Mbulu TC	29,384,100
34	Kiteto DC	393,190,212	84	Kakonko DC	135,663,000	134	Morogoro DC	28,763,800
35	Mbarali DC	391,906,523	85	Geita DC	134,580,000	135	Iringa DC	26,419,000
36	Mufindi DC	388,299,000	86	Maswa DC	128,674,512	136	Masasi TC	25,723,000
37	Kwimba DC	383,704,209	87	Korogwe TC	126,062,265	137	Meatu DC	25,402,875
38	Uvinza DC	368,490,400	88	Rufiji DC	123,218,000	138	Iramba DC	20,194,500

SN.	LGAs	Amount (TZS)	SN.	LGAs	Amount (TZS)	SN.	LGAs	Amount (TZS)
39	Shinyanga MC	364,174,469	89	Kalambo DC	106,723,800	139	Mbogwe DC	20,092,333
40	Kibaha DC	351,112,500	90	Mwanga DC	105,494,000	140	Itilima DC	19,304,900
41	Mpanda MC	343,385,950	91	Simanjiro DC	104,170,041	141	Chemba DC	18,638,000
42	Babati TC	342,678,150	92	Songea DC	102,382,000	142	Kishapu DC	17,859,400
43	Mtwara DC	335,018,592	93	Msalata DC	101,104,650	143	Mkalama DC	16,986,850
44	Mbinga DC	331,593,391	94	Ulanga DC	100,928,764	144	Gairo DC	16,945,191
45	Kilosa DC	325,117,047	95	Kilindi DC	100,377,500	145	Butiama DC	16,900,000
46	Sumbawanga DC	310,594,100	96	Longido DC	99,888,500	146	Ngara DC	16,860,680
47	Kisarawe DC	309,591,000	97	Tabora MC	98,953,650	147	Singida DC	16,678,118
48	Moshi DC	308,287,000	98	Namtumbo DC	94,216,000	148	Singida MC	16,092,400
49	Sikonge DC	306,373,900	99	Njombe TC	93,725,800	149	Chato DC	14,810,000
50	Mbulu DC	304,076,000	100	Mvomero DC	93,126,696	150	Madaba DC	14,739,000
						151	Kibondo DC	14,706,500
						152	Kondoa TC	12,318,000
						153	Ileje DC	8,535,000
						154	Kasulu TC	6,981,250
						155	Makete DC	4,645,000
						Total		47,006,024,260



## Appendix 12 - 2: LGAs with Partial Contribution 10% of Own Sources Revenue

SN.	LGAs	Amount (TZS)	SN.	LGAs	Amount (TZS)
1	Mbeya CC	467,793,954	41	Arusha DC	58,043,148
2	Mpanda DC	360,266,839	42	Rombo DC	56,773,952
3	Singida MC	296,718,911	43	Kishapu DC	56,409,141
4	Karatu DC	274,614,488	44	Mpwapwa DC	56,406,301
5	Tanga CC	254,057,582	45	Tarime TC	56,389,990
6	Korogwe DC	243,584,777	46	Handeni DC	55,299,405
7	Meatu DC	214,849,508	47	Mbozi DC	51,959,756
8	Chalinze DC	197,720,774	48	Lindi Mtama DC	49,329,342
9	Sumbawanga MC	186,951,757	49	Kilolo DC	48,227,600
10	Songea MC	184,012,738	50	Manyoni DC	47,735,176
11	Busega DC	169,217,436	51	Lushoto DC	40,812,166
12	Momba DC	167,239,446	52	Nsimbo DC	39,660,458
13	Bariadi DC	153,939,096	53	Nachingwea DC	38,638,375
14	Tunduma TC	142,923,975	54	Moshi DC	38,015,421
15	Bahi DC	135,608,499	55	Makete DC	37,329,814
16	Babati TC	127,583,031	56	Tarime DC	37,253,786
17	Monduli DC	120,749,559	57	Maswa DC	32,808,471
18	Sumbawanga DC	118,048,166	58	Mbogwe DC	29,549,600
19	Lindi MC	114,150,648	59	Kondoa DC	27,390,118
20	Masasi DC	109,224,076	60	Shinyanga DC	27,382,577
21	Masasi TC	108,182,944	61	Musoma DC	26,765,305
22	Bariadi TC	105,958,265	62	Mvomero DC	26,087,458
23	Handeni TC	100,288,233	63	Kilindi DC	25,680,388
24	Kigoma/Ujiji	98,975,228	64	Hai DC	24,501,883
25	Nkasi NC	97,151,497	65	Musoma MC	24,383,146
26	Tandahimba DC	90,399,115	66	Bumbuli DC	23,800,000
27	Songea DC	87,034,981	67	Babati DC	19,516,528
28	Kalambo DC	85,382,466	68	Buhigwe DC	17,514,674
29	Chemba DC	85,200,394	69	Geita TC	16,401,422
30	Itilima DC	81,294,782	70	Korogwe TC	16,008,787
31	Mpanda MC	77,071,249	71	Moshi MC	15,470,116
32	Makambako TC	75,904,860	72	Namtumbo DC	14,877,249
33	Kiteto DC	69,545,290	73	Ludewa DC	14,554,448
34	Wanging'ombe DC	67,091,071	74	Ushetu DC	12,057,535

SN.	LGAs	Amount (TZS)	SN.	LGAs	Amount (TZS)
35	Ifakara TC	64,971,949	75	Mbinga TC	9,955,966
36	Sengerema DC	63,715,961	76	Mkinga DC	9,947,663
37	Iringa MC	62,014,100	77	Nyasa DC	8,911,484
38	Chunya DC	61,398,603	78	Itigi DC	6,201,706
39	Chamwino DC	59,861,300	79	Nyang'hwale DC	6,157,530
40	Serengeti DC	59,343,839	80	Newala DC	4,364,236
			81	Gairo DC	4,192,305
			82	Kibaha DC	2,740,717
			83	Mbulu TC	1,760,124
				<b>Total</b>	<b>6,857,306,654</b>



## Appendix 14 - 1: Investment in Local Government Loans board

S/N	Name of LGA	Amount (TZS)
1.	Dar es Salaam CC	942,210,590
2.	Kinondoni MC	636,221,000
3.	Temeke MC	339,217,600
4.	Mwanza CC	187,669,804
5.	Mbozi DC	93,691,192
6.	Mbeya CC	86,004,420
7.	Mbeya CC	86,004,420
8.	Kigamboni MC	85,609,000
9.	Masasi DC	79,760,550
10.	Shinyanga MC	77,084,800
11.	Chunya DC	76,553,000
12.	Ushetu DC	76,032,700
13.	Karagwe DC	71,482,000
14.	Newala DC	71,326,000
15.	Mtama DC	65,890,000
16.	Mbinga DC	60,452,300
17.	Rufiji DC	54,630,000
18.	Mbarali DC	54,500,000
19.	Tunduru DC	54,277,000
20.	Mbeya DC	54,243,641
21.	Njombe TC	53,123,300
22.	Musoma DC	51,754,000
23.	Mtwara MC	46,696,000
24.	Mbinga TC	46,353,782
25.	Mafinga TC	44,996,000
26.	Mufindi DC	44,996,000
27.	Biharamulo DC	44,936,000
28.	Singida DC	44,040,000
29.	Sengerema DC	42,679,400
30.	Kilolo DC	42,005,000
31.	Songea MC	41,573,000
32.	Mbogwe DC	41,143,000
33.	Serengeti DC	39,662,200
34.	Shinyanga DC	39,529,350
35.	Kyela DC	37,936,000
36.	Bukoba MC	37,635,000
37.	Makambako TC	36,397,350
38.	Butiama DC	36,000,000
39.	Kyerwa DC	36,000,000
40.	Tunduma TC	36,000,000
41.	Kilosa DC	35,129,000
42.	Rungwe DC	32,441,057
43.	Missenyi DC	31,985,714
44.	Bagamoyo DC	30,691,000
45.	Nkasi DC	30,049,000
46.	Babati TC	29,966,050
47.	Ludewa DC	29,811,000
48.	Babati DC	27,932,000
49.	Ulanga DC	27,192,000
50.	Rombo DC	26,381,000
51.	Hanang DC	26,108,600
52.	Sumbawanga DC	25,672,900
53.	Tarime DC	24,371,743
54.	Bunda DC	24,300,000
55.	Simanjiro DC	24,111,000

S/N	Name of LGA	Amount (TZS)
56.	Ngara DC	23,834,250
57.	Liwale DC	22,110,000
58.	Lindi MC	21,654,000
59.	Songea DC	21,181,300
60.	Nyasa DC	20,000,000
61.	Hai DC	19,920,800
62.	Sumbawanga MC	19,892,000
63.	Bukoba DC	19,890,000
64.	Bukoba DC	19,890,000
65.	Wanging'ombe DC	19,064,017
66.	Ileje DC	18,189,000
67.	Songwe DC	16,000,000
68.	Mkinga DC	15,654,000
69.	Namtumbo DC	15,181,000
70.	Handeni TC	14,500,000
71.	Mpanda DC	10,596,660
72.	Pangani DC	9,983,849
73.	Masasi TC	9,000,000
74.	Uvinza DC	9,000,000
75.	Mbulu TC	7,121,000
76.	Mlele DC	7,064,000
77.	Mafia DC	6,291,000
78.	Mpimbwe DC	5,298,000
79.	Momba DC	5,000,000
80.	Tarime TC	3,000,000
81.	Mkalama DC	2,000,000
	<b>Total</b>	<b>4,883,772,339</b>

