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59960

FINANCIAL MANAGEMENT WORKSHOP

REVENUE GENERATION

TRAINER MATERIALS

DETAILED OUTLINE OF WORKSHOP CONTENT

prepared by

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for the

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DETAILED OUTLINE OF WORKSHOP CONTENT

SUNDAY AFTERNOON AND EVENING

- 75m A. OPENING CEREMONIES
1. Welcoming Remarks
2. Introductions and Approaches
- a. Introductions
Staff and participants
- b. Schema for Entire Workshop Series
- (1) Financial Management - Planning and Budgeting
- (2) Financial Management - Revenue Generation
- (3) Financial Management - Expenditure Management and Control
- (4) Financial Management - Planning, Organizing, Staffing, Leading, and Controlling
3. Workshop Goals
- a. To impart new knowledge regarding identification of revenue sources, determination of revenues potentially due, collection of revenues, reporting of revenues, and management and administration of the revenue generation process.
- b. To develop new skills regarding the above listed aspects of revenue generation responsibilities -- especially (1) to accomplish problem-solving in the financial management area and (2) to provide improved management to this function.
- c. To develop attitudes and increase motivation so as to lead to identification of new revenue sources, improved schedules of charges, more comprehensive and accurate billing of revenues due, more effective collections, better controls, improved reporting, and prompt corrective actions.

5:00-
6:15

4. Workshop Materials and Program

- a. Refer to Item #1: "Overall Program"
- b. Refer to Item # 2: "List of Workshop Materials".

Extensive use will be made of graphic and tabular handouts that illustrate the substantive concepts to be provided in this workshop. Participants will frequently be asked to engage in small group exercises. They will have the experience of analyzing and developing solutions to problems and issues in management and control of expenditures over the five-day workshop period. Central government officials participating in the workshop will be drawn on as experts in their respective fields.

5. Workshop Schedule

Sunday Afternoon and Evening

5:00 p.m. - 6:15 p.m. Opening Session
7:00 p.m. - 9:00 p.m. Opening Dinner

Monday - Friday

8:00 a.m. - 10:30 a.m. Workshop Session
10:30 a.m. - 10:45 a.m. Morning Break
10:45 a.m. - 12:45 a.m. Workshop Session
12:45 a.m. - 2:00 p.m. Luncheon Break
2:00 p.m. - 3:30 p.m. Workshop Session
3:30 p.m. - 3:45 p.m. Afternoon Break
3:45 p.m. - 5:00 p.m. Workshop Session *

*Sessions may run to 5:30 p.m. if necessary

Friday Evening

7:00 p.m. - 9:00 p.m. Closing Dinner

6. Workshop Logistics

Remarks as appropriate

120m B. OPENING DINNER

MAKE EVENING READING ASSIGNMENT: Item #s 4 through 15, except for #10, plus Appendices A, B, C and D

7:00-
9:00

MONDAY MORNING (285 minutes, including a 15 minute break, are programmed out of 285 minutes.)

5m Call group to order.

8:00-
8:05

WORKSHOP EXERCISE ON REPORTS ON PROGRESS MADE IN APPLYING CONCEPTS FROM THE PLANNING AND BUDGETING WORKSHOP.

We'd like to begin the day by asking local authority and central government teams to report on progress and results achieved in application of concepts and approaches presented in the most recent Financial Management Workshop on Planning and Budgeting.

Refer to Item #3: Workshop Exercise - Report on Progress Made in Applying Concepts from the Planning and Budgeting Workshop.

At the most recent workshop on Planning and Budgeting, participants were asked to develop back-home plans for their local authorities and for the central government. These plans were to incorporate and reflect the concepts presented in that workshop. Local authority teams may now choose one of two approaches for this present workshop exercise.

- o Teams may report on progress in implementing those back-home plans developed on the last day of that workshop.
- o Alternatively, teams may complete the format provided in Item #3.

Central government participants should also develop a report on the back-home plan that they developed on the last day of the previous workshop.

5m The workshop leader should review briefly the major concepts presented in the Planning and Budgeting workshop.*

8:05-
8:20

10m Then the leader should ask each local authority team and the central government team to meet and prepare their reports.

8:20-
9:20

15m Ask a representative of each team to report to the participants on progress made since the Planning and Budgeting workshop in applying the concepts set forth in that workshop.

9:20-
10:45

5m MORNING BREAK

10:45-
11:00

* It will help the leader, in presenting this review, to note that the major concepts from the Planning and Budgeting Workshop are more or less identified in questions #2 through #8 on pages 2, 3, and 4 of participants' Item #3.

SUBSTANTIVE PROGRAM ON REVENUE GENERATION

Now we want to turn to the subject of the present workshop: the generation of revenue.

A. RELATIONSHIP OF REVENUE GENERATION TO FINANCIAL MANAGEMENT TO PUBLIC FINANCE

But first we'd like to put (1) revenue generation into the overall context of the job of the financial manager and (2) the work of the financial manager into the context of the local authority's overall concern with sound public finances.

30m

1. Importance of Sound Public Finance at the Level of Local Authorities

11:00-
11:30

Let's start with public finance, which is extremely important to a local government.

Query: From the point of view of an economist or a political scientist, how might we define "public finance"?

Answer: The economist will say that public finance is the name given to the economic side of the total activity of a local authority. The political scientist will say that a local government is formed to provide for the needs of a given local population.

Query: What are examples of things that (1) the central government does for the wananchi, (2) the local authority does for the wananchi, and (3) the wananchi do for themselves?

Answer: Leader to make lists of responses in the above three categories.

Query: Ask what political and economic principle determines (1) what should be done at the local government level as distinguished from (2) what is done by the central government and (3) what by the wananchi themselves?

Answer: The wananchi should do for themselves those things they can do best. The central government should do those things it can do best. And those things that can best be provided through common action at the local level should comprise the responsibilities of the local authority.

Refer to Item #4: "Public Finance at the Local Level"

As Item #4 suggests, these needs and service areas include infrastructure such as roads and major services such as water and electricity. They include facilities such as markets and slaughterhouses. They include safety and security in the form of askari and fire forces. They also include education, health, and many others.

On the one hand, as Item #4 indicates, carrying out these activities causes the expenditures of the local authority. On the other hand, to provide for these needs requires an inflow of money.

Query: Where does this money come from?

Answer: As also shown in Item #4, the revenue comes from:

- o the citizens themselves through charges for services rendered;
- o also from the citizens, fees, licenses, and taxes;
- o borrowings from the central government and other sources;
- o limited grants from the central government; and
- o grants from outside agencies, sometimes foreign national or international.

The two boxes near the right side of Item #4 show (1) the total expenditures made to meet the needs of the wananchi and (2) the total revenues that must be raised and managed to pay for meeting these needs. The final box indicates that the financial health -- indeed, the very existence -- of the local authority depends on the matching, both short-range and long-range, of these expenditures and revenues. And this is what sound public finance is all about.

Refer to Item #5: "How the Local Financial Manager Looks on Public Finance".

Item #5 looks at public finance in a different way -- i.e., from the point of view of the finance committee, clerk and treasurer -- more like an income and expenditure statement.

As you can see, it is still the needs of the community and the services provided to meet these needs that are responsible indirectly and directly for all revenue and expenditures.

However, in this exhibit, primary emphasis is put on balancing revenue and expenditures so as to yield satisfactory operating and overall results.

The leader should review the content of Item #5 with the participants.

Discussion.

25m 2. Excellent Financial Management as the Key to Sound Public Finance

11:30-
11:55

Query: From the point of view of management and staffing of the local authority, on what does sound public finance depend?

Answer: Leader to note responses. But the answer sought is as follows:

- o sound public finance depends on excellent financial management, and
- o this depends, in turn, on the management work of specialized personnel -- i.e., in the local authority, on the work of the treasurer and his staff

Query: Why does sound financial management depend on the work of specialized personnel trained in financial management?

Answer: The answer is as follows.

- o Operating department heads are, of course, responsible in their individual areas for bringing in the various revenues and for expenditures.
- o However, it is only the professional financial manager, i.e., the treasurer, who is able to oversee and balance the overall picture of expenditures and income.

We do not mean to overlook the important roles of department heads and section heads. These persons must also accept the responsibility to be the financial managers both of the resources entrusted to their control and of the expenditures made with these resources.

But it is the overall financial manager, the treasurer, who in public finance matters is always at the right hand of both (1) the chief administrator, i.e. the clerk, and (2) higher-level authority, i.e., the council and its finance committee.

Discussion

Refer to Item # 6: "Case Study - Revenue, Expenditures and Balances by Department".*

This point, that individual department heads cannot see the entire pattern of local authority financing and that a specialized financial manager, i.e., the treasurer, is required to perform this function, is illustrated in Item #6.

The leader should review Item #6 with the participants.

The point of this case study, Item #6, is to illustrate that local authorities cannot leave to operating department heads the management of local authority finances. This is the case because some individual department heads are expected to achieve large surpluses while others are expected to incur large deficits. Therefore, one must look to specialized personnel, the treasurer and his staff, and, in the sense of overall coordination, the clerk, to oversee the overall financial situation of the local authority.

Discussion (with comments related to participants' local authorities).

* In these case studies:

City Council A is Nairobi
Municipal Council B is Kisumu
Municipal Council C is Eldoret
Municipal Council D is Kitale
County Council E is Busia
County Council F is Nandi

10m 3. The Work of a Good Financial Manager

11:55-
12:05

But excellent financial management and sound public finance don't just happen. Rather, a great deal of attention must be given to them.

Refer to Item #7: "Management Functions Performed by the Good Financial Manager".

Item #7 illustrates, from a broad management point of view, the five management functions performed by the good financial manager. These are Planning, Organizing, Staffing, Leading, and Controlling.

Item #7 also illustrates the twenty-three principal management activities that comprise these five major management functions.

Discussion

15m 4. Revenue Generation as a Major Step in the Financial Management Cycle

12:05
12:20

But it is the responsibility for managing the generation of revenue -- which all of you share in some degree -- that is the focus of this particular financial management workshop.

Indeed, generating adequate revenue is not only a general management responsibility of the financial manager. It also constitutes one of the major areas of technical work of the financial manager.

Refer to Item #8: "Another View of What Good Financial Management Involves".

Item #8 takes a different look at what good financial management involves -- putting greater emphasis on the technical work to be performed.

- o As you can see, Item #8 suggests that good financial management begins with Planning and Budgeting.
- o It goes on to Generating Revenue, Managing and Controlling Expenditures, and Evaluating and Reporting.
- o All of these are supported by Organizing, Staffing, and Leading.

As you will also note in Item #8, our present series of four workshops is organized around these several elements of the financial management cycle.

- o Our first workshop dealt with the activities represented at the top and upper right side of this diagram, i.e., Planning and Budgeting.
- o This present workshop covers the important topic of Revenue Generation on the lower right.
- o The next workshop will deal with Expenditure Management and Control on the lower left.

- o The fourth workshop will provide an overview of all the management functions of the financial manager so as to put the whole subject of good financial management in perspective. But it will concentrate, in particular, on the support activities represented in the upper left and center of the diagram.

Discussion

B. REVENUE GENERATION AS A COMPLEX ACTIVITY THAT PRESENTS MANY PROBLEMS

Maximizing the generation of revenue is a complex problem for local authorities. Quite possibly, doing an excellent job in this area is the most difficult task faced by councils and their staffs.

25m

1. Revenue Generation as a Complex Activity

12:20
12:45

Revenue generation must be recognized as a complex activity that needs to be carefully planned and executed.

Refer to Item #9: "Elements of Revenue Generation".

Item #9 illustrates the three major elements of revenue generation:

- first, planning and budgeting for revenue,
- second, collecting revenue, and
- third, evaluating, reporting, and taking corrective action

Explain Item #9.

Discussion (is the list of elements complete? should any be added? deleted?)

75m

LUNCHEON BREAK

12:45-
2:00

MONDAY AFTERNOON (180 minutes, including a 15 minute break, are programmed out of 180 minutes.)

- 5m Call group to order. 2:00-
2:05
- B. REVENUE GENERATION AS A COMPLEX ACTIVITY THAT PRESENTS MANY PROBLEMS, contd.
2. Workshop Exercise on the Key Problems Involved in Revenue Generation
- Let's find out what participants believe to be their major problems in generating maximum revenue for their local authorities.
- Refer to Item # 10: "Workshop Exercise - Prioritization of Problems Faced in Revenue Generation".
- 35m The leader should form the participants into groups and ask them to complete Item #10. Each group should be formed "diagonally". That is, each should include councillors, clerks, and treasurers. And no group should include more than one person from a given local authority. 2:05-
2:40
- 40m Reports from small groups and discussion thereof 2:40-
3:20

15m C. STEPS INVOLVED IN REVENUE GENERATION

3:20-
3:35

These many problems that interfere with the collection of maximum potential revenue should be confronted head on. Let's now take an overall look at the several steps involved in revenue generation.

Refer to Item # 11: "Steps in Revenue Generation".

Discussion (brief, since the issues listed will be discussed more fully later in the program -- have any major issues been omitted?)

15m AFTERNOON BREAK

3:35-
3:50

15m 1. Step One: Identifying Sources of Revenue

3:50-
4:05

The first major step in generating revenue, as we noted in Item #11, is identifying revenue sources.

Query: What things should be considered in identifying revenue sources?

Answer: Leader to note responses and lead discussion of them. But some answers are as follows.

- o Sources employed in other developing countries as -- well as in Kenya.
- o Enabling legislation in Kenya
- o Role and inputs of the Ministry of Local Government
- o Local Council role and actions
- o Sources utilized by other local authorities
- o Etc.

Discussion (what other information sources are there?)

20m a. Wide Variety of Revenue Sources

4:05-
4:25

In countries such as Kenya, local authorities can look to a wide variety of existing and potential revenue sources.

Refer to Item #12: "Major Revenue Sources of Local Governments in Developing Countries".

Discussion (do all of the revenue sources with asterisks in Item #12 actually apply to your Kenyan local authorities? to other Kenyan local authorities? are some major sources of revenue omitted?)

35m b. Formal Authorities For Raising Revenues

4:25-
5:00

Formal authority for Kenyan local authorities to raise revenues is provided in several ways.

"The Local Government Act - Chapter 265, Revised 1978" is the basic authority.

Refer to Appendix A: "Excerpts from 'The Local Government Act', Chapter 265, Revised 1978, Sections 143-226, Relating to Revenue Generation Powers of Local Authorities".

As is shown in Appendix A, the governing legislation provides Kenyan local authorities with a very large number of potential revenue sources.

Discussion (pertinence? up-to-date?)

Motions reflecting local Council actions with respect to fees and charges, after approval by the MLG, are posted in "The Kenya Gazette".

Refer to Appendices B, C, and D. These appendices provide the fees and charges recently published in "The Kenya Gazette" for the Municipal Council of Nyeri, the Town Council of Voi, and the County Council of Wareng.

Review and discuss these three appendices.

In many local authorities, many fees and charges have not been adjusted for many years in spite of inflation, i.e., rising prices, rising costs, and rising incomes.

Moreover, some activities on which fees and charges could be assessed are not so assessed.

Discussion (adequacy of process? problems encountered?)*

What other authorities exist? Are they adequate?

Discussion

MAKE EVENING READING ASSIGNMENT: Item #s 14, 15 & 18

* Note: Don't discuss adequacy of fees themselves or how they are set in too much detail since these matters will be discussed thoroughly later in the program.

TUESDAY MORNING (285 minutes, including a 15 minute break, are programmed out of 285 minutes.)

- | | | |
|-----|---|---------------|
| 5m | Call group to order. | 8:00-
8:05 |
| | C. <u>STEPS INVOLVED IN REVENUE GENERATION, contd.</u> | |
| | 1. <u>Step One: Identifying Sources of Revenue, contd.</u> | |
| | c. <u>Differing Reliance on Sources by Local Authorities</u> | |
| | In fact, Kenyan local authorities generally look to similar sources for revenue but in different proportions. | |
| | (1) <u>Workshop Exercise on Priorization of Existing Revenue Sources for Local Authorities</u> | |
| | Let's start by finding out what participants see as their major current revenue sources. | |
| | Refer to <u>Item # 13: "Workshop Exercise - Prioritization of Existing Revenue Sources for Local Authorities"</u> . | |
| 45m | Ask participants to form into groups and complete Item #13. | 8:05-
8:50 |
| 50m | Reports by small groups and discussion of their results. | 8:50-
9:40 |

40m

(2) Differing Patterns of Revenue Generation

9:40-
10:20

As noted, the proportion of revenue received from individual revenue items varies among local authorities.

Refer to Item # 14: "Case Study - Revenue by Detailed Listing of Sources in Order of Size of Receipts".

Item # 14 makes clear that a few sources of income are responsible for the bulk of the revenue in all local authorities.

- o For most towns and municipalities, a major proportion of revenue comes from site value rates and plot rents, water, sewerage, house rents, licenses and fees, and markets.
- o For counties, the pattern is more varied. Markets, stock sales, and licenses and fees are typically significant revenue sources. Site value rate income is often far down the list. However, depending on the location and resources of the county, the major source of revenue may be such things as produce cesses or toll charges or game park fees or livestock charges.

Note in Item #14 the applicability of the Principle of the Critical Few, i.e., the great bulk of the results (in this case, the generation of revenue) is derived from a small proportion of the occurrences or causes (in this case, the sources of revenue). This suggests that the greatest payoff will come from increased effort on the top five or ten revenue sources.

Finally, differences in the proportion of income derived by various local authorities from a given source may raise the question as to whether a particular local authority might not want to put more effort on sources where its proportion of revenue appears small compared to that of other local authorities.

Discussion (drawing on experience of participants' local authorities)

15m MORNING BREAK

10:20-
10:35

45m d. Many Sources and Many Means for Raising Revenues

10:35-
11:20

The list of potential revenue sources for local authorities is very extensive as is the list of potential means of deriving revenues from these sources.

Refer to Item # 15: "Revenue Sources Potentially Available to Local Authorities".

Item #15, derived mainly from the Local Government Act, illustrates (1) in the left hand column on each page the very large number of items from which revenue can be derived and (2) in the ten headings across the top of each page the large number of ways, or means, of securing revenue from these items.

Discussion (are some of the sources listed not valid? are some valid sources omitted?).

e. Workshop Exercise on Under-exploited and Potential Added Sources

It is certain that some local authorities are not placing the same effort on some revenue sources as are others. It is also sometimes the case that some potential sources of meaningful income are being under-exploited or are not being tapped at all.

Refer to Item # 16: "Workshop Exercise - Prioritization of Under-exploited and Potential Added Revenue Sources".

45m	Ask small groups to complete exercise.	11:20- 12:05
40m	Small group reports and discussion.	12:05- 12:45
	Ask each group to be sure to keep a copy of their results from this exercise since they will be expected to make use of these results in the immediately following workshop exercise.	
75m	LUNCHEON BREAK	12:45- 2:00

TUESDAY AFTEROON (180 minutes, including a 15 minute break, are programmed out of 180 minutes.)

- 5m Call group to order. 2:00-2:05
- C. STEPS INVOLVED IN REVENUE GENERATION, contd.
1. Step One: Identifying Sources of Revenue, contd.
- f. Workshop Exercise on Program for Developing Added Revenue Sources
- Participants should consider how, in practical terms, they can expand their sources of revenues.
- Refer to Item # 17: "Workshop Exercise - Program for Identifying and Developing Added Revenue Sources".
- 60m Ask small groups to complete exercise. This exercise involves taking two revenue sources from among those listed in the previous Workshop Exercise #16 -- one from the five Existing but Under-exploited Revenue Sources and one from the five Potential Added Revenue Sources. Each group should identify those steps that would be required: 2:05-3:05
- o first, to confirm the feasibility of these revenue sources for a local authority, and
 - o second, to actually develop and put them in place as a new or much expanded source of income.
- 45m Brief reports from small groups and discussion. 3:05-3:50
- 15m AFTERNOON BREAK. 3:50-4:05

55m 2. Step Two: Determining Rents/Rates, License Fees, Charges for Services, and the Like

4:05-
5:00

The second major step in the generation of revenue is determining the level of our charges.

Query: What factors might the local authority look at in determining the level of fees and charges to be levied?

Answer: Among the possible answers are the following factors (all of which should be discussed before the group has finished with this topic).

- o Costs of providing services
- o Value of services to the recipient
- o Charges levied by other local authorities
- o Charges by other organizations (e.g., business firms)
- o What the "market will bear"
- o Local authority needs for revenue
- o Pricing policies that will not reduce revenue collected
- o Kenyan government laws and regulations

Discussion (what other bases are there? what are examples of each of the above bases?)

Refer to Item # 18: "Case Study - Actual Per-Unit or Other Bases for Charges for Selected Major Sources of Revenue with Comments on Bases Judged More Appropriate".

Discussion

MAKE EVENING READING ASSIGNMENT: Item #s 19, 20, 21, 22, 24, and 26

WEDNESDAY MORNING (285 minutes, including a 15 minute break, are programmed out of 285 minutes.)

5m Call group to order.

8:00-

8:05

C. STEPS INCLUDED IN REVENUE GENERATION, contd.

3. Step Three: Determining Amounts Due, To Be Billed, and To Be Collected

The third major step in the generation of revenue is determining (1) total amounts theoretically due, (2) amounts that will be billed, and (3) amounts expected to be collected. This step involves several closely-related sub steps.

15m a. Sub-step One: Determining Who Owes And How Much

8:05-

8:20

The first sub-step is deciding on who owes and how much.

Query: What questions must be answered in order to determine who owes and how much?

Answer: Answers include the following:

- o Who benefits from the service?
- o Who is responsible for paying for the service? (different from above?)
- o What is the unit price to be charged for the service?
- o How much of the service is utilized?
- o How much is owed for the service (price times usage)?

Discussion

20m b Sub-step Two: Projecting Total Revenue
Theoretically Due

8:20-
8:40

The second sub-step is calculating the total amount that should be collected.

Query: How do you determine what is the total amount due?

Answer: The process involves a simple formula, as follows:

Add together --- for each of (i) the services rendered and (ii) assets and activities subject to charge --- the product of:

- o charges for services and rents/rates/fees times
- o numbers of persons receiving services and numbers of persons subject to rents/rates/fees times
- o volume of services utilized by each person or other basis of charges.

Refer to Item # 19: "Property Assessment and Collection Efficiencies".

Review Item #19 with participants.

Refer to Item # 20 "Water System Billing and Collections Efficiencies".

Review Item #20 with participants.

Discussion (note that Items #s 19 and 20 are based on rounded off data from real local authorities)

Note that for some revenue areas, it is possible to determine, in principle, the total revenue due by looking at such broad factors as the following:

- o the total amount of water purchased from an outside supplier,
- o the total area of land subject to taxation,
- o etc.

Discussion (what are other examples?)

30m c. Sub-step Three: Projecting Amounts That Will Be Billed

8:40-
9:10

The third sub-step is projecting amounts that will be billed. The formula is:

- o persons owing on whom records are available
times
- o assets/activities subject to charge plus services delivered on which records are available
times
- o rents/rates/fees and prices for services.

Obviously, the difference between the total of all amounts that are really due and (2) the total amounts that will actually be billed is represented by (3) the amounts truly due that go unbilled.

Query: What are the causes of failure to bill some amounts truly due?

Answer: leader to note responses and lead discussion. Answers should include the following.

- o failure to identify some of those persons receiving services and/or subject to rents/rates/fees.
- o Failure to identify and bill total amounts due from those identified as owing
- o Etc.

Discussion

The historical trend in relationships between (1) amounts theoretically due and (2) amounts actually billed is an important tool in determining what is likely to be billed in forthcoming years.

Discussion

50m d. Sub-step Four: Projecting Probable Collections

9:10-
10:00

The fourth sub-step is projecting probable collections. Preparing budget Estimates depends on this step.

Query: What is the formula for making this calculation?

Answer: The answer is as follows:

- o amounts billed
less
- o amounts not collected
equals
- o amounts actually collected.

Collections often vary from those contained in the approved Estimates. Difficulties in (1) projection and (2) collection of revenues are illustrated by variances between the Estimates made before the beginning of a budget year and actual results after the year is over.

Refer to Item # 21: "Case Study - Revenue By Department - Estimates Versus Actuals".

Review Item #21 with participants.

Discussion (reasons for variances?).

These problems are real ones faced by every Kenyan local authority

Refer to Item # 22: "Case Study - Twenty Major Sources of Revenue in Order of Size with Actual Collections, Amounts Billed, and Estimates of Maximum Amounts Potentially Due".

Review Item #22 with participants.

These case studies illustrate, for actual Kenyan local authorities, (1) billing efficiencies (column # 5), (2) collection efficiencies (column # 4), and overall collection-versus-total-amounts-due efficiencies (column # 6).

Discussion

6. Step Four: Collecting Revenue

The fourth major step in the generation of revenue is actually allocating the revenue.

Several sub-steps, or approaches, are required to actually collect revenues, including arrearages.

Introduction: Workshop Exercise on Problems Encountered in Efforts to Collect Amounts Billed

It is useful to begin the discussion of actually collecting revenue by finding out what participants consider to be the key problems faced in collecting the amounts that have been billed.

Refer to Item #23: "Workshop Exercise - Problems Encountered in Efforts To Collect Amounts Billed".

30m Ask small groups to complete Item # 23. Be sure to point out the distinction between (1) this brief 30 minute exercise and (2) the earlier Workshop Exercise #10. 10:00-10:30

Workshop Exercise #10 asked for a prioritized listing of the very much broader range of problems faced in all of the many varied aspects of revenue generation.

This present Item #23, on the other hand, is limited to the practical problems faced in collecting amounts actually billed or otherwise known to be due.

15m MORNING BREAK 10:30-10:45

Before asking for the group reports, lead a brief discussion on how the "blame" for failure to collect amounts billed or otherwise due might be apportioned among (1) the treasurer's staff (and other council staff), (2) the systems in place and employed to get the monies in, and (3) the persons owing.

40m Reports from small groups and discussion thereof. 10:45-11:25

15m a. Sub-step One: Collecting Revenue through Mail
Collection and Billing Efforts

11:2
11:4

The first sub-step is preparing and issuing bills to those owing.

Query: To what sources of revenue does this sub-step apply?

Answer: This sub-step applies to such sources of income as rates, rents, water, and sewerage.

Bills must be prepared and issued or other forms of contact made with persons on amounts due from them.

Query: What issues are involved in getting this job done well?

Answer: Leader to note responses and lead discussion. However, among the issues involved are the following:

- o Record keeping on persons receiving services
- o Mail collection efforts
- o Personal collection efforts
- o Timeliness of billings
- o Etc.

Discussion (of these and other issues involved in getting out accurate bills on a timely basis).

- 45m b. Sub-step Two: Collecting Revenue through Direct Personal Contact with Those Owning. 11:40-12:25

The second sub-step is sending our collectors out to actually collect many types of charges directly from local citizens. This sub-step also involves, for many types of revenue, direct daily contact throughout the entire budget year with persons owing.

Query: What are examples?

Answer: Examples include the following.

- o Market fees
- o Slaughterhouse fees
- o Bus park fees
- o Licenses

Query: What issues are involved in preparing and issuing bills and in actually collecting revenues?

Answer: Examples include the following:

- o Workload to be performed
- o Staffing to do the work
 - Quantity of staff
 - Quality of staff
 - Training of staff
- o Organization of staff
- o Processes, procedures, controls, and the like
- o Leadership and effort

Refer to Item # 24: "Case Study - Major Sources of Revenue with Estimate of Revenue per KSh of Direct Costs for Collection of Each".

Leader to review Item #24 with participants.

It is important that the Principle of the Critical Few be observed in allocation of effort (i.e., the bulk of the revenue is generated by a small percentage of key sources -- collection effort should be concentrated on these major sources).

Discussion

20m

c. Sub-step Three: Following Up on Arrearages

12:25-
12:45

The third sub-step is collecting arrearages.

It is important to devote major effort to this sub-step. In fact, this is one of the areas of revenue generation most likely to be overlooked.

Query: What are the factors that relate to the collection of arrearages?

Answer: Answers include the following.

- o Staffing for collection
- o Diligence in efforts made
- o Timeliness of follow-up efforts
- o Availability of legal enforcement tools
- o Practical limitations present in the local situation (political factors, citizen attitudes, etc.)
- o Etc.

Discussion

75m LUNCHEON BREAK

12:45-
2:00

WEDNESDAY AFTERNOON (180 minutes, including a 15 minutes break, are programmed out of 180 minutes.)

- 5m Call group to order. 2:00-
2:05
- C. STEPS INCLUDED IN REVENUE GENERATION, cont.
5. Workshop Exercise on Better Establishing Charges, Determining Amounts Due, and Collecting What is Owed.
- Participants should consider what steps can be taken to overcome problems faced in revenue generation.
- Refer to Item #25: "Workshop Exercise -- Program for Better Establishing Charges, Determining Amounts Due, and Collecting What Is Owed".
- 40m Ask small groups to complete Item #25. Assign two revenue areas to each group as suggested in Item #25. 2:05-
2:45
- 45m Reports by small groups on the workshop exercise and discussion thereof. 2:45-
3:30
- 15m AFTERNOON BREAK 3:30-
3:45

D. MANAGEMENT AND ADMINISTRATIVE SUPPORTS TO EFFECTIVE REVENUE GENERATION

- 5m We have completed our discussion of the four major steps 3:45-
involved in the generation of revenue, as follows: 3:50
- o first, identifying sources of revenue;
 - o second, determining rents/rates, license fees, charges for services, and the like;
 - o third, determining amounts due, to be billed, and to be collected; and
 - o fourth, actually collecting the revenue.

Now let's turn our attention to the several management and administrative supports required for effective revenue generation.

10m Introduction

3:50-

4:00

Refer to Item # 26: "Management and Administrative Supports to Revenue Generation by Local Authorities".

Item #26 is provided as an outline for the discussion of these several management and administrative supports to excellent revenue generation.

Discussion (what, if any, factors have been omitted?)

1. Factor One: National and Provincial Government Authorities and Supports

The first major management and administrative support to effective revenue generation is appropriate legally-binding national laws, regulations and authorities -- as well as a variety of less-formal guidance and supports.

10m

a. Legally-binding Laws, Regulations, and Authorities 4:00-4:10

First let us explore the question of the broad support provided to local authorities in revenue generation by the spectrum of formal laws, regulations, and authorities.

Query: What central and provincial government laws, regulations, and authorities affect revenue generation by local authorities?

Answer: Such answers as the following.

- o Local Government Act
- o Gazette notices
- o Rating Act
- o Agriculture Act (cesses)
- o Water Act (water undertakings)
- o Medical Control Act (slaughterhouses; hides and skin cesses)
- o Tourism legislation (game parks)

Discussion (what other such formal legal guidance is provided?)

15m b. Less Legally-binding Central, Provincial, and District Government Supports

4:10-
4:25

Query: What added less legally-binding policies, procedures, and other forms of guidance affecting revenue generation are provided by central, provincial and district government authorities?

Answer: Such things as circulars issued by both ministries and provincial offices, advice from district and provincial offices, etc

Query: What agencies are involved?

Answer: Such agencies as the following:

- o Office of the President
- o Ministry of Local Government
- o Ministry of Finance
- o Ministry of Planning and National Development
- o Ministry of Water Development
- o Ministry of Transport and Communications
- o Ministry of Agriculture
- o Ministry of Works and Housing
- o Ministry of Regional Development, Science and Technology
- o Ministry of Health
- o Parastatals (such as the National Housing Corporation)
- o Provincial offices
- o District offices

Assistance in enforcement from district offices is important to many local authorities.

These regulatory and support activities are presumably undertaken pursuant to National Assembly legislation which provides the necessary authorities therefor.

Discussion (including what other agencies provide guidance to local authorities in revenue generation? What types of guidance?)

Some policies, procedures and other forms of guidance provided by the central and provincial governments are in writing and some are oral.

Discussion (value of oral versus written guidance? e.g., "Oral instructions don't work" versus "Oral instructions are very important")

c. Workshop Exercise on Evaluation of National, Provincial, and District-level Supports

An evaluation of national, provincial, and district-level supports should be undertaken.

Refer to Item # 27: "Workshop Exercise - Evaluation of Impact of National, Provincial, and District-level Supports to Revenue Generation by Local Authorities".

35m

Ask small groups to complete Item #27. Issues to be dealt with should include the following.

4:25-
5:00

- o Are the national and provincial agencies adequately staffed for this work?
- o To what extent is the guidance provided a help? to what extent a constraint?
- o How can such guidance be made more effective?
- o What are the views of participants regarding oral versus written guidance?

MAKE EVENING READING ASSIGNMENT Item #s 28, 29, 30, 32, and 33

THURSDAY MORNING (285 minutes, including a 15 minute break, are programmed out of 285 minutes.)

- 5m Call group to order. 8:00-8:05
0. MANAGEMENT AND ADMINISTRATIVE SUPPORTS TO EFFECTIVE REVENUE GENERATION, contd.
1. Factor One - National and Provincial Government Authorities and Supports, contd.
- c. Workshop Exercise on Evaluation of National, Provincial, and District Level Supports, contd.
- 40m Reports from small groups and discussion thereof 8:05-8:45

20m 2. Factor Two: Authorities and Supports by Local Authorities

8:45-
9:05

The second major management and administrative support to effective revenue generation is the authorities and supports provided by local authorities themselves.

Query: What binding regulations, policies and procedures relating to revenue generation are provided by local authorities?

Answer: Examples include the following.

- o Bylaws of various sorts
- o Financial regulations
- o Council circulars
- o Budget targets adopted for revenue generation
- o Policies such as allocations of responsibility among departments
- o Procedures such as time deadlines for payments of bills.

Discussion (what are other examples? is there a proper balance between written and oral guidance? how much of this guidance is traditional rather than specific and well-defined? how could this local guidance be made more effective?)

3. Factor Three: Organization of Local Authorities For Revenue Generation

The third major management and administrative support to effective revenue generation is proper organization for the generation of revenue.

Local authorities should of course, organize most effectively for revenue generation.

25m

a. Organization of the Council

9:05-
9:30

Let's first consider the organization of the council.

Query: What responsibilities has the council for revenue generation, how large is the council, and how is it organized to carry out this responsibility.

Answer: Leader to note responses on flip chart, which answers will certainly include reference to finance committees.

All councils have a finance committee with broad powers.

Query: How large are these finance committees? how are their members selected? how often do they meet? how powerful are they? how effective? how can their contributions be strengthened?

Answer: Note and discuss answers given.

Refer to Item # 28: "Excerpt from 'The Local Government Act - Chapter 265', Revised 1978, Section 92, Relating to Finance Committees".

Review Item #28 with participants.

Discussion

30m b. Organization of the Internal Administration

9:30-
10:00

Next, let's examine the organization of the internal administration of the local authority for revenue generation.

The relationships of the treasurer to the council, its finance committee, the clerk, and other department heads are critically important for the performance of the treasurer's duties.

Query: To whom does the revenue collection staff of departments other than that of the treasurer report?

Answer: Often, the revenue collection staff of other departments report, in real effect, to the treasurer's department for the collection, recording, and turning in of revenue -- and only administratively to their own department heads. In fact, sometimes it is said that every employee who has an account book is answerable to the treasurer.

Query: Does it cause problems of divided responsibilities and loyalties for staff of other departments who have some revenue generation responsibilities to report both to their department heads and to the treasurer?

Answer: Note and discuss responses.

Refer to Item # 29: "Excerpts from 'The Local Government Act - Chapter 265', Revised 1978, Sections 107-130, and the Third Schedule, Relating in Part to Treasurers".

Discussion

- o Does Chapter 265 properly define the role and function of the local treasurer?
- o Is the present allocation of responsibility effective and appropriate?
- o I.e., what is and what should be the relationship of the treasurer to the council, finance committee, clerk, and, in relation to revenue generation, to other department heads?

Recent national government regulations have placed the final authority for appointment of treasurers and other senior local authority officials under the central government's Public Service Commission.

Discussion (have the recent regulations strengthened/weakened the local authority in respect to revenue generation?)

30m c. Organization of the Treasurer's Department

10:00

10:30

Now let's look at organization within the treasurer's department. Certainly, this organization structure is critical to effective revenue generation

Query: What is a typical pattern of organization of the treasurer's department?

Answer: Though no single pattern of organization exists, a common one is a treasurer and a deputy treasurer managing a general bookkeeping section, a revenue collection section, and an internal auditing section.

Too frequently, however, local authorities place the head of the revenue collection section under the chief accountant. This can place such an official four levels down (e.g., (1) treasurer, (2) deputy treasurer, (3) chief accountant, and (4) revenue section chief).

In addition, treasurers in local authorities encompassing large geographical areas often have revenue collection staff located in local centers many kilometers away from the treasurers' offices.

Refer to Item # 30: "Case Study - Organization of Local Authorities for Revenue Generation".

Review Item #30 with participants.

Note on page 2 of Item #30 that the principal revenue officer is at the fifth organizational level from the treasurer while on page 3 the senior revenue officer, while at the third level down, at least reports directly to the deputy treasurer.

REVENUE GENERATION IS SO IMPORTANT THAT IT WOULD SEEM BEST TO LOCATE THE HEAD OF THAT SECTION AS CLOSE AS POSSIBLE TO THE TREASURER -- AT LEAST NO LOWER DOWN THE ORGANIZATIONAL LADDER THAN DIRECTLY UNDER THE DEPUTY TREASURER.

Discussion (how effective is the organization of the treasurers' departments? how can it be improved?)

15m MORNING BREAK

10:30-

10:45

d. Workshop Exercise on Ideal Organization Structure for Revenue Generation by Local Authorities

It is useful to see what participants would suggest as ideal patterns of organization for revenue generation.

Refer to Item # 31: "Workshop Exercise - Ideal Organization Structure for Revenue Generation by Local Authorities".

60m	Ask small groups to complete exercise	10:45-
		11:45
40m	Reports by small groups and discussion	11:45-
		12:25

4. Factor Four: Staffing and Leadership of Revenue Generation*

The third major management and administrative support to effective revenue generation is proper staffing and leadership of this function.

20m

a. Staffing for Revenue Generation

12:25-
12:45

Query: What factors are involved in proper staffing of local authorities for revenue generation -- both in the central council offices and at field sites?

Answer: Answers include the following:

- o Number of staff
- o Recruitment approaches
- o Basic education, training, and experience of those employed
- o Training for the specific job to be performed in the particular local work situation
- o Pay levels
- o Opportunities for promotion -- paths for career progression
- o Etc.

Discussion

75m LUNCHEON BREAK

12:45-
2:00

* 50 minutes is allowed for Factor Four, Sections a and b. Do not spend more time on these topics. They will receive major attention in the fourth workshop on Planning, Organizing, Staffing, Leading, and Controlling.

THURSDAY AFTERNOON (180 minutes, including a 15 minutes break, are programmed out of 180 minutes.)

5m Call group to order. 2:00-
2:05

D. MANAGEMENT AND ADMINISTRATIVE SUPPORTS TO EFFECTIVE REVENUE GENERATION, contd.

4. Factor Four: Staffing and Leadership of Revenue Generation, contd.

30m b. Leadership and Motivation for Revenue Generation 2:05-
2:35

Leadership and motivation of, and controls over, the revenue generation staff are also important.

(1) Leadership and Motivation

Query: What approaches are available for leadership and motivation of revenue generation staff?

Answer: Answers include the following.

- o The "stick" (e.g., discipline, punishments)
- o The "carrot" (e.g., rewards, hope for career advancement, etc.)
- o Excellent job definition and effective delegation
- o Recognition of the importance of the work of the individual involved
- o Etc.

Discussion (what others exist? -- but remember to be sure not to spend too much time on this interesting and easy-to-discuss topic)

(2) Position Descriptions and Delegations

Good position descriptions and clear delegation of responsibility and authority are necessary for effective revenue generation.

Query: Do you provide your staff with written position descriptions?

Answer: List responses and discuss.

Query: Do you make clear delegations of responsibility and authority to your staff?

Answer: List responses and discuss.

(3) Policies and Procedures*

Clear and written policy guidance and procedures to assist the revenue generation staff are important

Query: What types of guidance and procedures affecting the generation and collection of revenue are provided to staff by local authorities and their treasurers and in what forms are they provided?

Answer: List responses and discuss their adequacy.

* Do not get deeply into control procedures since these are the subject of the immediately following section.

(4) Evaluation

Evaluation of work performance is a vital tool for motivating those responsible for bringing in revenue.

Query: What types of evaluations and appraisals are made of staff? Are they in writing? Are they discussed with the staff? Are they reviewed by higher administrative levels and the comments of these higher-level administrators appended? Are they conducted once annually, or more often, or on no specified schedule at all? How formal is the system of appraisals? Is training in the appraisal process needed and is it provided to managers?

Answer: Note and discuss responses.

30m 5. Factor Five: Controls Over Revenue Generation

2:35-
3:05

The fifth major management and administrative support to effective revenue generation is the development and the implementation of a set of effective controls over the revenue generation functions. This topic will be examined in some detail in the next two workshops. Thus, we will not review it in great depth here.

a. Fiscal Controls

A first control is fiscal control. These need to be developed to ensure that shillings collected are actually deposited in the council's bank accounts and used for purposes intended without diversion or loss.

Query: What are examples of such controls in your local authorities?

Answer: List responses on flip chart and discuss.

b. Checks and Balances

A second control is a system of checks and balances. These should be put in place throughout the revenue generation and collection system.

Query: What are examples of such checks and balances in your local authorities?

Answer: List responses on flip chart and discuss (discussion should include such examples as receipts for bus park fees that must be turned in to or verified by an exit employee when a vehicle is leaving the bus park).

c. Supervision and Management

A third control is effective supervision and management. These are essential if revenues are to be collected and those collected properly accounted for and deposited to the council's accounts.

Query: To what extent are good supervision and management necessary in order to maximize generation of revenue? What are examples?

Answer: List responses on flip chart and discuss.

15m 6. Factor Six: Recording Current Data

3:05

3:20

The sixth major management and administrative support to effective revenue generation is the proper recording of current data on generation of revenue.

It is vital that local authorities record -- and maintain up-to-date records of -- revenue targets, billings, collections, and arrearages.

Query: Why is it especially important that records on revenue matters be very current?

Answer: List answers and discuss. The essential points to be made are the following.

- o Money not collected TODAY is often lost forever (solicit examples: e.g., bus park fees, market fees, etc.).
- o The effectiveness of corrective actions directly relates to the extent to which revenue generation data are up to date (solicit examples).

Discussion

15m 7. Factor Seven: Evaluating Results on a Current Basis: 3:20-
3:35

The seventh major management and administrative support to effective generation is the evaluation of revenue data on a current basis.

Revenue collection data must be evaluated properly in terms of meeting budget and other goals and expectations.

Query: Why is this the case?

Answer: Leader to note responses and lead discussion. The answers are likely to be similar to those for the immediately preceding point about the importance of recording revenue collection data on a very current basis.

Query: To what extent is it important to have available good historical data on revenue generation -- and why?

Answer: Note and discuss answers (which should recognize that by comparing current revenue generation with performance over similar past periods, we can gain very useful insights on how well we are doing and whether problems are beginning to loom up). Solicit examples.

Discussion

15m AFTERNOON BREAK

3:35-
3:50

20m 8. Factor Eight: Taking Corrective Actions

3:50

4:10

The eighth major management and administrative support to effective revenue generation is the taking of corrective actions.

Corrective actions required should be taken as soon as initial evidence of failure to meet plans and budgets is noted.

Query: What, from the point of view of timing, are the two types of corrective actions that can be taken?

Answer: The two types of corrective actions are as follows.

- o Immediate or short-term actions will be required to correct performance and meet goals.
- o Long-term actions will often be necessary that involve more basic modifications to the revenue plan, the organization, the spectrum of "rewards and punishments", etc.

Query: What are examples of short-term corrective actions that must sometimes be taken in your local authorities to meet your revenue generation goals?

Answer: Note responses and discuss (e.g., transfer or termination of a revenue collector, etc.)

Query: What are examples of long-term corrective actions that are sometimes required in your local authorities in order to get your authority's revenue generation performance back up to where you want it to be?

Answer: Note responses and discuss (e.g., purchase of a vehicle needed to contact outlying market centers on a more current basis.)

Discussion

25m 9. Factor Nine: Auditing of Revenue Data

4:10-
4:35

The ninth major management and administrative support to effective revenue generation is the auditing of revenue data.

Query: Why are audits of revenue generation (and other financial data) undertaken?

Answer: The accuracy of revenue data, as well as of other financial data, cannot be depended on unless the data have been properly audited.

Query: What are the several mechanisms that exist for undertaking such audits?

Answer: The answer is as follow:

- o Most larger local authorities have internal auditors.
- o Annual audits are performed by the Office of the Controller and Auditor-General
- o Inspectors to perform audits are sometimes sent by the Ministry of Local Government.
- o Some local authorities also sometimes employ external private auditors -- with approval of the Controller and Auditor General.

Discussion

Refer to Item #32: "Excerpt from 'The Local Government Act - Chapter 265', Revised 1978, Sections 227-242, Relating to Accounts and Audits".

Query: Is the role of the internal auditor limited to after the-fact examination of transactions? Or does it include verification of the appropriateness of transactions before they are made (such as of some payments)?

Answer: Note answers and discuss.

Query: Does the situation of the internal auditor make it possible for him to deal effectively with possible malfeasances on the part of, say, the treasurer and clerk? If not, what, if anything, could be done to make it possible for him to be more effective vis-a-vis these higher levels?

Answer: Note responses and discuss. (Call attention to the fact that one solution utilized in many organizations is to place the auditor for administrative purposes under the treasurer but to give him, by council resolution, both the right and the duty to go directly to the clerk, the chairman of the finance committee, or the chairman of the council whenever in his judgment this is warranted.)

Some internal audit functions in some organizations are not limited merely to audits of financial transactions but are, in some cases, directed much more broadly to so-called "management audits" of progress and results of council and departmental programs versus adopted plans, objectives, and program goals.

Query: Is the audit function in your local authorities normally limited to financial transactions or is it sometimes much broader?

Answer: Note responses and discuss. (It is likely that the work of the audit staff in the treasurer's departments will be described as quite narrow in light of the provisions of the Local Government Act and what will be stated to be the narrow (financial) competence of the internal audit staff.)

Query: May the inspections conducted by MLG inspectors look more broadly than just at financial systems and transactions?

Answer: Note responses and discuss.

Discussion (of above points -- including the effectiveness of the work of the internal auditor, the MLG inspector, the Auditor and Controller General, and the outside private firm's auditor)

25m 10. Factor Ten: Reporting of Revenue Data

4:35-
5:00

The tenth major management and administrative support to effective revenue generation is timely reporting of revenue data.

Query: To what hierarchical levels must revenue generation data be reported?

Answer: Answers include the following.

- o Treasurer (when and in what form?)
- o Other department heads (when and in what form?)
- o Clerk (when and in what form?)
- o Finance committee of the council (when and in what form?)
- o Council (when and in what form?)
- o Provincial government offices (when and in what form?)
- o Ministry of Local Government (when and in what form?)
- o Other central government agencies (which ones and in what forms?)

Discussion (any others -- e.g., district offices? other ministries?)

Query: What broad standards should such reports meet?

Answer: Such standards as (1) selectivity of data, (2) accuracy, and (3) timeliness

Discussion (are reports on revenue generation designed to meet the specific management needs of various recipients? are they accurate? are they timely? what does it mean for a report to be "timely"?)

Refer to Item # 33: "Case Study -- Revenue-Related Reports, Distribution, and Frequency".

Leader to review Item #33 with participants and lead discussion.

NOTE: IF THE WORKSHOP IS A LITTLE BEHIND SCHEDULE, DO NOT BE CONCERNED ABOUT TAKING THE FIRST HOUR ON FRIDAY MORNING TO COMPLETE THE ABOVE THURSDAY AFTERNOON PROGRAM.

FRIDAY MORNING (285 minutes, including a 15 minute break, are programmed out of 285 minutes.)

5m Call group to order.

8:00-
8:05

E. DEVELOPMENT OF "BACK-HOME" PROGRAMS TO ENHANCE REVENUE GENERATION

As with the previous workshop on Planning and Budgeting, we would like to conclude this week's program by asking you to develop "back-home" programs to increase revenue generation that you will seek to implement on your return to your local authorities.

.45m 1. Development of "Back-home" Programs

8:05-
10:30

This exercise is the culminating event of this workshop. Stress should be placed on its importance and the essentiality of undertaking it with due deliberation and care.

a. Workshop Exercise on Back-Home Programs of Local Authority Teams

It is useful for the three-member teams (typically the chairman of the finance committee of the council, the clerk and the treasurer) from each local authority to work together in developing revenue enhancement programs that they will discuss and seek to implement on their return to their communities.

Refer to Item # 34: "Workshop Exercise - Program for Increasing the Generation of Revenue in Participants' Local Communities".

Teams should consider the following.

- o Identifying expandable existing -- and feasible new -- sources of revenue
- o Setting charges more realistically
- o Better determining who owes and how much with respect to existing sources of revenue
- o Better projecting amounts theoretically due, amounts to be billed, and amounts expected to be collected

- o Actually increasing collection of both current revenue and arrearages through improved billing, collection, and enforcement efforts
- o Improving management and administrative supports to revenue generation

The workshop leader must emphasize that these are to be "real-world" programs. Thus, they should not just "feed back" the concepts and broad approaches discussed in this workshop. Instead, these back-home programs should be specific about, for example:

- o which new or expanded sources?
- o which fees and charges?
- o what new collection methods?
- o what organization changes?
- o what improved controls?
- o what steps to improve auditing?
- o etc.

b. Workshop Exercise on "Back-home" Program of the Team of Central and Provincial Government Officials

Central and provincial government representatives should also develop a program of action to enhance revenue generation by local authorities. This program is to be one that should be undertaken by the central and provincial governments themselves.

Refer to Item # 35: "Workshop Exercise - Program for the Central and Provincial Governments for Improving Generation of Revenue by Local Authorities".

The team should consider actions to be discussed, adopted, and implemented involving changes in national and provincial laws, regulations, guidance, and other supports given to and/or affecting revenue generation by local authorities.

15m	MORNING BREAK	10:30-
		10:45
45m	Complete development of "back-home" programs.	<u>10:45-</u>
		11:30

2. Reports by Local Authority and Central and Provincial Government Teams on Actions To Be Taken "Back Home"

Let's now provide an exposition of each of the groups' reports on the back-home programs that you have been developing.

75m

a. Reports by Local Authority Teams

11:30-
12:45

The individual local authority teams are to report on the programs developed earlier in the day. (The leader should ask all of the members of each local authority team to sit together at the speaker's table at the front of the room during that team's presentation.)

- o Presentations (about 10 minutes each) (Call for the first two presentations from local authority teams that you believe will make especially good presentations -- as a stimulus to those making later presentations to do as good a job.)*
- o Discussion/critique by other participants (about 5 minutes for each report)

75m LUNCHEON BREAK

12:45-
2:00

* The leader must note the essentiality of keeping careful control of the timing of these presentations. It is usually desirable to allow more time for the first couple of presentations (partly because of some overlap on the part of later presentations). But, in order to complete 10 to 12 or so presentations by the end of the afternoon, the leader must very carefully monitor, against the clock, the overall progress of these reports.

FRIDAY AFTERNOON (180 minutes, including a 15 minute break, are programmed out of 180 minutes.)

- 5m Call group to order. 2:00-
2:05
- E. DEVELOPMENT OF "BACK-HOME" PROGRAMS TO ENHANCE REVENUE GENERATION
2. Reports by Local Authority and Central and Provincial Government Teams on Actions To Be Taken "Back Home", contd.
- a. Reports by Local Authority Teams, contd.
- 85m Continue with local authority team reports. 2:05
3:30
- 15m AFTERNOON BREAK 3:30-
3:45
- 45m b. Report by the Central and Provincial Government Team 3:45-
4:30

The central and provincial government team is to report on the back-home program that it has developed.

- o Presentation (about 15 minutes)
- o Discussion/critique by participants (about 30 minutes)

It is hoped that any senior representatives of the MLG, GTI, and/or USAID present for the closing ceremonies will participate in these critiques.

F. EVALUATION OF WORKSHOP

An evaluation questionnaire is to be completed by participants

Refer to Item # 36: "Evaluation of Workshop".

30m

Ask participants to complete Item #36.

4:30-
5:00

Collect forms for later tabulation and analysis.

Note: If timing prevents allocating a time slot during the afternoon to complete this questionnaire, then the leader should ask participants to complete it during the presentation of the back-home reports.

FRIDAY EVENING

120m G. CLOSING CEREMONIES.

7:00-
9:00

1. Closing Dinner

A closing dinner is to be held for participants.

2. Certificates of Participation

Item # 37: "Certificate of Participation" is to be presented to each participant.