

**THE SUSTAINABILITY OF THE STRATEGIES USED IN
MOBILISING REVENUE BY LOCAL AUTHORITIES IN
ZIMBABWE: THE CASE OF HARARE CITY COUNCIL (2013
– 2017)**

BY

SHOKO ADVENT

(R115783K)

**A DISSERTATION SUBMITTED IN PARTIAL FULFILMENT OF THE
REQUIREMENTS OF THE MASTER OF SCIENCE DEGREE IN PUBLIC
ADMINISTRATION**

DEPARTMENT OF POLITICAL AND ADMINISTRATIVE STUDIES

FACULTY OF SOCIAL STUDIES

UNIVERSITY OF ZIMBABWE

APRIL 2018

Dedication

This research is dedicated to my family.

ABSTRACT

This research assesses the sustainability of revenue mobilisation strategies in place at Harare City Council. Despite authority conferred upon local government authorities by the Zimbabwean national constitution of 2013 (amendment number (20)) and various legislations including the Urban Councils Act (29: 15) to collect revenue from within their jurisdictions, Harare City Council struggles to raise sufficient revenue for the execution of its objects and responsibilities. The study sought to assess the extent to which revenue mobilisation strategies by the local government authority are sustainable. The study also sought to examine the impact of revenue performance of local authorities to service delivery and national development at a larger level. Furthermore, the study examined the challenges faced by local government authorities in Zimbabwe in their endeavours to mobilise revenue. Purposive, convenience and snowball sampling techniques were employed in recruiting participants for this study. In-depth interviews and documentary search were the methods used in this research to gather data. Reviewed literature revealed that revenue mobilisation is a challenge for most of the local government authorities globally. The study established that some of Harare City Council's revenue mobilisation strategies in place are sustainable whilst others are not. The sustainability of some revenue strategies is limited by contextual variables including economic and political conditions prevailing in Zimbabwe. Corruption and mismanagement of funds choke efforts to collect revenue as raised funds are not used for the intended purposes and some potential revenue is diverted to personal accounts of certain individuals. Lack of capacity has also resulted in the local authority contracting out some of its major sources of income. Contracted private companies have not been remitting expected revenues and those revenue strategies would constitute a spongy spot for revenue seepage. The study concludes that most of revenue mobilisation strategies by Harare City Council are sound but cannot continue to be used in the prevailing environment without them being altered to respond to issues at hand. In addition, the study concludes that the economic, political and administrative challenges affect revenue mobilisation. The study recommends that the local government authority tackle head on all highlighted challenges. It also recommends Harare City Council to be pragmatic and innovative as well as improving adherence to principles of public finance.

ACKNOWLEDGMENTS

Public Administration involves management of public funds which are supposed to be converted into public goods and services of desired quantity and quality. Despite efforts by government to monitor and evaluate activities of public figures, key in into these processes by academics has been very limited. There remain a handful of scholars who dared to scrutinise government and sub-government operations. The researcher intends to join these dauntless scholars in alleviating the poverty of scholarship in the discipline of Public Administration in Zimbabwe.

My gratefulness goes to Dr. Tawanda Zinyama who supervised this research. Without him being the torch bearer, the research could not have been a success. I also feel thankful to all my lecturers during the duration of the Masters programme who imparted into me very useful enduring academic skills and formidable interest in the Management of Public Finance as a sub-discipline of Public Administration. I would also like to express my gratitude to my classmates (Master of Public Administration - Part Time Class of 2018) for their camaraderie and support during the duration of the Masters programme. Special mention goes to Mr. Zindova and Colonel Machinga who did the unexpected to me, a classmate they met as a stranger.

Special mention also goes to all participants to this research, namely officials from Harare Residents Trust, Harare City Council, lecturers of Public Administration at the University of Zimbabwe and Great Zimbabwe University and Harare residents for their priceless contribution to this study. I would also like to thank my mother for the moral support during the duration of my Masters studies without which this thesis would not have been a success. Last but not least, I would also like to thank my best friend Tsitsi Matambirofa for the companionship and encouragement before and during the tenure of my Masters programme. When I was down and weary, she would uplift my soul to unexpected heights.

Above all, I would like to give thanks to the God Almighty who is the provider of everything. This research was accomplished neither by my strength nor power but by the grace of God, (Zechariah 4: 6-9).

Table of Contents

Dedication.....	i
ABSTRACT.....	ii
ACKNOWLEDGMENTS.....	iii
Table of Contents.....	iv
List of Tables.....	viii
ABBREVIATIONS.....	ix
CHAPTER ONE: INTRODUCTION.....	1
1.0 Introduction.....	1
1.1 Background.....	1
1.2 Statement.....	3
1.3 Objectives of the Study.....	3
1.4 Research Questions.....	4
1.5 Justification.....	4
1.6 Limitations.....	5
1.7 Delimitations.....	5
1.8 Ethical Considerations.....	5
1.9 Organisation of the Study.....	5
CHAPTER TWO: LITERATURE REVIEW AND THEORETICAL FRAMEWORK.....	7
2.0 Introduction.....	7
2.1 Conceptual Framework.....	7
2.1.1 Public Revenue Mobilisation.....	7
2.1.2 Principles of Public Revenue Mobilisation.....	8
2.1.3 Sources and Strategies of Mobilising Revenue.....	8
2.1.3.1 Taxation.....	8
2.1.3.2 Charges, Fines and User Fees.....	9
2.1.3.3 Grants.....	9
2.1.3.4 Loans.....	9
2.1.4 Use of Revenue Generated by Local Governments.....	9
2.1.4.1 Running of Public Services.....	9
2.1.4.2 Service Delivery.....	9
2.1.5 Challenges associated with Revenue Collection.....	10
2.1.6 Local Authorities.....	10
2.1.7 Service delivery.....	10
2.2 Theoretical.....	11

2.2.1 Principal Agent Theory	11
2.2.2 Public choice theory	12
2.2.3 Welfare Economics Theory.....	12
2.3 Case Studies on Revenue Mobilisation	13
2.3.1 Zambia.....	13
2.3.1.1 Sources of Revenue	13
2.3.1.2 Status of Service Delivery	14
2.3.2 Uganda.....	14
2.3.2.1 Revenue Sources	15
2.3.2.2 Status of service delivery.....	15
2.3.3 Indonesia.....	16
2.3.3.1 Revenue Sources	16
2.3.3.2 Status of service delivery.....	17
2.3.4 Lessons Drawn.....	17
2.4 Conclusion	19
CHAPTER THREE: METHODOLOGY	20
3.0 Introduction	20
3.1 Research	20
3.2 Research Design	20
3.3 Sampling.....	21
3.4 Data collection methods	22
3.4.1 Documentary Search.....	22
3.4.2 In-depth Interviews.....	22
3.5 Data Presentation	23
3.6 Data Analysis	23
3.6.1 Content Analysis	23
3.6.2 Cross case analysis	23
3.7 Ethical Considerations	24
3.8 Validity and Reliability.....	24
3.9 Conclusion	24
CHAPTER FOUR: DATA PRESENTATION AND ANALYSIS	27
4.0 Introduction	27
4.1 Objectives Revisited	27
4.2 Participants Profile	27
4.3 Research Findings.....	28

4.3.1 Strategies of Revenue Mobilisation	28
4.3.1.1 Property tax	28
4.3.1.2 Rates, Charges and licensing.....	29
4.3.1.3 Loans	31
4.3.1.4 Central Government Transfers and Grants	32
4.3.1.5 Income generating projects	32
4.3.1.6 Other Sources	33
4.3.2 Harare City Revenue Trends	33
4.3.2.1 Debtors and creditors.....	34
4.3.2.2 Employment costs vs. Service delivery capital.....	36
4.3.4 Challenges Encountered in Mobilising Revenue	37
4.3.4.1 Lack of adherence to public finance principles	37
4.3.4.1.1 Accountability	37
4.3.4.1.2 Responsibility	38
4.3.4.1.3 Transparency	38
4.3.4.1.4 Fairness	40
4.3.4.2 Poor Prioritisation.....	40
4.3.4.3 Incapacity	40
4.3.4.4 Rigidity of Harare City.....	41
4.3.4.5 Lack of Government Support.....	41
4.3.4.6 Limited viable revenue sources	42
4.3.4.7 Economic factors	42
4.3.4.8 Politically related issues	42
4.3.4.9 Corruption.....	43
4.3.4.10 Human nature	43
4.3.4.11 Extra-terrestrials.....	44
4.4 Data Analysis.....	44
4.4.1 Property tax	44
4.4.2 Rates, charges	44
4.4.3 Loans.....	46
4.4.4 Transfers and grants	46
4.4.5 Projects for income.....	46
4.4.6 Revenue trends.....	47
4.4.7 Challenges.....	47
4.5 Conclusion	48

CHAPTER FIVE: CONCLUSIONS AND RECOMMENDATIONS.....	49
5.0 Introduction	49
5.1 Conclusions	49
5.1.1 Sustainability of revenue strategies	49
5.2 Recommendations	51
5.2.1 Need to curb extensive corruption	51
5.2.2 Improvement of Service quality	52
5.2.3 Regain control of underperforming revenue sources	52
5.2.4 Capacity building	52
5.2.5 Adherence to public finance principles	53
5.2.6 Flexibility and pragmatism.....	53
5.2.7 Improving citizen awareness	54
5.3 Direction for Future Research.....	54
BIBLIOGRAPHY.....	55
APPENDIX A: Interview Guide.....	60

List of Tables

Table 1: Summary of Harare City Council's Financial Statements (2013 – 2017), (page 31).

Table 2: Summary of Harare City Council debtors and creditors (2013-2017), (page 32).

Table 3: Harare City Council employment costs vs. service delivery capital, (page 33).

Table 4: Variances between balances from Harare City Council BIQ trial balance and balance as per financial statements, (page 36).

ABBREVIATIONS

ADB	African Development Bank
AFRODAD	African Forum on Debt and Development
AIDS	Acquired Immune Deficiency Syndrome
CHRA	Combined Harare Residents Association
CSBAG	Civil Society Budget Advocacy Group
DAK grant	Dana Alokasi Khusus Special Allocation Fund known
DAU grant	Dana Alokasi Umum General Allocation Fund known
EXIM Bank	Chinese Export and Import Bank of China
GZU	Great Zimbabwe University
HCC	Harare City Council
HIV	Human Immune Virus
HMMAS	Harare Municipal Medical Aid Society
ICT	Information Communication Technology
IMF	International Monetary Fund
LAPF	Local Authority Pension Fund
LGFC	Local Government Finance Commission
MDC	Movement for Democratic Change
NSSA	National Social Security Authority
OECD	Organisation for Economic Cooperation and Development
OPC	Office of the President and Cabinet
UN-HABITAT	United Nations Human Settlements Programmes
UZ	University of Zimbabwe

WB	World Bank
ZANU-PF	Zimbabwe African National Union –Patriotic Front
ZESA	Zimbabwe Electricity Supply Authority
ZIMRA	Zimbabwe Revenue Authority
ZINARA	Zimbabwe National Roads Administration
ZINWA	Zimbabwe National Water Authority

CHAPTER ONE: INTRODUCTION

1.0 Introduction

1.1 Background to the Problem

Most local authorities globally fail to meet their financial obligations. Rapid growth of urban populations creates an ever-increasing demand for public services, new public infrastructure, and its maintenance (Organisation for Economic Co-operation and Development, OECD, (2010); UN-HABITAT, (2015: 8)). Most local authorities as a result of failure to raise their own revenues from property taxation and service charges end up relying heavily on transfers from central governments. In some jurisdictions, fiscal centralisation is still intact with central governments still in control of promising and major sources of revenue which have the capacity to end economic woes for local government authorities, (UN-HABITAT, 2015: 8).

The centralised approach to governance mentioned above was adopted by most Sub-Saharan African countries after independence with unpleasant results, (Børhaug (1994: 14). New policy principles, like basic needs, sustainability and accountability, resulted in attention focused on decentralisation premised to facilitate among other issues resource mobilisation, local adjustment, improved accountability, improved coordination and improved balance between investment and recurrent costs. Notwithstanding above developments, revenue collection remains deprived in most African countries, raising concerns of negligence on public welfare when growth of state funds is prioritised, (AFRODAD, 2011: 9).

The Zimbabwean Constitution amendment number (20) of 2013, Section 276 (2) (b) allows revenue mobilisation by local authorities for purposes of fulfilling their objects and responsibilities. Local Authorities thus enjoy a 'semi-autonomous' status in the collection of revenue from excises and sales taxes; local business taxes; vehicle and transportation taxes; property taxes; utilities; charges and user fees. Yet a general assessment of sub national governments in Zimbabwe shows that they still struggle to meet their financial obligations. Revenue mobilisation devices in use are not up to the task ultimately constituting soft spots for revenue leakage. For instance, there is room for employees at the billing side for fake receipts to be issued to customers when they come to settle their monthly bills, (Auditor

General 2015: 31). Moreover, reports of tax evasion and large amounts of debts owed to sub national governments invite criticism of revenue collection strategies that are being used.

Harare city has been grouped amongst cities with fastest growing populations with an estimated population of 2.1 million which is further anticipated to have grown up to 3.2 million in 2032 translating to an annual population growth rate of 2.0 percent during the projected period, (National Census of Zimbabwe 2012: 36). This growth rate illustrates a mismatch between resources at the disposal of Harare City Council and the quantity of people in need of goods and services. To this extent, it is fair to predict that given this background, the struggling local authority will continue failing in the provision of expected services to residents and tax payers. Failure to collect refuse; pay of workers; provide (safe and adequate) water; refurbish road networks and treat sewer is blamed on lack of adequate resources. This puts the reputation, integrity and image of the sub national government authority and central government at large into disrepute as the increased level of education of the general populace resulted in enlightened and lively public that demands prompt delivery of expected goods and services by local authorities.

The above scenario is worrying considering Zimbabwe's desperate financial needs in a limited and shrinking fiscal space (Zhou 2012: 156). Even on the global level, every economy is currently financially stressed and unable to rescue Zimbabwe out of this financial mess. Credit facilities are disappearing with renowned financial institutions including the International Monetary Fund (IMF), the World Bank (WB) and the African Development Bank (ADB) which used to advance financial support to governments in need have grown 'too reluctant' to assist Zimbabwe as it owes them large amounts of money which continue to grow due to payment areas, interest and penalty charges (Zhou 2012: 159). This then calls for 'prudent' and 'effective' collection and expenditure of public funds.

Whilst there are concerns over the capacity of sub national government institutions to raise sufficient revenue, this research seeks to assess the sustainability of current revenue mobilisation strategies. Revenue collection at local government level has a bearing on national development. Effective revenue collection is a plus for the state whereas poor revenue mobilisation increases burden on the central government which would allocate more than necessary resources to struggling local government authorities thereby sacrificing national development. This is in sync with Section 301 sub section (2) (e) of the Zimbabwean national constitution which notes that the fiscal capacity and efficiency of provincial and

metropolitan councils and local authorities is considered when revenue is being allocated between tiers of government. It is therefore of paramount significance to have sustainable revenue collection strategies employed as we move forward since they have a bearing on national development.

1.2 Statement of the Problem

Local Authorities continue to encounter an increasing gap between resources and their needs despite green light through various legislations to raise revenue from within their jurisdictions. Revenue mobilisation by the City of Harare remains a challenge and \$709 million of debt owed to the local government authority as at 30 September 2017 bears testimony, (HCC Budget 2018: 6). Due to limited revenue inflows, HCC is failing to execute its objects and responsibilities. For instance, the HCC raised \$343.9 million for the financial year 2016 whilst creditors stood at US\$ 395 million as at 31 August 2016 resulting in a deficit of about \$51.1 million before considering other expenses like employment costs which went beyond the budget, (HCC Budget 2017: 9). It is also worrying to have constant declines in revenues collected by the HCC whilst needs continue to multiply, for example, in 2016 the HCC raised \$281 million (instead of the projected \$343.9 million), 3.8% down from \$292 million the previous year hence registering a deficit of \$76 million in 2016, compared to a surplus of \$43 million in 2015, (HCC Budget 2017: 9). Sadly, a critical analysis of municipal budget statements nationally since the adoption of the multicurrency system illustrates similar trends. This trend is not confined to Zimbabwean local authorities, but, is evenly distributed amongst local authorities worldwide principally in developing economies. This is supported by the World Bank (2006: 73) which notes that despite considerable autonomy over local resources, revenue collection is still a challenge for local authorities in South Africa. This inadequacy of financial resources affects sustenance of operational costs, capital investments and service delivery obligations, (CHRA 2014: 14). It is imperative to invent sustainable revenue mobilisation mechanisms which ensure that revenue inflows outweigh expenditures.

1.3 Objectives of the Study

This study purports:

- To identify strategies of revenue mobilisation being used by the Harare City Council for revenue Collection.

- To investigate the sustainability of strategies employed by the Harare City Council to mobilise revenue.
- To assess the effects of current revenue mobilisation strategies by the Harare City Council.
- To identify challenges encountered by local authorities in raising their own revenues using Harare City council as the case under study.
- To recommend strategies that can be adopted by sub-national governments to enhance revenue mobilisation strategies or replace current ones.

1.4 Research Questions

This research seeks to provide answers to the following questions.

- What are the revenue mobilising strategies being used by Harare City Council?
- How sustainable are the strategies employed by Harare City Council to mobilise revenue?
- What are the effects of current revenue mobilisation strategies by Harare City Council?
- What are the challenges being faced by Harare City council in the process of revenue mobilisation?
- What can be done to enhance to enhance revenue collection by Harare City Council?

1.5 Justification of the Study

This research finds its justification in the continued contraction of the economic legroom of financial institutions, domestic states and international states, making it crucial to explore the sustainability of revenue collection methods by sub national government authorities for purposes of recommending effective strategies. The study shall be used also be useful in bridging the lacuna in literature concerning reasons behind the ever-growing gap between needs and financial capacity of municipalities in developing economies with specific interest in Zimbabwean local authorities using HCC as a case study. Literature is not strident as to why there are revenue mobilisation problems local government authorities in Zimbabwe encounter. As a result, it is imperative to do a detailed research that local government authorities use to mobilise revenue. The study helps to identify operational challenges restraining service delivery. Moreover, research findings maybe valuable to academics and policy makers who shall be recommended with most convenient revenue mobilisation strategies for local government authorities in Zimbabwe. Although relatively a whole host of

national studies have been carried out on the topic under study, the researcher intends to zero in closer to home as charity begins at home.

1.6 Limitations

Limitations are the obstacles or restrictions the researcher encountered in accessing information. The researcher encountered inaccessibility of latest information from HCC and the office of the Auditor General. However, reports from the General Auditor's office were published before the data gathering phase was complete.

1.7 Delimitations

Despite the ubiquity of revenue mobilisation issues amongst local government authorities globally, this study was confined to Zimbabwean local authorities using HCC as a case under study to explore the sustainability of methods of revenue mobilisation in place. The research focused on the period (2013 to 2017).

1.8 Ethical Considerations

The researcher is also bound to respect ethical considerations during and after the study. This research valued participants' right to privacy, anonymity and confidentiality, participants' voluntary participation and withdrawal from the research. As Babbie (1992: 32) notes, ethics is typically associated with morality. These include manufacturing or altering research findings. The researcher issued participants with consent forms which they gladly signed as proof they were willing to be part of the research.

1.9 Organisation of the Study

➤ Chapter One: Introduction

It consists of the background to the problem under study, statement of the problem, research objectives and research questions, justification of the study, research limitations, delimitations, research ethics and a section on organisation of the study.

➤ Chapter Two: Literature Review and Theoretical Framework

This section is a presentation of reviewed literature on global, continental and regional practices on revenue mobilisation. The underpinning principle of the research was to examine fundamental theoretical frameworks and values that guide revenue collection.

➤ Chapter Three: Methodology

This chapter highlights various methodologies used to sample participants, collect, present and analyse data.

➤ Chapter Four: Data Presentation and Data Analysis

This chapter displays presentation and analysis of research findings. Research findings were presented using a thematic and tables approach. Data analysis was done through Content, Thematic and Cross Case analyses of major findings.

➤ Chapter Five: Conclusions and Recommendations

This chapter is a presentation of conclusions and recommendations of this research.

CHAPTER TWO: LITERATURE REVIEW AND THEORETICAL FRAMEWORK

2.0 Introduction

The central purpose of this chapter is to review literature on revenue collection strategies local authorities use globally to establish best practices. It also reviews literature on state objectives for revenue collection and sources of those revenues at a global level and lessons drawn from them. In this chapter, definitions to concepts that are fundamental to this study are given. This section also highlights theoretical frameworks that inform public revenue mobilisation. The main objective of this chapter is to reflect public revenue mobilisation as it is viewed by lenses of different authorities. Uganda, Zambia and Indonesia are chosen sample case studies only for illustration purposes.

2.1 Conceptual Framework

This section offers definitions of “public revenue mobilisation”, “service delivery” and “local authorities” since they are fundamental to this research.

2.1.1 Public Revenue Mobilisation

Edogbanya et al (2013: 15) perceive public revenue as funds which governments generate towards financing their activities for a fiscal year. They postulate that revenue generation is the sourcing of revenue for public authorities to execute their aims and objectives. For Zhou and Madhikeni (2013: 49), the term “public revenue” refers to government revenues. They further posit that it collectively covers income generated from taxes, fees, duties, tariffs, sale goods and services, profits or dividends from public enterprises and other sources. Public finance involves collection, management and conversion of those resources into consumable goods and services, (UN-HABITAT 2012: 13). Unfortunately, more profitable revenue sources including taxes are under the control and management of central governments leaving sub national governments underfunded, (UN-HABITAT 2015: 8). Resultantly, local government authorities become dependent upon central governments which have lost the enthusiasm to transfer adequate funds. To solve this puzzle, public finance scholars advocate fiscal decentralisation which is defined by Wheeler (2004: 22) as empowering lower levels of government with authority to manage the provision of public goods and services. For Dollery (2009: 155), financial sufficiency for local government would also require autonomy on

determination of local charges, local fees and powers to levy local taxes. Principles of public finance including ability of payers of taxes or rates to pay and equity may frustrate efforts to raise adequate resources. Common from above views is that public revenue involves authorities collecting resources in various forms for purposes of meeting their responsibilities including refuse collection, delivery of clean and safe water.

2.1.2 Principles of Public Revenue Mobilisation

Zhou (2012: 153) highlights that revenue collection should be sensitive to universally acknowledged principles of equity, ability to pay, convenience, economic efficiency and certainty. He further argues that balance should be struck between the imperatives of collecting adequate revenue and socioeconomic welfare. An assessment of samples where above principles were implemented revealed that performance in revenue collection has been average or worse, (UN-HABITAT 2015: 34). This indicates that problems sabotaging public revenue mobilisation go beyond the improper use of mainstream principles. There is also an oversight or short-sight on other chief issues including expenditure policies, fiscal transfers, or accountability mechanisms that result in poor revenue mobilisation, (UN-HABITAT 2015: 91). Gleaned from this discussion is that best practices are key for successful revenue mobilisation but adhering to them is a challenge that needs to be addressed.

2.1.3 Sources and Strategies of Mobilising Revenue

Sub national government authorities are normally exposed to following sources of income:

2.1.3.1 Taxation

Tax income is normally received from taxes on agricultural equipment, property, motor vehicles, and others, (ERD 2003: 2). McCluskey et al (2005: 8) assert that raising revenue from tax in African countries is restrained by several factors including incapacity to regularly update valuation rolls. Taxes constitute part of lucrative revenue sources which remain under the management of central governments in several countries. Local authorities suffer inadequate revenues due to weak local tax systems, (UN-HABITAT 2015: 93). Increased revenues may be generated through greater tax rates, keeping valuation rolls up to date, improved tax collection, reduced tax evasion and giving sub-national governments the autonomy to broaden their tax bases.

2.1.3.2 Charges, Fines and User Fees

Above sources of income come payments made for using services provided by governments including vehicle licenses, water rates, stamp duties, tax clearance among others. Most scholars of public finance conjecture that user fees and charges are the most appropriate source of takings for local governments, because those paying would have benefited from services offered, (UN-HABITAT 2015: 18). Fines are charged for violations of rules and regulations including parking on prohibited space.

2.1.3.3 Grants

They are funds received in form of aid from other countries or from intercontinental financial institutions including the World Bank, IMF, Africa Development Bank, to mention but a few. Within a country, sub-national governments may obtain grants from other governments from varying levels for example, local government councils (lower tiers of government) usually receive grants from federal and state or central governments (higher tiers of government).

2.1.3.4 Loans

These are borrowings from individuals or from foreign countries to finance projects. Financial institutions including banks also conditionally extend credit lines to local government authorities.

2.1.4 Use of Revenue Generated by Local Governments

This section justifies the collection of public revenues.

2.1.4.1 Running of Public Services

Fjeldstad et al (2008: 3) assert that user charges and various forms of self-help activities contribute to the running of public services such as primary schools and health facilities. They also note that these services need to be maintained.

2.1.4.2 Service Delivery

Presence of adequate locally raised revenues may improve local authorities' performance in delivering services to residents of their constituencies, (UN-HABITAT 2015: 30). Zhou and Madhikeni (2013: 49) reiterate views above opining that revenue mobilisation is an integral component of fiscal policy and administration as it powers government processes. Arguments

above conjecture on the presence of a strong link between service delivery and availability of resources.

2.1.5 Challenges associated with Revenue Collection

Local government authorities usually face issues relating to capacity and governance in their endeavour to raise their own revenues. Most sub-national governments particularly in developing economies fail to regularly update valuation rolls making it illegal to tax owners of new properties. This makes local authorities squashy spots for revenue outflow. In some jurisdictions, there is absence of clear policies to guide on lower level of government should be financed whilst efforts in some countries to recentralise revenue collection are in progress already. UN-HABITAT (2015: 34) noted the presence of legislation to support fiscal decentralisation depicting political will from central governments. It however noted the absence of incentives which enable local governments to be economically autonomous. Informal sectors represent a portion that cannot be easily taxed due to their location, uncertainty of their businesses and strong links they have with political elites. Available empirical literature strongly indicates that sub national revenue generation usually falls short of needs and expectations.

2.1.6 Local Authorities

The Zimbabwe Institute (2005: 5) defines local government as refers participatory and democratically elected structures established specifically to satisfy needs of people at lower level community setups. Gomme (1987: 1-2) views local governments as elements of the entire government which is however elected by local people to serve their interests. From above one may note that local government authorities are subordinate to national governments despite their managements democratically elected by local people. Local government, local government authority and sub national government will be used interchangeably for the purposes of this study.

2.1.7 Service delivery

The Ugandan Government (2013: 2) views service delivery as mechanisms of policy implementation. It further notes that service delivery is hinged upon accountability, value for money, fiscal prudence, improved communication and decision-making processes. Above qualities enhance service delivery which is about providing the services that best address consumer expectations, (Government of Uganda 2013: 10). Most local government systems

globally provide for service delivery approaches such as, direct provision of services which local government authorities offer, public-private partnerships, privatisation, franchising, contracting out, volunteerism, tax expenditures, self-service, or service coproduction. Rieker (2001: 90) notes that the main focus of service delivery is supplying expected products or services by a government or government body to a community. A combined definition from above would highlight the link that exists between public administration as a discipline and service delivery.

2.2 Theoretical Framework

This section discusses virtues essential to the principal-agent theory, public choice theory and the welfare economics as they inform this study.

2.2.1 Principal Agent Theory

The theory came out of the field of economics and seeks to describe the relationship that exists between the “principal” and the “agent”, (Ross 1973: 134). The principal is the party that is failing to meet certain ends on its own due to some hindrances. Consequently an agent is contracted for the sole purpose of accomplishing the principal’s goals at a certain cost. The theory is concerned with analysing and solving issues that may arise between the principal and the agent through application of the optimal contract, (Kivisto 2007: 4). Governments act as agents of citizens as they are contracted through elections deliver expected goods to the public on behalf of the public. The theory further notes that the agent’s and principal’s goals normally clash, (Kivisto 2007: 19). This would put public funds in jeopardy as the agent may misuse those funds causing consumers to default paying for services. The principal-agent theory also posits that the agent often enjoys autonomy which makes economic autonomy, political decentralisation and administrative decentralisation necessary. Decentralisation is premised to enhance indispensable values including accountability, transparency, responsibility and value for money which are essential for service delivery. States are larger institutions hence contracting local authorities who are better positioned to the public result in better revenue mobilisation which is fundamental for provision of quality goods and services. This study seeks to assess the relationship that exists between sub national governments and the public for purposes of identifying consequences of such relationships to local revenue collection.

2.2.2 Public choice theory

The public choice theory perceives public officials as concerned only with enriching themselves at the individual level inspiring goal conflict at the organisational level, (Hughes, 2003:12; Ayee, 2005:06). The theory criticised the ‘welfare economics’ theory that was motivated by the American Great Depression the 1930s which supported government interference in times of market failure to effectively protect the public interest. The theory’s foundation is the microeconomic theory that views the citizen as a consumer of government goods and services, (Zinyama 2014: 74). The theory was premised on making governments’ methods of administration effective, efficient, competent and financially prudent, (Omoyefa 2008: 18). Governments are mandated to provide goods and services that are consistent with local public choices therefore it becomes imperative for governments to persuade citizens to commit their own resources where production of goods and services is being undertaken, (Buchanan 1969: 136). Analysis of efficiency in allocation of values views local governments as better strategically positioned to provide services to local people compared to central governments, (Suhendra and Amir 2006: 3-4). This suggests that fiscal decentralisation promotes and enhances better delivery of services. The theory is criticised for assuming that public officials seek to enrich themselves at the expense of the common goal. To curb this challenge, innovation of restraining and controlling mechanisms which guide the behaviour of public officials concurrently ensuring the maximisation of the commonly shared interest is necessary. To achieve this, a contract between local government authorities and the general populace who are mainly the consumers has to be articulate the ingredients necessary for the production of services and goods. This shall give both parties rights and responsibilities.

2.2.3 Welfare Economics Theory

Adam Smith in 1776 argued that welfare economics relate to the human behaviour where individuals in the process of pursuing personal goals would in the greater analysis be working to promote the greater or common good, (Hebert and Ekelund1987: 46). In reiteration of this point, Smith underlined the primacy of consumption against production highlighting that consumption is the sole reason production can be justified. Therefore no production can be reasonable when there are no consumers. The producer is not producing for him or herself but the consumer who exchanges the good or service with something. The theory can be utilised to assess how and why public goods and services are produced. Considering this theory, it can be noted that local authorities ought to produce public goods for and on behalf of the end user

who appears to be the resident. Moreover, the Welfare economics theory focuses on policies which initially must focus on the attainment of some social objectives and increasing the absolute level of social production. The theory however ignores the fact that policy objectives mainly serve the interests of individuals or individual groups who define and interpret societal issues. To correct that, all societies must ensure inclusive participation in policy processes.

2.3 Case Studies on Revenue Mobilisation

2.3.1 Zambia

Zambia adopted a decentralised approach to government in 1968 and since then efforts to enhance decentralisation have been noted, (Chikulo 2009: 99). He further notes that the creation of democratically elected local governments which have three categories of councils namely, the city, municipal and district is stipulated in both the current Zambian constitution and the Local Government Act of 1991. Consequently, there are four city councils, fourteen municipal councils and fifty-four district councils in Zambia which are managed and administered according to the dictates of the Local Government Act No. 22 of 1991.

2.3.1.1 Sources of Revenue

The above Act authorised the collection and management of revenues by councils from local sources at their discretion. Major sources of revenue for councils include grants and loans from government, borrowing from the money market, property rates, personal levy, rents, levies and fees. Property taxes are considered the most lucrative revenue source for Zambian local authorities, but, local authorities are failing to tap into this mainly owing to their incapacity to regularly update the valuation roll, (Lolojih 2008: 16). The absence of an up to date valuation roll makes it illegal to collect taxes from owners of new properties. Despite these challenges, local taxes according to available estimates of income and expenditure documents are highest contributors to revenues of local authorities. Central government transfers are theoretically a major revenue source for councils, (Musukuma, 2016: 30).

A general assessment of revenue mobilisation by Zambian local authorities gives the impression that local authorities have encountered problems in generating funds from local sources. According to Chikulo (2009: 104), local authorities are failing to take advantage of vast powers to mobilise their own revenues that are enshrined in Zambian legislations. The major reason for this failure is their very small resource base which cannot sustain their

operations. Contrary to this view, the UN-HABITAT (2012: 51) notes that it is fair to say that for the past three decades Zambia has been in effect centralising or recentralising. This shows that decentralisation is merely on paper therefore stifling revenue collection efforts. Lolojih (2008: 38) supports above sentiments noting that there is a conjecture amongst local authorities officials that inability to raise adequate finances from local sources is caused by absence of explicit policies on how to finance local authorities; lukewarm support from central government; and recentralisation that caused the removal of local shares tax share. More so, inability by facility users, particularly central government agencies to pay for services rendered to them by councils has been a challenge, Musukuma (2016: 31). Resultantly, most Zambian local government authorities face deep financial crises caused by debts they are failing to manage, (Chikulo 2009: 104).

2.3.1.2 Status of Service Delivery

Councils are expected to deliver on water, sewerage services, health services, feeder and district roads, education and housing, to mention only salient ones. According to Lolojih (2001: 5), Zambian local authorities are not able to efficiently and effectively perform their functions. This is caused by a weak financial base and poor management of available local resources as noted above. Chikulo (2009: 103) notes that most of Zambian sub national governments struggle to mobilise adequate resources thereby suffocating service delivery capacity. Moreover, lack of financial sustainability has undermined their developmental capacity and autonomy. Musukuma (2016: 9) highlights that deficient service delivery, underdeveloped localities and poor standards of living of people manifest in lack of or poor drainage systems, uncollected garbage, mushrooming of unplanned settlements, inconsistent water supply and sanitation services in many places, street vending among other vices countrywide. This ugly picture presented might be caused by increasing responsibilities given to councils without a corresponding capacity in resource mobilisation; the unfortunate culture of having free services that has reduced the willingness to pay among the local people, (Chiwele 2002: 2; Chikulo 2000).

2.3.2 Uganda

According to Birungi et al (2000: 26), the decentralisation process which started in the 1980s in Uganda gave local authorities autonomy in revenue collection from local sources and some have contracted out certain services to private entities in an effort to increase the collection of

revenue and to enhance efficiency in service delivery. This was a departure from a previous setup whereby local authorities had no major functions, little capital and practically no political autonomy (Birungi et al 2000: 27).

2.3.2.1 Revenue Sources

Local governments receive grants from central government, local revenue collections, borrowing and donations from development partners for purposes of delivering goods and services. Central government transfers or grants are the main revenue source for Ugandan local government authorities, (Auditor General, Uganda 2016: 2). Local governments own revenues have been dwindling, for example, in 2005 and 2008 the Graduated Tax was suspended and abolished respectively and was not satisfactorily replaced, (Auditor General, Uganda 2016: 5). It is worrisome that total collections by Ugandan sub national governments constitute only half of total revenue potential making local authorities more dependent upon grants by central government. Consequently, local authorities are left with very marginal prospects to be financially independent. Sadly, the Ugandan central government has not been devotedly and promptly transferring enough funds to sub national governments since financial year 2011.

The Civil Society Budget Advocacy Group (CSBAG 2017: 3-6) identifies lack of capacity to effectively generate revenue; limited facilitation for revenue mobilisation; lack of financial independence; absence of clear legal tools for the mobilisation and management of revenue; and hostile political pronouncements, as the major impediments to revenue mobilisation by Ugandan local authorities.

2.3.2.2 Status of service delivery

Despite improvement in services delivered by Ugandan local authorities in some areas, there is still a large room for improvement, (Bainomugisha et al 2014: 31). They however indicated that lack of financial independence suffocates planning, innovation and vital utilisation of resources Auditor General, Uganda (2016: 6) observed that local governance financing is inadequate to match the ever-increasing demand for delivery of services and contrary to popular belief, the increase of transfers in titular terms have had less impact on service sectors of education, health, water and roads which are in perpetual state of decline, negatively affecting services in local governments particularly as the populations and inflations continue to rise. In essence, local authorities are not capacitated to drastically improve local service

delivery with the current budget architecture therefore aligning budget allocations to reflect needs and priorities is essential.

2.3.3 Indonesia

According to Shah (2006: 233), Indonesia witnessed the choking any prospects of development of autonomous local government institutions by fiscal and political centralisation. The above scenario limited profits from public sector projects and worked towards reduced accountability, (ibid). To address above challenges, the Indonesian government embarked on an ambitious decentralisation process in 2001 which resulted in the creation of three levels of government namely central, provincial and local, (Lewis, 2016: 3). Collection of revenue by sub national governments was not encouraging before the decentralisation process began. As noted by Suhendra and Amir (2006: 7), there was an increase in own revenue from 7.7 % during the centralisation era to 68.3% after political, governance and fiscal decentralisation. The above views are reiterated by Shah (2006: 237) who observed that expenditures and revenues of Indonesian local government authorities have been on the rise in absolute terms. Brodjonegoro (2005: 7) however takes a varying view citing that comparing and contrasting local revenue growths during 1994-1996 and 2001-2002 suggest that growth prior to decentralisation (20%) is much higher than growth after decentralisation (5%). This contradiction might be caused by different timelines or performance indicators chosen for analysis.

2.3.3.1 Revenue Sources

Local authorities used to depend heavily on earmarked grants to finance their development and expenditures. Shah (2006: 238) notes that central government transfers remain the main revenue source for local governments. He further notes the categorisation of principal revenues into four strands namely: (a) own-source revenues, consisting of tax and nontax revenues; (b) the balancing fund and shared taxes and revenues; (c) loans and (d) other local revenues. This is underlined by Lewis (2016: 4) who identifies shared taxes, shared non-taxes, the general-purpose and specific-purpose grants and other transfers. He further notes that about 90% of revenues received by local government authorities come from intergovernmental transfers and the remaining 10% is shared amongst other sources. Law No.18 of 1997 restricted the taxing powers of Indonesian sub national governments, (Mahi 2002: 3). Local government authorities are dependent upon the Dana Alokasi Umum (DAU)

which is a balancing fund the national government transfers to sub national governments. This view is supported by Suhendra and Amir (2006: 6) who argue that the implementation of decentralisation since 2001 has helped less as far as fiscal independence is concerned. Heavy dependence on central governments was noted by Brodjonegoro (2005: 9) who indicated that most of Indonesian local governments bemoan the insufficiency of DAU for regional development especially related to new infrastructure provision.

2.3.3.2 Status of service delivery

Indonesian local government authorities derive their responsibilities and authority to collect revenue from legislative frameworks. Lewis (2016: 3) notes that direct service assignments for local authorities focus on education, health and infrastructure functions, tasks related to social protection, environment, low-income housing, security and support for economic development among others. Shah (2006: 237) notes that fiscal deficiencies mentioned in section 2.3.3.1 limit poorer local governments in their efforts to deliver basic services to their citizens at an acceptable level and quality and decentralisation may be probably perpetuating inequality. Lewis (2016: 3) concludes that decentralisation has had mixed outcomes as some aspects of service delivery in key sectors have improved when others show signs of distress. World Bank (2012) in (Lewis 2016: 3) opines that delivery of services depends more on revenue management than collection. Recent studies strongly suggest that variances in performance results of Indonesian sub national governments are caused by how resources are being managed. Local government authorities flawed with corruption have been performing feebly compared to others practising good governance, (Lewis 2016: 3).

2.3.4 Lessons Drawn

The UN-HABITAT (2015: 4) notes that many local governments are currently debilitated to fund their infrastructure and services required to meet the basic needs of growing urban populations since their revenue mobilisation is still a huge challenge. Despite calls for fiscal decentralisation globally, the extent and nature of fiscal decentralisation vary from one jurisdiction to another because of a plethora of significant limitations, (Dickovick and Riedl 2010: 22).

A general assessment of sub national governments in countries above portrays a failure to maximise on lucrative local sources of income such as property taxes due to incapacity to do so. Zambian and Ugandan cases revealed that valuation rolls are always outdated making it

illegal to tax owners of new properties, (Loljih 2008: 16; CSBAG 2017: 3-6). This constitutes a major revenue leakage which would leave local authorities lacking financially thereby compromising delivery of goods and services.

The Zambian and Indonesian cases present a retreat from fiscal decentralisation which was initially implemented to enhance revenue mobilisation by sub national governments. New legislations in Indonesia imposed limitations to powers which local government authorities had in mobilising revenue, (Mahi 2002: 3). In Zambia, lack of legal frameworks that promote decentralisation, disadvantageous political structures and erratic partial execution of policies that promote decentralisation point towards recentralisation.

It may be concluded for the Indonesian experience that revenue mobilisation is insufficient for the achievement of service responsibilities by sub national governments. As noted by Lewis (2016: 3), some local government authorities lack fiscal prudence resulting in disparities amongst local government authorities despite receiving same amounts of revenues. A varying observation by the UN-HABITAT (2015: 34) notes that adherence to public finance principles is not enough for effective revenue collection.

In the three case study countries, sub national governments seem to be relying revenues they get from national governments, (Shah (2006: 238); Brodjonegoro (2005: 9); Lewis (2016: 4); Auditor General, Uganda (2016: 5) and Musukuma, (2016: 30)). This deprives local authorities of the autonomy over expenditure and other decisions, (Dickovick and Riedl 2010: 22). Despite this dependence, central governments which are expected to be transferring funds to these local government authorities seem overwhelmed financially. Shrinking fiscal spaces at national levels affect the transfer of revenue from central governments to local authorities. Observed from above is that implementation of fiscal, political and governance decentralisation, could cushion lower levels of government from shocks at the centre. Resultantly, sub national governments fail to execute their responsibilities and this is manifest in poor garbage collection, poor water provision and poor road networks, (Resnick 2014: 4). Local government authorities seem to neglect principles such as “accessibility”, “affordability”, “value-for money,” “transparency,” “accountability” and “sustainability” which are underpinning in public finance.

2.4 Conclusion

This chapter reviewed most recent literature on public revenue mobilisation and noted that decentralisation of governance generally result in accrual of significant benefits. Principles of public finance management including transparency and fiscal prudence have to be upheld for economic and effective use of revenue. Upholding these values, accessible payment platforms, quality and prices of services and goods offered give confidence to residents and rate payers to pay their bills. Ways of financing lower levels of government have been discussed in depth in literature. This study therefore intends to interrogate the sustainability of current revenue collection strategies. The research shall also assess effects of ineffective strategies of revenue collection to national development with intentions to give recommendations on strategies that are feasible and sustainable.

CHAPTER THREE: METHODOLOGY

3.0 Introduction

This chapter discusses research methodology, research design, target population, sampling techniques and data gathering methods. Ethical considerations, validity and reliability are also highlighted in this chapter. Furthermore, methods of presenting and analysing research findings are also discussed.

3.1 Research Methodology

The research used qualitative research methods allow for the examination and understanding of little known phenomenon (Strauss and Corbin, 1998: 11). This research is knowledge based with very few members of the community possessing knowledge on public finance. The knowledgeable include practitioners of revenue collection at the HCC and public finance experts. The research gathered data through in-depth interviews and searching secondary data in existing documents.

3.2 Research Design

It can be defined as a roadmap guiding the research. Kumar (2011: 302) defines a research design as a strategy of investigation used to obtain and answer research questions. Blanche et al (2006: 34) define it as a blueprint or plan of how a research is to be completed. Kothari (2011: 30) conceptualises it as a structure that stipulates the guidelines for data collection, presentation and analysis. This research was designed as a case study and HCC was the case under study for the assessment of revenue mobilisation strategies which are being used by sub national governments to establish their sustainability. The HCC does not only present a particular situation but is intended to inform other situations or cases (Yin 2011: 18). As highlighted by Stake (1995: 3), Harare City Council becomes an instrumental case study. Zambia, Uganda and Indonesia were used as cases to illustrate experiences from other countries.

3.3 Sampling

Sampling involves identification and selection of potential participants to the research from the whole population (Creswell, 2009:89). The population identified consisted of public finance experts, revenue mobilisation practitioners and residents who fund operations of governments. Purposive sampling or judgemental sampling which is defined by Marshall (1999: 523) as involving the researcher selecting a sample that can best answer research questions was used to identify and select key participants from the identified population. This was because public finance experts are rarely represented in the entire population. The sampling technique was industrious as the population was specialised and the study is exploratory in nature, (Neuman, 2007: 273). Judgmental sampling was chosen because only experts in management of public funds and revenue mobilisation practitioners from HCC could answer more technical questions on revenue collection processes. The identified participants were aware of strategies currently in place and challenges being faced in raising resources for the local government authority.

The research also utilised the network chain referral known as snowball sampling technique, participant driven sampling or reputational sampling. This is whereby research participants recommend useful potential participants for the study, (Marshall 1999: 523). Snowball sampling starts with a small group of already known people from the population which is asked to identify prospective participants who in turn identify people they know from the population and so on, until a certain number of people have been identified who will then together make up the sample. This sampling tool enables the researcher to reach participants that are difficult to reach. The management of public money has political connotations as it involves who gets what, when and how and which makes the field a sensitive one. Therefore, some key potential participants would try to be unreachable by all means.

Convenience sampling was also employed for identification of residents who could participate in the research. This involved the selection of most accessible participants or participants readily available to the researcher, (Marshall 1996: 523; Yin 2011: 88). Acknowledging Yin (ibid)'s warning about the unrepresentative nature or biases that may emanate from this sampling technique, the researcher does not intend to generalise research findings. However, the researcher managed to obtain information which might not be available to other researchers because the researcher had an insider status, (Dawson 2002: 51). One participant

resided in Mount Pleasant, (a low density suburb) and two were from Warren Park D, (a high density suburb) both in Harare.

3.4 Data collection methods

These are the means of sourcing data. This research used in-depth interviews to obtain primary data and searched in written documents to gather secondary data.

3.4.1 Documentary Search

According to Oppenheim (1992: 02) documentary search enables the researcher to systematically analyse written records. This enabled the researcher to familiarise with existing work and current discourse on revenue mobilisation by the HCC. The researcher drew information from documents such as the Zimbabwean Constitution, HCC Budget Statements, Zimbabwe Auditor General's Reports, newspapers, academic journals among others. Findings from documentary study revealed the authority given to sub national governments on the collection of revenue from within their areas of authority, principles guiding public finance management, revenue sources and strategies in use, challenges faced in revenue mobilisation, and possible solutions for sustainable strategies of revenue mobilisation. Although secondary data do not bear a direct physical relationship to the event being studied, they were used to supplement and verify primary data, to place current study in context and learn from earlier endeavour, (Cohen et al, 2005: 162).

3.4.2 In-depth Interviews

Yin (2009: 107) in-depth asserts that interviews enable researchers to ask the key participants about facts of a matter in addition to their opinion on the subject matter. The researcher brought interview guides, a smart phone for recording, a pen and a notebook for note taking. The researcher conducted in-depth interviews on revenue mobilisation practitioners, (HCC staff), public finance experts (public administration lecturers at the University of Zimbabwe and Great Zimbabwe University), civil society groups (Harare Residents Trust and Crowborough Residents Committee) and Harare residents themselves. As noted by Babbie (1992: 25), interviews were essential in gathering data verbally and this necessitated instant feedback from the interviewer. This gave the researcher room to probe further for more information. The researcher also managed to rephrase questions when it appeared that

participants were dodging questions or had misunderstood the demands of the question. Gestures were noted because they enhanced or contradicted responses from respondents.

3.5 Data Presentation

Data from documentary search and in-depth interviews were presented using the thematic approach. Earby-Smith et al (2012: 165) perceive thematic analysis as template analysis of themes which are laid down which reveal existing patterns. Singh (2006: 231) argues data is done to highlight the results and to make data or results more illustrative. The research used research objectives to categorise data into themes that bring out the position of revenue mobilisation by the HCC and used tables to present research findings.

3.6 Data Analysis

Data analysis is a process involving rereading existing data with the intention of reorganising, interpreting and evaluating them with respect to your research interest, (Somekh and Lewin 2005: 25). According to Babbie (2010: 112) data analysis is the interpretation of data to draw conclusions aimed at answering research questions. For Singh (2006: 223), data analysis involves breaking down existing complex factors into simpler parts and putting the parts together in new arrangements to find meanings to research puzzles. Depending on type of data being sought for, data analysis and collection can be done together in an iterative process, (Tharenou et al 2007: 85). Resultantly, research findings were analysed through content analysis and cross case analysis and were presented in tables and thematic form.

3.6.1 Content Analysis

This involves deciphering the meaning of data or written content or symbolic material, (Neuman 2007: 20). Therefore content analysis involves the systematic scrutiny of current documents as sources of data. Considering how biased information may be, the researcher had to compare content from across various texts to establish common ground from texts scrutinised.

3.6.2 Cross case analysis

According to Kumar (2011: 09) cross case analysis involves comparison of different case studies. This is for the identification of trends from different cases. The research sought to compare and contrast revenue mobilisation practices by sub national governments in

Zimbabwe and Uganda, Zambia and Indonesia. The researcher focused on contexts, that is, legal frameworks, demography, autonomy and capacity of local authorities; strategies for raising income and challenges that constrain revenue mobilisation. The tool was used to illustrate common trends in local authorities.

3.7 Ethical Considerations

The research took into consideration ethics including enlightening participants the objectives of this research to establish informed consent of participants. A brief explanation of essential aspects of the research was conducted before participants and participants were not coerced to take part in the research. The study sought to report the findings accurately, honestly, transparently and not deceive participants in anyway. Anonymity and security of data were also taken into consideration by employing pseudonyms, passwords in gadgets where data were being processed to prevent disclosure of participants' identity. Research findings will be used will be used for scholarly functions only.

3.8 Validity and Reliability

Neuman (2007: 116) recognises reliability and validity as dependability, truthfulness and credibility of research conclusions. Although it is difficult to achieve perfect reliability and validity, efforts to enhance them including pilot testing that was conducted on peers, data compilation from distinct sources and search for negative cases were employed. Also during in-depth interviews the researcher asked participants if the information they avail captures their views. The interpretive paradigm which views reality as interpreted by how participants perceive it guided this research. Verification of primary data was done by comparing them to secondary sources of data including official reports and Acts of Parliament. All this was intended to establish mechanisms of data gathering that collect reliable, credible and valid data.

3.9 Conclusion

Qualitative methods of conducting research were used to gather, analyse and present data. Three sampling techniques namely, purposive sampling, snowball sampling and convenience sampling were utilised for identification and selection of key participants. Data gathering was carried out through documentary search and in-depth interviews. Data presentation was done by sub dividing research findings into themes and thematic sub-headings. This was conducted

for the achievement of content and cross case analysis. Ethical issues guiding the research were also discussed and finally validity and reliability of research conclusions were also discussed in this chapter. Presentation of research findings shall be done chapter 4.

CHAPTER FOUR: DATA PRESENTATION AND ANALYSIS

4.0 Introduction

This chapter involves displaying and examination of compiled data. Research findings are derived from documentary search and in-depth interviews. Tables and thematic approach to presentation for data were employed to present data from documentary search and in-depth interviews. The use of cross case and content analysis was done to analyse research findings. Research findings will serve as the basis for recommendations and conclusions in chapter 5.

4.1 Objectives Revisited

The research intended:

- To identify strategies of revenue mobilisation being used by Harare City Council for revenue Collection.
- To investigate the sustainability of strategies employed by Harare City Council to mobilise revenue.
- To assess the effects of current revenue mobilisation strategies by Harare City Council.
- To identify challenges encountered by local authorities in raising their own revenues using Harare City council as the case under study.
- To recommend strategies that can be adopted to enhance revenue mobilisation strategies or replace the current strategies.

4.2 Participants Profile

The researcher interviewed three revenue collection and management practitioners from Harare City Council were interviewed separately. These participants were selected from Finance and Accounts Departments. They were industrious for technical data relating to HCC revenue mobilisation. They also possessed rare knowledge of challenges being faced in revenue mobilisation processes by HCC.

The researcher also interviewed public finance experts namely; four lecturers of public administration at the UZ in the Political Administration Department and one from GZU were interviewed by the researcher. The intention was to get information on public finance mobilisation best practices. The researcher also intended to get information on adherence to

corporate governance principles which include responsibility, transparency, accountability and fairness.

The researcher also interviewed civil society groups representing Harare residents namely, Harare Residents Trust and Crowborough Residents Committee. Each organisation could only provide a representative for interviews due to their busy schedules. These interest groups possess exceptional knowledge as they are in constant touch with residents and local authorities, they play the go-between role. They are aware of developments surrounding HCC revenue mobilisation including challenges, obligations and privileges of residents. Given this background, the researcher intended to get more information from these groups since their role is vital for mobilisation of revenue for the HCC.

Finally, the researcher interviewed residents purporting to get first-hand information from the revenue source and consumers of HCC services. Of the three Harare residents the researcher interviewed, two reside in high density suburbs and one resides in a low density suburb. The research valued views and feelings of residents concerning services offered by HCC and revenue collection strategies.

4.3 Research Findings

4.3.1 Strategies of Revenue Mobilisation

Evidence from documentary investigation exposed that sub national governments should possess autonomy to control their revenues according to principles of fiscal decentralization. It also observed that public administration without adequate funding is a nullity therefore it is necessary to ensure that local government authorities have autonomy to mobilise their resources. Below are a snatch of prominent revenue collection strategies employed by HCC derived from Section 276 (2) (b) of the Zimbabwean Constitution amendment number (20) of 2013 which mandates sub national governments to raise sufficient funds from their areas for funding production of services.

4.3.1.1 Property tax

Documentary search disclosed that Harare city collects property tax at three levels namely domestic, industrial and commercial. This is in-line with the Urban Councils Act chapter 29: 15 of Zimbabwe which mandates councils to impose rates on all property owners eligible to pay tax within their areas of jurisdictions. Local authorities first get approval from the

Minister of Local Government. HCC's annual budgets since 2013 suggest that taxes are among outstanding sources of HCC's revenues. This trend resonates with trends in other sub national governments globally, (Hyman, 1990, 675). Evidence found from documentary search further revealed that despite property tax being a prominent source of revenue for Harare City, revenue it created since financial year 2013 was less than revenue made from Harare water sells.

This study also revealed that all things being equal, property tax should be levied on location and size of property. A lecturer from GZU noted that Harare City does not have a proper database of properties that is necessary for taxation to reach maximum potential. The participant added that new property owners are therefore not taxed which results in revenue loss. This was supported by a Harare City official who noted that the sub national government lacks capacity to regularly update the valuation roll. This is also consistent with trends in case study countries mentioned above.

In an interview, a Harare City official from Finance department revealed that of late tax payers have not been paying their dues causing property tax to underperform. Despite this failure, as evidence from documentary search indicated, budget projections since 2013 till 2018 always predicted more revenue from property tax. For instance, for 2013 property tax was projected at US\$107 million, for 2014 it was projected at US\$102 million, for 2015 it was projected at US\$105 million, for 2016 it was projected at US\$118 million, for 2017 it was projected at US\$124 million whilst for 2018 projections were US\$93 million. Property tax projections for 2018 are the lowest since 2013. This is regardless of efforts by HCC to update the valuation roll to incorporate new properties in Harare. An official from HCC revealed the trend above is caused by underperformance of the economy at a national level. The participant further highlighted that some tax payers are now incapacitated to pay bills because they lost their jobs which were their sources of income.

4.3.1.2 Rates, Charges and licensing

Evidence found from documentary search indicated that Harare City also mobilises revenue from charges for water, refuse collection, health, finance revenue collection, public safety, welfare and education, shop licensing or liquor licensing. Most of mentioned charges are levied on consumption whilst garbage is fixed depending on location. Harare residents bemoaned lack of refuse collection by Harare City Council despite religious collection of

refuse charges. The research established that refuse collection trends varied from one suburb to another with very poor collection of garbage popular in largely populated suburbs resulting in mushrooming undesignated dumpsites within and about Harare. There is however a relatively better rate of refuse collection in low density suburbs where the HCC does not skip three weeks without refuse collection.

The research found out that residents are bound by municipal laws to pay monthly rates as per billing done by the sub national government. Previously, the Zimbabwe National Water Authority (ZINWA) collected rates for water. User charges are developed to recoup operating and investments costs hence they do not represent capital finances. A Harare City official from the Finance Department revealed that every property in Harare is metered enabling the council to obtain water consumption readings at a monthly basis. The participant further indicated that where it is unattainable to take water meter readings, an average previous consumption is used. Averages for previous consumption are confined to water since other rates charges remain constant for the duration of the financial year awaiting the announcement of a new budget.

Harare residents from both low and high suburbs revealed that water provision is erratic. One participant asserted that water comes periodically and spasmodically between twelve midnight and four o'clock in the morning and will be dirty and not suitable for domestic purposes. This echoed evidence found from documentary search which revealed that that residents for the past decade have carried a heavy yoke of water charges whilst water service delivery is poor characterised by erratic and unavailable water supply, heavily contaminated water, water disconnections and high bills. Due to water challenges above, residents are resorting to other alternatives such as borehole drilling, buying water from private suppliers and water harvesting. Residents lamented lack of fairness by the council which charges residents based on yester years average consumption neglecting their current consumption averages.

Water leakages and occasional refurbishments result in intermittent water supply whilst water thefts and or illegal connections affect water pressure. The council attributes water thefts and or illegal connections to inability by residents to promptly pay water bills, human nature which forces others to become free riders. The prevailing water crisis predominantly affects residents in largely populated suburbs who have no space and financial capacity for drilling boreholes in their backyards. An official from the Finance Department of the HCC revealed

that efforts to address water leakages and thefts are already in place. This revelation is consistent with evidence found from documentary search which noted that the sub national government secured a US\$144 million loan from the Chinese Export and Import (EXIM) Bank of China in 2013 for the purposes of refurbishing water treatment works and sewer networks. Documentary search further indicated that the loan was however abused as part of the money was used to buy vehicles for the senior management.

The researcher also learnt that the HCC purports to install prepaid water meters to assist in the payment of rates by users. Currently the city is failing to take meter readings habitually which resulted in residents and residents' representative organisations complaining about overcharging. Evidence found from documentary search indicated that this move is facing opposition from some groupings in society. This was confirmed by an official from Harare Residents Trust who cited section 77 of the Zimbabwean constitution amendment number (20) which notes that safe, clean and portable water is a right for everyone. The participant highlighted that the installation of prepaid water meters would infringe residents of this right as access to water would depend on their payment capacity.

A Harare city official from the Finance Department revealed that rates paid by residents are for mere cost recovery hence their failure to pay bills result in no or poor delivery of services in areas such as water, sewer and refuse since production of services requires payment of power and machinery. The study observed that there are some residents who are still paying their bills religiously.

4.3.1.3 Loans

Evidence from documentary search recognised that credit lines have been dwindling for the council since 2013. Limited credit lines facilities from local and international financial institutions were enjoyed including a loan to the tune of US\$144 million from the Chinese Export and Import (EXIM) Bank in 2013 towards the rehabilitation and procurement of water treatment works and water pumps and rehabilitation of sewage treatment works at Firle and Crowborough. Evidence found from documentary search further revealed that there were glitches in the disbursement of the loan until the Reserve Bank of Zimbabwe intervened. This study also learnt misappropriation of funds from this loan. A Harare City official indicated that council has already started paying back the loan following an end to the five year grace

period given by the EXIM Bank. This research also established that some loans are received in form of equipment.

4.3.1.4 Central Government Transfers and Grants

A Harare City official highlighted that the national government has not been transferring funds to sub national government for about two decades now thereby contradicting section 301 (3) of the Zimbabwean constitution of 2013 amendment number (20) which provides for allocation of a five percent share of national revenues raised yearly to sub national governments. The participant added that funds from the national government were meant to finance trunk or major roads including Samora Machel–Bulawayo road, Kariba–Lomagundi road, South Africa-Beatrice road, Prince Edward–Mount Darwin road and Enterprise–Nyamapanda road. Another HCC official concurred with above sentiments adding that the national government is violating the 1976 Public Health Agreement which mandates it to fund fifty percent (50 %) of the HCC health account which covers recurrent expenditure on clinics and infectious disease hospitals as well contributing 50 % on the capital incurred yearly.

Evidence from documentary search echoed above findings revealing that national government transfers have since stopped. The study observed that the RBZ announced commitment to support sub national governments in the procurement of water treatment chemicals only recently when president Mnangagwa became president. A lecturer at GZU noted that insufficiency of grants from central governments make it mandatory to enhance efforts to complement those grants with local fiscal mobilisation.

4.3.1.5 Income generating projects

This research also learnt that Harare City is running a number of projects purported to generate income. These projects include sports clubs such as Harare Football Club, Harare Netball Club and Harare Volleyball Club. The HCC also has a cattle ranching project. A Council official revealed that all sports projects are failing to have expected takings. The participant indicated in the case of Harare Football Club that gate takings are not adequate for the operations of the club resulting in the council funding the club instead of the other way round. For the participant, all sports projects are only for public relations instead of income generation. Evidence found from documentary search disclosed that rearing of cattle is a less costly project human waste found as a process of separating sewer and water is used as

fertiliser for livestock feed. This is less costly as separation of sewer and water is already done so that water is recycled for domestic, industrial and commercial use.

This research also found out that the Council has chalets at Cleveland Dam and has a Hillside Nursery which has resumed producing plants. The study gathered that Cleveland Dam normally received relatively large numbers of people during weekends and holidays. Recently, the numbers of visitors have been diminishing possible reasons behind this development being that the public is now used to the place. Visitors can tour the place, boat cruise and ride horses.

4.3.1.6 Other Sources

Documentary search evidence disclosed Harare City has also been receiving funds from ZINARA and disbursements of funds to the council by ZINARA have been haphazard and followed no clear formula. The money was meant specifically for maintenance of road networks. The study further observed that the HCC also gets revenue from fines and penalties, clamping and towing vehicles. Fines and penalties are for parking vehicles at prohibited slots. Motorists sometimes run away without paying even a dime. Harare city (2013: 17) reveals that the council also gets revenue from charging a fee for developing parks, estates, burial sites, burial and refurbishment of cremation facilities. The city now has restricted space for mentioned services, for example, Warren Hills Cemetery is reported to be full already whilst Mbudzi Cemetery is also almost full meaning that no revenue will be received for burials or development of that place. Harare city also gets revenue from housing, that is, rentals, leases and markets.

4.3.2 Harare City Revenue Trends

This section highlights trends in income and expenditure by the HCC since the year 2013. The information is useful for assessing the sustainability of revenue collection strategies in place. Table 1 below summarises financial statements since 2013 reflecting an optimistic local authority when the national economy was underperforming.

Table 1

Financial year	Income US\$	Expenditure US\$	Surplus US\$	Major Source of Revenue US\$
2013	291m	287m	4m	Water (117m), Property tax (domestic/industrial/commercial = 107m)
2014	274.6m	273.7m	0.9m	water(108m), Property tax (102m)
2015	272.7m	272.4m	0.3m	Property tax (105.3m), water (102m)
2016	343.9m	343.8m	0.1m	water (139.6 m), property tax (118.1 m)
2017	345.7m	345.5m	0.2m	Water (133.7 m), Property Tax (124.7 m)
2018	269.3m	269.2m	0.1m	Property Tax (93.0m), Water (88.5m)

Source: Harare city budgets (2013, 2014, 2015, 2016, 2017 and 2018).

As portrayed by table 1 above, the Council's projected expenditure is almost equivalent to projected incomes. The research established that employment costs constitute the largest fraction of the sub national's expenditure.

4.3.2.1 Debtors and creditors

Evidence found from documentary search disclosed that Harare City is failing to pick up intended financial revenues since financial year 2013. Despite this variation between budget projections and actual incomes, revenue projections remained high. Moreover, rate and tax payers are not paying their bills. This is evident in the amount owed to the sub national government as at 30 September 2017 was approximately US\$709 million. The rate at which debtors grew is astonishing. For instance, as at 30 September 2014, barely a year after the Minister of Local government (Hon Ignatius Chombo) slashed arrears relating to rates, debtors had ballooned to US\$294 million.

Another HCC official argued that despite the growing of debtors collection efficiency has been increasing particularly in 2017 when it had reached about 62% as at 30 September 2017

up surpassing a traditional rate of 50% to 55%. The actual collections as per the given date amounted to US\$122 million against a proportionate budget of \$ 196 million. Evidence from documentary search indicated that Harare City’s re-engagement of debt collectors contributed much to an enhanced collection of revenue. Debt collectors have managed to persuade debtors to adopt payment plans which resulted in increased revenue collection efficiency. The participant also indicated that the sub national government has resorted to confiscation of property of debtors who are failing to pay Harare City. The study gathered that confiscation of properties belonging to debtors attracted criticism from both debtors and residents representative organisations. In addition to above means of enhancing payment to curtail the debt issue, the HCC is embarking on the installation of smart pre-paid water meters. The participant added that the pilot testing phase has been successfully passed.

Concurrently, the Council owes Zimbabwe Revenue Authority (ZIMRA), National Social Security Authority (NSSA), Harare Municipal Medical Aid Society (HMMAS), Zimbabwe Electricity Supply Authority (ZESA), Local Authority Pension Fund (LAPF) and other organisations close to US\$450 million as at 30 September 2017. This was confirmed by a Harare City official who revealed that the Council is making required arrangements aimed at servicing its debts. This research also observed that failure by the HCC to punctually pay their creditors attracted escalation of penalties and interests. For instance, the council owed ZIMRA \$ 161 million but three quarters of the amount relates to penalties and interest. Table 2 below summarises debtors and creditors of Harare City from 2013 up to 2017.

Table 2

Year	Debtors US\$	Creditors US\$
30/09/2012	250m	120m
30/09/2014	294m	220m
31/08/2015	380m	185m
31/08/2016	526m	395m
30/09/2017	709m	444m

Source: Harare city budgets (2013 -2018)

4.3.2.2 Employment costs vs. Service delivery capital

Evidence gathered from documentary search unveiled that the Ministry of Local Government gave a directive which stipulates that 30% of the total budget should go towards employment costs whilst 70 % would finance delivery of services related initiatives. This is consistent with international standards which recommend a 30%: 70% ratio between employment costs and service delivery respectively. The research further established that Harare City has not been successful in upholding provided guidelines. This was confirmed by a Harare City official who opined that the departure from best practices is because of the current economic milieu which is more appropriate for the utilisation of human labour. The participant further noted that in view of insufficient funds to invest in modern technologies, the city council has no pick except hiring more human resources for the purpose of achieving service delivery. On a positive note, the local authority has reported a significant cut on employment costs since 2013. Table 3 below shows the percent that went to employment costs against capital towards service delivery.

Table 3

Year	Fraction from Total Expenditure (%)	
	Employment costs	Capital for Service delivery
2013	39.94	60.06
2014	48	52
2015	40	60
2016	29.88	70.12
2017	29.9	70.1

Source: Harare city budgets (2013 – 2018)

All Harare City officials conjectured that council has been trying to realise the recommended 30%: 70% ratio between salaries and service delivery expenditure. They noted that to achieve a leaner and thinner council, the sub national government embarked on a departmental reformation exercise and staff rationalization programme. Evidence from documentary

supports above sentiments noting that there was a reduction in the figure of HCC employees from 10 610 to 9271 in 2015. Participants revealed that the downsizing exercise followed the High Court ruling on the Nyamande & Anor v Zuva Petroleum (Pvt) Ltd (1) S-43-15 case that noted that employers could retrench employees without notice. The study further observed that most of officers who were retrenched were lower grade employees whose salaries were insignificant. The top stratum which is handsomely paid remained intact. The research further the Council is paying a full salary to a substantive Town Clerk who has never reported for work following misunderstandings with the parent Ministry. HCC officials argued that when the council was asked to reverse the appointment, the clerk had signed an irreversible contract already.

Evidence from documentary search further revealed that the Ministry of local government approved requests by sub national governments to leave out salaries payable to staff in service delivery operations from the 30% employment costs computation matrix. This conjectures with views made by HCC officials who opined that this development will see projected expenditure on salaries and allowances falling within budgetary provisions.

4.3.4 Challenges Encountered in Mobilising Revenue

This study unearthed a plethora of concerns hindering successful revenue mobilisation by Harare city. The research established that Harare city is experiencing exceptional financial mismanagement, deplorable service delivery, decline in infrastructure and undemocratic tendencies among other issues. These challenges are mainly economic, administrative and political. Below is a discussion of these challenges.

4.3.4.1 Lack of adherence to public finance principles

Accountability, transparency, responsibility, value for money and fairness are a snatch public finance and corporate governance principles. The study assessed Harare city's mandates to disclose the extent to which it is observing these principles. Below is a discussion of some of these principles.

4.3.4.1.1 Accountability

The research established that Harare City is trying to follow international standards on accountability but is still very far from reaching the desired level. Residents highlighted that

budgets are made without their knowledge. They also expressed ignorance of how budgets are drafted and who drafts them. In short, Harare city struggles to ensure residents participation in all events and activities that concern them hence a top-down approach. This was confirmed by a Harare Residents Trust official who recognised poor communication on how the council uses funds. Another resident reiterated this noting that Harare residents cannot take city fathers to accountability.

4.3.4.1.2 Responsibility

Evidence from documentary search disclosed that responsibility as a principle is violated from all sides. That means that in as much as Harare city has been irresponsible enough to provide services and collect revenue, residents defaulted paying for services provided. A Harare Residents Trust official supported this highlighting that the motivation behind residents' behaviour will direct one to Harare city and vice versa. The participant noted that even when the sub national government expects residents to pay for services, the city cannot enforce that when services do not commensurate with charges. The study noted in this case that service delivery affects revenue mobilisation particularly for services which are consumed for a fee. Inadequacy of revenue affects service delivery as inputs meant for creation of residents' goods and services are not for free.

4.3.4.1.3 Transparency

Evidence from documentary search divulged that Harare City's business is enclosed in secrecy. For instance, the research noted that some payment journals were being processed before the actual payment had been made. Moreover, significant variances from comparing balances from the BIQ trial balance and balances from financial statements presented by the HCC management as at December 31, 2012 were noted.

As can be deduced from table 4 below, the BIQ trial balance does not contain some balances which appear in financial statements. The research further gathered that balances missing in the BIQ trial balance were being processed in excel since the fixed asset module was yet to be fully operational. A participant to this research who resides in Mount Pleasant, Harare confirmed above observations noting that the formula applied in charging residents is insufficient if expectations of residents are considered. An HCC official refuted above sentiments and argued that the council bills everyone, accurately and completely. The participant added that rate payers are invited for education about rates. This contradiction may

testify lack of transparency whereby Harare city does not fully and promptly inform residence of how its systems work.

Table 4 below highlights mentioned variances.

Table 4

Details	Balances extracted from BIQ trial balance	Balance as per financial statements	variance
Cash and bank balance	326 930 851	9 676 028	317 254 823
Receivables from exchange transactions	(1 032 170)	113 205 705	(114 237 875)
Receivables from non-exchange transactions	-	77 905 595	(77 905 595)
Inventories	-	17 177 977	(17 177 977)
Property, plant and equipment	-	486 701 941	(486 701 941)
Trade and other payables from exchange transactions	-	(61 467 038)	61 467 038
Refundable deposits from consumers	-	(256 464)	256 464

Source: Zimbabwe Auditor General Report (2015)

The research also observed that Harare City has been denying links with some entities whilst it is in fact a patron, shareholder or owner of those entities. Documentary search divulged that the Council's shareholding in City Parking (Private) Limited, and the joint venture agreements for Easipark (Private) Limited and Mabvazuva (Private) Limited are in fact under Harare city and not Harare Sunshine Holdings (Private) Limited. This result in revenue loss since it becomes less unfounded to monitor and evaluate financial activities in those entities. The study further disclosed that Harare City has multiple accounts and this was echoed by the outgoing Harare Mayor Councillor Manyenyeni who admitted at a water conference that the accounting system of the sub national government is seriously flawed. He added that of those multiple accounts, he is not aware of their signatories.

4.3.4.1.4 Fairness

The research gathered that Harare City is not observing the principle of fairness. An HRT official noted that the HCC is not being fair as it does not consider value for money by billing residents for services not provided. The participant further indicated that charges for services are not commensurate with services rendered by the council, for example, refuse in about 23 or 24 wards out of 46 wards goes for two to three weeks without being collected. Evidence found from documentary search supported above sentiments noting a ‘disconnect’ between what the city has to provide and what it is providing yet bills come without being altered. The research further established that Harare City combines all the charges including water, refuse and land tax on a single bill which means that residents pay for both provided and absent services in one payment.

4.3.4.2 Poor Prioritisation

This research noted that although Harare City fails to mobilise projected revenues, it is producing enough to deliver expected services to residents. This was confirmed by a lecturer at the UZ who revealed that Harare city mobilises enough revenue to conduct its activities but lacks good prioritisation of those funds. The participant cited “unreasonable salaries to the top apex” as real reasons why service delivery is at a “Lazarus moment”. A Harare City official revealed that the sub national government is raising an average of twenty two (22) million every month which translate to UD\$264 million every year. This is against a projected average income of US\$299.5 million since 2013 giving a variation of about US\$35.5 million yearly. An official from HRT opined that Harare city prioritises less important issues including the enhancement of its water pumping capacity neglecting connection networks. The participant indicated that readings from water meters are a fraction of what was pumped out from the source therefore revenue will not increase from such endeavours.

4.3.4.3 Incapacity

Officials from Harare City revealed that the sub national government also lacks capacity to mobilise adequate and expected revenues. They highlighted that the council was left with insufficient experienced staff since the knowledgeable ones were retired at sixty (60) or were retrenched in the “slim-down” process. The research established that the Council has inadequate vehicles for effectiveness and communication systems in place need serious attention. Moreover, the study noted that efforts are already underway to alleviate communication issues affecting Harare city.

The observation that the local government authority lacks capacity for revenue mobilisation was echoed by another participant to this research who is a lecturer at the UZ. In an interview, the participant highlighted that giving authority to private owned entities to collect revenue on behalf of the Harare city bears testimony to the incapacity to do it on its own. This confirmed evidence found from documentary search which unveiled that Harare city contracted out some services like parking to private organisations. The research also gathered that contracted organisations are not forwarding expected amounts of money. For instance, City Parking is reported to be remitting about US\$40 000 each month to the council when it is presumed to be making about US\$100000 every month.

The research further established that sub national government lacks the capacity to regularly update its valuation roll. The research also disclosed that it is expensive to engage valuers and various new communities which are not yet integrated into the valuation roll. This is consistent with trends in the Sub Sahara Africa where the majority of states also struggle to keep up to date valuation data bases. Moreover, the research highlighted that Harare city lacks technological competence that is needed for electronic government system to be effective.

4.3.4.4 Rigidity of Harare City

Evidence found from documentary search divulged that the sub national government has been using the same strategies for revenue mobilisation for a long time. This was reiterated by three lecturers from the UZ who cited financial annual budget projections by Harare city as confirmation. They noted that HCC has retained a financial budget that was suitable for a vibrant economy and they are using it in a collapsed economy. HCC officials highlighted that the economic downturn affected payment patterns by ratepayers leaving Harare city in a deficit monthly as revenues projected in financial budgets cannot be realised.

4.3.4.5 Lack of Government Support

This research established that the national government has not been supporting sub national governments financially of late. This was supported by a lecturer at GZU who further indicated that this lead to poor performance of local authorities which in turn has a bearing on performance of the national government that would be compelled to help struggling sub national governments. Harare City officials confirmed this revealing that this is inconsistent with section 301 (3) of the Zimbabwean constitution of 2013 (amendment number (20)) which stipulates that sub national governments must be allocated a share that is not less than five percent from national revenue every year. The research disclosed that only recently

President Mnangagwa's administration directed the RBZ to support Harare city in the procurement of water treatment chemicals.

4.3.4.6 Limited viable revenue sources

This research divulged that revenue sources are becoming limited. For instance, Harare city is in short of parking space in the central business district. HCC officials revealed that Warren Hills Cemetery is now full and Mbudzi Cemetery is also almost full. They added that, other revenue sources including sports projects are performing below the expected standard.

4.3.4.7 Economic factors

Harare city budgets (2013 – 2018) highlighted that Harare city is being affected by the economic slump that hit the country since two decades ago. This was reiterated by Harare City officials who identified the economic recession as the parent of all challenges associated with revenue mobilisation. Participants further opined that many residents are unemployed and they are unable to pay their bills. This is consistent with evidence from documentary search which revealed that many organisations closed leaving many citizens unemployed. The research disclosed that Zimbabwe was forced to drop the local currency due to high record inflation in 2008. Lack of own currency increases production costs considering that most inputs, for example, water treatment chemicals are imported. A UZ lecturer conjectured with this adding that the cash crisis is doing less to help the dire situation.

4.3.4.8 Politically related issues

An official from the HCC highlighted that interference by political elites in the parent Ministry is hindering smooth revenue mobilisation. The participant revealed that some intended initiatives face opposition from political elites and those initiatives that sail through would have gone through rigorous support, opposition and or bargaining. Contrary to this, a lecturer at the UZ cautioned that it is the responsibility of central governments to ensure the welfare of all citizens. The lecturer highlighted that 'intervention' must rather be viewed as 'oversight'. To buttress this point, the participant highlighted various commissions that came to address many crises that took place since the Movement for Democratic Change (MDC) took charge of Harare city from Zimbabwe African National Union Patriotic Front (ZANU-PF). An HRT official supported this view highlighting that the ultimate responsibility for maintenance of law and order belongs to central governments. The participant cited the reversal of the ban on commuter omnibuses by the Office of the President and Cabinet

through the Minister of Local government as a necessity since the commuter omnibus issue was now degenerating into chaos.

The research also unveiled the presence of tensions amongst city officials themselves because they belong to different political parties. For instance, ‘city fathers’ belong to the MDC whilst street bureaucrats are mainly ZANU PF members. There is sabotage from either group as the council is like a campaign platform for political parties. More so, HCC officials highlighted that some politicians promised residents good living standards including free everything if they vote for certain political parties or individuals. The reverse is true after elections but residents would still be holding to those promises.

4.3.4.9 Corruption

The research noted that Harare City has corrupt officials who seek to maximise self-interests at the expense of service delivery. This was confirmed by one HCC official who revealed that most housing cooperatives in Harare are fronted by councillors. The participant further highlighted that since these cooperatives are illegal, they will also illegally connect water to illegal properties. Another Harare City official revealed that to differentiate between bogus and authentic housing cooperatives, citizens can approach district offices where every legitimate housing cooperative is registered. Residents highlighted that clandestine negotiations to cut corners by those who owe the city council are order of the day. Accordingly, some residents “who do not pay even a dime continue enjoying services as bribes deter city council officers from disconnecting them”.

4.3.4.10 Human nature

The research further established that human nature is impeding revenue mobilisation by the sub national government. This resonates well with observations that naturally people want to evade tax which were made in 2011 by AFRODAD which conducted a research on taxes in Mozambique. A GZU lecture agreed to this observation and added that “this lack of enthusiasm is principally because residents are ignorant of numerous benefits that may accrue to them individually and to the nation at large if taxes are paid”. An official from the Council referred to lack of will by residents to pay rates as “bad habits whereby residents expect everything free of charge”. This was conjectured by a lecturer at the UZ attributing this behaviour to “too much stability which would slowly lead to chaos”. The participant revealed that failure to effectively enforce by-laws gives residents the impression that nothing will happen to them even if they don’t pay bills.

4.3.4.11 Extra-terrestrials

The research divulged that people from ‘dormitory towns’ such as Mazoe, Zimri Park, Ruwa, Goromonzi, Norton, Chitungwiza, Domboshava and others surrounding Harare benefit from goods and services provided by Harare City during the day but they do not pay for those services. They return to their towns at night where tax for land, water bills and refuse collection are paid. This resonates with evidence from documentary search which suggests that the population in Harare reaches about 6 to 7 million during the day and falls to about 2.1 million people at night.

4.4 Data Analysis

4.4.1 Property tax

The study showed that valuation rolls are not regularly updated. Considering that some properties have depreciated over the years, having an outdated valuation roll results in overcharging tax payers and those owning renovated properties remain undercharged. Moreover, with the pace and rate at which new structures have been erected around Harare, failure to regularly update valuation rolls result in great loss of revenue since owners of new properties remain excluded in the existing valuation roll. It also becomes illegal to tax property owners who are excluded from the valuation roll.

Again, the study showed that taxes are high and taxpayers are staggering payment of bills. Harare City Council lowered projections for property tax in the 2018 budget which may reflect admission that previously it has been operating at a deficit since income projections were not materialising. Failure by residents to pay rates can also be attributed to the status of the economy. Closure of industry would mean low revenue incomes since less companies remained eligible to pay taxes and residents who are now unemployed became unable to pay taxes. Instead of incentivising payment of taxes, there is a disincentive to those who comply with taxation, for example, the taxation process is complicated and lengthy causing fatigue. Some residents might have been discouraged to pay rates by offline payment systems at district offices.

4.4.2 Rates, charges

Inefficiency in the provision of services including refuse collection particularly in largely populated suburbs give the impression that low density suburbs where ‘elites’ or rich people

live is given priority over high density suburbs where normally low income earners reside. This failure to collect refuse regularly resulted in undesignated dumpsites and may discourage residents from paying bills since there is no service that tallies with the bills they pay. Harare city might fail to recoup costs incurred including fuel costs.

The case is similar with provision of water which is erratic. In addition, Harare water was condemned by the Mayor himself. Estimating water consumption by residents may result in either excessively charging consumers or charging below consumptions as water leakages (30% of pumped water) and water thefts mean that some water is not reaching residents. Residents who use Harare water are likely to contract water borne diseases including typhoid and cholera since the water is dirty and provision is erratic. Residents in low density suburbs have resorted to other alternatives such as borehole drilling, water harvesting and or buying water from private suppliers. This only translates to revenue loss by the HCC since residents would stop paying for Harare water. Again Harare city would fail to recoup costs incurred and there would be insufficient resources for quality service delivery.

Installation of prepaid water meters would mean that there would be no overcharging of residents or undercharging of residents as charges are from personalised water meters not estimations. This initiative may also help the HCC to address the debt issue as what ZESA did. However, residents of Harare and their representatives rejected prepaid water meters noting that water is a God given resource which unlike electricity does not have a substitute. Also if this proposal succeeds, residents who cannot afford to pay for water would be without water until they get money. Moreover, if current issues of pipe bursts, erratic water provision and provision of contaminated water are not addressed, Harare city would be inconveniencing rate payers further. This can have huge costs to the authority including social and economic costs. As highlighted earlier, the scheme's success is dependent on residents' ability to pay. Their failure to pay bills means no water which can result in another 2008 where there was outbreak of cholera and typhoid. Admission by the council that some district offices were offline raises eyebrows as manual systems can be easily manipulated. It is possible that funds paid by residents were going into clandestine accounts which do profit neither the city council nor the resident when legit accounts received nothing. This might have resulted in huge debts recorded against residents who were conscientiously paying their bills. This might demoralise ratepayers making Harare water a spongy mark for revenue seepage.

4.4.3 Loans

As noted by Dr. Kanyenze (former employee at the RBZ) at a Mass Public Opinion Institute gathering of 26 October 2017, borrowing is not an issue “if it is for development because returns are expected to be more than expenses incurred”. Unfortunately for Harare city, credit is for consumption as can be noted by procurement of vehicles for the council’s senior management using the loan attained from China meant for refurbishment of water and sewer networks. Resultantly, water provision in Harare is intermittent and sewer treatment plants are still not properly working. Raw sewer is flowing into Harare water sources exposing residents to health hazards. As noted earlier, the HCC loses revenue from water due to leakages, unpredictable supply and provision of contaminated water. It is from these revenues that Harare City could have mobilised revenue to pay back the loan but poor revenue performance means that residents will be paying back a loan that benefitted HCC officials. Misappropriation of funds may potentially take away residents’ enthusiasm to pay rates as they fear about abuse of public funds. Generally, sustainable credit lines are dwindling which is also limiting options for the sub national government.

4.4.4 Transfers and grants

As noted above, as the national government was getting broke gradually it abruptly stopped transferring funds to local authorities. That means overreliance transfers from the national government would result in insufficient funds for major hospitals like Beatrice and Wilkins which cater for diseases including tuberculosis, HIV and AIDS and Malaria. Moreover, the relationship between central government and sub national governments is that of a ‘big brother’ and ‘young brother’ respectively. As a result, the national government transfers funds to sub national governments out of its own volition. It may be concluded from above that a heavy reliance on such funds will cripple operations of the HCC therefore it is important to augment own strategies of revenue mobilisation. This is sensible since economic woes at a national level seem to be eternal.

4.4.5 Projects for income

The cattle ranching project is beneficial as a revenue source which needs to be reinforced. Increase in population means increased consumption. However, the HCC is facing strong competition from butchers who possess abattoirs. Using human waste as fertiliser for livestock feeds might have health implications to those who eat meat. Health concerns were

and are still being raised in the United States of America concerning the use of human waste as fertiliser. This could have long lasting health consequences to residents hence the need to find better ways of making the revenue mobilisation strategy sustainable. Other projects seem to be underperforming. Cleveland projects are not well managed and that will likely choke their intended modest contribution to the HCC revenues. Absence of ancillaries and even tuck-shops and a variety of activities may also chase away tourists. It can be observed from the discussion that Harare City is losing revenue and may continue to lose if no corrective measure is taken.

4.4.6 Revenue trends

Harare City is not getting projected revenues. The ballooning of debtors is testimony of hardships in mobilisation of revenue. A large portion of expenditures go towards employment costs at the expense of capital investment. Consent by Ministry of Local Government to requests by sub national governments to classify some employment costs under capital investment would change nothing. That only constitutes a change in names, for example, calling cancer influenza does not reduce the disease's power. This probably helps in cleansing the image of local authorities who were being accused of misappropriating public funds by using the bulk of the revenue on employment costs at the expense of capital investments. It can be gleaned from this discussion that the huge consumption and poor revenue mobilisation contributed to the cumbersome debt the HCC has to creditors. That only means that prevailing issues restraining service delivery would remain unabated consideration that does not change whilst revenue mobilisation is in a sorry state.

4.4.7 Challenges

A myriad of challenges Harare City is facing in the mobilisation of revenue may cause the replacement of current strategies to collect revenue by new sustainable ones. Challenges including lack of adherence to corporate governance principles, corruption, political interference and lack of residents' awareness need to be tackled head on. It is noteworthy to observe that Harare city can raise revenues enough to fund its operations. The issue of stewardship or management and expenditure of collected revenues need to be dealt with, something the HCC does not understand. This means that despite the amount raised, it will not serve the intended purpose and there will be a perpetuation and continuation of the current trend whereby service delivery is not inspiring.

4.5 Conclusion

The chapter presented and analysed findings pertaining to strategies of revenue mobilisation in place by Harare city. The study disclosed a gap in observance to public finance best practices including responsibility, transparency, accountability and fairness both on the part of residents and the sub national government. The research highlighted that service delivery affects revenue mobilisation and vice versa. Residents are not willing to pay for services which are not there and are resorting to other alternatives. This approach further affects service delivery since production of services demands proper funding. Residents feel that the HCC is not being fair as it charges them for non-existent or poor quality services and residents who devotedly pay rates are being punished for being good residents. Concurrently, the council is blaming free riders who enjoy services paid for by others. Lack of capacity, political interference and oversight, corruption, dilapidated economic sector among others were highlighted as impediments to effective revenue mobilisation. As a result, even sound strategies for mobilising revenue would not make any impact since their sustainability depends on a number of issues including residents' ability to pay.

CHAPTER FIVE: CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This chapter is a presentation of conclusions made from outstanding research findings. It also highlights recommended ways of making strategies for mobilisation of revenue by Harare city sustainable.

5.1 Conclusions

The research concluded that the HCC is using both sustainable and unsustainable strategies to mobilise revenue. The research purported to establish the sustainability of revenue collection strategies used by Harare city. Harare city is struggling to meet its expenses and delivery of service is miserable. Poor water provision, lack of refuse collection leading to mushrooming of undesignated dumpsites and generously distributed potholes in roads among others suggest hardships in delivering services to residents.

5.1.1 Sustainability of revenue strategies

The research concluded that a number of issues affect the sustainability strategies the HCC is using to collect revenue. Ability of rate and tax payers to promptly pay their bills is among determining factors. The underperforming economy resulted in company closures and Harare city debtors ballooning at an unparalleled rate. The statement by the outgoing Harare Mayor, Councillor Manyenyeni that residents in Harare are getting service delivery commensurate with what they pay is testimony to this. There would be need to craft new strategies for the prevailing environment. The economy in Zimbabwean is very dynamic therefore constant review of strategies is advisable. Every context has befitting or most appropriate solutions.

The research concluded that most of revenue mobilisation strategies by the HCC are sustainable but the noxious spending culture of the council needs to be dealt with forthwith. The study disclosed that the current economic conditions do not encourage a spendthrift behaviour, yet the management of the sub national government continues to live like Hollywood superstars. This is evident in luxurious cars they bought when the council is struggling to pay workers and when service delivery is in ghastly shape. The research further concluded that if all the revenues that were received by the HCC were put to good use, resources would be sufficient to execute all obligations. Therefore stewardship issues need to

be dealt with because without proper management of funds Harare city will not realise its goals and objectives considering that the economic legroom remains severely restrained due to poor performance of revenue inflows when recurrent expenditure remains stable. Poor service delivery together with misappropriation of funds has serendipitously aligned towards the genesis of a legitimacy crisis which in turn compels residents into resisting payment of bills.

The research also disclosed that there are other revenue collection strategies used by the sub national government which are unsustainable. For instance, estimation of average water consumptions by residents is not sustainable at all. The result will be either charging residents below their consumption or swindling of residents. Considering the sporadic and spasmodic nature of water provision and the pitiable quality of water provided, mostly rate payers pay for the incapacity of the HCC to regularly take meter readings. Therefore the slashing of the rates arrears in 2013 may be justified since Harare city has been unfairly charging residents. It has to be noted however that cancelling arrears without a plan is not the panacea to the prevailing issue. Lots of issues including education of residents on the benefits that accrue from paying their bills need to be enhanced to avoid default of payment by rate payers.

The research divulged that engagement of debt collectors and confiscation of properties belonging to debtors may be helpful for a limited space of time. If economic conditions remain the same for an extended period, debtors would remain with nothing for the HCC to impound. Sometimes the amounts owed to the HCC might not commensurate with less valued impounded properties. Policy inconsistency regarding debt collection can also frustrate the revenue collection process by the sub national government. Transfers from the national government are an unreliable revenue source therefore dependence on them will end in a failed state of affairs of the council.

The research also highlighted that contracting out city parking is not sustainable since contracted private organisations do not forward expected revenues to the HCC whilst they collect huge amounts of money rendering this revenue source a spongy spot for revenue seepage. The research also established that city parking is a very lucrative revenue source which unfortunately is not being tapped into by the council. Moreover, the research concluded that raising tax rates is unsustainable since they are already at the upper limit. Harare city cannot increase taxes as it would be going beyond prescribed best standards. The HCC is

losing funds by failing to integrate taxable individuals and institutions. The tax base shrank and is not being broadened.

From the discussion one may note that most revenue collection strategies by the HCC need to be aligned to new realities unfolding nationally. In the meantime, the mechanisms are not serving their intended purpose and if the trend is perpetuated, there will be a huge loss in revenue. Therefore reliance on these strategies will be shooting self in the foot hence need for refocusing strategies in place to have maximum benefit from them.

5.2 Recommendations

Harare city officials noted that if current issues which are mainly economic, administrative and political are addressed, revenues will improve. Recommendations below seek to achieve that.

5.2.1 Need to curb extensive corruption

As research findings revealed, corruption is impeding revenue mobilisation by the sub national government. Some of the revenue raised serves personal interests by the top management. Buying vehicles using a loan from the Chinese Export and Import Bank is a case in point. Multiple and clandestine accounts at the council result in revenue seepage. Corruption has aided avoidance of tax payment and prevarication which has ballooned in Zimbabwe. Owing to widespread endemic and systemic corruption at the HCC, many residents think that their money funds personal interests of corrupt city council officials. This study recommends the inculcation of a culture of fiscal discipline, good stewardship and it also recommends the introduction of ruthless chastisement to corrupt officials. Corruption in China is punishable by death whilst in Zimbabwe corruption perpetrators enjoy arrogant impunity as they are politically connected.

Furthermore, as suggested by the outgoing Harare mayor councillor Manyenyeni, mayors must not be selected from elected councillors. The mayor must be a technocrat, nonpartisan and independent. That would empower the mayor since there would be single accountability, to the residents. The council is politically dominated so it will continue using methods that are impermeable allowing corrupt officials to misuse public funds. Stopping corruption instils a sense of confidence in rate payers who are currently disgruntled by the sub national authority.

Residents commit their funds where they think they are being used transparently and economically.

5.2.2 Improvement of Service quality

Miserable service delivery discourages residents from paying their bills. Although some residents religiously pay their bills, some have grown weary of paying for erratic service delivery year in year out. Some residents have been resorting to other alternatives of getting water including engaging private water suppliers, sinking boreholes in their backyards and various water harvesting mechanisms. This resulted in the HCC losing revenue meant to recoup costs incurred in the treatment of water. If for instance tickets for a great football team like Manchester City used to cost about US\$15, when the team comes to play in Harare, even when the tickets' price is doubled supporters will still purchase them without being coerced, watching their team is worth it. Likewise, local authorities just have to work on improving service quality, great things advertise themselves. Residents will find it unreasonable to buy water from private suppliers when sub national governments can adequately supply them.

5.2.3 Regain control of underperforming revenue sources

Returns from contracting out particularly parking to private entities are not pleasing. This study recommends regaining of full control of major revenue sources which are underperforming. City parking is underperforming as contracted entities are remitting less than expected revenue therefore regaining control of this revenue source is important. As in Tanzania, contracting out has proved to be enriching private agents at the expense of accomplishing a reasonable return to the principal, (Fjeldstad et al 2008: 1). Harare now has limited parking space therefore it needs to convert city pick up points or bus termini into 'parkades' as in Park Station in South Africa. The city would need to invest more money in this initiative as more revenue returns are expected.

5.2.4 Capacity building

The research established that the HCC has been failing to regularly collect water consumption statistics from some properties. The reason behind failure to take readings was reported to be lack of sufficient vehicles or fuel to visit all properties in various locations. The study recommends refurbishment of water networks to curb pipe bursts, water thefts and illegal connections. Harare city may also consider installing two (2) or more water lines for Harare. One line will ferry treated water for domestic use including drinking, washing, cooking and

drinking whilst the second line ferries semi treated water for other uses including gardening. Treatment of the second line would be mainly to remove maybe stinky features as raw water would be nutritious for plants. This will lower water treatment costs. Other jurisdictions have been adopting prepaid water meters. This can ameliorate issues of charging above beyond or below consumed services. However, Harare city would have to start with refurbishing the water networks to prevent payment of water which fails to reach consumers due to bursts. Also the HCC would needs to work on purification of water which cannot be addressed by the introduction of prepaid water meters.

Harare city may have to invest in information communication technologies and other machinery that contributes lesson work. Drones may travel to places which the human personnel may not reach within reasonable time. Also the sub national government may find mechanisms of retaining their highly skilled personnel. Upgrading the human resources through training courses and programmes aimed at enhancing their capacities is also necessary.

5.2.5 Adherence to public finance principles

The research suggests that sub national governments uphold accountability, transparency and other principles mentioned earlier by reporting to rate payers what, how and when public funds were used. They have to explain why those resources were used that way and not the other way. Feedback to rate payers can be given via every platform including local government councils' website and other social media platforms, text messages, radios, newspapers and televisions. Local authorities also need to entrench Ubuntu values including honesty, hard-work and respect within their organisations.

5.2.6 Flexibility and pragmatism

The study recommends flexibility of sub national governments which starts by acknowledging reality unfolding in their areas. This leads to realistic planning, budgeting and resource allocation. Moreover, local governments must think beyond their traditional ways of mobilising revenue. They can embark on sustainable income generating projects, for example, farming. The HCC needs to enhance farming considering that food does not get out of fashion. Population globally is anticipated to have doubled by 2050 so sub national governments need to be prepared as that means more demand for food. Local authorities may even export their produce and use returns to augment delivery of service. Ecclesiastes 10

verse 19 in the Bible says, “...but money answereth all things”. This is only possible if that money is there.

Local authorities are also recommended to broaden their tax bases. Updating valuation rolls regularly incorporates new properties and ensures that all taxable people are captured. Moreover, sub national governments must regard rate paying as a shared responsibility amongst residents, government and the private sector. Entirely depending on residents cripple their operations considering that residents are sometimes incapacitated to pay rates promptly and regularly. To capacitate residents to pay rates, local authorities may give their residence first priority when they have employment vacancies. This can help in curbing the “extra-terrestrial” issue mentioned earlier whereby residents of ‘dormitory’ towns like Chitungwiza, Mazoe, Norton, Ruwa, Marondera and others during the day enjoy services offered by the HCC which were paid for by Harare residents. Harare is giving opportunities to outsiders who use their earnings to develop their own towns. Given local authorities’ desperate financial needs, it is prominent that they become flexible and innovative for the enhancement of collection of revenue and development not only of local communities but the nation at large.

5.2.7 Improving citizen awareness

Local government authorities must enlighten residents on the benefits of paying taxes and rates to council. Local authorities need to recognise the role citizens play in public service provision. Residents who know the importance of paying rates know that they are doing it for themselves. Taking for instance, operation restore legacy of 14 November was not coercive as people participated voluntarily. People flocked from their locations to the streets on foot and some used their moneys to come from distant places including Bulawayo, Mutare and other provinces. Similarly, sub national governments must teach the residents a way of living they would cherish forever.

5.3 Direction for Future Research

This chapter focused on conclusions and recommendations for the study which sought to assess the sustainability of revenue mobilisation strategies employed by local authorities in Zimbabwe. However, revenue mobilisation in Africa especially in Zimbabwe is very dynamic hence there is need for further interrogation through focused research. An area for further study could be on the stewardship of public revenue by local authorities.

BIBLIOGRAPHY

GOVERNMENT OF ZIMBABWE DOCUMENTS:

Government of Zimbabwe. 2013. Auditor General Report. Harare: Printflow.

Government of Zimbabwe. 2013. *Constitution of Zimbabwe Amendment (No. 20) of 2013*. Harare: Printflow.

Government of Zimbabwe. 2014. Auditor General Report. Harare: Printflow.

Government of Zimbabwe. 2015 Auditor General Report. Harare: Printflow.

Government of Zimbabwe. 2016. Auditor General Report. Harare: Printflow.

Government of Zimbabwe. 2017. Auditor General Report. Harare: Printflow.

Harare City Council Budgets (2013, 2014, 2015, 2016, 2017 and 2018)

Zimbabwe National Statistics Agency. 2012. *Zimbabwe National Census*. ZimStat.

BOOKS:

Ayee, J.R.A. 2005. *Public Sector Management in Africa*. Legon: African Development Bank.

Babbie, E. 1992. *The Practice of Social Research*, 8th Edition. Wadsworth Publishing Company: California.

Blanche, T. B., Durrheim, K and Painter, D. 2006. *Research in Practice: Applied Methods for the Social Sciences*, Second Edition. University of Cape Town: Cape Town.

Buchanan, J. M. 1969. *Cost and Choice: An Inquiry into Economic Theory*. University of Chicago Press.

Callisto, R. 2009. *Social Science Research Methods*. Longman: New Delhi.

Chikulo, D. K. 2000. *Capacity Building for District Councils Resource Mobilisation*. A Training RuralNet Associates for the Netherlands Development Organisation Lusaka.

Cohen, L., Manion, L. and Morrison, K. 2005. *Research Methods in Education*. 5th edition. Taylor & Francis e-Library: New York.

- Creswell, J. W. 2009. *Research Design: Qualitative, Quantitative, and Mixed Methods, Thirds Approaches*. Third Edition. Sage: Los Angeles.
- Dawson, C. 2002. *Practical Research Methods: A User-Friendly Guide to Mastering Research Techniques and Projects*. How To Books Ltd: Oxford.
- Dickovick, J. T. and Riedl, R. B. 2010. *Comparative Assessment of Decentralization in Africa: Final Report and Summary of Findings*. ARD, Inc. Vermont.
- Easterby-Smith, M., Thorpe, R., and Lowe, A. 2004. *Management Research*, Second edition. Sage Publications: London.
- Hughes, O.E. 2003. *Public Management and Administration an Introduction*. New York: Palgrave Macmillan.
- Kothari, C. R. 2011. *Research Methodology: Methods and Techniques*. New Age International, New Delhi.
- Kumar, K. 2011. *Research Methodology: A step-by-step guide for beginners*, 3rd edition. SAGE: New Delhi.
- Lolohij, P.K. 2008. *Local Government Administration and Service Delivery in the Third Republic: A Case Study of Lusaka City Council, Choma Municipal Council and Luwingu District Council*. PhD Thesis, UNZA Press.
- McCluskey, W., Franzsen, R., Johnstone, T. and Johnstone, D. 2003. *Property Tax Reform: The Experience of Tanzania*. London: RICS Foundation.
- Nachmias, C. and Nachmias, D., 1990. *Research Methods in Social Sciences*. Edward Arnold, London.
- Neuman, L. W. 2007. *Basics of Social Research: Qualitative and Quantitative Approaches*. Second edition, Pearson Education, Inc: Boston.
- Resnick, D. 2014. *Urban Governance and Service Delivery in African Cities: The Role of Politics and Policies*. Development Policy Review. Overseas Development Institute.
- Riekert, D. 2001. Batho Pele/Customer Care. Course in *Effective Service Delivery: Enhancing the Capacity of Existing and Emerging Public Service Managers for Effective Service Delivery*. Unpublished course notes.

Signh, Y. K. 2006. *Fundamental of Research Methodology and Statistics*. New Age International Pvt ltd., Publishers: New Dehli.

Somekh, B. and Lewin, C. 2005. *Research Methods in the Social Sciences*. SAGE: California.

Stake, R. E. 1995. *The Art of Case Study Research*. Thousand Oaks, CA: Sage.

Strauss, A. & Corbin, J. (1998). *Basics of qualitative research: Techniques and Procedures for developing grounded theory* 2nd edition. Thousand Oaks: Sage.

Tharenou, P., Donohue, R. and Cooper, B. 2007. *Management Research Methods*. Cambridge University Press: Cambridge.

Wheeler, G. 2004. *Sound Practice in Government Debt Management*. The International Bank for Reconstruction and Development /The World Bank. Washington DC.

World Bank, Shah, A. 2006. *Local Governance in Developing Countries*. Public Sector Governance and Accountability Series. World Bank, Washington DC.

Yin, R. K. 2011. *Qualitative Research from Start to Finish*. The Guilford Press: New York.

JOURNAL ARTICLES:

Birungi, H., Kwagala, B., Muwanga, N., Onweng, T. And Trondsen, E. J. 2000. "What Makes Markets Tick?" Local Governance and Service Delivery in Uganda. *Asian Review of Public Administration, Vol. Xii (1)*

Chikulo, B. 2009. Local Governance Reforms in Zambia: A Review. *Commonwealth Journal of Local Governance, Vol. 2*.

Chiwele, D. K. 20002. Local Governance, Participation and Accountability: The Zambia Case Study. *European Forum on Local Development Cooperation Agropolis Montepillier*.

Civil Society Budget Advocacy Group. 2017. Parliament Committee on Public Service and Local Government by CSOs under the Civil Society Budget Advocacy Group What Parliament should Consider when Debating Local Government Financing in FY 2017/18..

Combined Harare Residence Association, 2014. *The Green Paper on Zimbabwe's Local Government*. Harare.

- Dollery, B. 2009. Review Note: Local Government Reform and Local Government Finance. *Commonwealth Journal of Local Governance*. Centre for Local Government, University of New England. [<http://epress.lib.uts.edu.au/ojs/index.php/cjlg>].
- Edogbanya, A. and Ja'afaru, G. S. 2013. Revenue Generation: It's Impact on Government Developmental Effort (A Study of Selected Local Council in Kogi East Senatorial District). *Global Journal of Management and Business Research Administration and Management*. Volume 13, Issue 4 Version 1.0 Global Journals Inc.
- Fjeldstad, O. H., Katera, L. and Ngalewa, E. 2008. Outsourcing Revenue Collection: Experiences from Local Government Authorities in Tanzania. Research on Poverty Alleviation Brief. *Report on Poverty Alleviation, Special paper 10*. Dar es Salaam.
- Fjeldstad, O. H., Katera, L., Msami, J. and Ngalewa, E. 2010. Local Government Finances and Financial Management in Tanzania: Empirical Evidence of Trends 2000-2007. *Report on Poverty Alleviation, Special paper 10/2*. Dar es Salaam.
- International Monetary Fund, Lam, W. R., and Wingender, P. 2015. Asia Pacific Department and Fiscal Affairs Department China: How Can Revenue Reforms Contribute to Inclusive and Sustainable Growth? IMF Working Paper 15/66.
- Kivisto, J. 2007. Agency Theory as a Framework for the Government-University Relationship. Tampere University Press, Tampere.
- Lewis, B. D. 2016. Local Government Spending and Service Delivery in Indonesia: The Perverse Effects of Substantial Fiscal Resources. *Regional Studies*.
- Mahi, R. 2002. Managing Local Revenue in Indonesia. Can Decentralization Help Rebuild Indonesia? Georgia State University, Atlanta.
- Marshall, M. N. 1999. Sampling for Qualitative Research. *Family Practice, Oxford University Press, Vol. 13(6), 522-525*.
- Omoyefa, P. S. 2008. *Public Sector Reforms in Africa: A Philosophical Re-Thinking*. Africa Development, Vol. XXXIII (4), 15–30.
- Ross, S. A. 1973. The Economic Theory of Agency: The Principal's Problem. *American Economic Review*. Vol. 63(2), 134-139.

Suhendra, M. and Amir, H. 2006. Fiscal Decentralization in Indonesia: Current Status and Future Challenges. *Journal Keuangan Publik*, Ministry of Finance RI.

United Nations Human Settlements Programme (UN-Habitat) (2015). The Challenge of Local Governance Financing in Developing Countries. The City of Barcelona and the Province of Barcelona. Volume 978-92-1-132653-6.

United Nations Human Settlements Programme (UN-HABITAT). 2012. Fiscal Decentralisation in Zambia. *The Global Urban Economic Dialogue Series*. United Nations Human Settlements Programme, Nairobi. Volume 978-92-1-132449-5.

Zhou, G. and Madhikeni, A. 2013. Systems, Processes and Challenges of Public Revenue Collection in Zimbabwe. *American International Journal of Contemporary Research*. Vol. 3(2).

Zhou, G.2012. Fiscal Management in Zimbabwe. *International Journal of Economics and Business Modelling*. Vol. 3, (1), 2012, 152-161.

Zimbabwe Institute. 2005. Local Government: Policy Review.

Zinyama, T. 2014. Contracting Out: What Works, What Doesn't and Why? *International Journal of Public Policy and Administration Research*. Vol. 1(2): 64-79.

APPENDIX A: Interview Guide

Position of Participant.....

Department.....

Date.....

Introduction

My name is Advent Shoko. I am a postgraduate student at the University of Zimbabwe currently studying towards a Master of Science Degree in Public Administration. I am undertaking a study on “The Sustainability of Revenue Mobilisation Strategies by Local Authorities”, using Harare City Council as my case of study. Your contributions to this study are much appreciated and the information you will give will be treated with confidentiality and will only be used for academic purposes.

1. What are the revenue mobilization strategies in place for Harare City Council?
2. How sustainable are mechanisms currently in use by Harare City Council for revenue mobilisation?
3. Are principles of corporate governance and public finance principles influencing revenue mobilisation by Harare City Council?
4. What have been the trends in collection of revenue by the Harare City Council?
5. What kind of relationship exists between revenue mobilisation and service delivery?
6. What challenges are being faced in the mobilisation and administration of public revenue by Harare City Council?
7. What is the likely trajectory of revenue from Harare City Council if challenges currently experienced are addressed?
8. What recommendations can be proffered to make revenue mobilisation strategies by local authorities in Zimbabwe sustainable?