INVESTIGATING BARRIERS TO REVENUE COLLECTION AFFECTING MUNICIPAL SERVICE DELIVERY: A CASE STUDY OF KATIMA MULILO TOWN COUNCIL

A THESIS SUBMITTED IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE DEGREE

OF

MASTER DEGREE OF BUSINESS ADMINISTRATION: PUBLIC SECTOR MANAGEMENT

FOR

NAMIBIA BUSINESS SCHOOL

BY

NANCY NAMAKAU KAWANA

STUDENT NO: 201204629

APRIL 2023

MAIN SUPERVISOR: PROF. SAM CHINYOKA (University of Botswana)

ABSTRACT

The lack of service delivery by local authorities in Namibia has received considerable attention in recent years including public expression of dissatisfaction with service delivery. Local authorities carry out several functions as specified in Section 3(2) of the Local Authorities Act No. 23 of 1992. The Act states that local authorities are responsible for the provision, operation and maintenance of most municipal infrastructure and services. The study sought to investigate barriers to revenue collection affecting municipal service delivery in order to present findings and recommendations for the benefit of the Katima Mulilo Town Council and other local authorities in general. The researcher used a mixed research method approach which used data collection instruments such as questionnaires and interviews. The study used simple purposive sampling select customers and KMTC employees based on their position and experience (such as; work experience for employees and heads of houses responsible for paying monthly bills for customers) related to the topic under investigation. The collected data were analysed using Statistical Package for Social Scientists (SPSS-16) to derive relevant descriptive statistics, specifically frequency tables and Excel program 2016 was also used. The results obtained from the study highlighted the key factors that were considered to be the causes of inadequate revenue collection and are not limited to poverty and unemployment, political interference, and customers' attitude towards payment of services. The study recommends that the Namibian Government, through the Ministry of Urban and Rural Development, must regularly monitor and evaluate the implementation of programs of the local authorities in Namibia.

Table of Contents

LIST OF TABLES

LIST OF FIGURES

LIST OF ABBREVIATIONS AND/ OR ACRONYMS

IMF: International Monetary Fund

IPPR: Institute for Public Policy Research

KMTC: Katima Mulilo Town Council

MRLGH: Ministry of Regional and Local Government and Housing

NALAO: Namibia Association of Local Authority Officers

NDP: National Development Plan

NSA: Namibia Statistics Agency

OECD: Organisation for Economic Co-operation and Development

PPWM: Pre-Paid Water Meters

SADC: Southern African Development Community

TRA: Theory of Reasonable Action

ACKNOWLEDGMENTS

There are several people who, in some way or another, contributed to the realisation of this thesis. I would, particularly, like to give profound acknowledgement and gratitude to:

- The Almighty God, who granted me knowledge and courage, and bestowed his everlasting mercies upon me during this long and bumpy journey. The Lord is my pillar of strength and without him, I would not have finished this study.
- I remain eternally grateful to my supervisor **Prof. Sam Chinyoka.** Thank you for your continued patience, support, determination, and motivation. I am indebted to you for your professionalism and effort in seeing this study through. Your tireless efforts are immensely appreciated.
- My Husband, Mr. Othero Mulele, thank you for your encouragement, support, and patience during the time of my study.
- My Sister Dabbie Kawana, kids (Othero Jr and Taraji), my father Mr. Mathew Kawana, and family members. Thank you all for your support and prayers.
- Special thanks also go to all the staff members of Namibia Business School (NBS), thank you all for your unwavering support, assistance, and encouragement during my studies.
- Lastly, I want to thank the Katima Mulilo Town Council for allowing me access to the institution and its staff members for this study. My warmest gratitude is presented to the town council personnel, who dedicated their time to help me. I appreciate your willingness to attend the interviews, amid your hectic schedules.

DEDICATION

This thesis is dedicated to my late Mother: Ms. Edinah Makena Mwinkanda who has always been my pillar of strength. Being a teacher herself, she taught me that education is the key to success and that I must always strive to be an achiever. Mom, this is for you. *"Moya wamina upumule kakozo".*

DECLARATION

I, Nancy Namakau Kawana, hereby declare that this study is my own work and is a true reflection of my research, and that this work, or any part thereof has not been submitted for a degree at any other institution. No part of this thesis/dissertation may be reproduced, stored in any retrieval system, or transmitted in any form, or by means (e.g. electronic, mechanical, photocopying, recording or otherwise) without the prior permission of the author, or Namibia Business School in that behalf. I, Nancy Namakau Kawana, grant Namibia Business School the right to reproduce this thesis in whole or in part, in any manner or format, which Namibia Business School may deem fit.

Nancy N. Kawana		April 2023
Name of Student	**Signature**	**Date**

CHAPTER 1: Introduction and background

According to Fjeldstad et al. (2012) local municipal authorities play a significant role in community development and ensuring that basic services are provided to communities. In recent years, municipalities, particularly in Namibia and South Africa have been heavily criticised for poor service delivery (Kalonda & Govender, 2021; Jacobs, 2019). The criticism is not only from the communities but also from the central government since they prompt service delivery protests which sometimes result in mass destruction of state infrastructure and private property (Jacobs, 2019). Local authorities are created to facilitate development at the grassroots, and they strive to meet people's demands for goods and services mainly at the lowest level of government (Fjeldstad et al., 2012).

Local authorities represent the most important sphere of government because it is the sphere closest to communities that must provide basic quality services, safety, jobs and all other basic necessities (Jacobs, 2019). Fourie and Opperman (2011) also believe that local authorities were established as a separate sphere with primary responsibilities for service delivery. Generally, local authorities in most African countries including Namibia are often characterised by negativities such as growing demand for service delivery, unaffordable unfunded mandates, as well as huge service delivery backlogs, poor operating systems, poor long term planning, increasing debtors, financial statements not being timeously submitted to the Auditor-General, qualified audit reports, increasing salary bills, government debt, and generally serious concerns about sustainability (Madumo, 2015).

According to UN-HABITAT (2010), one of the shortcomings of local authorities is that it is a sphere of government designed for a population with proper employment, houses, all basic services, and the ability to make monthly payments for rates and taxes for the town council or municipality so it can be financially viable and sustainable. Local authorities are expected to be self-funding, while raising revenue from key sources such as service charges for electricity, water, refuse removal and sanitation (IPPR, 2012). Therefore, revenue collected by municipalities must cover the cost of basic services and effective service delivery. In any local authority, revenue is very vital because it determines its functionality. Its effective and efficient collection and utilisation take a central position in ensuring the success of any local authority in service delivery (Masiya, Davids, & Mangai, 2019).

Revenue is income earned by the municipality for services rendered, namely, rates, electricity, water, sanitation, refuse removal, building and land rentals and license fees (OECD, 2009). In the interest of financial viability and sustainability, town councils are required not only to collect revenue due but also to plan, develop and implement effective revenue enhancement strategies to maximise their revenue base (Nkuna, 2021). However, in reality, town councils find it hard to maximise their revenue base due to a culture of non-payment in previously disadvantaged communities, even where households can now afford to pay, as well as poor administrative systems, shortage of skills, high levels of historical debt, and other institutional, political and socio-economic aspects (Madumo, 2015).

The challenges that town councils face in revenue collection and their existence tend to be a neglected topic. The media often report on corruption and irregularities at the local and regional levels, but there is little research on what effects revenue collection has on service delivery. Therefore, this study aims to investigate barriers to revenue collection affecting municipal service delivery.

1.1 Background of the study

According to IPPR (2012) Namibia continues to face challenges in municipal service delivery to citizens even after independence. In an attempt to resolve service delivery challenges, the Namibian government created the Local Authorities Act of 1992. The act affirms that the local authority is the sphere of government that interacts closely with communities (NALAO, 2004). Furthermore, local authorities are created to serve as partners to the central government in the national development and, as partners, they are required to provide administrative, and other public services and amenities to residents (Adu-Gyamfi, 2014). The Local Authority Act of 1992 distinguishes between municipalities, towns, and villages, with municipalities being the highest and most autonomous type of local authority (NALAO, 2004).

Local authorities carry out several functions as specified in Section 3(2) of the Local Authorities Act No. 23 of 1992, as amended by the Local Authorities Amendment Act No. 17 of 2002. The act states that local authorities are responsible for the provision, operation and maintenance of most municipal infrastructure and services. Roads, drainage, water supply, sewerage, electricity distribution, street lightning and solid waste management, as well as access to land and housing, are all functions that are the responsibility of local authorities (NALAO, 2004). However, the Act gives no indication on which services all local authorities should be delivering as a minimum requirement

(MRLGH, 2004). Therefore, some services may be delivered by all three types of councils, while others might be specific to certain councils only and might even depend on ministerial approval. However, the provision of water, electricity, sewerage, refuse collection and land is more common and counts among the council's most important revenue sources (MRLGH, 2004).

According to Fjeldstad et al. (2012) functions of local authorities should be exercised in such a manner that they increase the social development of communities, in particular, meeting the needs of the poor with emphasis on the growth of the local economy. Through its traditional responsibility (service delivery), the local authority exercises a great influence over the social and economic wellbeing of local communities (Fjeldstad et al., 2012). Unlike in the past, local authorities in Namibia are presently required to perform two main urban functions within their physical boundaries. These are to provide social and economic infrastructure and services; and to guide future urban growth and economic development in a transparent and accountable manner (IPPR, 2012).

According to IPPR (2012), municipalities and town councils in Namibia are expected to be financially autonomous, operating on a full cost recovery basis for all services they deliver. Councils generate most of their funds from user fees except for the more established authorities which levy property taxes and sell land. Local authorities receive limited funding from the central government for specific investment projects and recurrent cost support on an ad hoc basis. Fjeldstad et al. (2012) is of the opinion that to a large extent, town councils rely on user charges, especially on water and electricity, by adding a surcharge to the cost of the utilities. However, most town councils do not determine their tariffs in accordance with an approved tariff policy, causing trading services, including water distribution, to run with significant losses. The situation is worsened by an increasing number of consumers who do not pay for basic services due to various reasons, including affordability. Several town councils, therefore, find it increasingly difficult to sustain their service levels without using their accumulated surpluses (Fjeldstad et al., 2012).

According to Remmert and Ndhlovu (2018), the rapidly increasing urbanisation rates place immense pressure on local authority capacity for service delivery in terms of management, infrastructure, and financing. The reality, however, is that local authorities are generally faced with having to provide services to communities with high levels of unemployment and poverty, resulting in most of the municipality residents being unable to make payments (IPPR, 2012). A large portion of municipal debtors are indigent and therefore local municipalities must provide free basic services to qualifying indigents within their authority. Given the pressure to provide services to many individuals and even entire communities that cannot afford to pay, and as municipal revenue is the lifeblood of municipalities due to the local authority mandate, all systems and processes need to be in place to ensure that municipalities collect all revenue due to them to be financially viable and sustainable (Maj-Wa´sniowska & Jedynak, 2020).

It has been observed by Mpaata, Lubogoyi and Okiru (2017) that for Local Authorities to provide the services required adequately and efficiently, there is a need for new methods of raising revenues. A study by IMF (2010) found that most developing countries are still facing a fundamental need to raise more revenue from their own tax bases. Local revenue is fundamental in the management of local authorities, as it significantly contributes to the funding of both recurrent and development expenditures in the local authorities.

According to The World Bank (2013), the collection of local revenues by local authorities has been declining over the years and this has resulted in over-reliance on the central transfers which is not the original essence of decentralisation. Kasendwa (2018) defines revenue as the total amount of money received by any business entity or organisation for the goods sold or services provided during a certain period. For the Government, public revenue means those amounts it receives from different sources. In other words, the income of the Government is public revenue (Thapa, n.d).

Revenue collection enables local authorities to implement their planned budgets and work plans (Matovu, 2018). They use this revenue to co-fund capital projects, monitoring of all programs and the general supervision of constructing roads, drainage, water supply, sewerage, electricity distribution, street lightning and solid waste management, as well as servicing land. Although Namibia has made progress in reducing income inequalities and poverty levels amidst the difficult economic conditions, many of its citizens still face hostile conditions such as inadequate access to basic services. Given this background, local authorities can easily identify and raise revenue from local sources such as property rates, service charges, fines, and equitable shares to boost their financial base.

1.2 Statement of the problem

According to Chauke (2016) municipalities have the responsibility to deliver services to communities in a fast and efficient manner, and to achieve this, financial resources are needed. There is a growing concern in respect to KMTC's poor revenue collection and lack of revenue generation (Kalonda & Govender, 2021). In addition, the Town Council experiences service delivery protests where residents are dissatisfied with poor or lack of service delivery and demand for serviced land or plots for settlements (The Namibian, 2018). Pieters (2015) is of the opinion that, the concepts of municipal revenue collection and its budget allocation have globally attracted considerable attention in recent years, as many countries experience poor municipal service delivery owing to inadequate revenue to fund municipal budgets. Regardless of the authority bestowed upon Namibian municipalities to collect and manage their own resources, most municipalities struggle to achieve their constitutionally obligated objectives (IPPR, 2012).

During the 2014 stakeholder engagement meeting, the KMTC Finance Manager, Cecilia Tukuhupwele stated that “The Katima Mulilo Town Council identified revenue collection and provision of water supply to its residents as some of the major challenges, the situation makes it difficult for the town council to provide quality service and promote development at the town” (The Namibian, 2014). Failure by municipalities to collect outstanding revenue leads to insufficient funds to maintain existing infrastructure or to fund the capital cost of new infrastructure, resulting in poor service delivery (Tesselaar, 2017). As is the case with many other municipalities, KMTC faces revenue collection challenges and a high consumer debt which has a negative impact on service delivery, and it cripples the cash flow position and the Town Council’s ability to fulfil its constitutionally mandated responsibilities (Kalonda & Govender, 2021). Therefore, this study aims to add to the discourse on municipal resource deficiency by investigating barriers to revenue collection affecting municipal service delivery.

1.3 Research questions

The study aims to investigate barriers to revenue collection affecting municipal service delivery and to propose potential solutions to resolve the barriers identified. These barriers were analysed, leaning on the theories of economic sustainability and reasoned action, respectively, to determine their effect in relation to municipal operations and service delivery activities.

The primary reseach question was formulated as follows:

What are the barriers to revenue collection and how that affect the financial viability of KMTC?

The secondary research questions are:

- What are the factors influencing the attitude of KMTC residents towards paying for municipal services?
- What are the possible solutions to remove barriers to revenue collection?

1.4 Research objectives

The primary research objective was formulated as follows:

- To identify barriers to revenue collection and its effect on the financial viability of KMTC;

The secondary research objectives are:

- To investigate factors influencing the attitude of KMTC residents towards paying for municipal services;
- To present possible solutions to remove barriers to revenue collection.

1.5 Significance of the study

The findings from this study are expected to benefit various categories as follows:

Town councils: The study will help town councils, specifically the Katima Mulilo Town Council to comprehend the effects of revenue collection on service delivery.

Researchers: The study will also be useful to researchers in revenue collection and service delivery management as the research will help to shed light on the effect of revenue collection on service delivery in local authorities.

Administrators: It will be significant to town councils' administrators as they will be able to recognise the strong correlation between revenue collection and service delivery in town councils. The study will enable the administrators to use the revenue collected to deliver services to the community. They will ensure that the generated revenue is effectively used to deliver services to the community.

1.6 Limitations

i. The primary limitation of the study is the focus on a single urban town council (KMTC). Focusing on a selected geographical area could signify that the research results may not be representative of the rest of the country, however, the results may be transferable to a similar setting (Krueger, 1998).

ii. The researcher is full time employed and needs to balance work and carry out the research by taking time off during critical periods of the research.

1.7 Delimitation

This study focuses on the Katima Mulilo Town Council (KMTC) alone and it does not represent the entire local authorities in Namibia. The challenges found in this study surround distance and geography: it will therefore be restricted to the KMTC only. However, the findings can be used as a platform for learning and innovation by other local authorities.

1.7 Chapter's Summary

The chapter first discussed the background of the study, highlighting the problems that the Katima Mulilo Town Council experience pertaining to factors affecting revenue collection. Secondly, the chapter discussed the problem statement, main research questions and the sub-questions that help to give the scope of the extent of the analysis that needs to be done. The significance of this research is presented. Other issues that are covered include the limitations and delimitations of the study. The next chapter presents a review of relevant literature.

CHAPTER 2: Literature Review

2.1 Introduction

This chapter covers a discussion of related literature and the theoretical framework. A literature review is a critical summary of related studies on research under study (University of Otago, 2017). Therefore, it is very important to review different works of literature which are relevant to the problem under study in order to provide a classification and evaluation of what scholars and researchers have written on the topic. The literature review also provides different theories relevant to the study. Plowright (2011) argues that literature review provides the researcher with a theoretical perspective to guide his thinking about what is being investigated. The review here reflects the research questions with regards to the barriers to revenue collection affecting municipal service delivery. The research will mainly focus on the important study variables which are: local revenue and service delivery.

2.2 Theoretical framework

A theory as a group of logical, related statements that is presented as an explanation of a phenomenon (Welman, Kruger & Mitchell, 2005). Theories assist us in organising our environment, in making sense of it, guiding us on how to behave in it and predicting what might happen next (Henning, Van Rensburg & Smit, 2013). From a municipal perspective, the study leaned on economic sustainability within the theory of sustainability. The "theory of sustainability" describes a form of economy and society that is lasting and can be inhabited on a global scale (Ekardt, 2018). Rasouli1 and Kumarasuriyar (2016) define economic sustainability as the relation between economic growth and the use of natural resources.

The study adopted the principles of financial viability and sustainability from this theoretical underpinning. Financial viability and sustainability are critical to the ongoing success of any organisation (Corporate Synergies Australia 2013). According to Walbrugh (2015) a viable municipality is one that holds a sound tax base, a viable economy, low dependence on grants and other transfers, and sound financial governance. Corporate Synergies Australia (2013) states that viability is sustainable where continuity in planned, balanced inflows and outflows of funds, is reasonably achievable in the longer term in changing conditions.

From the community's perspective, this study will investigate the phenomenon of municipal revenue collection, leaning on the "theory of reasoned action" (TRA). This theory was formulated by Ajzen and Fishbein in 1980 and suggests that a person's behaviour is determined by their intention to perform the behaviour, and that this intention is, in turn, a function of their attitude toward the behaviour and their subjective norm.

Literature reveals that revenue collection challenges faced by African municipalities may primarily result from ingrained behaviour by households (Mavhungu 2011). Households subscribing to a sense of entitlement regarding municipal services and a culture of non-payment, or residents who observe no disciplinary measures against defaulters, will fail, neglect or refuse to pay their municipal accounts. The opposite may be true if these behavioural patterns can be positively influenced, perhaps presenting a solution to rural municipalities' revenue collection woes that may result in municipalities overcoming their sustainability concerns, enabling the rendering of quality municipal services in support of economic development.

2.3 Review of related studies

This presents related literature and studies from both local and foreign sources to guide the study through the following research questions. To identify barriers to revenue collection and its effect on the financial viability of MTC, to establish the role of municipal revenue with regard to KMTC's sustainability, to investigate factors influencing the attitude of KMTC residents towards paying for municipal services as well presenting possible solutions to remove barriers to revenue collection.

2.3.1 Factors that affect revenue collection

The fundamental problem confronting most local authorities, especially those managing cities and towns in developing countries, is the widening gap between the availability of financial resources and municipal spending needs (UN-Habitat, 2015). One of the main reasons for this increasing fiscal gap is the rapid growth of urban populations, which creates an ever-increasing demand for service delivery. This puts immense pressure on local authorities to provide services to overpopulated communities with high levels of unemployment and poverty, who are unable to make payments for services provided (IPPR, 2012). The history and the continuous deteriorating state of municipal debt have driven research in respect of the revenue collection challenges faced by many African municipalities and the impact that it has on sustainable service delivery. Several challenges to municipal revenue collection discovered by these studies, are discussed below.

- **Inability to pay**

According to Ringane (2013) many citizens are incapable of paying for municipal services, due to socio-economic conditions. Manda (2013) states that consumers' inability to pay is one of the reasons municipalities are experiencing elevated debtor books, as most of the households billed for municipal services are unable to pay. Nkuna (2021) is of the opinion that, consumers' inability to pay is beyond municipalities' control and it results in dire consequences for municipal economic sustainability. Nkuna (2021) further identified poverty and unemployment, inadequate indigent management, the affordability of municipal services, and economic issues, as factors affecting consumers' ability to pay.

- **Unwillingness to pay**

Unwillingness to pay implies that a customer can afford to pay for a municipal service but chooses not to do so (RSA 2016, as cited in Nkuna, 2021). Nkuna (2021) claimed that several ratepayers who can afford to pay for municipal services are simply not willing to pay. Unwillingness to pay for municipality services is deemed to be a complex issue that may be triggered by a variety of factors. As opposed to the inability to pay, unwillingness to pay may be within a municipality's control to contest, in that municipalities may implement measures to address such refusal to pay. Studies cite poor service delivery, deficient billing, and a culture of non-payment, as factors that may affect consumers' willingness to pay for municipal services.

According to Madumo (2015), factors that affect revenue collection are mostly created by situations where municipalities fail to institute proper mechanisms to ensure that they collect their revenue accordingly. Without appropriate funding, it becomes difficult for local governments to render services. Consequently, the capacity to deliver regular and constant services becomes compromised. Although lack of funding is a major issue, the situation is worsened by unethical practices. It is a common practice in most municipalities that the process of appointing service providers is influenced by politicians, by influencing the accurate supply chain processes. In some municipalities, municipal managers have been suspended by the municipal council for failing to appoint service providers that the politicians favoured. Kalonda and Govender (2021) argues that the following are some of the factors affecting revenue collection in SADC:

- **Poor implementation of the Legal Framework**

In an adequate legislative and legal structure, the powers and roles of lower levels of government must be clearly defined, and the central government must be able to give up power and accept the sub-national government's importance in the delivery of services through this process (Ekpo 2008). The South African Cooperative Governance and Traditional Affairs report (2009) reveals that weak compliance with local legislative and regulatory structures in South Africa is common and this has led to service delivery deficiencies. In the case of the Katima Mulilo Town Council, there is an indication that Namibia has well-crafted frameworks, policies, and legislation for effective service delivery, but the failure of implementing the frameworks remains a major challenge. This includes a lack of adoption of good governance practices, a lack of understanding of the State Financial Act 31 of 1991 which led to tension between political leadership and administrative managers to control council finances and inadequate accountability measures in place to support the good governance within the system.

- **Poor Leadership**

Isaacs (2016) states that leadership as a person or group representative helps to create an interconnected culture that involves value structures and behaviour that are vital for the success of the organisation. Leadership also offers a forum to ensure that policies of transition are successfully enforced as mandated by modernisation and transformation.

The leadership of the municipalities or the local authority, including that of the Katima Mulilo Town Council, are generally politically appointed which results in leaders that tend to politicise the operation and have 'myopic' knowledge of management principles that affect the provision of services (Ndevu & Muller 2017). These include conflicts between the political and administrative interface, the poor ability of councillors to cope with local government demands in terms of service delivery, and incomplete separation of powers between the municipality and political parties.

- **Poor Financial Management Systems**

Meyer and Venter (2014) mention that in most municipalities in South Africa, there is poor financial management and a lack of control and accountability systems. This situation increases fraud, corruption and misuse of municipal assets and funds. For instance, institutions lack the capacity and means to understand debt management or collect outstanding revenue. For many years, these financial woes created a situation that resulted in local authorities becoming a burden for the municipality, which situation could not be sustained.

The above scenario is very similar to the situation at the KMTC currently, where millions of Namibian dollars are in arrears for many years (Ministry of Urban and Rural Development, Audit Report 2018), making it difficult for the council to provide adequate basic services (Auditor General 2016). The Auditor-General's Reports (2016), which were tabled in the Namibian Parliament, revealed that most municipalities and town councils in Namibia including the Katima Mulilo Town Council, received 'qualified' financial audit reports, (Namibia Auditor General, 2016).

Cocker and Adams (2012) state that in Nigeria, the local government's declining tax base, lack of autonomy, and corruption have prevented them from performing well, financially. Mantzaris (2014) recognises the lack of leadership capability, expertise and transparency as the product of a lack of execution in terms of efficiency, effectiveness and truthful financial management in the local authority. Hence, leadership is important to manage financial resources sustainably to improve service delivery and the overall performance of the public entity.

- **Incompetent Human Resources**

According to Isaacs (2016), well trained and competent employees who can deliver services effectively and efficiently, are important to ensure integrity, objectivity, transparency and responsiveness to the requirements of ordinary people. Capacity building and skills development are essential in these institutions for employees and management to become more innovative in the delivery of services. In a study in Uganda, Ssonko (2013) reports that the decentralisation policy which is meant to improve service delivery is also challenged by the capacity of personnel. Thus, Ssonko (2013) recommends that performance management is an effective instrument for managers and employees to set targets, achieve results and incentivise good performance, and provide interventions such as mentoring and coaching to overcome poor performance.

Meyer and Venter (2014) indicate that the lack of human resource management systems which are not conducive to recruiting and retaining personnel means that the recruitment process more often is compromised. Von Holt (as cited in Khambule & Mtapuri, 2018) alludes to additional barriers to providing adequate service delivery in South Africa, namely, poor governance and corruption which affected their capacity to retain a competent workforce who are willing to work for local authorities.

- **Poor Governance**

Kakumba (2009) states that good governance seeks to achieve different goals, such as improving the well-being of its people, promoting economic development, promoting the political stability of its citizens, ensuring that democracy prevails and ensuring overall accountability for actions, as well as monitoring the actions of the government in society (International Financial Accounting Standard, 2013). The Report on Sustainable Human Development of the United Nations Development Programs (1997) claims that good governance ensures that political, social and economic goals are focused on a large consensus in society and that decisions on the allocation of development resources are to the benefit of the poorest and most vulnerable members of society.

Leadership has an important role to play in public service delivery since effective leadership contributes to good governance by promoting transparency, collaboration, clear roles, involvement, understating and responsibility in service delivery. In return, good governance fosters the commitment of leadership and management to be held accountable for actions and decisions. Effective leadership and good governance are vital for organisational performance, particularly for the local authority to perform as per mandate (Helao & Naidoo, 2016).

2.3.2 Effect of poor revenue collection on financial viability

Municipalities are allowed to charge residents for services they receive, but their performance in terms of revenue collection is exceedingly inadequate (Mgema, 2013). As a result of poor revenue collection, majority of municipalities only have enough money to finance routine and minor development projects in their jurisdictions, leaving their residents without access to social services like water, sewerage and refuse removal (Nkuna, 2021). According to Kimario (2014) sufficient local revenue is vital in ensuring the viability and sustainability of municipalities as well as the provision of quality services to residents. Despite this being true, local authorities in Africa are generally considered to hold an insubstantial revenue base (OECD, 2016). The situation is worsened by the allegation that the majority of the taxes that the local government is authorised to collect, are extremely difficult to collect (OECD, 2016).

A study by Jacobs (2019) on financial viability in South African municipalities showed that non-payment for municipal services, also known as municipal consumer debt, presents a dismal challenge that affects the financial viability. Municipal consumer debt can undermine the cash position of municipalities, thereby limiting its capacity to fulfil its constitutional responsibilities, reduce finance available for the delivery of basic services, infrastructure maintenance and upgrading, and overburden the existing tax base by increasing the need for subsidisation by wealthy taxpayers (Peyper, 2016). Jacobs (2019) is of the opinion that financial viability and service delivery are directly linked and this may signify that failure to collect municipal revenue will result in the accumulation of municipal debt, limiting municipal financial resources and, consequently, its ability to provide sustainable services. The functionality of municipalities depended on effective revenue and debt collection practices to enable continued service delivery (Molobela, 2016).

A study by Jacobs (2019) found that own revenue collection is crucial to improving the financial independence of municipalities. According to him, municipalities that intend to improve their financial viability and sustainability need to improve activities such as credit- and debt collection, indigent management, credit control management, tariff setting, metering services to ensure accuracy of billing, and cash flow management. Improvement of financial viability and sustainability do not end with the collection of the revenue owed to municipalities, but include planning, developing and implementing effective revenue enhancement strategies with the aim of maximising municipal revenue bases (Jacobs 2019). Although Jacobs (2019) acknowledged the challenges faced by municipalities in relation to revenue collection, he believed that municipalities should strive to maximise revenue collection if it intends to improve its financial viability and sustainability.

Based on the above literature review, it may be argued that African municipalities, including those in Namibia urgently need to develop and implement revenue collection processes to address poor financial capacity. Addressing this issue would render the municipality financially viable and able to sustain the provision of services to communities.

2.3.3 Possible solutions to remove barriers to revenue collection

Many of the problems facing the generation of revenue in many local authorities are those that can be corrected to improve revenue generation. According to Lyimo (2018), a dependable tax base for the government is essential. A shortage of trained valuation staff will make taxes on real property difficult to assess. Strategies to improve revenue collection in local authorities have been discussed by various scholars, this includes and not limited to:

a) Sensitisation of the people

This involves informing and educating potential taxpayers on the purpose and benefits of the revenue they contribute. Governments normally undertake massive sensitisation through workshops, newspapers, and radio stations among others. The sensitisations are spearheaded by local leaders. Massive and effective sensitisation results in sufficient revenue collection, hence, better service delivery (James & Nobes, 2009). Depending on the type and status of the community, sensitisation of the masses may not always yield the desired results. For example, some of the taxpayers are illiterate and cannot read newspapers, yet some radio stations are not listened to by the people, considering that some potential taxpayers are located in remote areas. Some local leaders lack the skills to sensitise the public about revenue collection and its impact on service delivery. Therefore, this will make revenue collection a bit difficult let alone the eventual provision of the services to the people (James & Nobes, 2009).

b) Staff motivation

According to Henry-Fayol (1948), there are 14 principles of management of which motivation is among the list. Henry-Fayol (1948) notes that motivation is a driving force that stimulates a worker’s action. Workers should be encouraged to put in their maximum efforts and when this is done, it may increase or improve revenue collection. The training of workers for knowledge enhancement should be one of such motivational factors (Lyimo, 2018). It is fervently hoped that when the above suggestions are fully implemented, the local authority will not only improve internally but also with the outside world.

c) Create employment for the locals

The government should embark on the establishment of some industries, which will provide employment opportunities to the people. There should be development and improvement in agricultural ventures like crop farming livestock keeping fisheries and the like. Participation in agriculture will encourage and enhance the standard of life of the inhabitants of local government (Lyimo, 2018). As such, they will be able to pay for services.

d) Revenue management

There is a general trend in most governmental establishments of mismanagement and embezzlement of revenues. The revenue that is collected is mismanaged by the authorising and executing officers, thereby, making the revenue affect the general populace. This can be reduced by the centralisation of the collection department and the rotation of jobs and assignments. If a worker is occupying a particular position for a long time he tends to have all the ways by which he can defraud the department (Lyimo, 2018)

e) Compliance of taxpayers

Some communities or individuals do not like to pay taxes. Their mindset treats taxes as a burden and punishment. If people can change their attitude toward tax evasion, more revenue will be generated. The number of people that pay up their dues (tax) when dues are very small compared to the number of people that are supposed to pay (Bird et al., 2008).

2.3.4 Summary of the chapter

The purpose of the literature review was to identify any gaps that exist in the literature in relation to the objective of this study. Kalonda and Govender (2021) argues that poor implementation of the legal framework, poor leadership, poor financial management systems, incompetent human resources and poor governance are some of the factors affecting revenue collection in SADC. It has been established that the public has a perception that they are not allowed to participate in the decision-making processes regarding their well-being. For this reason, many people tend to decide not to pay for services rendered to them. It is also evident that all municipalities and/or town councils need to have a best revenue collection practice that is aligned with their strategic plan (Nghifikwa, 2019). Addressing these challenges requires not only interventions aimed at enhancing revenue collection but more significant improvements to service delivery and processes. It is these gaps that the current study intended to fill by investigating the factors affecting poor revenue collection on the effectiveness of service delivery at the Katima Mulilo Town Council. The next chapter presents the methods used to gather data for this study.

CHAPTER 3: Research Methods

This chapter presents methodological approaches that were used to produce reliable data for this study. The chapter looked at the research design, study population, sample size, sampling techniques and procedures, data collection methods and instruments, and ethical considerations.

3.1 Research design

A research design provides a description of the various components of the investigation, specifies the approach that will be adopted and gives details about the methods of data collection and analysis that will be used (Denscombe, 2010). Kassu (2019) further defines a research design as a plan according to which research participants are identified and information is collected from the participants of a study. The researcher adopted a mixed method approach to conduct the study. According to Creswell (2014) and Piccioli (2019), mixed method research is as a process of research that combines the mixing of qualitative and quantitative research approaches and techniques in a single study. This type of research method approach has advantages and disadvantages.

According to Pardede (2018) and Sarantakos (2013), the advantages of mixed methods research are:

- It provides researchers with ways of improving the capacity of their methods and to enrich the quality of their findings.

- Increases comprehensiveness of findings, deeper insightful understanding, and greater consciousness and diversity (Pardede, 2018).
- Creswell and Plano Clark (2011) stated that a mixed methods approach to research provide the opportunity to achieve a better understanding of the phenomenon studied, since combining qualitative and quantitative data provide a collective strength.

In contrast; Dawadi *et al.* (2021) and Sarantakos (2013) argued that mixed methods research may be challenging, especially to beginner-researchers. Authors that doubt the benefits of mixed methods research cite the following setbacks:

- Pardede (2018) and Sarantakos (2013) claim that since quantitative and qualitative research are incompatible, employing both approaches in a single study might not result in valid and acceptable outcomes.
- Dawadi *et al.* (2021) is of the opinion that qualitative and quantitative research do not examine the same kind of phenomenon and therefore cannot be combined for cross-validation or triangulation purposes, however, it may rather be combined for complementary purposes.

3.1.1 The quantitative research approach

Quantitative research is the numerical representation and manipulation of observations for the purpose of describing and explaining the phenomena that those observations reflect (Goertzen, 2017). According to Creswell (2014) quantitative research design enabled the researcher to obtain objective information which did not include feelings and attachments, but facts. A questionnaire is a common form of a quantitative method and is best suited for respondents who can read, in order to measure people's attitudes, perceptions, thoughts, behavioural intentions and opinions, and for acquiring large numbers of participants that may be too challenging and time consuming to observe via qualitative methods (Nardi, 2018). A questionnaire is defined as a data-collection instrument for collecting primary data, by having each sampled research participant fill out a self-report (Igwenagu, 2016). The questionnaire was developed by the researcher in line with the research objectives, the problem statement and the findings of the literature review, supported by the Theory of Reasoned Action (TRA).

- **Quality measures of questionnaires**

Validity and reliability are key quality measures in a quantitative study, resulting in a meaningful interpretation of data by the researcher (Creswell, 2009).

Reliability

According to Hayashi *et al. (*2019) reliability evaluates the stability of outcomes over time. To ensure that the questionnaire possess reliability, the researcher ensured that the questionnaire was standardised and that it was administered consistently to all the sampled participants (De Vos, 2002).

Validity

As proposed by Leedy and Ormrod (2010), following the design of the questionnaire, the researcher submitted the questionnaire to the study supervisor for comments concerning the design and the content of the questionnaire.

3.1.2 The qualitative research approach

The qualitative research approach refers to all non-numeric data or data that have not been quantified and can be a product of all research strategies (Saunders & Thornhill, 2009). The findings from other studies (literature review), supported by the economic sustainability theory, were used to determine the interview questions. Creswell (2012) defines an interview as a data-collection instrument, involving a face-to-face conversation between a researcher and a participant that includes the transfer of information from the participant to the interviewer. Interviews are primarily a qualitative research method and occur when researchers present one or more participants with general, open-ended questions, and record their answers (de Trigueros, 2017; Quad, 2016). Interviews are proclaimed to be useful to uncovering the story behind a participant's experiences and for pursuing in-depth knowledge concerning a topic (Quad, 2016).

- **Quality measures for interviews**

Conformability

Hayashi *et al. (*2019) defines conformability as the extent to which the outcomes reported by the researcher can be confirmed by other independent researchers when interpreting the same data. To ensure conformability of the outcomes of the study, the researcher kept an audit trail by keeping a record of all the research related activities and data, including the raw interview and journal data and the audio recording.

Transferability

Researchers should provide adequate information when presenting the results of the analysis, to ensure that readers would be able to independently determine whether the findings would be applicable to another setting (Hayashi *et al.,* 2019). To ensure transferability of the outcomes of this study, the researcher clearly identified “financial viability” and “sustainability” from a municipality’s perspective. These are principles of the theory of economic sustainability, that is one the theoretical perspectives of this study. Nearly all of the questions posed by the researcher were to obtain information that would allow the researcher to determine the barriers to revenue collection affecting municipal service delivery.

Credibility

Bertram and Christiansen (2014) credibility refers to the extent to which the data or the findings reflect the reality and lived experiences of the participants. The researcher employed telephonic audio-recording when conducting interviews, to ensure that participant-responses were correctly captured.

Dependability

Dependability is the extent to which different researchers, not involved in the study, would make identical observations and arrive at the same conclusions concerning a phenomenon, when following the same research steps applied by the researcher (Bhattacherjee 2012). Several scholars compare “dependability” in qualitative research to “reliability” in quantitative research as they both address issues of consistency in researchers’ assessment of targeted variables (Kumar, 2011). The results of this study were compared with the outcomes of similar previous studies and the researcher accounted for any apparent variations.

Authenticity

Djurdja (2019) authenticity refers to the extent to which researchers exhibit a range of realities in a fair and faithful manner. It focuses on the contextual purpose of the research identifying the intended value of the research (Billups, 2014). Authenticity was ensured by structuring interview questions to derive relevant information that warrants achievement of the research objectives.

The table below shows information that was collected through face to face interviews using a questionnaire with open-ended questions:

Table 1: Interview Questions

Interview Question	Themes and Sub-themes
1. What are the revenue management activities of the municipality?	1.1 Pre-Paid Water Meters (PPWM): • why PPWM and how it works • how water is charged 1.2 Billing activities: • how customers get their monthly statements • KMTC account payment methods 1.3 Revenue-related policies: • adoption of the policy • effectiveness of the implementation of the policy

	• challenges affecting the implementation of the policy
2. What is the role of municipal revenue on the sustainability of the municipality?	2.1 The role of revenue in the Town Council
3. What are the municipality's customer care management activities?	3. 1 Types of customer queries
4. What is the customers' attitude towards paying for municipal services?	4.1 Perceived customer attitude towards paying for services 4.2 Factors affecting customer attitude towards paying for services.

Source: Own Compilation

3.2 Population

Babbie and Mouton (2015) define a population as the theoretically specified aggregation of the study group. The study group was drawn from the unit of analysis which was the object of the researchers' attention from which conclusions were drawn. The participants to the interviews and questionnaires were purposively selected from a population of municipal employees, based on their position and experience related to the topic under investigation. The targeted population for the questionnaire were 3 268 ratepayers, comprising of Katima Mulilo Urban Constituency residents' households, based on NSA's detailed 2011 Population and Housing Census Regional Profile, Zambezi Region (NSA, 2011).

3.3 Sample

According to Zikmund (2000), sampling is the process or technique of selecting a suitable representation or a typical part of the population to determine the characteristics or parameters of the entire population. The size of a statistical sample is the number of observations that constitute it (Cresswell, 1994). Since the population of the study is large, purposive sampling was deemed appropriate to select 130 heads of households residing in Katima Mulilo. Purposive sampling was was also used to select 12 KMTC employees based on their position and experience related to the topic under investigation. According to Saunders (2012) purposive sampling is a sampling technique in which a researcher relies on his or her judgement when choosing members of the population to participate in the study.

3.4 Research Instruments

This study used questionnaires and interviews. A questionnaire is a series of questions asked to individuals to obtain statistically useful information about a given topic (Roopa

& Rani, 2012). The questionnaire is designed to collect both qualitative and quantitative data. Questionnaires consisted of structured, semi-structured and open-ended questions and it was administered to the town council employees as well as residents of Katima Mulilo. A Likert scale (a rating scale technique) was adopted by the researcher to record participant responses to the questionnaires. According to Leedy and Ormrod (2010), a rating scale, such as the scale developed by Rensis Likert in the 1930s, is more useful when a behaviour, attitude, or another phenomenon of interest needs to be evaluated. The rating scale that was employed is depicted in the table below.

Table 2: Scale of response for the questionnaire

Strongly Agree	**Agree**	**Neutral**	**Disagree**	**Strongly Disagree**
1	2	3	4	5

Generally, questionnaires are useful to obtain responses from the respondents for the purpose of collecting data. The questionnaire is chosen because it is more efficient as it requires less time, it is less expensive, allows the collection of data from a much larger sample and most importantly, it limits bias on the side of the researcher. However, it also has disadvantages like low response rate, misunderstanding of some questions, and no opportunity to ask further questions by the researcher. In order to enhance validity, constant follow-ups were done by the researcher to respondents whose questionnaires were not returned. Also, piloting the questionnaire was done to correct the misunderstanding that may arise from the questionnaire. The questions in the questionnaire were derived from the efficiency theory whose core argument is that local government exists to help to ensure efficient-service delivery. The efficiency theory argues that all is well even if there is less democratic participation in the governance process as long as the local or grassroots people get efficient services from the local government (Chukwuemeka et al., 2014). The questions sought to identify customer experience in terms of service delivery by the KMTC. These experiences were obtained through statements in the Likert scale to find answers on attitudes of customers, personal conditions, and service delivery.

Interviews were used to obtain additional information outside the questionnaire. An interview is a data-collection instrument, involving a face-to-face conversation between a researcher and a participant that includes the transfer of information from the participant to the interviewer (de Trigueros, 2017). Interviews are primarily a qualitative research method and occur when researchers present one or more participants with general, open-ended questions, and record their answers (de Trigueros 2017; Johnson et al., 2020). Interviews are proclaimed to be useful for uncovering the story behind a participant's experiences and for pursuing in-depth knowledge concerning a topic (Johnson et al. 2020; Quad, 2016). The questions in the interview were open-ended to stimulate discourse and allow follow-ups on the pertinent issues through notetaking and audio recording.

3.5 Reliability and validity of the data collection methods

Fundamentally, findings in research are evaluated to ensure that they are credible, as such, concepts such as reliability and validity need to be implemented to enhance the quality of the research (Golafshani, 2003). Validity was achieved through depth, honesty, the richness of data obtained, and the extent of triangulation, and objectivity of the researcher. Realibilty was ensured through maintaining a fit between what the researcher records as data and what happens in the natural setting in which the research is conducted.

Triangulation in the form of qualitative and quantitative research was also used to enhance validity. The researcher ensured that the research had internal consistency, meaning that the researcher made efforts to ensure that evidence in the research sustains any observations made (Creswell, 2003).

3.6 Procedure

When the Namibia Business School approved the research proposal, the researcher was served with a research permission letter to present to the organisation that was being researched for data collection. Due to COVID-19, the questionnaires were sent via email. And interviews were done over the telephone. Pilot testing of the survey questionnaire was also carried out to assist the researcher to establish whether the questions would be understood and were relevant to the topic at hand. Four (4) interviews were conducted among community members to affirm if research objectives were accomplished in the questionnaire and interview guide.

The key informants were informed about the study seven days before the interview in order to allow them the opportunity to reschedule their appointments. They were also informed about the purpose of the study and that their participation was voluntary, and that they could withdraw from the research at any time. Prior permission was sought to record their conversations during the interviews. Recorded interviews are kept by the researcher and are protected by a password that is only known by the researcher and will be destroyed in five years.

3.7 Data analysis

Data analysis refers to the process of making sense of the information or evidence collected during the research (Best & Khan, 2004). The collected data were organised into two major categories as guided by the research questions.

Quantitative analysis which focuses on numbers and counting was applied to those responses that related to closed questions. Such an analysis assists in understanding how many people agreed, remained neutral or disagreed on the issue. Quantitative data were processed using the Statistical Package for Social Scientists (SPSS-16) to derive relevant descriptive statistics, specifically frequencies tables and mean. Excel program 2016 was used to analyse the quantitative data.

Qualitative analysis is regarded as any form of research analysis that utilises non-numerical approaches to derive meaning from the research data (Best & Khan, 2004). Qualitative data that were generated from structured open-ended interviews administered to different respondents were coded, processed and analysed using Atlas. Ti 9 software to generate thematic interpretation in line with the research objectives.

3.8 Ethical Considerations

According to Mack et al. (2005), research ethics attempts to maintain professionalism and confidence in the research process. Because data collection involves collecting data from other researchers and published documents, as well as collecting primary data from employees within their working environment, the researcher was obliged to protect participants against any disreputable circumstances. Ethical considerations, therefore, ensure that the research will not harm participants or others involved and that professional standards of conducting the research are adhered to (Bradfort University, 2007). Below are the ethical aspects considered during the research process.

- **Confidentiality and protection of participants**

Babbie and Mouton (2015) define confidentiality as the situation in which the researcher, although knowing which data describe which subjects, agrees to keep that information private. Reamer (2013) advises that "confidentiality rights arise when individuals entrust others with private information". Information collected should therefore be used for its intended purpose as agreed by participants. Because the study focused on collecting data from the experiences of people it is therefore important to protect participants through the application of appropriate ethical principles (Orb, Eisenhauer & Wynaden, 2000). To ensure confidentiality and protection of participants, the researcher applied the following:

- Obtained informed consent from all the employees interviewed.

- Ensured that all participants fully understood the aim of the study before answering the questionnaire or engaging in the interview.
- Informed participants of their right to withdraw their participation at any stage of the study.
- Exercised anonymity in this study by ensuring that all the employees who took part in this study were not identifiable by anyone reading the findings and conclusions.

Given the above, participants were confident that they would not suffer any prejudice as a result of any information they had given. In addition, participants were assured that the information provided would remain confidential and that all recordings and questionnaires would be kept in a safe, encrypted and lockable storage accessible only to the researcher. The researcher also obtained written permission to carry out the study at the KMTC and its employees. This permission was granted by the Namibia Business School. The researcher sought permission from the KMTC to do a study on their organisation.

3.9 Chapter Summary

This chapter focused on the research methodology that was employed in this study. The mixed-method approach was applied. The population and sample of the study were indicated. The chapter discussed instruments that were used to collect primary and secondary data. It also gave the context and justification of their implementation. The research procedure that was followed to execute the study was also outlined. Data analysis techniques that were used to analyse the data were also highlighted. The next chapter covers ethical considerations. Finally, this chapter presented issues on the consideration of ethical matters.

CHAPTER 4: Results Presentation and Discussion

This chapter focuses on the presentation, analysis, and discussion of the questionnaires and interview findings. The quantitative data results are presented using descriptive statistics - tables, frequency distributions, charts, cross-tabulations, and the correlation test. Qualitative data results from the interviews were grouped according to the similarities of responses and were presented in the form of summaries and interpreted accordingly. The findings are used to address the research objectives and also answer the research questions. The findings in this study are descriptive, it is worth noting that all data presented are a combination of secondary and primary data collected for this study unless otherwise acknowledged.

4.1 Response rate

The response rate of the study is determined to assess the exact number of respondents who participated in the study. From the 142 questionnaires that were circulated, 124 were completed, resulting in a response rate of 87% and all five participants who were targeted to be interviewed, were interviewed, resulting in a 100% response rate. The results are presented in the table below:

Table 3: Response rate

Variable	A sample of the researcher	Number of self-administered questionnaires	Number of retrieved questionnaires	Response rate
Employees	12	12	12	100%
Customers	130	130	112	86%
Total respondents		124		
Total number of face-to-face interviews			5	

Source: Primary data

Table 1 shows that 142 questionnaires were distributed, and 124 questionnaires were fully completed and returned. The response rate was 87% of the total sample of 142.

4.2 Demographic Information

The purpose of this question was to outline the demographic information of the respondents. Primary data were collected to determine the views and opinions of the respondents. The collected data were used to answer the research questions. The following are the demographics of the respondents:

4.2.1 Gender of the respondents

Below illustrates the gender distribution of the participants representing customers and employees of the Katima Mulilo Town Council.

Table 4: Gender of respondents

Respondents group	**Employee questionnaire**		**Customer questionnaire**	
	Number of respondents	**%**	**Number of respondents**	**%**
Male	6	50%	54	48%
Female	6	50%	58	52%
Total:	12	100%	112	100%

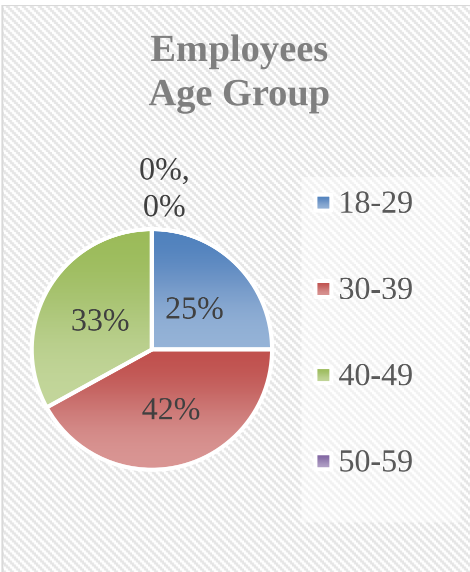
Source: Field data

The table above shows that most of the respondents were females, accounting for 50% and 52% of employees and customers, respectively. Males have the response rate of 50% and 48% respectively for employees and customers. Although the results show a high response from females (customers), it is worth noting that the participation of both genders was emphasised to ensure a gender balance that considered the opinions of both sexes.

4.2.2 Age of respondents

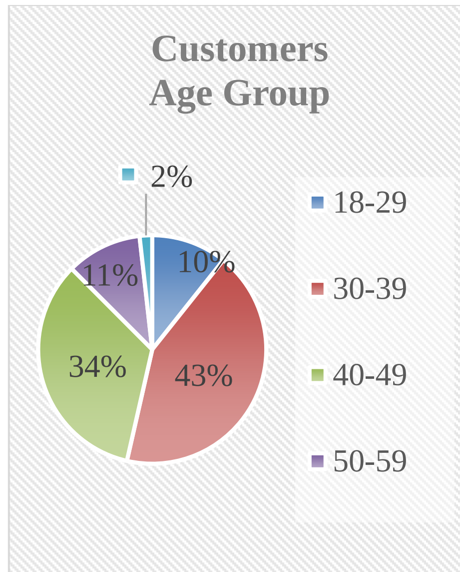
Figs. 1 A and B show the age distribution of employees and customers (residents) of the Katima Mulilo Town Council.

A.



Source: Field data

B.



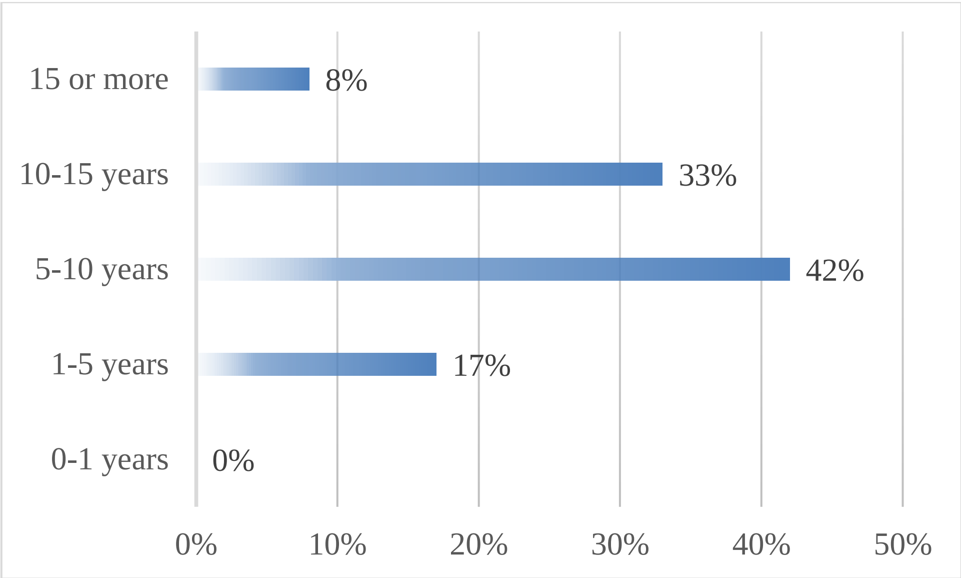
Source: Field data

Figure 1 Age Group

The majority of respondents were aged between 30-39 years who represented 42% (employees) and 43% (customers), followed by 33% of employees and 34% of customers who are in the age group of 40-49 years, followed by 11% (customers) and 0% (employees) aged between 50-59, 25% of employees and 10% of customers were aged between 18-29 years, while 2% of the customer respondents were 60 years and above and employees recorded 0% of respondents in this age group.

4.2.3 Work experience

Figure 3 established the work experience of the staff members of the Katima Mulilo Town Council



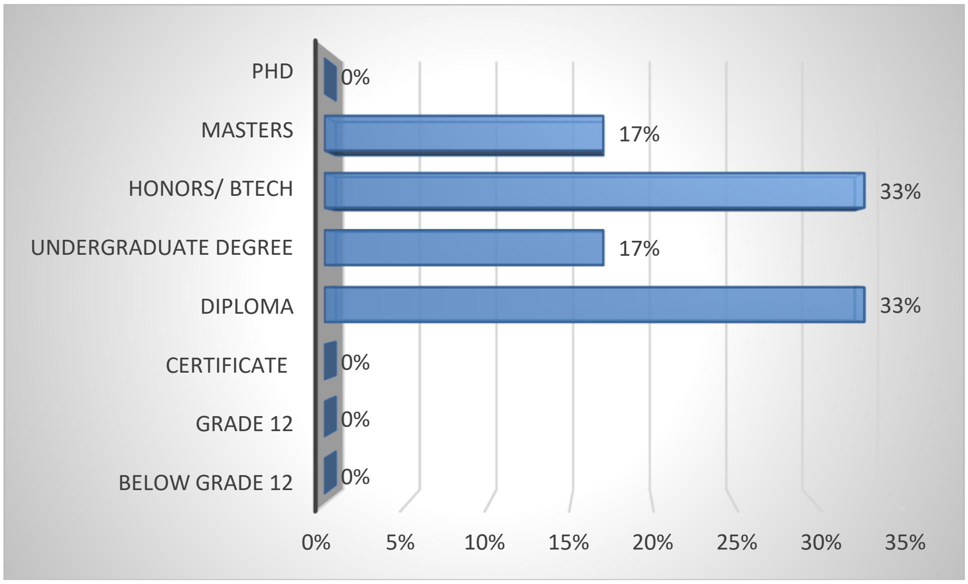
Source: Field data

Figure 2 Work Experience

The study found that the majority (42%) of the respondents have been employed for 5-10 years. Followed by respondents employed for 10-15 years who are 33%. Respondents who are employed for 1-5 years came as third with 17%, followed by 8% of respondents who have been employed for a period of 15 and more years. The study also revealed that only 0% of the surveyed respondents had indicated that they had been employed with the town council for less than a year. It was important for the study to establish the work experience of the surveyed participants as it would describe the respondents' experience and familiarity with the subject under investigation.

4.3.4 Level of education

Figure 4 below displays the level of education of the respondents



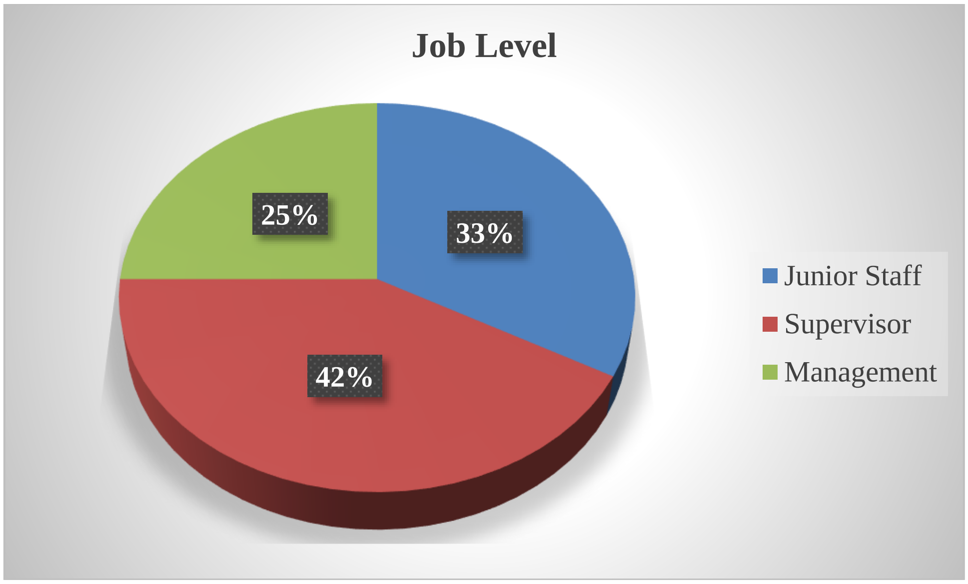
Source: Field data

Figure 3: Level of Education of Employees

The level of education of the participants was aimed at establishing the level of literacy of employees of the KMTC. Figure 4 shows that 33 % of the respondents had attained Honors/BTech Degrees as well as Diplomas, whereas 17% had attained Undergraduate Degrees and Masters Degrees. From the total number of the respondents, no one indicated they had studied up to the PhD level as well as below grade 12, grade 12 and certificate level. The level of education is an important aspect in terms of any firm's survival (Hall, 2005).

4.3.5 Job Level of Respondents

Figure 5 shows the job level of the KMTC staff members



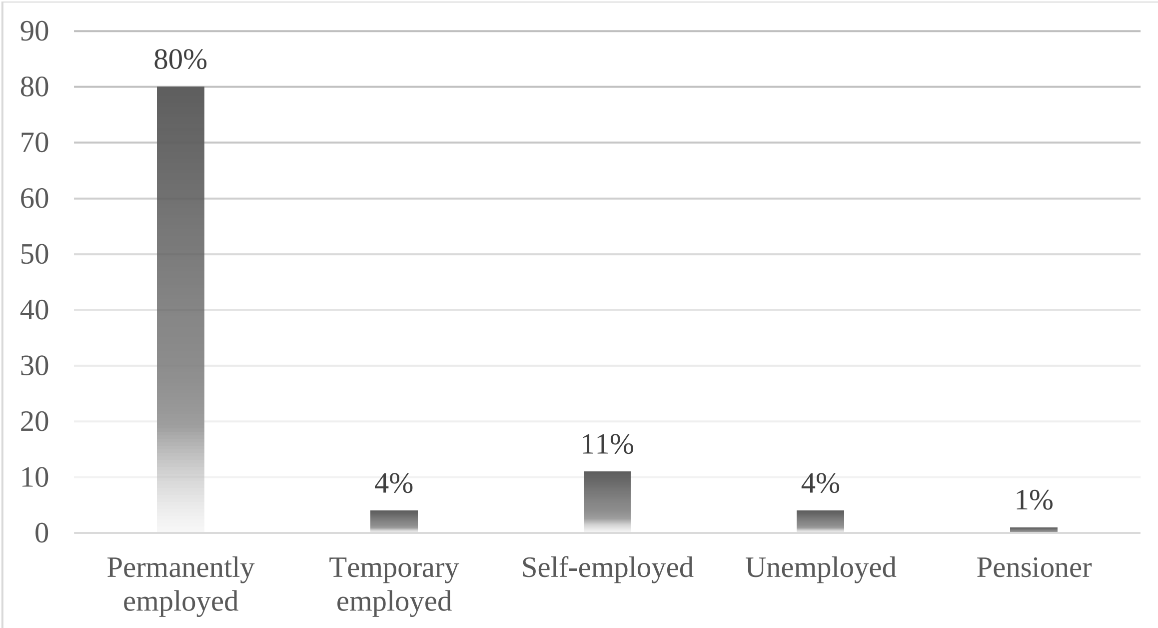
Source: Field Data

Figure 4: Job Level

The pie chart above shows that the study reached three employee levels. Most of the respondents were supervisors who can also be refereed to as middle management account for 42%. The second category with more respondents were junior staff recording 33%, the reason why they could be more respondents from entry and intermediate level jobs could be attributed to the dynamics of KMTC or any other firm where there are more subordinates as compared to managers and executives. A fair portion of the respondents (15%) consisted of the upper management who had senior roles.

4.3.6 Employment Status

Figure 6 represents the employment status of customer respondents



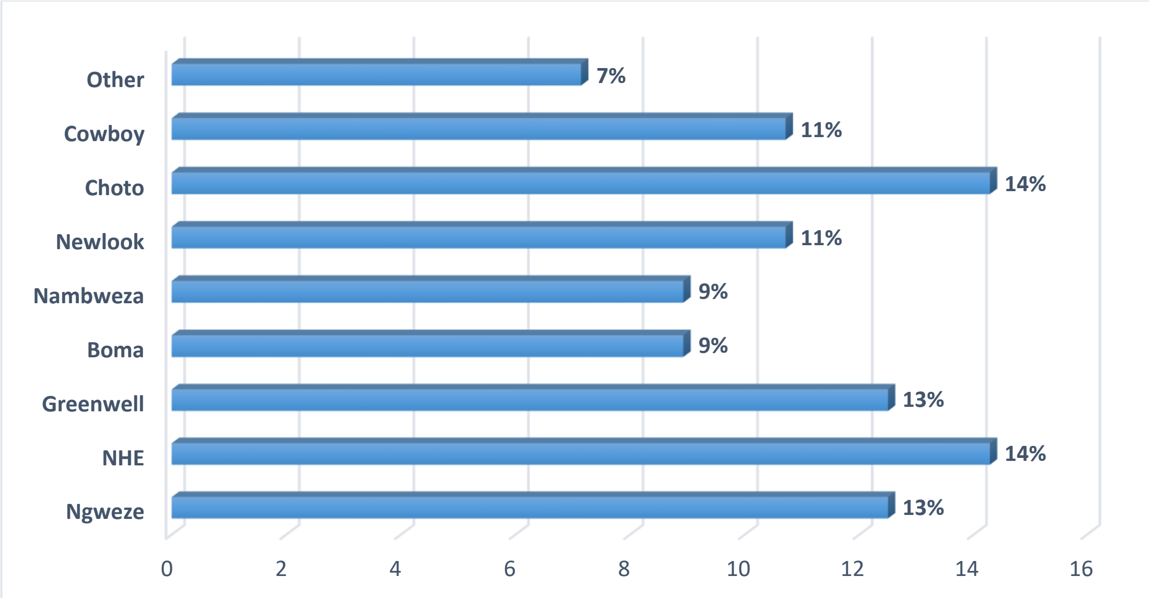
Source: Field Data

Figure 5: Employment Status

The results above show that 80 % of the surveyed respondents were full-time employees and only 11% were self-employed. The temporary employed, as well as the unemployed, accounted for 4% each of the total respondents while 1% was represented by pensioners. Evidently, the majority of the respondents were employed on a full-time basis as opposed to self-employed. Thus, it can be said that most of the residents have a stable income.

4.3.7 Customer's area of residence

The study also unveiled the area of residence of the participants. Figure 7 below presents the results.



Source: Field Data

Figure 6: Area of residence

Figure 7 shows that 14% of the respondents were residents of Choto and NHE each, followed by Greenwell and Ngweze with 13% each. Cowboy and Newlook represented 11% while Nabweza and Boma represented 9% each. The residents who fall under others were from Lyambai location and they accounted for 7% of the total surveyed respondents.

4.4 Descriptive statistics and qualitative analysis

This is presented in terms of the research questions which include the nature, trend, factors affecting local revenue collections and possible strategies to enhance local revenues collection at the KMTC. The main research question of this study sought to examine the factors that affect revenue collection and the public perception of basic service delivery. Based on the findings of this study, the results obtained were as illustrated in the following sub-themes below:

4.4.1 Major sources of local revenue for the Katima Mulilo Town Council

Table 5: Sources of Revenue

Sources of revenue
Service fees i.e.; Refuse removal, fire brigade, plots, water, rates and taxes
Licensing and permits
Agency income
Rental of facilities
Interest in overdue accounts
Interest on investments
Other revenue from exchange transactions
Government grants and subsidies
Property rates
Traffic fines

The respondents were asked to list sources of revenue at the Katima Mulilo Town Council. The question of how local authorities generate revenue is one of the most addressed in literature as a factor of grassroots development. The researcher wanted to find out the principal sources of revenue at the KMTC. These findings are listed above in Table 5.

Table 6: Frequency distribution of factors and challenges contributing to inadequate revenue generation and collection

Political interference is regarded as one of the factors affecting revenue collection.	**Frequency**	**Percentage**
Total of respondents who agreed	3	25%
Neutral	2	17%
Total of respondents who disagreed	7	58%
Poverty and unemployment are key factors affecting revenue collection at the KMTC.	**Frequency**	**Percentage**
Total of respondents who agreed	5	42%
Neutral	3	25%
Total of respondents who disagreed	4	33%
Incorrect billing because of inaccurate meter readings significantly affects revenue collection at KMTC.	**Frequency**	**Percentage**
Total of respondents who agreed	0	0%
Neutral	0	0%
Total of respondents who disagreed	12	100%

Technical and administrative errors such as meter reading faults and linking of customers' accounts to incorrect meters are additional factors.	**Frequency**	**Percentage**
Total of respondents who agreed	0	0%
Neutral	2	17%
Total of respondents who disagreed	10	83%
Lack of human capital, inadequate capacity, and technical skills to protect revenue is regarded as a factor contributing to inadequate revenue generation.	**Frequency**	**Percentage**
Total of respondents who agreed	4	33%
Neutral	2	17%
Total of respondents who disagreed	6	50%
Lack of guidelines and policies on revenue collection strategies contributes to non-payment by some customers.	**Frequency**	**Percentage**
Total of respondents who agreed	8	67%
Neutral	0	0%
Total of respondents who disagreed	4	33%

Inconsistency in collection actions against defaulters by KMTC results in non-payment by some customers.	**Frequency**	**Percentage**
Total of respondents who agreed	6	50%
Neutral	2	17%
Total of respondents who disagreed	4	33%
The current economic situation negatively affects the collection of revenue.	**Frequency**	**Percentage**
Total of respondents who agreed	6	50%
Neutral	1	8%
Total of respondents who disagreed	5	42%

The frequency distribution in Table 6 for factors and challenges contributing to inadequate revenue collection appears to bolster the story that has been narrated above. These results indicate that 50% of respondents disagree that lack of human capital and (83%) technical and admin errors were not a challenge linked to inadequate revenue generation and collection as well as 100% also disagreed that incorrect billing did not contribute to low revenue collection. The results also show that 58% of the respondents disagreed that political interference was linked to factors hindering revenue collection. Moreover, some of the respondents agreed that poverty and unemployment (42%), lack of guidelines and policies on revenue collection strategies (67%) and inconsistency in collection actions against defaulters by the KMTC result in non-payment by some customers (50%) highly contributed to low revenue collection by the town council. It is also worth noting that the respondents had mixed feelings on whether the current economic situation negatively affects the collection of revenue, the results show that 50% of respondents agreed and 42% disagreed with this statement while 8% were neutral.

Table 7: Frequency distribution of customers' attitudes, personal conditions, service delivery, and non-payment of the monthly bill by KMTC.

I have a responsibility to pay for services rendered to me on time.	**Frequency**	**Percentage**
Total of respondents who agreed	84	75%
Neutral	8	7.1%
Total of respondents who disagreed	20	17.9%
Unwillingness and ignorance to pay are caused by poor service delivery by the KMTC employees.	**Frequency**	**Percentage**
Total of respondents who agreed	32	28.6%
Neutral	0	0%
Total of respondents who disagreed	80	71.4%

Affordability and annual price increase of the KMTC services contribute to non-payment.	**Frequency**	**Percentage**
Total of respondents who agreed	68	61%
Neutral	8	7%
Total of respondents who disagreed	36	32%
Poverty and unemployment are high in Zambezi Region and therefore, contribute to the non-payment of bills.	**Frequency**	**Percentage**
Total of respondents who agreed	72	64%
Neutral	12	11%
Total of respondents who disagreed	28	25%
The current economic crises in the country pose a challenge to pay for my account.	**Frequency**	**Percentage**
Total of respondents who agreed	14	12.5%
Neutral	0	0%
Total of respondents who disagreed	98	87.5%
Dissatisfaction with service delivery contributes to non-payment of my bill.	**Frequency**	**Percentage**
Total of respondents who agreed	28	25%

Neutral	4	3.6%
Total of respondents who disagreed	80	71.4%
Incorrect water billing discourages me to pay my account.	**Frequency**	**Percentage**
Total of respondents who agreed	52	46.4%
Neutral	4	3.6%
Total of respondents who disagreed	56	50%
The KMTC office is far, therefore, I find it difficult to pay my monthly bill.	**Frequency**	**Percentage**
Total of respondents who agreed	15	13.4%
Neutral	5	4.5%
Total of respondents who disagreed	92	82.1%
Incorrect meter readings contribute to the non-payment of my account.	**Frequency**	**Percentage**
Total of respondents who agreed	52	46.4%
Neutral	4	3.6%
Total of respondents who disagreed	56	50%

Unresolved issues and queries on monthly bills discourage me pay my account.	Frequency	Percentage
Total of respondents who agreed	54	48.2%
Neutral	6	5.4%
Total of respondents who disagreed	52	46.4%

The frequency distribution of customers' attitudes, personal conditions, service delivery, and non-payment of the monthly bill by the KMTC findings shows that 75% of respondents felt that people should pay for services while the 7.1% were neutral and 17.9% disagreed with the statement. This could be attributed to the perceived good services offered by the KMTC. It is worth noting that there is a need to take measures to continue improving service to encourage residents to pay for service rendered on time. The majority of the respondents (80%) disagreed that unwillingness and ignorance to pay for service was caused by poor service delivery by the KMTC employees.

Table 8: Frequency distribution of customer understanding of monthly invoice

Do you understand all service charges on your monthly bill?	Frequency	Percentage
Yes	60	53.6%
No	42	37.5%

Not Sure	10	8.9%
Is it true that accounts must be settled on or before the 07th of each month?	**Frequency**	**Percentage**
Yes	72	64.2%
No	6	5.4%
Not Sure	34	30.4%
Do you understand why the KMTC charges rates and taxes?	**Frequency**	**Percentage**
Yes	60	53.6%
No	52	46.4%
Not Sure	0	0%
Do you understand the difference between the current and previous meter readings?	**Frequency**	**Percentage**
Yes	38	33.9%
No	62	55.4%
Not Sure	12	10.7%
Do you receive your monthly bill timeously?	**Frequency**	**Percentage**
Yes	48	42.9%

No	64	57.1%
Not Sure	0	0%
Are you aware of all the KMTC payment methods?	**Frequency**	**Percentage**
Yes	20	17.9%
No	92	82.1%
Not Sure	0	0%
Do you know where to enquire should you have a question about your account?	**Frequency**	**Percentage**
Yes	84	75%
No	22	19.6%
Not Sure	6	5.4%
Do you think you are getting value for your money?	**Frequency**	**Percentage**
Yes	45	40.2%
No	67	59.8%
Not Sure	0	0%

Table 8 shows the frequency distribution for the understanding and readiness of the monthly invoice. On the question of whether they understood all charges on the invoice, the majority of the respondents (53.6%) indicated that they did not understand, while 37.5% indicated that they understood and the remaining 8.9% were not sure if they understood or not. On the question of whether the account must be settled on or before the 07^{th} of each month, about 64% of the respondents agreed, while 30.4% were not sure. The results additionally show that about 53.6% did not understand why the KMTC charged rates and taxes, while 46.4% understood the reason. The majority of the respondents (55.4%) did not understand the difference between the current and previous meter readings. The study further revealed that 82% of the respondents were not aware of the KMTC payment methods. The rest of the results show that the majority of respondents did not indicate that they felt that they did not receive value for their money (59.8%).

4.5 Correlation Analysis

According to Chee (2015), the Pearson Correlation is a measure to determine the relationship between two variables, and to what extent the two variables coincide with one another. This would mean changes in one variable corresponds to changes in another variable. Pearson correlation ranges from +1 to -1. When the coefficient = 0 there is no linear correlation between the two variables. When the coefficient = +1 there is a perfect positive linear correlation between variables. In other words, as one variable increases, so does the other. When the coefficient = -1 there is a perfect negative linear correlation between two variables. As one variable increases, the other tends to decrease.

Table 9: Correlation results for revenue collection and service delivery

		Revenue Collection	Service Delivery
Revenue Collection	Pearson correlation	1	.844**
	Sig.(2-tailed)		.000
	N	112	112
Service Delivery	Pearson correlation	.844**	1
	Sig.(2-tailed)	.000	
	N	112	112

**. Correlation is significant at the 0.01 level (2-tailed).

Table 9 shows that there is a significant positive relationship between revenue collection and service delivery at the Katima Mulilo Town Council because the correlation value was .844** which suggests that local revenue collection greatly affects the delivery of services. This means that when the level of local revenues collected is high, there will be increased service delivery of services unlike when the levels of local revenues collected are low. These findings agree with those of Mbufu (2013) who states that revenue collection has a great impact on service delivery, evidenced by poor service delivery with a decline in revenue collection and improved service delivery with a rise in revenue collection.

The table below shows the Pearson Correlation between customer demographics, affordability of annual price increase, the current economic crises, dissatisfaction with service delivery, location of the town council and unresolved issues.

Table 10: Correlation results for demographics and customer attitudes and service delivery

		Affordability and annual price increase of the KMTC services contribute to non-payment.	The current economic crises in the country pose a challenge to pay for my account.	Dissatisfaction with service delivery contributes to non-payment of my bill.	The KMTC office is far, therefore, I find it difficult to pay my monthly bill.	Unresolved issues and queries on monthly bills discourage me pay my account.
Gender of respondents	**Pearson correlation**	0.089	0.014	-0.104	0.055	-0.018
	Sig.(2-tailed)	0.352	0.888	0.277	0.567	0.853
	N	112	112	112	112	112
Employment status	**Pearson correlation**	.635**	0.172	.275**	.205*	.476**
	Sig.(2-tailed)	<.001	0.07	0.003	0.03	<.001

	N	112	112	112	112	112
Area of residency	**Pearson correlation**	.848**	.539**	.750**	.614**	.906**
	Sig.(2-tailed)	<.001	<.001	<.001	<.001	<.001
	N	112	112	112	112	112

**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

Table 10 shows the results of the Pearson Correlation 2 tailed test for demographic profiles, affordability, current economic crisis, dissatisfaction with service delivery and unresolved issues and enquiries. The results indicate that there is a weak but significant relationship between gender and the other variables (affordability 0.089, and current economic crisis 0.014), and there is no relationship between gender and unresolved issues and enquiries -0.018. There is also a modest relationship between gender and dissatisfaction with service delivery (-0.104), meaning that the more the people represented in gender, the more they are dissatisfied with service delivery.

Table 10 shows the results of the Pearson Correlation test where the study tested the following correlation significant:

- There is a strong positive correlation between employment status and affordability (.635**), dissatisfaction with service delivery (.275**), difficulty in paying (.205*) and unresolved issues and queries (.476**).
- There is a strong positive correlation between the area of residency and affordability (.848**), the current economic crises (.539**), dissatisfaction with

service delivery (.750**), and difficulty in paying (.614*) and unresolved issues and queries (.906**).

The relationship is positive because as one variable increases, the other variable also increases.

Table 11 shows the Pearson Correlation between customer demographics, understanding service charges and the difference between current and previous meter readings, payment methods, where to enquire and value for money.

Table 11: Correlation results for demographics and customer understanding

	Do you understand all service charges on your invoice?	Do you understand the difference between the current and previous meter readings?	Are you aware of all the KMTC payment methods?	Do you know where to enquire should you have a question about your account?	Do you think you are getting value for your money?

Gender of respondents	**Pearson correlation**	0.161	-0.167	0.11	-0.051	0.048
	Sig.(2-tailed)	0.089	0.078	0.248	0.594	0.619
	N	112	112	112	112	112
Age group of respondents	**Pearson correlation**	.787**	.814**	.579**	.732**	.709**
	Sig.(2-tailed)	<.001	<.001	<.001	<.001	<.001
	N	112	112	112	112	112
Area of residency	**Pearson correlation**	.851**	.895**	.623**	.722**	.844**
	Sig.(2-tailed)	<.001	<.001	<.001	<.001	<.001
	N	112	112	112	112	112

**. Correlation is significant at the 0.01 level (2-tailed).

The results indicate that there is a weak but significant relationship between gender and value for money 0.048. The results also show that there is a modest relationship between gender and understanding of the difference between the current and previous meter readings -0.167. There is no relationship between gender and knowing where to enquire -0.051.

Table 11 shows the results of the Pearson Correlation test where the study tested the following correlation significant:

- There is a strong positive correlation between employment status and understanding service charges (.787**), understanding the difference between the current and previous meter readings (.814**), payment methods (.579**), knowing where to enquire (.732**) and getting value for money (.709**).

- There is a strong positive correlation between the area of residency and understanding service charges (.851**), understanding the difference between the current and previous meter readings (.895**), payment methods (.623**), knowing where to enquire (.722**) and getting value for money (.844**).

The relationship is positive because as one variable increases, the other variable also increases.

4.6 An analysis of the qualitative questions

In this section, the study analyses the findings from both the employee and customer open-ended questionnaires and the interviews that were conducted with the residents of Katima Mulilo.

4.6.1 Employee open-ended questions analysis

The first open-ended question in this section required the respondents to indicate whether there were challenges faced in revenue collection at the KMTC and what could be done to overcome the challenges. It should be noted that the respondents did not have uniform answers to this question, the findings do not give the percentage for this response because each respondent suggested one or two different answers. The culture of non-payment of municipal services, lack of customer care skills, unallocated or unknown deposits, and information technology, were some of the challenges considered to be affecting revenue collection by municipalities. These challenges are discussed as follows:

- The culture of non-payment of municipal services

The respondents indicated the culture of non-payment of municipal services as one of the major contributing factors to revenue collection challenges faced by municipalities. They suggested that the town council needs to implement stringent measures to eliminate the culture of non-payment in order to prevent its effect on municipal revenue collection.

- Lack of customer care skills

The respondents noted that there is a lack of customer care skills by the staff and the town council in general. In this regard, a respondent revealed:

"*There is a lack of customer care skills, as a result, customer queries are not addressed timeously, and this may lead to delayed payments while customers are waiting for their queries to be resolved*."

According to Nkuna (2021), delays in addressing customer queries may negatively affect revenue collection, as customers with pending queries may choose not to pay their accounts while awaiting resolution of enquiries or declared disputes, thus negatively impacting the Town Council's economic sustainability. The town council may need to ensure that staff members managing customer enquiries are sufficiently skilled in customer care management. In addition, the turnaround time for addressing customers' account queries should be maintained in the shortest period possible to encourage customers to visit municipal offices whenever account queries arise, and to improve the payment of such accounts by the customers.

- Unallocated or unknown deposits

The respondents commented that several customers who pay their municipal accounts via EFTs or direct deposits, indicate no or incorrect references in respect of these payments, rendering it challenging for the municipality to allocate the money to the appropriate customers' accounts, one respondent expressed:

"*When coming to capturing of the receipts, you find that the customers write their names as reference or, if the person is paying for rates and taxes, the person just writes 'rates and taxes' and we end up not knowing where to allocate that money. This money is just allocated to the Unknown Deposit votes until such customer can come and complain, and that is when we can allocate the money, so referencing of payments is a challenge*"

Although the activity in the Unknown Deposits account is minimal from one financial year to another, the municipality may need to devise controls to address the matter. The municipality may need to educate customers regarding the correct referencing of payments in respect of municipal accounts.

- IT-related challenges

A respondent verbalised the challenges relating to Information Technology experienced by the municipal revenue division:

"Sometimes the municipality has IT-related challenges, where you find that customers have sent queries via e-mail, but you find that we are unable to access our e-mails and we end up delaying responding to the customers. Sometimes you find that a customer has called to request their monthly statement to be sent to them via e-mail, but due to the challenge we end up failing to send the statement."

IT plays an important role in modern business operations and its challenges may negatively affect the flow of the municipality's revenue collection activities (Nkuna, 2021). When the staff fail to access e-mails owing to IT-related challenges, the staff may be unable to address e-mailed customer enquiries, and monthly statements intended for e-mail distribution may also not be sent. Such developments may all result in non-payment of municipal accounts and subsequently negatively impact the municipality's economic sustainability.

4.6.2 Customer open-ended questions analysis

The first open-ended question in this section required the respondents to indicate whether people should pay for services such as water and electricity. The respondents had uniform answers to this question, which also allowed them to explain why they say otherwise. The findings show that 90% of the respondents said that people should pay for such services, while 10% of the respondents said they should not be paying for services like water because they get it from the Zambezi River arguing that it is a God-given natural resource and mentioning how often residents go a whole day or more without water supply as well as electricity.

The second open-ended question required the respondents to indicate if they had settled their account on time when they were completing the questionnaire. The findings show that an overwhelming 100% of respondents indicated that they settled their municipal accounts timeously, implying that funding was not a major problem for the council. This raises the question: why is service delivery poor if finance is not a major issue? Although customers claim paying timeously, it does not mean funding of entire council's service delivery activities will not be a challenge.

The respondents were further asked to indicate if they were satisfied with KMTC service delivery. It is worth noting that the question had a "Yes" or "No" answer, and it allowed the respondent to elaborate more if they chose "No". The findings show that 70% of respondents were not happy with the service delivery at the KMTC, indicating dissatisfactions such as the telephone not being answered, interrupted water supply and water-pipe bursts, arguing that they can stay for days without water and opted to fetch untreated water from the Zambezi River which poses a serious health risk to the residents. The respondents further expressed their disappointment with solid waste management by the town council, noting the inconsistency in the schedule of refuse removal either in commercial or residential areas as well as the town sewerage overflowing in the town centre.

The last qualitative question required the respondents to indicate additional information that they thought might be useful. The study does not give a percentage of the people who gave particular answers to this question because each respondent suggested one answer and the majority of the respondents did not respond to this question. The respondents indicated the following aspects.

i. Acquisition of land

Most of the participants felt that there is cumbersome bureaucracy in the internal process of the council for acquiring land in Katima Mulilo. Expressing sentiments such as: *"There is corruption and nepotism in allocating plots, they always favour their families and* *friends".* The majority of the respondents were dissatisfied with access to and acquisition of land for the erection of dwellings and establishing businesses.

ii. Management of the sewerage system

The majority of the respondents noted that the town sewerage system is not well managed and is not in a good condition, mentioning that the sewerage management system remains a challenge because burst sewerage pipes sometimes remain un-attended for weeks or months.

iii. Cleaning of public areas

The respondents indicated that the town council does not clean the town, streets, and market area regularly. For example, "*the Katima Mulilo Public Market is very dirty, and waste is accumulating in the rubbish bins, the streets are full of litter, garbage collectors are not performing their functions effectively and the roads are full of sand".*

iv. Response to faults

The majority of the respondents indicated that the KMTC's response to service faults reported is very slow. Indicating that residents of Katima Mulilo experience challenges in infrastructure repairs such as leaking taps and overflowing sewers, which can go unattended for a long time, and this might result in the community making illegal connections.

4.6.3 Analysis of interviews for the KMTC employees

A total of five (5) interviews were scheduled with the Katima Mulilo Town Council employees working in the Finance, IT & Asset Management whose main functions are to i) create, implement and maintain sound financial policies; ii) establish and maintain operational procedures and systems to ensure that finances of the town council are run efficiently; iii) to collect revenue for council services rendered; and iv) render financial advice to the KMTC. All the interviews were successfully carried out representing 100%. The interview response rate is shown in the table below.

Table 12: Interviews response rate

Category	Scheduled interviews	Interview carried out	Response rate
Total	5	5	100%

Source: Field Data

4.6.4 Discussion of interview responses according to themes

The forthcoming paragraphs discuss the interview responses regarding the themes and sub-themes concerning the barriers to revenue collection at the KMTC.

Question 1: What are the revenue management activities of the Town Council?

- Pre-Paid Water Meters (PPWM)
    - Why PPWM and how it works.

The researcher summarised all answers given by respondents because they centred around one explanation. Pre-Paid Water Metering technology is a water resource management innovation. The reasons for the installation of PPWMs are mainly to maximise cost recovery, curb illegal connections and recover debts. The respondents revealed that there are different types of PPWMs used. A standpipe PPWM is shared by the community members from different households and they own their credit token. Each time the standpipe users withdraw water, the token has to be pressed against a sensor on the water dispenser. As for the individual PPWM, there is a token which is programmed for a specific meter number for each customer/ each household. The customer's token is used to load water unit credit at the purchasing points using a prepaid water metering software system. The customer then presses the token to the dispenser to load the credit into the meter’s memory. However, it is different from standpipe users as the customer does not utilise the token every time they use water in the house. A prepayment system comprises the prepaid dispensing devices, the technology required to load and transfer credit, a database recording customer purchases and metered consumption, and ongoing engagement with customers. Water meters are used to measure the volume of water consumed by residential and commercial buildings supplied by public water supply systems.

- How water is charged

The respondents revealed that Pre-Paid Water Meters charges are based on consumption which entails consumers paying before consuming water by purchasing a card, or recharging the card. A respondent explained further saying;

"*Customers have tokens which are used to store water units when a customer purchases water and the units are deducted from the token while it is in use. The customer decides the amount of money he or she can recharge the token for. The information about each token is recorded in our system and every token has a unique serial number and an account number assigned to it".*

To draw water, a card or token is inserted into the meter box and water is then collected into a portable container. As water is drawn, the balance on the card is adjusted automatically and the remaining credit is displayed.

- Billing activities

  - How customers get their monthly statements

It was revealed that the town council does not use post services to distribute monthly statements to its customers. Instead, the customers go to the cashier tellers at the town council offices to request their monthly statements and a fee of N$ 2.00 is required to be paid before a monthly statement is issued. "*This is just another strategy that we employed to increase our revenue collection strategies".* Revealed a respondent.

  - KMTC account payment methods

The respondents indicated that there are various payment options available for the customers. These options include Electronic Funds Transfer (EFT), direct bank account deposits and direct payment at the municipal offices. The respondents elaborated as follows about this aspect:

"They can pay by using EFT [fund transfer via electronic banking] in the comfort of their homes. On their monthly statements, they are provided with the banking details of the municipality and a reference number (customer municipal account number) that must be used when making a payment, others can pay at the bank and they can also pay at the cashiers. Now, due to COVID-19, we encourage them to pay at the bank or via EFT."

It appears that customers have access to sufficient and different options to pay their municipal accounts. Even so, the municipality may need to devise measures to ensure that these options are utilised effectively, by ensuring that all payments are correctly allocated to the appropriate or respective account numbers or customer profiles.

- Revenue related policies

The municipality boasts various policies related to the management of local authority revenue, including the Credit control and debt collection policy and procedure and the relevant laws.

- Adoption of the policy

Credit control and debt collection policy and the procedure are confirmed as the relevant revenue-related policy and regulations employed by the town council in order to manage its revenue. This policy is in line with the provisions of the Local Authorities Act 23 of 1992 which obliges the council to give a proper account for all funds received and spent.

- Effectiveness of the implementation of the policy

Concerning the effectiveness of the implementation of the Credit Control and Debt Collection Policy and Procedure, respondents had different views. One respondent indicated that the implementation of the policy is effective, while another indicated that they are uncertain with regard to the effectiveness of the implementation of the policy and others indicated that the implementation of the policy is not effective, for example, Respondent 1 stated that "*the implementation is effective because officials abide by it when collecting revenue"*, whereas Respondent 2 affirmed: "*I am not so sure about the effectiveness of the implementation of the policy*", and Participant 4 argued: *"Although there is a policy in place, it is not as effective as it was supposed to be because the municipality still encounter poor revenue collection which is due to the poor implementation of the policy".* Centred on the opinions of respondents, it appears that the implementation of the policy is a challenge. Nkuna (2021) thinks that inadequate implementation of relevant policies can negatively impact the municipality's economic sustainability, as deficient revenue collection may affect the municipality's financial viability.

- Challenges affecting the implementation of the policy

The respondents revealed lack of capacity to fully implement the policy is a factor negatively affecting the implementation of the Credit Control and Debt Collection Policy and Procedure. It, therefore, appears that the municipality's inadequate capacity to enforce policies is impacting revenue collection by the KMTC.

Question 2: What is the role of the town council's revenue on the sustainability of the municipality?

- The role of revenue at the Town Council

The respondents conveyed that the town council's revenue plays an important role in its financial sustainability and in accelerating service delivery. A certain respondent expressed that own-revenue

"…assists the town council to undertake service delivery activities in their own way"

It appears that the staff members recognise the importance of own revenue to the town council's financial sustainability and the acceleration of service delivery, although the council may need to improve the collection of such revenue, as they may be facing dire financial straits.

Question 3: What are the town council's customer care management activities?

- Types of customer queries

The respondents reported the different types of customer enquiries received by the KMTC daily are as follows:

- Unallocated deposits

Respondents disclosed that many customers paying their accounts via EFT or direct deposit would complain that their payments are not reflected on their monthly statements. The respondent stated that:

"They normally come for unallocated deposits, where a person comes and say he made a payment through the bank or EFT and such payment is not reflected on their monthly statements when in most cases it was due to incorrect referencing"

Faulty or absent referencing of payments by the consumers' results in unallocated deposits that may, in turn, result in the overstatement of the town council's debt as a consequence of interest charges on accounts 'in arrears' owing to unallocated payments, and non-payment by consumers whose payments could not be allocated, who have become discouraged by the increasing account balances despite their payments and thus cease further payment.

- Customers not receiving statements

The respondent claimed that customers occasionally complain that they have not received monthly account statements from the town council, i.e., *"some query that they are not receiving their statements, but instead they have to go to the Town Council to collect their monthly account statements"*

Considering the previously discussed IT-related challenges, along with these claims that customers are having to request their monthly bills, one may argue that the methods employed by the municipality to distribute the monthly account statements may not be effective as the municipality may deem. This may be another factor potentially affecting the municipality's economic sustainability, as most customers perceive the receipt of monthly account statements as a reminder to pay their municipal accounts.

Question 5: Customer attitudes toward paying for municipal services

- Perceived customers' attitudes towards paying for services

Respondents indicated that there is resistance or negative attitudes by customers regarding paying for the use of services rendered by the town council, and as a result, they fail to pay. The situation was summarised by one respondent, who stated*: "To be honest, I would say that generally customers have a very bad attitude towards paying for services"*.

- Factors affecting customer attitudes toward paying for services

The respondents communicated that there are different factors negatively affecting the customers' behaviour concerning the importance of paying for services. These factors are discussed below:

- Lack of awareness

The respondents conveyed that the lack of awareness is a major contributor to the negative behaviour of customers regarding paying for municipal services, resulting in payment default. Most customers do not understand the reason they should be paying for the use of municipal services and as a result, do not pay their accounts (Nkuna, 2021). Customers lack understanding of why they should pay for services and as a result, they do not pay. There is a lack of knowledge about the importance of paying for municipal services because you still find people asking why they are being charged for services.

- Unwillingness to pay

Some respondents claimed that the non-payment of services by customers is due to unwillingness to pay:

"Those who are receiving services have mixed feelings - some are willing to pay while some are not willing to pay, mentioning corruption or poor service delivery as the reason for not paying"

Concerning bad attitudes towards paying for services, it appears that corruption or poor service delivery may be the reasons for customers' unwillingness to pay for these services. A study conducted in South Africa by Nkuna (2021) reveals that customers were said to be citing poor service delivery and deficient billing as the reasons for not paying for municipal services, which is affecting revenue collection by other South African municipalities.

- Lack of consequence management in respect of defaulting debtors

Some respondents recounted that customers are reluctant to pay for municipal services as minimal actions are taken by the town council against those in default of payment.

"In the past, we use to disconnect water for defaulters, but now with the pre-paid water, defaulters can make arrangements with neighbours even though we can't allow them to buy water if they are owing".

Lack of consequence management of defaulting debtors may negatively impact the municipality's economic sustainability, as many paying customers may become uninterested in paying for services because no steps are taken against those in payment default.

- Poor service delivery

Respondents expressed that, the town council's customers held mixed opinions concerning the quality of services provided by the council. Therefore, it appears that service delivery is directly related to the payment of municipal services. The lack of or inadequate services may cause customers' failure to pay municipal accounts. Even though the respondents indicated that the customers' level of satisfaction with municipal services is above average, it appears that the customers are not satisfied with the councils' services hence, they are failing or unwilling to pay for such services.

4.7 Discussion of findings

4.7.1 Factors and challenges contributing to inadequate revenue collection

From the study, the most prevalent challenge affecting revenue recovery is poor service delivery where 70% of the residents indicated that they were not happy with the services provided by KMTC. A study by Mbegu and Komba (2017) identifies a lack of or inferior quality services to be a major challenge affecting municipal revenue collection in Tanzania. According to Rusigaliye (2015), revenue collection and service delivery are interrelated, when service delivery is inadequate so will the corresponding revenue collection. Local authorities must prioritise quality service delivery in order to motivate communities to pay rates and taxes (Kimario, 2014).

The study further reveals that political interference is regarded as one of the factors affecting revenue collection. Different studies cite political interference as one of the major challenges confronting municipalities regarding revenue collection. Nuluva (2015) believes that some politicians mislead citizens or discourage them from complying with local rates- and tax payment demands, to gain political popularity to be re-elected into power. Another reason is that these politicians are landowners and businesspeople, wishing to minimise their own municipal services bills (Nkanyanga, 2014). The study also revealed that a lack of guidelines and policies on revenue collection strategies contributes to non-payment by some customers, 67% of the respondents were in agreement with this statement.

4.7.2 Attitudes and personal conditions

Concerning customer attitudes and personal conditions, about 75% of the respondents concur that they had a responsibility to pay for service rendered. The response of unwillingness and ignorance to pay for services are in agreement with Maina and Iita (2013) who discovered that unwillingness and ignorance to pay were a result of customers' attitudes towards payment of service rendered. The results in Table 7 revealed that all respondents agreed that affordability and annual price increase (61%), poverty and unemployment (25%) as well as the current economic crises (37.5%) are considered personal challenges which contributed to non-payment of service by some customers. These empirical findings support the findings by (Maina, 2013).

4.7.3 Customer understanding of the monthly invoice

On the question of whether they understood all charges on the invoice, the majority of the respondents (53.6%) agreed and those who disagreed were (37.5%), the remainder of 8.9% were unsure. The lack of awareness contributes to inadequate municipal revenue collection, when customers display a negative attitude towards paying for municipal services, it will result in a growing community resistance regarding payment of municipal accounts. Community awareness in respect of municipal rates and taxes directly impacted the level of compliance with regard to payments (Kasendwa 2018; Mpaata et al., 2017).

On the question of whether the account must be settled on or before the 07th of each month, about 64.2% of the respondents agreed, while 30.4% were not sure about the question. The majority of the respondents (55.4%) did not understand the difference between the current and previous readings. The study further reveals that 70 % of the respondents felt that they did not get value for their money. If the majority of taxpayers feel they do not get value for their money it will result in many defaulters which will contribute to lower revenue collection. In a study conducted by Nkuna (2021), it was found that the majority of residents were unwilling to pay for municipal services due to terrible service delivery. Local authorities experiencing inadequate revenue collection are unable to deliver quality services to their communities and this compromises the entire decentralisation of government process within countries. The improvement of revenue mobilisation is crucial to a functioning decentralisation process and will improve municipal service delivery accordingly (Nkuna, 2021).

4.8 Chapter summary

In this chapter, the data collected via interviews and questionnaires were presented, analysed and interpreted. Interviews with a few KMTC employees were conducted telephonically, and these were semi-structured, comprising of open-ended questions. The questionnaires were administered to a sample of residents of Katima Mulilo and consisted of open-ended and closed-ended questions. The findings from the interview and questionnaire analysis fulfilled the remaining research question of the study by determining the attitude of customers towards paying for municipal services, the customer perception of municipal services and the perception of the town council towards the non-payment of consumer accounts. The following chapter will provide the conclusion and recommendations of the study. It will also determine whether the research questions of the study were achieved and presents the chapter summary and future research arising from this study.

CHAPTER 5: Conclusion and Recommendations

In Chapter Four, the data that was collected via interviews and questionnaires were presented, analysed and interpreted. The analysis and interpretation of this data revealed factors affecting revenue collection and how it affects service delivery by the KMTC. The results of the analysis were utilised to conclude in respect of these aspects. This chapter presents the conclusions and recommendations of the study. This is executed by determining the achievement of research objectives, presentation of possible recommendations to address the findings and concluding the study.

5.1 Conclusions

In this section, the study gives the conclusions that are based on the research objectives of this study. It is of utmost importance to determine whether the study was able to achieve the research questions as set out in Chapter One. The primary research objective was: to identify barriers to revenue collection and its effect on the financial viability of KMTC; This was achieved through addressing the following secondary research objectives:

- To investigate factors influencing the attitude of KMTC residents towards paying for municipal services;
- To present possible solutions to remove barriers to revenue collection.

Primary research objective: Barriers to revenue collection and its effect on the financial viability of KMTC

The study identified the following barriers to revenue collection. Three findings that stood out for the researcher are summarised below:

- Poor service delivery

Poor service delivery has been reported as a major factor affecting the willingness of communities to pay for municipal services. Revenue collection and service delivery were discovered to be interrelated, as one affects the other. As a result of this, the KMTC and its residents are at loggerheads. On the one hand, KMTC claim that the availability and quality of services are dependent on the availability of financial resources, hence, the need for the collection of revenue. On the other hand, residents are refusing to pay the municipalities for services, claiming the services are either not available, or of very poor quality.

- Lack of taxpayer awareness

Lack of taxpayers' awareness in relation to the payment of municipal services is another common challenge facing the KMTC. The KMTC staff members are claiming that residents are ignorant of paying for municipal services. This study also found that there is a lack of awareness campaigns to educate communities about the importance of paying for municipal services.

- Poverty and unemployment

Poverty and unemployment are said to be affecting municipal internal revenue collection in Namibia. Namibia has elevated levels of poverty and unemployment, negatively impacting the ability of communities to pay for municipal services. According to NSA (2021), Namibia's unemployment rate stands at 33.40% while the youth unemployment rate is at an alarming 46.10%. It appears that poverty and unemployment are negatively affecting the economic sustainability of municipalities, as it renders most customers unable to pay for the consumption of services. This also impacts the recoverability of revenue previously billed to these customers, as they may be unable to pay historic debts owing to their socio-economic status.

In terms of the effects of financial viability, the economic sustainability theory, financial viability and sustainability are essential to the success of any institution. Although KMTC appear to have access to different sources of revenue, such as Service fees (efuse removal, fire brigade, plots, water, rates and taxes), licensing and permits, agency income, rental of facilities, interest in overdue accounts, interest on investments, other revenue from exchange transactions, government grants and subsidies, property rates, and traffic fines (Table 5) the majority of these are not considered to be financially viable and sustainable, hence the municipal failure to achieve its legislative mandates, particularly that of service delivery (4.6.1).

KMTC require adequate financial resources to enable the provision of quality sustainable services. Although KMTC is empowered by constitutions and relevant municipal legislation to receive allocations from central government and to generate own revenue from, rates, taxes, levies and licences, the town council is still facing challenges related to the collection of own revenue (4.6.4, question 5).

These challenges threaten the continued survival of KMTC, making them not financially viable and sustainable. Central government may be required to intervene, firstly to address the suitability of the intergovernmental fiscal framework, and secondly to assist KMTC in addressing the challenges they face concerning own revenue collection.

Secondary research objective: Factors influencing the attitude of KMTC residents towards paying for municipal services

- **Attitudes of customers towards paying for services**

The findings of this research indicated that customers display a negative attitude towards paying for the town council's services, which has resulted in an unwillingness to pay for such services. The unwillingness to pay was also associated with the culture of non-payment that developed in the community. The KMTC may need to involve customers in the processes and operations of the town council whilst educating them regarding the importance of paying for municipal services. Besides, the KMTC also needs to improve and sustain service delivery, as this appears to be the main factor triggering the customers' negative attitude and unwillingness to pay.

- **Factors influencing the attitude of customers towards paying monthly accounts**

In Chapter 4, the findings of this study discovered factors influencing the attitude of customers towards paying their monthly accounts:

- Lack of awareness

Lack of awareness was found to be one of the factors affecting the attitude of customers towards paying municipal accounts. According to the interview-respondents and a small number of questionnaire-respondents, the municipality conducts awareness campaigns to educate customers regarding the importance of paying municipal accounts. Although some respondents conveyed that they have attended awareness campaigns by the town council, other respondents claimed that the municipality does conduct awareness campaigns and they have not attended such campaigns. This inconsistency in the data might be attributed to uncertainty amongst the participants regarding awareness campaigns conducted by the town council. It could also be that a number of the respondents might be confusing several town council activities with awareness campaigns, whereas, the town council has never conducted any awareness campaigns geared towards educating customers.

- Lack of consequences for defaulting debtors

The research findings showed that the lack of consequences to those in default of payment is another factor influencing customers' negative attitude towards paying their municipal accounts. The lack of consequences was discovered to be one of the activities triggered by the deficient implementation of the municipality's Credit Control- and Debt Collection policy and by-laws that are currently a challenge confronting the municipality.

- Poor service delivery

Poor service delivery is another factor negatively affecting the attitude of customers towards paying for municipal services. From the interview, it was learned that there are mixed feelings regarding the quality of services provided by the town council. Respondents indicated that the town council is providing services to its residents, however, customers just held uncooperative attitudes towards municipal services, and they exploit that as an excuse for failing to pay their monthly accounts. The discrepancy of the responses by the respondents might signify that the municipality may be servicing certain areas in its jurisdiction, whilst neglecting other areas.

Dissatisfaction with monthly bills was another factor discovered to be influencing the negative attitude of customers towards paying municipal accounts. The study revealed that the municipality does not read water meters, instead, they adopted a pre-paid water system, and as a result, customers buy/recharge water for consumption. The customers pay for charges such as rates and taxes, sewerage, refuse removal, fire brigade, a rental fee (plot) and water (pipe connection) depending on their area of residence. The majority of respondents indicated that they are not satisfied with their monthly bills because they have to physically go to the KMTC offices to get their monthly statements.

Secondary research objective: Possible solutions to remove barriers to revenue collection

Based on the research findings discussed above, the researcher proposes several strategies to improve service delivery at the KTMC. Significantly, the Namibian Government, through the Ministry of Urban and Rural Development, should regularly monitor and evaluate the implementation of programmes of the local authorities in Namibia. The recommendations are presented in two parts, the first being general recommendations that may apply to all town councils in Namibia and the second being more specific to the Katima Mulilo Town Council.

- General Recommendations

It is important to empower local authorities by developing their leadership capacity to a level that allows them to conduct their functions in an efficient, collaborative and accountable manner through the education and training of their employees (Naidoo, 2010).

- Local authorities should develop a plan to collect outstanding debts, including educating the community on the benefits of developing a payment culture.
- Local authorities must regularly conduct internal audits on outstanding debtors to ensure the money owed to the council is fully recovered and recommendations should be made to management for action on non-payment or delinquent citizens.
- Since efficient human resource is critical for the success of any organisation, local authorities should reinforce a code of conduct by disciplining anyone who transgresses the rules and procedures. The council management should provide the basic working tools for a healthy working environment and ensure performance monitoring and management that will strengthen the principles and ethical standards of public service.
- A risk management unit is necessary for the local authorities to assess risks and recommend mitigation measures that will result in restoring the integrity of the local authorities. According to Moyo (2016), organisations should have risk committees to perform an oversight function, thereby, assuring the quality of the financial statements and performance reports, as well as compliance with legislation.
- Local authorities must improve their communication strategy to ensure that the residents are well informed of council decisions and matters that affect them. As indicated by Abrha (2016), communication enhances transparency and can reduce

corruption because the community will have access to information and clarity about local government rules, regulations, and decisions implemented.

- Local authorities need to find new approaches to provide the community with services through constructive interaction with them. In this way, it will provide the residents with an opportunity to participate in the decision-making process, budgets and debates on the type of services needed in their respective areas. This strategy will gradually improve the community's satisfaction with the level and quality of service.

Specific recommendations to the KMTC

Based on the findings, the researcher makes the following recommendations on the human capital, technology, customer care service, revenue protection and recovery for the KMTC.

Human Capital

- The KMTC management should conduct a human resources audit in terms of occupational competencies, educational qualifications and experience to align the workforce based on the required capabilities and competencies to improve service delivery.
- There is a need for continuous training of employees, especially in areas such as customer care, telephone etiquette and resolving customer queries**.**

Customer Care Service

- The municipality may need to consider establishing a Customer Care Management office or a call centre to deal with customer queries. The officials staffing this section may also need to be adequately trained to manage customer enquiries. Weekly or monthly reports of queries may need to be prepared, containing the type of enquiry and the status as of reporting date, to ensure accountability by the officials or call centre staff members managing and resolving disputes.

Revenue protection and recovery

- The KMTC need to fully enforce revenue collection policies up to the final stage of handing over arrears accounts to legal firms for collection. When customers observe legal action against payment defaulters, a strong message may be sent that the payment of municipal services needs to be regarded seriously.
- There is a need to develop new revenue and debt management policies by conducting an internal audit of outstanding debts for the last five years.
- There is a need to set up an internal audit unit at the KTMC. The unit should work closely with the Office of the Auditor-General and Anti-Corruption Commission (ACC) to formulate and review risk policies, conduct internal audits and financial control, compliance with legislative law governing the town council, thus, improving transparency and safeguarding the integrity of the town council.

5.2 Achievement of research objectives

Firstly, the study was able to identify barriers to revenue collection affecting municipal service delivery. Secondly, using the Likert scale type of questions, the study was able to determine the factors influencing the attitude of KMTC residents towards paying for municipal services factors. Lastly, the respondents indicated possible strategies that the KMTC can use to enhance revenue collection.

5.3 Summary of the research

The study revealed that local authority is a sphere of government-mandated to deliver services such as the provision, operation and maintenance of most municipal infrastructure and services. Roads, drainage, water supply, sewerage, electricity distribution, street lightning and solid waste management, as well as access to land and housing, are all functions that are the responsibility of local authorities (Local Authority Act, 1992).

Most municipalities have been discovered to be encountering revenue collection challenges, hence, they hold limited financial resources and subsequently fail to provide quality and sustainable services to their communities. Deficient service delivery has been found to be a factor that negatively impacts customers' willingness to pay for services.

It appears that town councils and municipalities may need to address customers' negative attitudes should they wish to maximise the collection of own-revenue. In addition, town councils and municipalities in Namibia may need to address customers' lack of awareness concerning the payment of municipal services. This may be achieved through compliance with the relevant legislation that provides for community municipal engagement. They may also need to conduct tax education to educate taxpayers concerning the importance of paying for municipal services. While tax education may improve the negative attitudes, lack of awareness, and the culture of non-payment, municipalities may need to find ways to improve and sustain the delivery of their service.

The importance of municipal own revenue to municipalities' economic sustainability cannot be over-emphasised. Most local authorities, including Katima Mulilo, are extremely dependent on government grants and subsidies, and several are even said to be on the verge of bankruptcy. In order to be less reliant on government grants and subsidies and become financially viable, municipalities might strive to maximise the collection of their current streams of own revenue, whilst also identifying new revenue streams by developing a Revenue Enhancement Strategy. This may enable improved municipal economic sustainability and sustained service delivery, correspondingly improving the behaviour of customers to pay for municipal services.

5.4 Suggestions for future studies

This study investigated the factors affecting poor revenue collection on the effectiveness of service delivery at the Katima Mulilo Town Council. Future researchers should attempt to:

- Investigate the impact of prepaid water meters on the local authority of Katima Mulilo.
- Investigate the drivers for the installation of prepaid water meters in Katima Mulilo.
- Investigate the perceptions of residents, using prepaid water meters.

6. References

Abrha, W. (2016). Assessment of responsiveness and transparency: The case of Mekelle Municipality. *Journal Civil Legal Science*, *5*(191). Retrieved November 16, 2021, from D oi :10.4172 / 2169 - 0170.10 0 0191.

Adeyemo, D. (2011). Optimizing local government finance through public-private partnership. In Tony, O. (Ed.) *Key Issues in Local Government and Development: A Nigerian Perspective*. Enugu: Praise House Publishers.

Ahmed, M. A., & Koech, P. (2019). Influence of public on service delivery in Benadir Municipality, Somalia. *International Journal of Academics & Research (peer-reviewed Journal), 1*(2), 196–206. Retrieved October 19, 2021, from https://www.academia.edu/37815004/Influence_of_Public_Governance_on_Service_Delivery_in_Benadir_Municipality_Somalia

Akinboade, O., Mandisa, M., & Kinfack, E. (2013). Understanding citizens' participation in service delivery protests in South Africa's Sedibeng District Municipality. *International Journal of Social Economics*, *40*(5), 458–478. Retrieved October 19, 2021, from https://doi.org/10.1108/03068291311315331.

Akumba, U. (2009). *External control systems in the enhancement of accountability in Local Government: The case of Uganda*. [Doctoral Dissertation, University of Pretoria] University of Pretoria. http://hdl.handle.net/2263/24172

Ani, et al. (2013). *Advanced Local Government Finance*. Enugu: Spring Time Press.

Babbie, E. & Mouton, J. (2008). *The practice of social research*. (South African ed.). Cape Town: Oxford University Press Southern Africa.

Bertram, C & Christiansen, I. 2014. *Understanding research. An introduction to reading research*. Pretoria: Van Schaik Publishers.

Bhattacherjee, A. 2012. *Social science research: Principles, methods, and practices*. Global Text Project. Available from: http://scholarcommons.usf.edu/oa_textbooks/3

Billups, F. 2014. The quest for rigor in qualitative studies: Strategies for institutional researchers. *The NERA Researcher*, 52(1), 1-5.

Bird, R. M., J., Martinez-Vasquez, & Torgler, B. (2008). *Societal institutions and tax effort in developing countries*, In J. Alm & J. Martinez-Vazquez (Eds.). The Challenge of Tax Reform in the Global Economy. Springer-Verlag.

Chauke, KR. 2016. *Municipal revenue collection function: A comparative study on the efficiency and effectiveness of Tshwane metropolitan municipality and South African Revenue Services*. D (Adm) dissertation. University of Limpopo, Mankweng.

Chukwuemeka, E., Ugwuanyi, B. I., Ndubuisi-Okolo, P., & Onuoha, C. E. (2014). Nigeria local government: A discourse on the theoretical imperatives in a governmental system. *An International Multidisciplinary Journal, Ethiopia, 8(2),* 305-324.

Cocker, M., & Adams, J. (2012). *Challenges of management: Local government finance in Nigeria*. Calabar, Nigeria: University of Calabar.

Corporate Synergies Australia. 2013. *Workbook financial viability & sustainability*. Sydney: Corporate Synergies Australia. Available from: https://vdocuments .mx/financial-viability-sustainability.html

Creswell, JW & Plano Clark, VL. 2011. *Designing and conducting mixed methods research*. 2nd ed. Thousand Oaks, CA: SAGE.

Creswell, JW. 2014. *Research design: Qualitative, quantitative, and mixed methods approaches*. 4th Ed. Los Angeles: Sage Publications Inc.

Dawadi, S, Shrestha, S & Giri, RA. 2021. Mixed-methods research: a discussion on its types, challenges and criticisms. *Journal of Practical Studies in Education*, 2(2):25-26. DOI: https://doi.org/10.46809/jpse.v2i2.20

De Trigueros, R. (2017). Qualitative and quantitative research instruments: Research tools.

De Trigueros, R. 2017. Qualitative and quantitative research instruments: Research tools.

De Vos, AS. 2002. *Research at grass roots*. 4th ed. Pretoria: Van Schaik Publishers.

Ekardt, F. 2018. Theory of sustainability [online]. Leipzig: Research Centre for Sustainability and Climate Policy. Available from: http://www.sustainability-justice-climate.eu/en/nachhaltigkeit.html#:~:text=Sustainability%20describes%20a%20form%20of,peril%20of%20getting%20out%20sight

Ekpo, H. A. (2008). Decentralisation and service delivery: Framework African Economic Research consortium: Retrieved September 17, 2021, from http://dspace.cigillibrary.org/ispui/bitstream/123456789/32095/1/AkpanEkpoDecentrisation and Service Delivery.pdf?

Fjeldstad, O., Geisler, G., Nangulah, S., Nygaard, K., Pomuti, A., Shifotoka, A., & Van Rooy, G. (2005). *Local governance, urban poverty and service delivery in Namibia*. Chr. Michelsen Institute. N-5892 Bergen, Norway

Fourie, M., & Opperman, L. (2011). *Municipal Finance and Accounting*. Hatfield: Van Schaiks.

Government of Republic of Namibia (2016). *Office of the Auditor General; Financial Audit report: Audit Report on the Accounts of the Town Council of Katima Mulilo for the Year ended 30 June 2015*. Windhoek: Office of the Auditor General: Government printer.

Government of Republic of Namibia (2017). *Namibia's 5th National Development Plan 2017/18–2021/22*. Windhoek: National Planning Commission.

Government of Republic of Namibia (2018). *Ministry of Urban and Rural Development; Special Audit report of the Katima Mulilo Town Council in Namibia*. Windhoek: Government Printers.

Government of South Africa (2009). *The state of local government in South Africa. (Department of Cooperative Governance and Traditional Affairs)*. Pretoria: Government Printer

Hayashi, PJ, Abib, G & Hoppen, N. 2019. Validity in qualitative research: a processual approach. *The Qualitative Report*, 24(1), 98-112.

Helao, T. (2015). *An Evaluation of good governance and service delivery at sub-national levels in Namibia: The case of the Oshana Region*. [Masters Thesis) University of South Africa.

Helao, T., & Naidoo, G. (2016). A perspective on services delivery in the Oshana Region of Namibia: Lessons for governance. *Journal of Public Administration*, *51*(2), 246 –264.

Henning, E, Van Rensburg, W & Smit, B. 2013. *Finding your way in qualitative research*. Pretoria: Van Schaik Publishers.

Igwenagu, C. 2016. Fundamentals of research methodology and data collection. Available from: https://www.researchgate.net/publication/303381524

Iita, W. (2013). *Evaluating reasons for non-payment of key services in Oshakati town.* (Master's thesis, Polytechnic of Namibia) Retrieved May 13, 2021, From ir.nust.na.

International Federation of Accountants (2013). Good Governance in the Public Sector, Consultation Draft for an International Framework.

IPPR (2012) *Governance Challenges at Regional and Local Level: Insights from Hardap, Kavango and Omaheke*. Ausspannplatz, Windhoek, Namibia

Isaacs. J. (2016). *The impact of transformational leadership on performance management: A South African Local Government case study*. (Master Thesis) Stellenbosch University.

Islam, M. S., & Mahmud, R. (2015). Trust in Governance in Bangladesh: Ideas, issues and solutions. *Millenial Asia*, *6*(2), 128-146.

Jacobs, N. P. (2019) *Local government revenue enhancement: A case study of Umsobomvu Local Municipality* (Thesis presented in partial fulfilment of the requirements for the degree Masters in Public Administration in the Faculty of Management Science) Stellenbosch University, South Africa

James, S., & Nobes, C. (2009). *Economics for Taxation*. (9th ed.). Birmingham: Fiscal publications.

Johnson, J. L, Adkins, D., & Chauvin, S. (2020). Qualitative research in pharmacy education: A review of the quality indicators of rigor in qualitative research. *American Journal of Pharmaceutical Education*, *84*(1), 138-146.

Kalonda, J. K., & Govender, K. (2021). Factors Affecting Municipal Service Delivery: A Case Study of Katima Mulilo Town Council, Namibia. *African Journal of Public Affairs*, *12*(2), 1-26, Retrieved March 18, 2021, From https://journals.co.za/doi/full/10.10520/ejc-ajpa_v12_n2_a2

Kasendwa, R. (2018). *Revenue collection and service delivery in Kampala capital city authority (KCCA)* (A dissertation submitted to the School of Business Administration in partial fulfillment of the requirements for the award of the degree of masters of sciences in accounting and finance) Nkumba University, Uganda.

Kassu, JS. 2019. Research methodology and design. DOI:10.5772/intechopen.85731

Kimario, P. (2014). *Challenges faced by local government authorities (LGAS) in implementing strategies to enhance revenues: A case of Dar es Salaam municipal councils*. (MBA thesis). Open University of Tanzania, Dar es Salaam.

Kimario, P. 2014. *Challenges faced by local government authorities (LGAS) in implementing strategies to enhance revenues: A case of Dar es Salaam municipal councils*. MBA thesis. Open University of Tanzania, Dar es Salaam.

Krueger, RA. 1998. *Analyzing and reporting focus group results – focus group kit 6*. London: Sage Publications Ltd.

Kumar, R. 2011. *Research methodology. A step-by-step guide for beginners*. 3rd Ed. Los Angeles: Sage Publications Inc.

Leedy, P. D., & Ormrod, J. E. (2010). *Practical research: Planning and design*. (9th ed.) New Jersey: Pearson Education Inc.

Leedy, PD & Ormrod, JE. 2010. Practical research: Planning and design. 9th Ed. New Jersey: Pearson Education Inc.

Mack, N., Woodsong, C., MacQueen, K., Guest, G., & Namey, E. (2005). *Qualitative research_methods: A data collector's field guide.* United States: Family Health International.

Madumo, O. S. (2015). Developmental local authorities challenges and progress in South Africa. *School of Public Management and Administration*, *23*(2). Retrieved February 10, 2021, From https://repository.up.ac.za/bitstream/handle/2263/50230/Madumo_Developmental_2015.pdf;sequence=1

Madumo, O. S. (2015). Developmental local government challenges and progress in South Africa. *Administratio Publica*, *23*(2),153-166.

Maj-Wa'Sniowska, K., & Jedynak, T. (2020). The issues and challenges of local government units in the era of population ageing. *Administrative Sciences*, *10*(36), 1-22 doi:10.3390/admsci10020036.

Makanyeza, C., Kwandayi, H., & Iboke, B. (2013). Strategies to improve services Delivery in Local Authority. Journal of Information Technology and Business Management,*15*(1), 1–10.

Manda, L. 2013. *A critical analysis of the implementation of policy mechanisms for cost recovery: A case study of the Msunduzi municipality*. M (Soc Sci) thesis. University of KwaZulu-Natal, Durban.

Mantzaris, E. (201). Municipal financial management to fight corruption and enhance development: A holistic approach. *African Journal of Public Affairs*, *7*(2), 80–99.

Masiya, T., Davids, Y. D., & Mangai, M. S. (2019). Assessing service delivery: Public perception of municipal service delivery in South Africa, theoretical and empirical research in urban management. *Research Centre in Public Administration and Public Services Stable*, *14*(2), 20–40. Retrieved September 19, 2021, From https://www.jstor.org/stable/10.2307/26633007.

Mavhungu, TC. 2011. *The non-payment for municipal services in Vhembe district municipality*. M (Pub Adm) thesis. University of South Africa, Pretoria.

Mbegu, S., & Komba, L. (2017). Own source revenue slippage in Tanzania's local government authorities (LGAs), trend, challenge and impact: Evidence from Magu district council. *Developing Country Studies*, *7*(11), 73-80.

Meyer, D., & Venter, A. (2014). An analysis of effectiveness of Local Government turnaround strategy (LGTAS). *African Journal of Public Affairs*, *7*(1), 80 –93.

Mgema, ZS. 2013. *A poor collection of property tax: A case of Mtwara Mikindani municipal council.* M (Acc Fin) thesis. Mzumbe University, Dar es Salaam.

Ministry of Urban and Rural Development (2017). *Namibia Country profile 2017–18, The local government system in Namibia*. Windhoek: Namibia.

Molobela, TT. 2016. *South African Association of Public Administration and Management (SAAPAM) 5th annual conference proceedings: The effect of revenue planning on municipal financial performance: A case of the Polokwane Local Municipality in the Limpopo Province, Mokopane, October 26-28*. SAAPAM. 262-269.

Moyo, S., (2016). *Creating a framework for sustainable service delivery: An analysis of Municipalities in the Northwest Province, South Africa.* [Degree Doctor of Philosophy in Business Management] Northwest University, Mafikeng Campus.

Mpaata, K. A., Lubogoyi B., & Okiria, J. C. (2017). The influence of district local government revenue collection on delivery of basic community services in

Uganda. *International Journal of Science and Research (IJSR), 6*(4), Retrieved September 19, 2021, from DOI: 10.21275/ART20172152

MRLGH (2005). *The Assessment of the Regional Council's readiness for decentralisation and support needs*. Windhoek, Namibia.

Mrutu, L., & Mganga, P. (2016). Outsourcing or giving all out: Experience from Tanzania local government revenue collection. *Journal of Public Administration and Governance*, *6*(3), 1-11. Retrieved March 20, 2021, From https://doi.org/10.5296/jpag.v6i3.8695

Mushaukwa, A. (2018, November 28). Katima Council workers to go on strike. *The New Era Newspaper* pp. E5

Naidoo, G. (2010). The critical need for effective leadership to promote service delivery by local government in South Africa: The case of Ramotshere Moiloa Municipality. *Administration Publican, University of South Africa*, *18*(1),102-124.

Namibia Association for Local Authority Officers [NALAO], Management Systems International [MSI] & Namibia Institute for Democracy [NID]. (2004). *Land delivery and land management for local authorities in Namibia.* Windhoek, Namibia

Namibia Statistic Agency (2016). Namibia Labour Force Survey. Retrieved January 19, 2022, From www.https://nsa.org.na/

Namibia Statistics Agency (2017). The Namibia Labour Force Survey 2016. Windhoek: Namibia Statistics Agency.

Nardi, PM. 2018. *Doing survey research. A guide to quantitative methods*. 4th ed. New York: Taylor and Francis Group.

Ndevu, & Muller. (2017). A conceptual framework for improving service delivery at Local Government in South Africa. *African Journal of Public Affairs*, *9*(7), 13-24.

Nghifikwa, T. N. (2019). *Investigating the factors affecting revenue collection: A case study of Erongo regional electricity distributor company*, [A thesis submitted in partial fulfilment of the requirements for the degree], The University of Namibia. https://repository.unam.edu.na/handle/11070/2834

Ngoepe, N. (2014). The role of records management as a tool to identify risks in the public sector in South Africa. *SA Journal of Information Management*, *16*(1) Retrieved August 13, 2021, From www.sajim.co.za/inde.php/SAJIM/article/view/615

Nkanyanga, M. P. (2014). *Challenges facing Tanzanian local government authorities in revenue collection: A case of Kiteto district council*. M (Acc Fin) thesis. Mzumbe University, Dar es Salaam.

Nuluva, D. B. (2015). *Factors affecting revenue collection in local government authorities: The case of four recognised local government authorities in Morogoro Region*. M (Acc Fin) thesis. Mzumbe University, Dar es Salaam.

OECD (2009). *"Revenue structure by level of government"*, in Government at a Glance 2009, OECD Publishing, Paris. https://doi.org/10.1787/9789264061651-7-en

Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1985). A conceptual model of service quality and its implication, *Journal of Marketing*, *49*, 41-50.

Pardede, P. 2018. Mixed methods research design in EFL. Proceeding of EED Collegiate Forum 2015-2018.

Peyper, L. 2016. *Financial health of municipalities a big worry* [online]. Media24. Available from: https://www.fin24.com/Economy/financial-health-of-municipalities-a-big-worry-20160601

Piccioli, M. 2019. Educational research and mixed methods. research designs, application perspectives, and food for thought. *Studi sulla Formazione*, 22:423-438.

Pieters, NN. 2015. *Evaluating revenue collection and allocation challenges faced by Ndlambe local municipality*. M (Pub Adm) thesis. University of Fort Hare, Alice.

Plowright, D. (2011). Using Mixed Methods: Frameworks for an Integrated Methodology. 10.4135/9781526485090.

Quad, A. D. J. P. (2016). *Research tools: Interviews and questionnaires*. Research Methodology In Education. Retrieved from https://lled500.trubox.ca /2016/225 [Accessed 10 February 2020].

Quad, ADJP. 2016. *Research tools: Interviews and questionnaires*. Research Methodology In Education. Available from: https://lled500.trubox.ca /2016/225

Remmé, J. H. M. (2013). Stakeholder thinking. *Encyclopedia of corporate social responsibility*. Springer, Berlin, Heidelberg. Https://doi.org/10.1007/978-3-642-28036-8_652

Remmert, D., & Ndhlovu, P. (2018). *Housing in Namibia: Rights, challenges and opportunities, Institute for Public Policy Research*., Windhoek: John Meinert Printing.

Republic of Namibia (1992). *Local Authorities Act of Namibia 23 of 1992*. Windhoek, Namibia http://www.gov.na/documents/

Republic of Namibia (1998). *The Constitution of the Republic of Namibia*. Windhoek, Namibia http://www.gov.na/documents/

Republic of Namibia (2016) *Report of the auditor-general on the accounts of the town council of km for the financial year ended 30 June 2016.* Windhoek, Namibia https://oag.gov.na/katima-mulilo/-/document_library/zCjZMElGQ5rZ/view_file/425966

Ringane, JT. 2013. *Challenges caused by the continued non-payment for municipal basic services in the City of Tshwane*. M (Tech) thesis. Tshwane University of Technology, Pretoria.

Shai, L. K. (2017). *Leadership and governance in service delivery at the greater Tubatse Municipality*, Limpopo province, South Africa. University of Pretoria.

Ssonko, D. K. (2013). Decentralisation and development: Can Uganda now pass the test of being a role model. Commonwealth Journal of Local Governance, *13*(14):30 – 45.

SWAPO of Namibia: *Political Manifesto for the Election of 2004*. Windhoek, Namibia.

Tesselaar, JCP. 2017. *Debt management framework for Western Cape municipalities*. D Tech (Pub Adm) dissertation. Cape Peninsula University of Technology, Bellville.

Thapa, I. (n.d) *Local Government: Concept, Roles and Importance for Contemporary Society*. Public Administration Campus, Tribhuvan University, Nepal https://www.researchgate.net/publication/342876251

UN-HABITAT (2010) *The Challenge of local government financing In developing countries*. Nairobi GPO Kenya

United Nations Development Programme (1999). Citizen engagement in public service delivery: The critical role of public officials. UNDP.

USAID (2007). *A Guide to Enhancing Municipal Revenue*. The United States Agency for International Development (USAID).

Zikmund, G. W. (2000). *Business Research Methods*, Oklahoma State University: The Dryden Press, Harcourt College Publishers.

APPENDIX A: PERMISSION LETTER

NAMIBIA BUSINESS SCHOOL
UNIVERSITY OF NAMIBIA

12 November 2021

TO WHOM IT MAY CONCERN

Re: MBA Public Sector Management , Student – Ms Nancy Kawana Student Number 201204629

As part of our Masters Programme, students are expected to submit a research report after completion of their course-work. They need to explore in detail, some concepts and issues pertaining management strategies. To do that effectively, they need to conduct interviews and obtain practical examples.

Ms. Kawana has chosen your organization to approach for information. It is against this background that I wish to kindly request you to assist Ms. Kawana with the information she requires. Accept our assurance that the data will be used for academic purposes only. A copy of the completed document will be available at the Namibia Business School for perusal. Her research synopsis indicates that her topic touches on *"Investigating the effect of poor revenue collection on effectiveness of service delivery at Katima Mulilo Town Council"*.

Your kind assistance is highly appreciated.

Yours sincerely

NAMIBIA BUSINESS SCHOOL
NBS
12 NOV 2021
ACADEMIC SERVICES
UNIVERSITY OF NAMIBIA
Inspiring Minds & Shaping the Future

Greenfield Mwakipesile. Dr
Senior Research Coordinator
Namibia Business School
University of Namibia
Tel: +246 61 413 500
Fax: +246 61 413 512
Email: mwakipg@nbs.edu.na

340 MandumeNdemufayo Ave. – Private Bag 16004 – Pionierspark – Windhoek – Website: www.nbs.edu.na
Tel: + 264 (61) 413500 – Fax +264 (61) 413512 – E-mail: info@nbs.edu.na

APPENDIX B: EMPLOYEE QUESTIONNAIRE

Dear Respondent

I am Nancy Kawana a student of Namibia Business School, pursuing a Masters Degree in Business Administration (MBA). I am conducting research on "**Investigating the factors affecting poor revenue collection on effectiveness of service delivery at the Katima Mulilo Town Council"** as a partial requirement for the MBA degree. The information obtained through this exercise is purely academic and shall be treated with confidentiality. Please take a few minutes of your time to respond to the questions.

Thank you

KMTC Employees ONLY

SECTION A: Demographic Information

Please mark with an **(X)** or (√) in the box with the appropriate response. Mark one box only.

1. How long have you been working for the KMTC?

0-1 years	
1-5 years	
5-10 years	
10-15 years	
15 or more years	

2. What is your age?

18-29 years	
30-39 years	
40-49 years	
50-59 years	
60 years and above	

3. What is your highest qualification?

Below grade 12	
Grade 12	
Certificate	
Diploma	
Undergraduate Degree	
Honors/ BTech	
Masters	
PHD	

4. What is your gender?

Male	
Female	

5. What is your job level?

Junior staff	
Supervisor	
Management	

6. What is your position?

____

Section B: Nature of local revenue sources existing in the town council

7. What are the main sources of revenue for the KMTC? List them:

a) ____

b) ____

c) ____

d) ____

e) ____

f) ____

8. Please assess to what extent the following statement is related to factors affecting revenue collection at the KMTC. Indicate the degree of agreement or disagreement that fits the situation at the KMTC. Please tick one choice for each of the following statements (**strongly agree**, **agree**, **neutral**, **disagree and strongly disagree**)

Statement	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Political interference is regarded as one of the factors affecting revenue collection.					
Poverty and unemployment are key factors affecting revenue collection at the KMTC.					
Incorrect billing because of inaccurate meter readings significantly affects revenue collection at the KMTC.					
Technical and administrative errors such as meter reading faults and linking of customers' accounts to incorrect meters are additional factors.					
Lack of human capital, inadequate capacity, and technical skills to protect revenue is regarded as a factor contributing to inadequate revenue generation.					

The lack of guidelines and policies on revenue collection strategies contributes to non-payment by some customers.					
Inconsistency in collection actions against defaulters by the KMTC results in non-payment by some customers.					
The current economic situation negatively affects the collection of revenue.					

Section C: Challenges faced in local revenue collection

9. Are there challenges faced in revenue collection at the KMTC? (*Tick the appropriate place)*

(a). Yes ☐ (b). No ☐ (b) Do not know ☐

10. If 'Yes' what are the challenges faced in revenue collection at the KMTC? (You can give more than one answer)

____

____

____

____

11. If ‘No’ why do you think so?

12. How do the challenges faced in question (10) hinder service delivery at the KMTC?

Section D: Possible solutions to challenges faced in revenue collection

13. What do you think can be done to overcome the challenges faced in local revenue collection at the KMTC?

14. Do you think there is a relationship between local revenue and service delivery? (Specify)

15. In your opinion, what conclusions can you draw from the local revenue and service delivery at the Katima Mulilo Town Council?

16. What recommendations can you draw from the concepts ‘local revenue’ and ‘service delivery’ at the Katima Mulilo Town Council?

Thank You!

APPENDIX C: CUSTOMERS QUESTIONNAIRE

Dear Respondent

I am Nancy Kawana a student of Namibia Business School, pursuing a Masters Degree in Business Administration (MBA). I am conducting research on the "**Investigating the factors affecting poor revenue collection on effectiveness of service delivery at Katima Mulilo Town Council"** as a partial requirement for the MBA degree. The information obtained through this exercise is purely academic and shall be treated with confidentiality. Please take a few minutes of your time to respond to the questions.

Thank you

KMTC Customers ONLY

SECTION A: Demographic Information

1. What is your age?

18-29 years	
30-39 years	
40-49 years	
50-59 years	
60 years and above	

2. What is your employment status?

Permanently employed	
Temporarily employed	
Self-employed	
Unemployed	
Pensioner	

3. Which location are you residing in?

Ngweze	
NHE	
Greenwell	
Boma	
Nambweza	
Newlook	
Choto	
Cowboy	

Specify if location is not on the list: ________________________________

4. What is your gender?

Male	
Female	

SECTION B: Service Delivery

Instructions: Please assess to what extent the following statement related to your attitude, personal conditions, service delivery, non-payment, understanding, and readiness of monthly bill by the KMTC. Indicate the degree of agreement or disagreement that fits the situation at the KMTC. Please tick one choice for each of the following statements (**strongly agree**, **agree**, **neutral**, **disagree and strongly disagree**)

5.

	Strongly Agree	**Agree**	**Neutral**	**Disagree**	**Strongly Disagree**
I have a responsibility to pay for services rendered to me on time.					
Unwillingness and ignorance to pay are caused by poor service delivery by the KMTC employees					
Affordability and annual price increase of the KMTC services contribute to non-payment.					
Poverty and unemployment are high in Zambezi Region and, therefore, contribute to the non-payment of bills.					

The current economic crises in the country pose a challenge to pay for my account.					
Dissatisfaction with service delivery contributes to non-payment of my bill.					
Incorrect water billing discourages me to pay my account.					
The KMTC office is far and therefore, I find it difficult to pay my monthly bill.					
Incorrect meter readings contribute to the non-payment of my account.					
Unresolved issues and queries on monthly bills discourage me to pay my account.					

6.

	Yes	**No**	**Not Sure**
Do you understand all service charges on your monthly bill?			
Is it true that accounts must be settled on or before the 07^{th} of each month?			

Do you understand why the KMTC charges rates and taxes?			
Do you understand the difference between the current and previous meter readings?			
Do you receive your monthly bill timeously?			
Are you aware of all the KMTC payment methods?			
Do you know where to enquire should you have a question about your account?			
Do you think you are getting value for your money?			

7. Do you believe people should pay for services such as water and electricity? Yes [ ] No [ ]

8. If the answer to Question 8 is No, please give a reason why people should not pay their bills.

____

____

____

9. Have you settled the latest bill? Yes [ ] No [ ]

10. If the answer to Question 10 is No, please indicate why you did not pay your current bill.

11. Are you satisfied with the KMTC service delivery? Yes [ ] No [ ]

12. If the answer to Question 12 is No, please state the reasons.

13. Any other information you think may help or may be useful.

Thank You!