

Corrigendum: Examining the implications of classical budget theories in the local government budgeting process: Union councils in Bangladesh

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Background: In many countries, local governments are neither well equipped nor properly accountable for performing their functions smoothly. They have also failed to become effective strategic partners of the national government and other levels of subnational governments. They have neither sufficient tax-base and local resource-entitlement nor full-bodied intergovernmental support. But the demands for services and goods continue to exceed the supply at local-government level in Bangladesh and elsewhere. As a result, the local government planning and budgeting issues become centrally positioned in the debate on the subnational level decentralisation, especially concerning fiscal decentralisation and political economics of local governments.

Aim: Keeping this fact in mind, the study examined the implications of classical budget theories in the local government budgeting process, particularly in the budgetary process and decisions of local government union councils in Bangladesh.

Setting: The data collection period was January 2018 to February 2018. The units of analysis of this study are 'the classical budget theories' and the lowest tier of the rural local government institutions in Bangladesh – that is, 'the union. councils'.

Methods: The study followed 'focused synthesis' and 'qualitative case research' methods for data collection and used the epistemological view 'positivism' for data analysis.

Results: The study contributed to the literature stream of local government studies, public budget theory, subnational finance and budgeting, and the political economics of the local government.

Conclusion: This research reveals that 'budgetary incrementalism' and 'high conditionality' to inter-governmental transfers undermine the essence of community stakeholders' consultations and spirit of local governance. It also unveils that central limitation towards effective functioning of a local government union council in Bangladesh is more related to the crisis of ownership and competence of the elected council rather than just to the external influences that somewhat affect their autonomy in the budgeting process and decisions.

Keywords: budget theory; budgeting; examine; implication; local government.

Introduction

Examining implications of the selected classical budget theories in the budgeting process and decisions of the local government – especially at the local government union councils or Union Parishads (UPs) in Bangladesh – requires prior understanding of the influencing phenomena and magnitude of autonomy of the UPs in their budgeting decisions. It also requires taking into account the extent of authority and autonomy of the UPs, concerning the resources necessary to carry out the responsibilities assigned to such elected councils that belong to the lowest level of the rural local government institutions in Bangladesh.

Talukdar (2020a) identifies the influencing phenomena at local government union council budgeting decisions in Bangladesh. These include scarcity of resources, previous year budget, political and personal traits of the union council chair, local problems, local demands, legal aspects, UP-competence aspects and council management. Talukdar (2019, 2020a) unveils the fact that the effects of the influencing aspects on the fiscal autonomy of local government UPs in Bangladesh are

Note: This article was republished with the spelling error corrected in the title for Appendix 1 from 'Appendix 1: Sample union councils or union parishads' to 'Appendix 1: Sample union councils or union parishads'. The publisher apologises for any inconvenience caused.

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evident with varying levels, scales and dimensions, but all influences do not undermine the fiscal and budgetary autonomy of UPs.

The indicator-based empirical analysis of Talukdar (2019) discloses that the magnitude of influences appears to be double than that of the budgetary autonomy of local government union councils in Bangladesh. Talukdar (2019) also notes down that demands for public goods and services delivery are progressively exceeding the supply at local-government level in Bangladesh and elsewhere in the globe. Furthermore, studies of Devas (1988) and Talukdar (2013) make the fact public that the revenue assignments of subnational governments in most developing countries, including Bangladesh, seem to be very limited, and poorly structured and designed.

The poor design and drawback of the revenue assignments arise because the national governments in most developing countries have taken control of the main revenue sources, including the conventional local-based revenues. Such a reality creates the ground for sharing the national funds with subnational governments to surmount the challenge of mismatch between the strengthened responsibilities and intensified resource scarcity at the peripheral and rural levels of a government (Devas 1988).

Thus, the government attitude postured in allocating funds to local governments matters much for three main reasons. Firstly, the money involved does not belong to anyone's level of government because it is the taxpayers' money. Secondly, the local governments in most countries have very limited revenue sources, mainly because national governments have pre-empted the main tax fields. Thirdly, although the services assigned to local governments are often of strategic importance nationally, these services have been assigned there because of the opportunity for greater efficiency of decision-making and responsiveness to local conditions and local wishes that decentralisation offers (Devas 1988).

As a result, the local government union council budgeting necessitates securing public resources through intergovernmental transfers and by mobilising local resources, and through efficient planning, strategic allocation of resources, and controlling the fiscal management. Such a process needs to be complemented by a range of budgetary and decision-making theories, which fundamentally invites a trade-off between the two models – that is, the 'political incrementalism' in decision-making and systematically scrutinised 'rational choice-making' (Talukdar 2019). However, in practice, in Bangladesh as well as in many other developing countries, the national government allocations to subnational governments are mostly driven based on the incremental model, and to some extent on the rational choice model. Notably, on the part of the local government union councils in Bangladesh, Talukdar's (2019) point of view is that allocation of their probable aggregate resources to the expenditure responsibilities seems to follow the fiscal-year plan that is primarily developed based on the translation of a 5-year strategic development plan into the prioritised yearly

planning, with the combined approach of systematic rational and political analysis.

Study methods and scope

The article follows 'focused synthesis' and 'qualitative case research' methods for data collection, and uses the epistemological view 'positivism' for data analysis. The data collection period was January–February in 2018. The units of analysis of this study are 'the classical budget theories' and the lowest tier of the rural local government institutions in Bangladesh – that is, 'the union councils'. The article limits its scope to the implication of selected classical budget theories in the budgeting process and decisions of local government union councils in Bangladesh. The number of sample union councils is six (see Appendix 1).

Notably, the 'qualitative case research' method requires systemic investigation and detailed scrutiny of the unit of analysis, by employing techniques like documents and contents review, in-depth interviews of the relevant stakeholders and observations (Talukdar 2020b). It follows the 'focused synthesis' method that denotes collecting and documenting information and data from diverse sources, including published and unpublished documents of the study organisation, staff memorandum, anecdotal story of concerned staff members and consultation with key staff members (Talukdar 2012).

Both methods together help frame the ground of 'positivism' which is a philosophical theory, particularly an epistemological school of thought. Simply put, it signifies that positive or true knowledge is based on the empirical inquiry on natural properties and their social relations. It takes information derived from sensory experience and interprets those with reason and logic, and thus forms exclusive evidence-based knowledge, which is also supported by other 'priori' and 'posteriori' knowledge.

Classical budget theories

A budget simply portrays the revenue and expense projection for a specific upcoming period, typically for one fiscal year, July–June, in the case of most governments, and their agencies and institutes. Budgeting and planning are integrally linked. The budget theory is the academic study of the relationship amongst political psychology as well as the political economy of the government, social motivation and empowerment of the actors as well as agencies, and institutional as well as public management approach concerning government budgeting process, decisions and their outcomes.

As the local government falls under the executive organ in the government structure of Bangladesh, the concept of the budget theory is equally applicable to the study of the state of budget affairs of the local government union councils in Bangladesh. However, the ideal situation for a budget theory to apply in a local government structure is that decentralisation, autonomy, central–local relationship, local

government finance and local governance get strong and further interrelationship attention.

The classic theorists in public budgeting are Henry Adams, William F. Willoughby, V. O. Key Jr., and more latterly, Aaron Wildavsky, Richard Fenno, Charles Lindblom, Irene Rubin, Jones Frank R., Baumgartner, Bryan D. Jones, Naomi Caiden, James D. Savage, Allen Schick, Dennis Ippolito, Thomas Greitens, and Gary Wamsley.

Aaron Wildavsky's contribution, *The Politics of the Budgetary Process*, published in 1964, seems to be a classical theoretical scaffold for analysing public budgetary decisions in the United States (US) and anywhere in the world, although it was originally based on the norms and rules of budgeting in the US and it required the stable patterns of interactions amongst the actors involved. Wehner (2015) points out the fact that the questions to Wildavsky's 'budgetary incrementalism' theory grow in the global fiscal and economic crisis context.

Richard Fenno published *The Power of the Purse: Appropriations Politics in Congress* in 1966. Irene Rubin in 1990 complimented Fenno's book as being a classic one. According to Rubin (1990), the attributes of Wildavsky's and Fenno's 'incrementalistic' assumptions in budgeting at the national level are: centrality of a legislatively dominated budget; the decentralisation of the process; and the importance of agencies in the process.

In 1988, Wildavsky changed the lens that he had portrayed in his 1964 book and published a new book titled *The New Politics of the Budgetary Process*, with Naomi Caiden. Aaron Wildavsky and Naomi Caiden reveal how federal budget decisions were made and how formal budget institutions and processes were intertwined with political dynamics in key areas of the budgetary decision-making process: *entitlements, deficit, surplus, defence and reforms* (Wildavsky & Caiden 2003). The book was originally published in 1988, with the latest (fifth) edition published by Pearson on 18 July 2003. Rubin (1990) categorises budgeting theory in two kinds: 'descriptive and normative'. According to Rubin (1990):

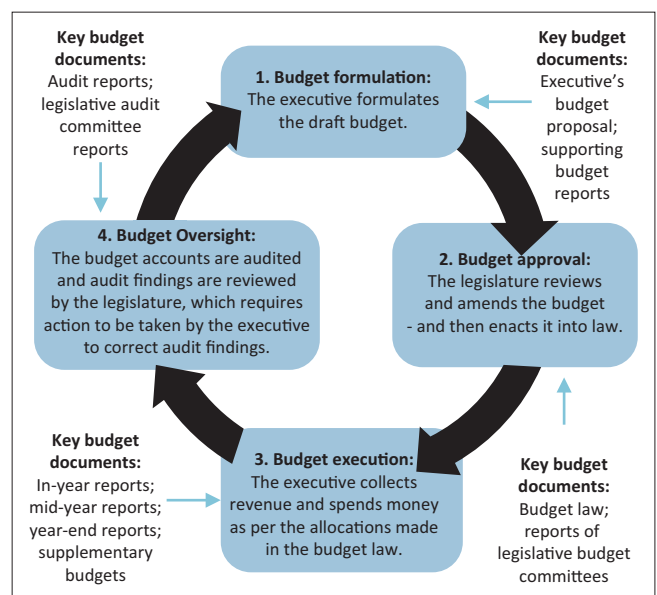
Descriptive theory is based on close observation or participation in public sector activities. Theorists describe trends, sequences of events, and infer causes, paying attention to local variations as well as uniformities across cases. While normative theory-advice may be based on a much narrower range of observations than descriptive theory and its proposed solutions may be based on values rather than observations. If the explanatory power of the descriptive theory is too weak, or if the advice of normative theory is not adopted by public officials or is adopted and abandoned because it does not work, the gap between theory and practice may become unacceptably wide. (p. 179)

Public budgeting process

The essential process of budget preparation includes setting up the fiscal targets, given the strategic allocation of resources, well-matched expenditure assignments and mechanism for

ensuring aggregate expenditure control, as well as operational efficiency and competitive advantages (Talukdar 2020a). Public budgeting is the connecting performance process of tasks with the extent of resources needed to undertake those tasks. Although most of the budgeting work is managerial and technical, public budgeting is fittingly a political process as well (Rubin 2014; Talukdar 2019).

Budget derives in three forms: (1) 'line item', (2) 'program' and (3) 'performance'. There are also two types of budgeting techniques: (1) 'zero-based budgeting' and (2) 'incremental budgeting'. In the case of 'zero-based budgeting', it starts from beginning or zero, and thus each of the units submitting a budget must justify all of its budget requests and requirements from beginning to the end, whilst in the case of 'incremental budgeting', an agency can use an incremental approach to budgeting where it simply adds, complements or subtracts from the previous year's expenditure and performance records (Menifield 2013). Figure 1 displays a world view of the budget cycle.



Source: Colburn, J., 2017, 'Making the most of the budget cycle: The budget formulation stage', *International Budget Partnership*, viewed 12 March 2018, from <https://www.internationalbudget.org/2017/02/making-budget-cycle-budget-formulation-stage/>.

FIGURE 1: A world view of the budget cycle.

BOX 1: The budgetary reform process: A historical outlook.

'Over the years, many specific budget reforms have been formulated and advocated, then adopted, rejected, or modified. Many of these reforms have the same goals or purposes as those of the reformers of the early 1900s. Program budgeting, for example, and its explanation of what government is trying to accomplish at what cost, addresses specific concerns raised by the early reformers; the linking of planning to program in the Planning Programming, Budgeting System (PPBS) was also foreshadowed many years earlier. Performance budgets, with their varied emphasis on measuring demands and workloads or efficiency and unit costs, also reflect earlier concerns.

The idea of determining desired service levels, associating costs with each one, and budgeting for only desired levels of service is the heart of Zero-Based Budgeting (ZBB) and Target-Based Budgets, but it was also part of the early reformers' attempts to judge what was needed versus what was wanted and to get out of the budget waste that had accumulated over the years.

Current models of budgeting for outcomes perfectly express the activist, efficiency, and accountability goals of the early reformers. Management by objectives links the specific annual goals of the city to workloads and the personnel evaluation system, an elaboration of the old reformers' goals'.

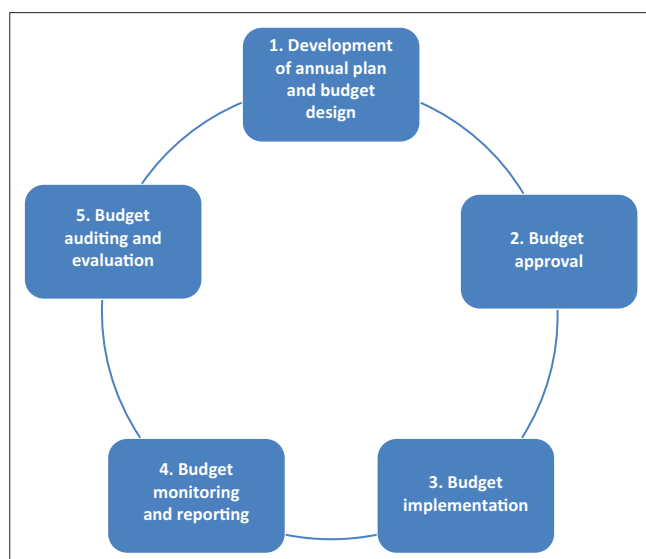
Source: Rubin, I.S., 1990, 'Budget theory and budget practice: How good the fit?', *Public Administration Review* 50(2), 180. <https://doi.org/10.2307/976865>

This world view reflects four stages of the budget cycle: budget formulation, budget approval, budget execution and budget oversight. Budget formulation and execution are necessarily executive functions, whilst budget review, as well as approval, requires legislative involvement, and budget oversight necessitates many-sided contributions – that is, third party professional audit, legislative review of audit reports, and executive actions to correct audit findings. Notably, in the 1990 book, Irene Rubin explains the budgetary reform process through a splendid historical review that is documented in Box 1 below.

Local government union council budgeting

Within the system perspective of the public budgeting process, central governments or national governments seem to be a system, whilst subnational or local governments appear to be as a subsystem. Thus, the national governments call for agencies and subnational governments to submit a specified type of budget that they prepare and prefer (Axelrod 1995; Gianakis & McCue 1999; Menifield 2013; Smith & Lynch 2004; Thuurmaier & Willoughby 2001). Understanding the process of preparing budgets of local governments is vital to explain the implication of selected classical budget theories in budgetary decisions of the local government. Figure 2 shows the budget life cycle of local government UPs in Bangladesh.

The budgeting process of a union council or Union Parishad (UP) in Bangladesh starts with initiating an annual development plan for the same. The planning committee of the UP starts it. It requires reviewing the strategic 5-year plan to outline and sketch out a draft plan, followed by initiating ward-level discussions and placing ward-level inputs to the UP standing committees for their screening. Following



Source: Please see full reference list of the article (adapted from) BRAC Institute of Governance and Development, 2016, Sharique III, BRAC Institute of Governance and Development, Bangladesh. <https://bigd.bracu.ac.bd/projects/sharique-iii/>, for more information

FIGURE 2: The budget life cycle of Union Parishads or union councils.

the standing committees' recommendations, the planning committee frames the plan BRAC Institute of Governance and Development 2016; Talukdar 2019, 2020a). It is noteworthy that a union council holds nine subunits, each of which is recognised as a ward.

At this stage, the UP secretary, along with the UP planning committee, shapes the budget that embraces an assessment of assets, and retained revenues and grants, and undertakes likely expenditures and liabilities for a fiscal year. The key instruments used in this regard include the annual development plan, office memos and relevant documents. The draft budget is supposed to be placed then to the Union Development Coordination Committee (UDCC) for its comments. The union council chair reviews the draft budget with the UDCC feedback on it. The chair then presents the adopted draft version of the budget to the hundreds of local citizens at an open budget meeting, held at the union council level. The purpose of the open budget meeting is to get the draft budget publicly reviewed and vetted.

Following the public assessment, the union council revisits the budget and endorses it with or without making changes. The union council then formally submits it to the delegated government authorities – that is, to the concerned Upazila Nirbahi (i.e. Executive) Officer (UNO) at the Upazila or subdistrict level, Deputy Director of Local Government (DDLG), and Deputy Commissioner (DC) at the district level. The DDLG then forwards it to the Local Government Division (LGD) of the Ministry of Local Government, Rural Development and Cooperatives (MLGRD&C) to allocate a certain amount of grants to the concerned union council, usually by following the 'budgetary incrementalism'

TABLE 1: Union council budget calendar.

Sl no	Activities	Initiating date
01.	Budget circular	01 September
02.	Review of tax, fees, service charge, etc.	15 November
03.	Revenue estimation (tax, rate, fees, grants, etc.)	15 December
04.	Administrative expenditure estimation	30 December
05.	Formation of the planning committee	10 January
06.	Formation of annual plan, based on the strategic five-year plan, by the planning committee, and opening the plan to ward-level discussions	05 February
07.	Draft plan, with findings and demands from ward-level discussions, to be placed to the union council standing committees for their screenings and recommendations	15 February
08.	Acceptance of the standing committees' recommendations and preparing the draft budget	05 March
09.	Draft budget to be placed to the UDCC for their comments	15 March
10.	Draft budget with UDCC comments to be placed to the union council for review	25 March
11.	Placing the final draft budget to the open budget meeting of union council	Between 26 March and 14 April
12.	Approval of the budget at the union council meeting (with or without corrections or adjustments)	15 April
13.	Submission of the union council-approved budget to the UNO, DDLG and DC	20 April

Source: Adapted from BRAC Institute of Governance and Development, 2016, Sharique III, BRAC Institute of Governance and Development, Bangladesh. <https://bigd.bracu.ac.bd/projects/sharique-iii/>

UDCC, Union Development Coordination Committee; UNO, Upazila Nirbahi (i.e. Executive) Officer; DDLG, Deputy Director of Local Government; DC, Deputy Commissioner; Sl no, serial number.

approach. Conventionally, the LGD keeps the UP informed about the decisions through official letters (Talukdar 2020a).

With this progress, a union council revisits the actual fund flow, reviews and amends the budget, and re-endorses it. The next stage is the implementation of the final approved budget, followed by a doable monitoring and reporting, and acceptable audit and evaluation of the same (BRAC Institute of Governance and Development 2016; Talukdar 2019, 2020a). Table 1 displays the union council budget calendar at a glance, whilst Appendix 2 unveils the synopsis of legal basis of the local government UP budgeting in Bangladesh.

The local government union council budget calendar (Table 1) clearly shows a 13-stage initial budget preparation roadmap for a local government UP in Bangladesh. Each of the 13 activities represents a stage, whilst each stage serves between the initiating date of a concerning activity and the initiating date for the next stage.

Implications of budget theories in Union Parishad budgeting

Following the analysis of the budgetary process of local government union councils in Bangladesh, classical budget theories – especially Aaron Wildavsky's and Richard Fenno's 'budgetary incrementalism' – and Irene Rubin's review of the normative budgetary theory are being examined to see their implications in the local government budgeting process and decisions.

Budgetary incrementalism

As a theory of public policymaking, 'incrementalism' was originally built in the late 1950s. Charles E. Lindblom, an American political scientist, published an essay titled *The Science of Muddling Through* in 1959, to help policymakers comprehend a middle way between the 'rational actor model' and 'bounded rationality' to avoid the cost of large changes and to see the factual complication and emergent rationality of the issue as they get engaged and emerged into the process (Talukdar 2019, 2020a).

In such an approach of 'incrementalism', policies develop from a process of interaction and mutual adaptation amongst a multiplicity of actors advocating different values, representing different interests, and possessing different information (Hayes 2013). In public policy, 'incrementalism' is the approach of change by which many small policy changes are enacted overtime to make a larger broad-based policy change. According to Quinn (1978), 'logical incrementalism' focuses on the power-behavioural approach to planning rather than the formal system-planning approach.

The applied 'budgetary incrementalistic' model of Wildavsky (1964) and Fenno (1966) shows that no major changes are required in the budgets from year to year, and

hence only a few choices of policy concerns need to be placed in the budgetary framework. Nevertheless, a comparison between alternatives for spending is missing here, and it prevents many budgeters from seeing the changing budget reality and theorising about it (Rubin 1990). Rubin (1990) further observes:

While the budget reformers emphasize both the need to run government like a business and the constitutional basis for their reforms, the public economists base their arguments on what they perceived as rational choices and optimization of decision making. Both groups emphasize the need to get the most from each dollar, but the public economists are less concerned with cost accounting and management and more concerned with choices between options, laying out the options carefully and choosing between them on carefully specified grounds. (p. 180)

In this theoretical connection, national government transfers seem to be built on the past year's real transfers and reviewed budgets, and performance outcomes of the last and preceding years' transfers to the local government UPs in Bangladesh. In effect, the last year's genuine intergovernmental transfers help shape the reviewed budget of the local government UPs in Bangladesh. Thus, the national government's response to the new fiscal-year budget of the local government is either insignificantly or not at all based on the UP-proposed budget, and rather extremely based on the government's politics of the budgetary procedure and decisions – that is, 'budgetary incrementalism' approach of the national government that predominantly counts the amounts of the previous year transfers and performance outcomes of the same. Such an observation is similar to Talukdar (2019), whilst its theoretical leaning is identical to the seminal works of Wildavsky (1964) and Fenno (1966).

Descriptive to normative theory

'Incrementalism', a leading theory in public budgeting, intends not only to act as a descriptive theory but also to perform as a normative one. Nevertheless, the literature on the absolute normative lens of public budgeting theory includes citizenry inclusion and engagement, stakeholder involvement, national and local governments' partnership, cost-effectiveness, transparency and accountability to the public, and quality public service delivery (Talukdar 2020a). These could only be attained by generating the quality of budget information and data, and by publicising and disseminating those to ensure improved citizenry access to such information and data (Rubin 1990). Eventually, these are likely to advance citizenry consciousness to demand accountability on public spending and service delivery. Furthermore, Talukdar (2013) opines that budget preparation ought to be participatory and open to provide an impression to the community citizens that tax and other available resources would be used in their interests. The field observations from this study and Talukdar (2019) reveal that the budget preparation of the local government union council is to a great extent participatory.

A union council takes the community inputs in the budget-planning process from the ward or subunion level, and presents a comprehensive draft budget to the open budget meeting for getting the inputs on public review of the budget before the budget gets officially endorsed by the elected council. The problem, however, is bestowed with the limited local tax-base and absence of local authority on taxation, incompetent councils and shortage of professional human resources, the poor capacity of union councils to collect their assigned revenue from the household and other taxes, as well as from other sources, and poor competence of the elected chairs and councils to maintain the standard delivery of public services.

Talukdar (2019) observes that a union council receives most of its revenue as inter-governmental transfers, including development assistance and social safety-net supports, local government project assistance as block grants and a percentage of pay and allowance support for UP secretary, village polices and elected representatives of the council. In a 2016 study, Rahman et al. (2016) observe:

Union Councils lack skilled human resources and adequate incentive to increase their revenue base and manage the taxation system efficiently and effectively. Union Council tax rates are fixed by the central government as shown in the Union Council-Model Tax Schedule. (p. ix)

The finding of this study in this regard is similar to Rahman et al. (2016), but additionally, it reveals the fact that the local tax-base is too limited fundamentally because of the heavily imbalanced distribution of the revenue authority and political economy between the national and local governments, immensely favouring the national government.

Talukdar (2019) observes the fact that union councils fail to maintain their revenue records and statements appropriately. In the 2019 study of Talukdar, almost half of the sample union councils have faced complications and taken long periods to deliver appropriate data relevant to the revenue assignments (see Appendix 3).

Such lengthiness to satisfy data requests reveals the concerns of inadequate documentation and poor record-keeping of concerned UPs that are innately linked to the fragile institutional-ownership and poor accountability of the elected representatives, particularly heads of the councils.

Furthermore, the value of public money is crucially important, and so the expenditure management of local government UPs is fundamental to fiscal decentralisation and local political economy. Talukdar (2019) observes the fact that 'present year expenditure information to a certain extent is publicly available, but old expenditure data, even the information, and data of recent past fiscal years, are not properly recorded and maintained. It has taken also a long period to collect expenditure details of three recent-past fiscal years, i.e. 2016–2017, 2015–2016 and 2014–2015' (see Appendix 4). In the 2019 study of Talukdar, evidence of such

a worsening situation is found at least in 40% of sample union councils, where union council secretaries got recently transferred. Certainly, disorganised documentation and poor maintenance of expenditure statement records have screwed this problem.

Transparency and institutional ownership

The envisioned results of decentralisation are participatory, transparent and accountable local governance, and citizen-centric efficient service delivery. Central to all these aspects are capacity and institutional ownership of the elected councils, as well as downward accountability of elected representatives of the same. As part of the transparency of the councils, their revenue and expenditure information is supposed to be made publicly available. Previously discussed two evidences from Talukdar (2019) reveal the fact that local government union councils in Bangladesh are in the emergent stage to effusively disclose the revenue and expenditure information.

Both this study and Talukdar (2019) reveal that central limitation towards the effective functioning of the local government union councils in Bangladesh is more related to the crisis of ownership and competence of the elected council, rather than just to the external influences that somewhat affect their autonomy in budgeting process and decisions. Local governments in Bangladesh, particularly union councils, are yet to be developed with a high sense of self-responsibility, committed leadership and capability. Once these grow, the basis for shrinking government conditions to subnational transfers, as well as increasing local discretionary authority and tax-base by subverting the national government resource-base at the local level shall be grounded.

Conclusion

The local government planning and budgeting seem to be central in the discussion of subnational fiscal decentralisation and local political economics. Also, scarcity of resources in union councils or UPs in Bangladesh ought to influence in making local government UPs resource-centric. This, in effect, makes local government union councils severely dependent on the 'incrementalistic' budgetary approach of the national government and on highly 'conditional inter-governmental transfers' for undertaking their assigned responsibilities and for serving the community.

The rationality of the government conditions and control on local government union councils is vested in the crisis of self-responsibility and competence of union council chairs and members. Justification of the government conditions is additionally embedded in the inevitable inter-governmental resource dependency and in the importance of ensuring the financial accountability of the councils.

The research reveals that 'budgetary incrementalism' and 'high conditionality' to inter-governmental transfers may

undermine the essence of community stakeholders' consultations and spirit of local governance – that is, responding to community-centric concerns and community-driven development. The study also unveils that central limitation towards the effective functioning of the local government union council in Bangladesh is more related to the crisis of ownership and competence of the elected council, rather than just to the external influences that somewhat affect their autonomy in the budgeting process and decisions. The research suggests that the local government must be given autonomy in terms of levying taxes instead of relying on a highly conditional, incremental annual grant to serve its various stakeholders.

Secondly, building governance shields by increasing citizenry awareness and by incorporating public disclosure of all revenue assignments and expenditure responsibilities could prevent financial leakage and improve service transparency. Thirdly, procedural improvement, appropriate professional human resource support and capacity-building interventions seem to be crucial requirements to overcome the challenge of institutional accountability crisis.

But unless the elected representatives, especially chairmen of the council, show an inclination for institutional commitment and ownership, the accountability framework does not work strongly in this context. Despite the similarities in spirit, the notions and applied practices of the 'community perception of accountability' are different. For instance, local citizens are more concerned about roads and constructions, apparently fair distributions of reliefs and social safety-net schemes, the social connection of the elected representatives, and public access to them, rather than formal earnings and expenses-related accountability of the councils. Furthermore, community people are more concerned about immediate outputs, visibility and quantity, rather than the quality of services and sustainable development of the society.

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Competing interests

The author declares that no competing interests exist, except the declaration of the copyright of the data-set used in the appendices belongs to the author. The author, however, acknowledges that Appendix 3 and Appendix 4 data-set of this paper was previously used in his 2019 study. Thus, the author cited his 2019 study as the data source of the concerned appendices.

Author's contributions

The author declares that he is the sole author of this research article.

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Disclaimer

The views and opinions expressed in this article are those of the author and do not necessarily reflect the official policy or position of any affiliated agency of the author.

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Appendix 1: Sample union councils or union parishads

Sunamganj district in Bangladesh	
Jamalgonj Upazila (or subdistrict)	Dharmapasha Upazila (or subdistrict)
Fenarbak Union Parishad (UP)	Madhanagor (UP)
Bhimkhali UP	Uttar Rajapur UP
Jamalgonj Sadar UP	Joyshree UP

UP, Union Parishad.

FIGURE 1-A1: List of sample local government union councils or Union Parishads.

Appendix 2: Legal basis of UP budgeting

TABLE 1-A2: Legal basis of local government union council budgeting.

Sl. no	Legal documents	Clauses
01	Constitution of the People's Republic of Bangladesh	Articles 11, 59 & 60
02	The Local Government (Union Parishad/Council) Act, 2009	Sections 57 (1-2)
03	Rules of Union Parishad/Council (Development Plan), 2013	Rules 3(2, 10), 5(2,3), 6 (2b, 2e)

Appendix 3: UP revenue statement

Revenue nature	I. Joyshree (BDT)			II. Uttar Rajapur (BDT)			III. Madhanagor (BDT)			IV. Jamalgonj Sadar (BDT)			V. Bhimkhali (BDT)			VI. Fenarbak (BDT)		
	2016-17	2015-16	2014-15	2016-17	2015-16	2014-15	2016-17	2015-16	2014-15	2016-17	2015-16	2014-15	2016-17	2015-16	2014-15	2016-17	2015-16	2014-15
1. Own revenue	81,496 26%	64,707 2.3%	9,500 0.3%	130,000 1.4%	13,250 0.2%	123,000 1.6%	219,000 3.7%	82,000 1.1%	82,000 1.2%	896,062 7.5%	1072,791 8.4%	1278,457 8.5%	104,000 1.2%	189,000 1.8%	342,000 3%	1240,339 7.8%	733,460 5.8%	1132,909 11%
2. Inter-governmental transfer	2994,064 97.3%	2661,568 93.6%	2845,239 99.7%	8567,083 91.3%	7365,396 90.6%	6797,048 90.2%	5740,000 96.2%	7234,000 98.9%	6590,000 98.8%	10082,225 84.3%	11588,475 91.3%	13007,898 86.1%	8112,000 96.4%	8620,000 81.1%	8271,000 73.8%	12972,744 81.4%	11024,974 87.8%	9211,140 89%
3. Private and non-governmental support	0 0%	0 0%	0 0%	524,881 5.6%	607,792 7.5%	617,688 8.2%	0 0%	0 0%	0 0%	985,679 8.2%	37,590 0.3%	819,132 5.4%	200,000 2.4%	1819,000 17.1%	2602,000 23.2%	1729,000 10.8%	800,000 6.4%	0 0%
4. Surplus or (deficit) from the previous	2,935 0.1%	118,260 4.1%	0 0%	163,620 1.7%	143,120 1.7%	0 0%	4,000 0.1%	0 0%	0 0%	0 0%	0 0%	0 0%	0 0%	0 0%	0 0%	0 0%	0 0%	0 0%
Total	3078,495 100%	2844,535 100%	2854,739 100%	9385,584 100%	8129,558 100%	7537,736 100%	5962,000 100%	7316,000 100%	6672,000 100%	11963,966 100%	12698,856 100%	15105,487 100%	8416,000 100%	10628,000 100%	11215,000 100%	15942,083 100%	12558,434 100%	10344,049 100%

Source: Talukdar, M.R.I., 2019, 'Autonomy in budgeting decisions of local government union councils: A study of Bangladesh', *Journal of Public Administration and Governance* 9(2), 30–70. <https://doi.org/10.5296/jpag.v9i2.14773>

FIGURE 1-A3: Revenue statement of local government union councils.

Appendix 4: UP expenditure statement

Expenditure nature	I. Joyshree (BDT)			II. Uttar Rajapur (BDT)			III. Madhanagor (BDT)			IV. Jamalgonj Sadar (BDT)			V. Bhimkhali (BDT)			VI. Fenarbak (BDT)		
	2016-17	2015-16	2014-15	2016-17	2015-16	2014-15	2016-17	2015-16	2014-15	2016-17	2015-16	2014-15	2016-17	2015-16	2014-15	2016-17	2015-16	2014-15
1. Social protection or safety net	1055,111 35%	988,360 35%	1391,913 50.8%	5705,239 62.1%	4674,710 58.7%	4706,224 63.6%	700,000 12%	904,000 12%	750,000 11%	5102,945 43%	6336,515 50%	6336,515 42%	4069,165 48.3%	4303,554 40.5%	3406,447 30.4%	8788,316 55%	6428,782 51%	4697,949 45%
2. Community development	1147,916 38%	1128,108 40%	937,500 34%	2288,818 25%	2562,958 32.2%	2270,306 30.7%	4400,000 74%	5809,000 79.5%	5332,000 80%	5703,696 48%	5389,025 42.5%	7926,938 52%	3831,135 45.5%	5815,746 54.7%	7294,753 65%	6159,251 38.5%	5144,608 41%	4771,924 46%
3. Salary and allowances	791,037 26%	545,100 19%	399,276 15%	1169,937 12.8%	717,190 9%	418,086 5.7%	791,000 13%	545,000 7.5%	545,000 8%	1012,016 8%	792,296 6%	554,618 4%	495,700 6%	490,700 4.6%	488,400 4.4%	885,508 5.5%	885,508 7%	790,394 8%
4. Office operational cost	20,000 1%	180,032 6%	7,790 0.2%	9,970 0.1%	11,080 0.1%	0	67,000 1%	54,000 1%	45,000 1%	145,309 1%	181,020 1.5%	287,416 2%	20,000 0.2%	18,000 0.2%	25,400 0.2%	109,008 1%	99,536 1%	83,782 1%
Total	3014,064 100%	2841,600 100%	2736,479 100%	9173,964 100%	7965,938 100%	7394,616 100%	5958,000 100%	7312,000 100%	6672,000 100%	11963,966 100%	12698,856 100%	15105,487 100%	8416,000 100%	10628,000 100%	11215,000 100%	15942,083 100%	12558,434 100%	10344,049 100%

Source: Talukdar, M.R.I., 2019, 'Autonomy in budgeting decisions of local government union councils: A study of Bangladesh', *Journal of Public Administration and Governance* 9(2), 30-70. <https://doi.org/10.5296/jpag.v9i2.14773>

FIGURE 1-A4: Expenditure statement of local government union councils.