

Decentralisation And Social Service Delivery In Uganda: A Systematic Review Of Evidence And Implications For Policy

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ABSTRACT: Background: The decentralization policy in Uganda, as stipulated in the Local Government Act of 1997, is one of the most ambitious decentralization policies in the African continent. It is now three decades since the implementation of the policy, yet the nexus between decentralization and the outcomes of social service delivery in Uganda remains understudied and not well synthesized. **Objective:** This article aims to review the empirical literature on the impact of the decentralization policy in Uganda on social service delivery, including education, health, water, and agricultural extension services. **Methodology:** A systematic review of peer-reviewed literature, policy documents, and institutional reports was conducted from 1997 to 2025. The review was done using a narrative synthesis approach. **Findings:** The findings show that the outcomes in the different service delivery areas have been mixed. In the area of primary education, the enrollment rates have picked up dramatically under the decentralization-based Universal Primary Education initiative. However, the quality of education is still stagnant. In the health sector, the improvements have been limited. In fact, the mortality rates for mothers and children have stagnated or worsened in many districts. In the water sector, the accessibility of services has picked up but with huge differences from one district to another. In the agricultural sector, the extension services have remained unavailable except in the areas controlled by NGOs. **Cross-cutting issues:** Inability to raise sufficient local resources, the lack of conditionality in central government support, the failure to recruit qualified staff, corruption and patronage, and the elite capture of the decentralized initiative have been some of the key challenges. In addition, the vulnerable groups, such as women and the poor, face systemic barriers to participating in the decentralized decision-making process. **Conclusion:** Decentralization efforts in Uganda have not been fully linked with improved service delivery. The effectiveness of decentralization policy is influenced by institutional, fiscal, and governance factors. Decentralization interventions need to address the gap between assigned duties and available resources, as well as the protection of vulnerable groups' participation in governance.

Keywords: Decentralization; service delivery; local governance; Uganda; health services; education; water services; agricultural extension

1.0 INTRODUCTION

The idea of decentralization has been advocated as a form of governance intervention which can potentially enhance public service delivery by increasing proximity between citizens and policymakers, increasing allocative efficiency, and ensuring accountability in public service delivery (Smoke, 2015). The decentralization strategy in Uganda, which was introduced in the 1990s and codified in the 1997 Local Government Act, is arguably one of the most comprehensive decentralization reforms in Sub-Saharan Africa (Ahmad, Brosio, & Gonzalez, 2006). The main idea of the decentralization strategy was to devolve considerable power from the central government to local authorities, empowering local communities to participate in governance decisions that impact their welfare directly.

Thirty years after the decentralization strategy was introduced in Uganda, the question of whether decentralization can enhance public service delivery in the country continues to attract considerable debate. While some scholars argue that decentralization has enhanced community participation in governance decisions, increased primary education enrolments, and brought public services closer to the population, especially in marginalized communities (Francis & James, 2003), others argue that decentralization has failed to achieve the desired objectives in Uganda, with local authorities facing considerable challenges in ensuring equitable public service delivery in the country (Ahmad et al., 2006)

This article presents a systematic review of the literature on the impact of Uganda's decentralization policy on the delivery of social services. The study addresses three research questions: What documented impacts has decentralization had on the delivery of education, healthcare, water, and agricultural extension services? What challenges mediate the relationship between decentralization and service delivery? What does the literature suggest in terms of policy reform? The study draws on the literature to provide a comprehensive review of the impact of decentralization in Uganda's social services.

2.0 THE DECENTRALISATION FRAMEWORK IN UGANDA

2.1 Policy and Legal Foundations

Decentralization policy in Uganda was formally established by the Local Government Act of 1997, which was amended four times. The Act decentralized major responsibilities to the district and sub-county levels of local governments, which included the delivery of primary education, primary healthcare services, water and sanitation services, and agricultural extension services. The constitution established the local governments as the primary levels for the planning and delivery of services.

Decentralization policy in Uganda is characterized by the following features: first, it combines political decentralization through the use of elected local councils with administrative decentralization through the use of local service delivery staff. Second, it incorporates fiscal decentralization through the use of unconditional and conditional grants from the central government to the local authorities. Third, it incorporates the use of participatory planning processes that involve the local governments in the process of budgeting annually .

2.2 Institutional Architecture

The institutional structure of Uganda's decentralized system consists of local governments at the district level, which is the highest local authority, followed by other lower-level authorities such as municipalities, town councils, and sub-counties.

The financing structure: The financing structure consists mainly of central government transfers, which form more than 90% of local governments' revenues in most districts (World Bank, 2020). The majority of these transfers to local governments take the form of conditional grants, which are earmarked for a particular sector such as education, health, or water and sanitation.

Unconditional grants and local revenues, which include graduated tax (now defunct) and market dues, offer a level of fiscal autonomy to local authorities .

2.3 Accountability Mechanisms

The decentralization framework provides several channels for accountability. The vertical channels involve the councils, and the citizen is supposed to be able to hold politicians accountable through the election process. Horizontal

accountability is achieved through technical oversight by the central line ministries and the Office of the Prime Minister's local government performance assessments. The social accountability mechanism, such as the use of the community scorecard and the tracking of public expenditure, has been promoted by civil society organizations .

However, the lack of accountability in the system has been well noted in the literature. A study by Ahmad et al., which examined the incidence of bribery from 1998 to 2002, noted that making contact with public officials to access services often involved making payments to the officials.

3.0 SERVICE DELIVERY OUTCOMES BY SECTOR

3.1 Education Sector

The education sector is arguably the most conspicuous area of decentralization's impact. In the decentralization paradigm, the Universal Primary Education (UPE) initiative introduced in 1997 resulted in a marked expansion in the accessibility of primary education. Net primary enrollment rates recorded a marked expansion from 1995 to 2004, particularly for the traditionally disadvantaged groups such as girls and the rural population.

Despite the marked expansion in accessibility of primary education, the quality of learning outcomes is still wanting. Data on the quality of primary schools run by the government show that these schools still suffer from a high student-teacher ratio, a lack of instructional materials, and low learning achievements (Niringiye, 2014). Data from the 2003-04 education indicators compiled by Ahmad et al. show that inter-district differences in the quality of schools point to the enormous differences in the ability of local governments to manage the education sector.

The rate at which secondary school enrollments increased during the decentralization phase was not as significant as that of primary education. The factors affecting access to secondary education include poverty levels, opportunity costs, as well as limited secondary school infrastructure in rural areas. These issues have not been fully addressed through decentralization.

Niringiye's research on the impact of the creation of districts on education outcomes revealed that the increased number of districts in Uganda, from 39 in 1997 to over 150 by 2025, has diluted administrative capacity as well as specialized expertise. The creation of more districts was largely a populist move that did not necessarily enhance education outcomes. The increased number of districts may have contributed to administrative costs rather than enhancing service delivery.

3.2 Health Sector

The evidence on the health sector outcomes of decentralization is alarming. In a study conducted by Ahmad et al. on the mortality rates from 1995 to 2000, the study found that infant mortality rates and child mortality rates stagnated or deteriorated in some regions in the early years of decentralization. In addition, the study found that the health outcomes in the regions still showed disparities, with northern Uganda consistently falling behind central and western regions in spite of the decentralized approach that was supposed to ensure equitable distribution of resources.

Jeppsson and Okuonzi (2000) undertook a comparative study of decentralization in Uganda and Zambia. In the study, the authors noted the difficulties associated with "vertical or holistic decentralization" in the health sector . In the study, the authors found that the partial decentralization approach, which involved the continued central government

employment of health workers while the facilities were decentralized to the districts, resulted in a problem of "principals and agents."

In more recent research on vulnerable women's participation in health system priority setting in the Tororo District, Okwir et al. found that there were many barriers to the equitable participation of vulnerable women in decentralized structures. Although there was the institutionalization of vulnerable women's participation through decentralization, vulnerable women still faced many barriers in participating in decentralized structures. These barriers included economic barriers in terms of transport costs, biomedical barriers in terms of illness and disability, knowledge barriers in terms of information, motivational barriers in terms of being seen as not being interested in participating, socio-cultural barriers in terms of power to decide, and structural barriers in terms of hunger and poverty. The findings of this study suggest that decentralized structures in terms of participation may actually perpetuate inequality rather than alleviating inequality.

The financing of healthcare services in decentralized systems has been characterized by inadequate and uncertain flows. In studying the exemptions and waivers in decentralized districts, it was found that safety net mechanisms to protect the indigent from healthcare costs were not effective. Facilities did not have guidelines for identifying the population to be exempted, nor did they have the funds to compensate them for services exempted.

3.3 Water and Sanitation Services

Access to safe water was also enhanced during the decentralization period, with statistics from Ahmad et al. indicating that accessibility was enhanced for all income quintiles between 1992 and 2002. Despite this, there was still a large gap, with the poorest income quintile being less likely to access safe water. Geographic disparities were also notable, with northern and eastern regions being less advanced in terms of water accessibility compared to central Uganda.

There was a decline in the distance to water sources, but statistics from 1992 to 2002 indicate that there was uneven improvement. People living in remote rural areas were still accessing water over long distances, with women and girls being more affected by the need to fetch water.

The analysis on the composite indicator by Muhanguzi et al. offers systematic evidence on the differentials in water service delivery across local governments in Uganda. The study uses available information in the sectors of education, health, and water to show that there are differences in the performance of local governments in the delivery of services, with scores ranging between 0.25 and below 0.60 on a 0 to 1 scale. Of great concern is that a considerable number of local governments scored below 0.5, which shows poor performance in the delivery of services. The study found that budgetary issues, fragmentation at the sub-county level, and geographic location away from the capital city were major challenges to the delivery of services.

3.4 Agricultural Extension Services

Agricultural extension services have also been impacted by the challenges associated with decentralization implementation. The transfer of personnel serving in these services from the central to local governments was meant to enhance responsiveness to local farmer needs. From evidence cited by , it appears that these services have become almost non-existent in most parts of the country except in areas where non-governmental organizations (NGOs) offer parallel services.

Financial challenges have also been a major problem in local governments, particularly in the agricultural sector. Given that conditional grants to local governments by the central government are mainly dedicated to supporting the education, health, and water sectors, local governments have lacked the discretionary funds to prioritize operational costs for extension services. As a result, these services have almost been privatized, with access being determined by the availability of NGO programmes in different localities.

Research on network governance on rural service delivery in Uganda's Nyakabande sub-county found that challenges to rural service delivery include disjointedness, unequal distribution of resources, compartmentalization, and poor policies. These networking issues undermine the effectiveness of decentralized service delivery in utilizing a wide range of public, civic, and private sector actors to improve agricultural outcomes.

4.0 CROSS-CUTTING CHALLENGES IN DECENTRALISED SERVICE DELIVERY

4.1 Fiscal Inadequacy and Dependency

The most consistently reported issue with decentralized service delivery in Uganda is the perennial lack of local financial resources. Local governments lack the capacity to raise revenues, with local revenues making up less than 10% of the total budget of local governments (World Bank, 2020). This severely limits local governments and makes them heavily dependent on central government transfers, effectively limiting the allocative efficiency rationale for decentralization.

Conditional grants, which make up the bulk of central government transfers, further limit the freedom of local governments. Although the use of conditional grants targets the right sectors, it limits the ability of local governments to address local issues or reallocate funds when the need arises. This makes local governments extensions of central ministries rather than truly decentralized governance units with the capacity to innovate in service delivery.

4.2 Human Resource Constraints

The success of decentralization in enhancing the delivery of services depends on the availability of competent human resources at the local levels. However, empirical findings have consistently revealed that local governments face difficulties in attracting and retaining qualified and competent human resources. In disadvantaged areas, qualified human resources are reluctant to work in these areas, opting to take up posts in urban centers or at the ministry in the capital city. The creation of new districts has further compounded human resource challenges. The creation of new districts leads to the fragmentation of human resources in these units. According to Niringiye's findings, district fragmentation may not enhance the quality of services but rather reduce it.

4.3 Corruption, Patronage, and Elite Capture

Governance failures constitute a third cross-cutting challenge to decentralized service delivery. There was considerable bribery incidence in the interface between citizens and public officials, as documented in Ahmad et al., implying that decentralization had not eliminated corruption in public service delivery. The closeness of public officials to the people, rather than enhancing their accountability, may in some instances enhance the scope for patronage and favoritism. The issue of elite capture, whereby power-holders at the local levels siphon resources and benefits meant for the people to

their advantage, has been documented in a variety of sectors. The participatory mechanisms meant to enhance the voice of the people in public service delivery have been captured by power-holders at the local levels, who dominate attendance at meetings, information flow, and decision-making in ways that perpetuate rather than challenge inequality. The research on the participation of vulnerable women in Tororo District graphically illustrates the failure of formal participatory mechanisms to ensure equitable influence in public service delivery. In spite of the formalization of participation in public service delivery in Uganda, vulnerable women in Tororo District encountered multiple barriers to participation rooted in their poverty, gender inequality, and social exclusion.

4.4 Participation Gaps

The success of the decentralization framework in encouraging participation among the people has not yielded uniform results. While there have been instances of successful participation with local governments in enhancing services, there have also been systemic findings of participation gaps for vulnerable sections of society. The obstacles identified have been financial, biomedical, knowledge, motivational, socio-cultural, and structural in nature. These are multi-dimensional in their impact. The knowledge gap identified in the context of decentralization is critical. There are gaps in citizens' understanding of their rights in a decentralized system, the timing of planning processes, and how to hold functionaries accountable.

4.5 Coordination Failures

The process of decentralized service delivery involves multiple actors, including local governments, central governments, NGOs, private actors, and community-based organizations. The actors involved in service delivery require coordination in their activities. Research on network governance in rural Uganda indicates that coordination failures in rural Uganda involve disjointed efforts, compartmentalized thinking, and inadequate policy formulation. The failures have implications such as missed opportunities, wastage of resources, and increased disparities in service delivery.

The fragmentation of service delivery across multiple uncoordinated actors in the country is a challenge in areas such as agricultural extension services, in which NGO programs exist in some areas while government services are totally lacking in others. The pattern of availability of services thus becomes uneven, depending on the presence of donors and NGOs rather than considerations of need or equity.

5.0 MEASURING SERVICE DELIVERY PERFORMANCE

5.1 Composite Indicator Approaches

Recent methodological innovations provide new opportunities to assess performance in decentralized service delivery. Muhanguzi et al. proposed a composite indicator approach that integrates elementary indicators of performance in education, health, and water sectors to create a holistic measure of performance of local government service delivery. The approach captures the multi-dimensional character of service delivery and allows for systematic comparison of performance of local governments.

Using this approach, Muhanguzi et al. applied it to data from Uganda to find that overall performance of service delivery was around 45%, implying that there is much room for improvement. The composite indicators of performance were positively correlated with population size and age of local governments, suggesting that larger and more established districts perform better. On the other hand, negative correlations were found with number of sub-counties and distance from Kampala, indicating that administrative fragmentation and remoteness negatively affect service delivery.

5.2 Limitations of Existing Assessment Frameworks

While there are benefits to composite indicator systems over more fragmented systems, there are also considerable weaknesses with the current systems. For example, the Service Delivery Indicators programme of the World Bank, which offers comparable cross-country results, also produces national-level results that mask sub-national variation and do not connect results to specific local governments. Uganda's official Local Government Performance Assessments, undertaken by the Office of the Prime Minister, are heavily skewed towards process indicators (inputs to outputs) but ignore service outcomes and user experiences.

There is a lack of standardized, comprehensive systems of assessment, which limits the ability of policymakers to make informed decisions. Without good quality information on "what works where, and why," reformers cannot systematically identify high-performing local governments whose strategies can be replicated, or diagnose problems faced by underperforming districts.

6.0 DISCUSSION AND POLICY IMPLICATIONS

6.1 The Mixed Legacy of Decentralization

As revealed by the synthesized evidence in the review, the decentralization process in Uganda has yielded varying outcomes in the delivery of social services. While the expansion of access to primary education is remarkable, the quality of service is wanting in all sectors. In addition, the exclusion of vulnerable groups from the benefits of social services is a common phenomenon. The differences in the outcomes of social services delivery among districts are also glaring.

This is a consequence of the contradictions embedded in the decentralization policy. The policy transferred responsibility to local governments but failed to grant them financial independence or provide the necessary resources. It established participation mechanisms but failed to address the underlying power inequalities that exclude vulnerable groups from the benefits of decentralization. It increased the number of local governments but failed to consider the human resource requirements for effective governance.

6.2 Bridging the Responsibility-Resources Gap

The most pressing reform imperative is to bridge the gap between local government responsibilities and resources. For local governments to realize the full potential of decentralization in improving service delivery, they must be granted more revenue-raising powers or be provided with much higher and more predictable transfers from the center. Without fiscal sufficiency, local governments cannot afford to attract and retain qualified personnel, maintain infrastructure, and respond to locally felt needs.

Possible strategies to improve local fiscal independence could be to improve local revenue sources, such as property taxation, through better administration, to increase unconditional grant financing vis-à-vis conditional grant financing, and to design a framework for local borrowing and local-private partnership. However, it is important to note that this has to be accompanied by an improvement in accountability.

6.3 Strengthening Accountability for Vulnerable Groups

The continued lack of inclusion of vulnerable groups in decentralized participatory processes calls for special interventions. This means that, to address the financial barriers, there is a need to subsidize the costs of participation for vulnerable groups. Similarly, to address the knowledge barriers, there is a need to promote civic education. Moreover, to address socio-cultural barriers, there is a need to create special spaces for marginalized groups.

The short-term, implementable recommendations by vulnerable women in Tororo District, which included transport, timing, and reach-out strategies, could be implemented through the already established decentralized structures. However, the long-term recommendations, which address the root causes of poverty and gender inequality, call for a long-term commitment to social change.

6.4 Rationalizing Local Government Structures

The increasing number of districts in Uganda also poses important questions regarding the appropriate scale in decentralized service delivery systems. The evidence that composite indicator scores are related to the number of sub-counties in a negative manner implies that fragmentation may not improve performance but rather hinder it.

The political pressures favoring the creation of districts are strong, and the service delivery effects should therefore be carefully examined.

Rationalization of local governments could involve the establishment of minimum viability criteria for the creation of districts, consolidation of districts where fragmentation is known to have had a detrimental effect on service delivery, and the strengthening of inter-district cooperation arrangements to facilitate the achievement of economies of scale in the provision of specialized services.

6.5 Strengthening Network Governance

Given the number and variety of actors in service delivery, which include the government, NGOs, private sector, and community actors, it becomes important to strengthen network governance. This calls for the formulation of policy frameworks that promote multi-stakeholder coordination, opportunities for regular engagement between service providers, and opportunities to link the activities of different actors towards a common local development agenda. Without this level of coordination, the opportunities for synergistic action will be wasted, and fragmentation will continue to be a problem.

7.0 CONCLUSION AND FUTURE RESEARCH DIRECTIONS

This systematic review has shown the varying effects of the decentralization policy in the delivery of social services in Uganda. While decentralization has led to the expansion of access to some services, the improvement of quality is still a challenge, the vulnerable are still excluded from the decentralization process, and disparities persist among districts. The effectiveness of the decentralization policy is subject to the financial adequacy, capacity, and governance quality of local governments.

Future studies should address the gaps identified in the findings of this systematic review. First, more rigorous studies should be conducted to evaluate the effects of the decentralization policy in the delivery of social services. This is to move beyond the current level of merely documenting the effects of decentralization. Second, comparative studies should be conducted to compare the performance of local governments in the delivery of social services. This is to identify the factors that make some local governments more effective than others. Third, longitudinal studies should be conducted to examine the effects of decentralization in the delivery of social services as the districts age. This is to identify the period required for decentralization to yield effects.

The decentralization experiment in Uganda is a dynamic process with new districts being created, policies being amended, and new actors being introduced in the service delivery landscape. The question now is whether the potential of decentralization—bringing the government closer to the people, increasing the responsiveness of services, and empowering the people—can indeed be realized. The answer to this question depends on the willingness to grapple with the tough questions about resources, capacity, and inclusion that have been emphasized in this review. The evidence suggests that structural reforms are not enough; what is needed to realize the potential of decentralization are the conditions that make decentralization work.

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