
**INTERNAL CONTROLS AND SERVICE DELIVERY OF DISTRICT LOCAL
GOVERNEMENTS IN UGANDA; A CASE OF PALLISA DISTRICT LOCAL
GOVERNEMENT**

BY

OKIRIA SAM


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DECLARATION

I **OKIRIA SAM** declare that the contents of this research paper have never been submitted to any other university or higher institution of learning for the granting of any degree or other comparable certification.

Signature: 

Date..... 19/05/2025

Student Name; OKIRIA SAM

Registration No: BU/UP/2022/1312

APPROVAL

This research report has been submitted for examination with my permission as a university supervisor.

Signature 

Date 19/8/2025

Mr. ESUKU JOSEPH

ACADEMICA SUPERVISOR

DEDICATION

I dedicate this research to the Lord Almighty, who has provided me with wisdom, good health, and protection throughout my life, as well as to my dearly adored parents, whose wisdom, commitment, and unconditional love have encouraged me to reach my full potential. I also dedicate the report to my Academic supervisor, Mr. Esuku Joseph for the support and guidance of this research thesis to completion. I pray that God Almighty may bless them abundantly.

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LIST OF ACROYMS

AG	Auditor General
ICS	Internal Control Systems
CVI	Content Validity Index
OECD	Organisation for Economic Co-operation and Development
MFPED	Ministry of Finance Planning and Economic Development
FY	Financial Year
IFRS	International Financial Reporting Standard
IMF	International Monetary Fund
LG	Local Governments
LG FAR	Local Governments (Financial and Accounting) Regulations
PFMA	Public Financial Management Act
PDLG	Pallisa District Local Government
SDGs.	Social Developmental Goals
PFA Act	Public Finance and Accountability Act
SD	Service Delivery
OAG	Office of the Auditor General
SPSS	Statistical Package for Social Sciences

ABSTRACT

This study examined the effect of internal controls on service delivery of district local government in Uganda, a case of Pallisa district local government. The study applied a cross sectional research design, and a quantitative approach. Data were collected from 68 employees from a population target of 82, consisting of including, the accounting officers, finance officers, administrative officers, and support staff. Data were collected using a closed-ended questionnaire, and data were analyzed using Statistical Packages for Social Sciences, which yielded frequency tables, correlation, and regression results. The study found that there is a positive and statistically significant link between internal control measures (control activities, control environment, and monitoring controls) on service delivery. The study therefore, recommends that efforts to improve service delivery depend on an appropriate and effective internal control, and that local government should consider having a well-built oversight role and policies to monitor and supervise activities and audit to help in proper recording and presentation of reports which enhances on services delivery.

CHAPTER ONE

INTRODUCTION

1.0 Introduction

This chapter presents the background of the study, statement of the problem, the purpose of the study, research objectives, research questions; the scope of the study; the significance of the study; and the conceptual framework.

1.0 Background of study

The performance of public institutions, especially with relation to service delivery, has been a source of concern for the central government and citizens over the years. In order to satisfy citizens' needs, local governments (LGs) have to deliver high-quality services (Asiimwe & Namanya, 2021). Service delivery is defined as the relationship between policymakers, service providers, and consumers of those services and encompasses both services and their supporting systems (MoLG, 2021). It's therefore a mechanism that local government uses to meet the needs and expectations of the people it is intended to serve. The ability of a local government to meet national service delivery needs is a source of credibility on their part to achieve value for money through quality, cost efficiency in the use of resources, and timely delivery as its key indicators (Kalonda & Govender, 2021).

In the same way, studies have shown that service delivery can be enhanced through internal controls in local governments by helping to prevent fraud and resource mismanagement, which can hinder the delivery of essential services like health, education, and infrastructure (Gordon & Abbey, 2019). It should be noted that strong internal controls promote compliance with laws and regulations, build public trust in government operations, and allow for better planning and resource allocation. The key internal controls that can be used to improve service delivery include control activities, monitoring controls, and control environment. Implementing these controls fosters a culture of responsibility and continuous improvement among public servants (Alex, 2024). According to Mahlangu et al. (2025), service delivery at the local government level is driven by the degree of decentralization that stipulates a primary mandate of providing front line services in most basic services areas through sector policies, budget guidelines, technical supervision and support.

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