

Inter-Governmental Fiscal Relations and Effective Local Government Service Delivery in Nigeria: A Study of Nsukka Local Government Area, (2007-2015)

Eleje, Joy Ngozi

Department of Political Science Faculty of Social Sciences Enugu State University of Science and Technology, Enugu-Nigeria

ABSTRACT

The performance of the Local Government system in Nigeria in terms of effective service delivery to the people has become a subject of intense debate in recent times. While some believe that the Local Government has outlived its usefulness and therefore should be scrapped; others argue that the Local Government is a constitutionally designated third tier of government and has been hampered in the discharge of its functions by the nature of intergovernmental relations in Nigeria. This work therefore, investigated intergovernmental fiscal relations and effective Local Government service delivery in Nigeria with special reference to Nsukka local government of Enugu State, from 2007 to 2015. This work is anchored on the theory of input-output model of systems analysis. Survey design was adopted in the study. The main instrument for data collection was structured questionnaire. A sample size of 399 was derived using Yaro Yamani method. The data produced were analyzed and presented in tables with simple percentages, bar and pie charts. Among the findings of the study are that a) there is high level of undue political interference in the affairs of the Local Government by the higher levels of government b) Nsukka Local Government Area lack real autonomy and to that extent cannot perform its assigned functions effectively and c) the fiscal dependence of the Local Government on the State for funding through the instrumentality of the Joint State Local Government Account retracts from the capacity of the Local Government to render effective service at the grassroots level. Consequently, the study made several recommendations among which are that a) Local Governments should be granted full political autonomy to reduce undue interference from the state; b) the Local Government system should, as a matter of urgent national importance, be granted fiscal autonomy c) the Joint State Local Government Account should be scrapped without delay and d) conducting continuous capacity-building for Local Government workers to develop their capacities and skills.

Keywords: Inter-Governmental, Fiscal Relations, Delivery and Nigeria

INTRODUCTION

One of the essential ingredients of federalism is the existence of a fiscal arrangement that explains fiscal jurisdiction and the functional responsibilities among the various levels of government [1]. The fiscal arrangement among the different tiers of government in a federal structure is often referred to as fiscal federalism or inter-governmental fiscal relations [2,3,4]. One major feature of this is *fiscal decentralization*, which implies the devolution of taxing and spending powers to lower levels of government. This type of fiscal decentralization has become an important theme of governance in many developing

countries especially with federalist arrangements [5,6]. Accordingly, restructuring of governmental functions and finances between the national and the lower levels of government has been at the core of the development debate [7]. In real terms, virtually all the countries in the world today have several tiers of government; with the national government at the peak. In addition to this national level, there are lower tiers of government, which include the state/region and local governments. In many countries, the lower levels of government undertake important fiscal functions, both on the expenditure side

and with respect to revenues [8]. In such federal systems, various forms of fiscal arrangements between the national and lower levels of government determine the way in which taxes are allocated and shared among the various levels of government, and how funds are transferred from one level to another [9]. Thus, inter-governmental relations, both vertical (between levels of government) and horizontal (within levels) are important for the development and operation of an efficient and effective local government system. According to [10,11], it is the "workings of the myriad of inter-governmental relations that constitute the essence of the public sector in all countries".

A key issue in inter-governmental fiscal relations is the assignment of functions and finances to different levels of government. This can also be described as the allocation of the authority and responsibility for the public sector

decisions among different power centres. The traditional theory of fiscal federalism identifies three major functions for the public sector; macroeconomic stabilization, income distribution and resource allocation. The theory assigns the stabilization and redistribution of functions to the national government, while it assigns a significant role to sub-national governments in allocating resources [12,13,14,15]. The issue of fiscal federalism or inter-governmental fiscal relations in Nigeria has been very debatable and various governments at various times set up Commissions or Committees to address it since colonial times. Yet, even today, this issue continues to be in the front burner of national discourse. For example, the calls or demands for resource control clearly demonstrate that fiscal federalism is still an unsettled issue. Yet it is an issue we must find a way to resolve if we are to continue as a federation [10].

Research Questions

How does the frequent political interference by the federal and state governments affect effective service

delivery by the Nsukka local government Council?

Objectives of the Study

The objectives of this study include the following: To explain how the frequent political interference by the federal and

state governments affects effective service delivery of the Nsukka Local Government.

Scope of the Study

The scope of this study is limited to the "Intergovernmental Fiscal Relations and Effective Local Government Service Delivery in Nigeria: A Study of Nsukka LG, Enugu State (2007-2015)". However, given the fact that there are 774 local

governments in Nigeria, the researcher cannot possibly study each of them at the same time, thus she decided to narrow her study area to Nsukka Local Government in Enugu State using it as the case study.

METHODOLOGY

Hypothesis

For this study, we proposed the following hypotheses: H¹: The frequent political interference by the federal and state

governments affects effective service delivery by the Nsukka Local Government Council.

Research Design

In this research, Survey design was adopted. Structured questionnaire were used as the main instrument for data collection. [5] defined survey research method as a systematic gathering of primary data through the use of structured questionnaire or in-depth interview with reasonable large member

and a highly representative sample respondents. This design was chosen because it helped the researcher to gather relevant data that were appropriate to the study. This method was chosen in order to make reference to the phenomena as they actually exist.

Area of study

This study was carried out at Nsukka Local Government Area. Nsukka is a town in South-East Nigeria in Enugu State. LGs that share common border with Nsukka LG are Igbo-Etiti, Udenu, Igboeze-North, Igbo-Eze South and Uzo-Uwani. Nsukka LG is also famous as the home of University of Nigeria, the first indigenous Nigerian university, founded by Dr. Nnamdi Azikiwe, first President of Nigeria. Nsukka LG Area has twenty political wards. These political wards are Ogbozalla/Idi, Ibeku, Alor-uno, Ede-ukwu, Ede-nta, Edem-Ani, Akpa/Ozzi, Agbemebe/Umabor, Eha-uno, and Eha-Ndiagu. Others include Ibagwani/Ibagwaka Okpaligbo, Ejuona/Uwani, Akalite, Mkpunano, Ihe, Nru, Owerre/Umuoyo, Obimo/Ikwoka, Okpuje/Okutu/Anuka and Obukpa. Nsukka LGA has an area of 1,810 km² and

a population of 309,633 at the 2006 census. The Local Government Headquarters is located in the hilly and green sites which Nsukka is known for; close to the colonial quarters of the pre-Independence years. People of Nsukka LG belong to the Igbo stock and like other Igbo, are known to be republican and egalitarian in nature. Geographically, Nsukka belongs to the southern end of the savannah bordering the Middle Belt region of Nigeria. The LG is dotted by rivulets, plains, hills and undulating topography. The major occupation is subsistence farming and trading. Major crops include yam, cassava, plantain, banana, palm produce and vegetables including livestock. Mineral deposits include kaolin, coal and laterite.

Methods of Data Collection

This survey research relied on both primary and secondary data. Structured questionnaire was the major instrument in gathering primary data for this study. In addition, interviews, observation and discussions with local government officials and other stakeholders. Therefore, certain categories of people were interviewed to determine the effect of intergovernmental fiscal relations on local government administration. Such interview however involved face-to-face, verbal and non-verbal communication between the researcher and the respondents. This enabled the researcher to have a deeper understanding and knowledge of the issues of concern through verbal and non-verbal responses gathered from the interviewees through face-to-face interaction and through telephony or a combination of both. This was considered very appropriate instrument for gathering data on people's knowledge, values, preferences, attitudes, beliefs and life experiences. Similarly, the productivity actions of the actions of the staff were observed. This involved direct observation of staff at work. Direct observation is a systematic and careful

observation, which is situation-based and straight forward way of collecting data about human behaviour and attitude to work. The questionnaire was divided into two sections. Section 1 consisted of personal information, demographic issues and three clusters of questions respectively. The Lijkert scale type questionnaire comprising five response ratings of a) Strongly Disagree (3points); b) Disagree (2points); c) Undecided (1point), d) Agree (2points), and e) Strongly Agree (3points) was adopted. The respondents were requested to indicate their level of agreement or disagreement with each of the items in the second section of the questionnaire. On the other hand, secondary data refers to any written materials that were already in existence which were produced for some other purposes other than the benefit of the researcher. Such data were collected from periodicals, journals, statical record, official gazes and conference papers as well as internet or web-based resources legal records and published and unpublished works of other researchers in thisfield.

Population, Sample Size and Sampling Technique

Nsukka LGA has a population of 309,633 going by the 2006 census in Nigeria (*Federal Republic of Nigeria Official Gazette, 15th May, 2007*). The population of the study is made up of farmers, traders, Keke riders, civil servants, artisans and so many other groups that

look up to the Local Government for efficient and effective service delivery. The sample was selected from the population of Nsukka LGA as published in the 2006 census figures by the Federal Government of Nigeria using the Yaro Yamani method, represented mathematically as follows:

$$n = \frac{N}{1 + N(e)^2}$$

Where:

- n = Sample size
- N = Finite population or the total population of the area of study
- e = Limit of tolerable error
- 1 = Constant

Sampling is a process of selecting a proportion of a population considered adequate to represent all the existing characteristics of that population for the purpose of generalizing the findings from the sample about the sample itself, the target population and to any other population(s) having similar

characteristics with the target population, which in this case is 309,633. In order to select the sample size for this work, using the Yaro Yamani method, let us take the level of tolerable error to be 0.005. If this is our tolerable error, then our definite working sample would be derived thus:

$$n = \frac{309,633}{1 + 309,633(0.005)^2}$$

$$n = \frac{309,633}{1 + 309,633(0.0025)}$$

$$n = \frac{309,633}{1 + 774}$$

$$n = \frac{309,633}{775} = 399$$

Therefore n = 399. The definite working sample for this research was 399 persons,

which were spread as shown in the table below:

S/N	Name of Group	Population
1	Management Staff of Nsukka LG Council	50
2	Traditional Rulers Council, Nsukka LG	29
3	Amalgamated Town Union Assoc. Nsukka LG	70
4	Assoc. of Okada/Keke Riders, Nsukka LG	80
5	Nsukka LG Farmers Cooperative Society	60
6	Nsukka LG Professionals	50
7	Nsukka Market Women Association	60
	Total	399

Test of Validity

To test the validity of the instrument content validity was adopted in which the researcher subjected the instrument to a critical vetting by some authorities in the academia. Thus the instrument was given to some professors and senior lecturers at the Enugu State University of Science and Technology (ESUT), who examined the items and pointed out some gray areas

they considered ambiguous and made sure there were corrected by the researcher in line with the objectives of the study. The structure and language of the questionnaire were also modified in the light of their corrections and represented to them before they finally validated it.

Test of Reliability

[5] defines reliability as the ability of a particular measuring instrument to yield similar results when applied to the same situation at different times. Thus, test and re-test approach was adopted and pre-test was done using questionnaire administered to the respondents of some of the selected target respondents. A total of twenty (20) copies of the questionnaire were administered in the pilot test. All the

copies of the questionnaire distributed were completed and returned, but with some omissions and suggestions by the respondents which the researcher amended and served the questionnaire on the respondents again, until there were no more complaints from them. Thus, the reliability was confirmed through this test and re-test method.

Method of Data Analysis

The Structured/close ended questionnaires on intergovernmental fiscal relations and local government service delivery were administered to the respondents by the researcher and some volunteer research assistants. The primary data generated from the administered and returned Lijkert rating

scale questionnaires were collated and presented in tables, frequency distribution, simple percentage, bar and pie charts - all of which were used for descriptive analysis. For the secondary data, we made use of the method of content analysis.

Socio-Demographic Characteristics of Respondents

In this section, we present the frequency distribution of the respondents by their socio-demographic characteristics. A total of 399 questionnaires were distributed to the selected respondents by the researcher and her two assistants. Out of this number of questionnaires distributed

370 questionnaires were duly returned. In presenting this analysis, the word "uncertain" described respondents that were not specific in responding to some of the questions. After each table, there is a brief descriptive analysis to explain the responses

. Table 1: Return Rate of Questionnaires

No. of Questionnaires administered	No. of Questionnaires Returned	Percentage
399	370	93

Source: Field Report, 2017

The Socio-Demographic Characteristics of Respondents

The purpose of this section is to present the frequency distribution of the respondents by their socio-demographic characteristics.

Table 2: Frequency Distribution of Respondents by Sex

Sex	Frequency	Percentage
Male	223	60
Female	147	40
Total	370	100

Source: Field Report, 2017

The Table above represents the frequency distribution of respondents according to their sex or gender. It shows that 223 representing 60 percent of the 370 respondents that duly completed and returned their questionnaires in the study area are males; while 147 of the respondents representing 40 percent are

females. The interpretation of this is that the males constitute the majority of the respondents. We can explain this disparity in gender representation from the perspective of marginal participation by women in politics as well as in decision-making processes in the study area within the period under study.

Table 3: Distribution of Respondents by Age

Age	Frequency	Percentage
31-40 years	110	30
41-50years	153	41
51-60years	88	24
61years and above	19	5
Total	370	100

Source: Field Report, 2017

The age distribution of the respondents is shown in Table 3 above. From the table above, it is evident that 30percent of the respondents representing 110 respondents fall within the age range of 31-40 years. Equally, a good chunk of the respondents-153 of them representing 41percent fall within the age range of 41-50years. Eighty-eight (88) of the respondents representing 24percent are within the age range of 51-60years; while

only 19 of the respondents representing 5percent fall above 61years. This age distribution is important because it gave the researcher an opening to interact with a wide range of people belonging to different age categories; and who have different perspectives or understanding of fiscal and administrative autonomy for the local government in terms of efficient service delivery.

Table 4: Distribution of Respondents by Marital Status

Marital Status	Frequency	Percentage
Single	78	21
Married	258	70
Divorced	Nil	Nil
Widowed	34	9
Total	370	100

Source: Field Report, 2017

The marriage institution is a very important one in the study area; and we had to determine how many of the respondents that are involved in this institution. The reason is that the family

institution is predicated on the marriage and it is the family that feels the impact of service delivery by the LG. if the family is stable, the society at large will be stable. Thus from the table above, we

could see that only 78 of the respondents representing 21percent are single. However, a total of 292 respondents (258 married and 34 widowed) are married. Of this number, only 34persons representing 9percent have lost their spouses. There

was no case of divorce among the respondents. The implication of this is that people in the study area value the family structure greatly and this accounts for the absence of any case of divorce.

Table 5: Frequency Distribution of Respondents by Level of Education

Level of Education	Frequency	Percentage
No Formal Education	Nil	Nil
Primary	35	10
Secondary	134	36
Tertiary	201	54
Total	370	100

Source: Field Report, 2017

Determining the level of education among the respondents was also important for the study because this helped the researcher to know the validity of responses by the respondents. Thus, the table shows the frequency distribution of the respondents by their levels of education. The table shows that all the respondents had some level of formal education. There was no respondent without formal education. Thirty-five (35) respondents representing 10percent had primary education and this was recorded among the market women association. Personal discussions with some of the market women revealed an interesting scenario. Those who had primary

education indicated that they were asked to get married so that their male siblings could be trained to higher levels of education. This again explains that in the study area, girl-education was not taken seriously some years back. However, 134 of the respondents or 36percent of them had education up to secondary school level; while 201 of the respondents representing 54percent had tertiary educations. But we can infer from the table that there is a significant level of literacy among the respondents and this was the reason they were able to fill out the questionnaires with minimal problems.

Table 6: Distribution of Respondents by Place of Work

Place of work	Frequency	Percentage
Local Government Staff	45	12
Traditional Institution	25	7
Town Union	67	18
Okada Rider	70	19
Farmers' Cooperative Society	58	16
Academia and the Professionals	48	13
Trader	57	15
Total	370	100

Source: Field Report, 2017

Table 6 above shows the frequency distribution of respondents according their places of work. According to the table, the total percentage of respondents that work as members of staff of Nsukka Local Government Council 12% representing 45respondents; while 25 of the respondents or 7percent of them belong to the traditional institution. Sixty-

seven of the respondents or 18 percent of them are town union executives while 70 respondents representing 19percent are Okada riders. Fifty-eight (58) of the respondents belong to the cooperative society. This represents 16percent. Among those that belong to the academia and other professions are forty-eight (48) respondents representing 13percent while

fifty-seven res representing 15percent are traders. It is important to note that the distribution of respondents across various strata of social roles in the study

area as presented in this analysis enabled the researcher to gather comprehensive and balanced information on the subject matter.

Whether Financial Autonomy for Local Governments is being interfered with by the State Governments or not

Variables	Responses	Percentages
Strongly Agree	165	46
Agree	128	34
Strongly Disagree	41	10
Disagree	10	3
Uncertain	26	7
Total	370	100

Source: Field Report, 2017

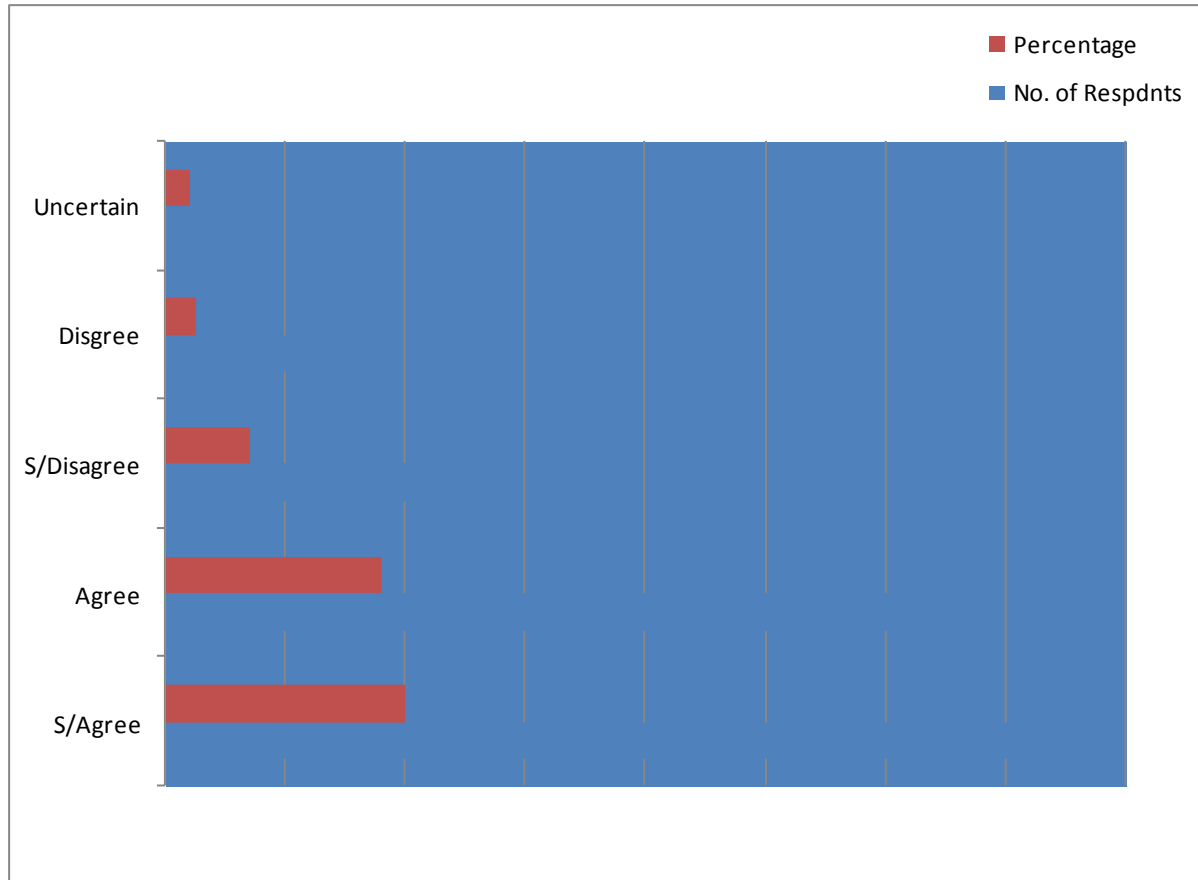
The table and charts above indicate the frequency distribution of respondents on the level of interference by the State Government on the financial autonomy of the Local Governments. The table shows that majority of the respondents confirms that there is high level of interference by the State Government on the financial autonomy of the Local Governments. Effectively, 293 respondents (165 strongly Agree and 128 Agree) representing a cumulative percentage of 80percent agree that there is interference

by the State Government on the financial autonomy of the Local Governments. However, a total of 51 respondents representing a cumulative percentage of 13percent (10% strongly disagree and 3% disagree) disagreed on such interference. Twenty-six (26) respondents representing 7percent were uncertain. Based on the analysis from the table and charts above, one can say there is an overwhelming agreement that the financial autonomy in Local Government in Nigeria, and Nsukka LG in particular is being interfered with.

Whether Financial Autonomy for Local Governments will enhance Efficiency of Service Delivery at the Local Level

Variables	Responses	Percentages
Strongly Agree	148	40
Agree	132	36
Strongly Disagree	53	14
Disagree	20	5
Uncertain	17	5
Total	370	100

Source: Field Report, 2017



Bar Chart of Response on Impact of Financial Autonomy on LG Efficiency and Service Delivery

The table and charts above indicate the frequency distribution of respondents on whether financial autonomy for Local Government system in Nigeria will enhance efficiency and service delivery at the local level. The table indicates a strong affirmation that financial autonomy for the LG will enhance efficiency and service delivery at the local level. This is shown by 280 respondents representing 76percent (40% strongly agree and 36% agree) agreeing that financial autonomy for the LGs is crucial in enhancing efficiency and service delivery at the local level. However, a

total of 73respondents representing a cumulative percentage of 19percent (14% strongly disagree and 5% disagree) disagreed that financial autonomy will impact positively on efficiency and service delivery at the local level. Seventeen (17) respondents representing 5percent were uncertain. Based on the analysis from the table and charts above, one can say there is an overwhelming agreement that financial autonomy in local government administration in Nigeria, and Nsukka LG in particular will significantly promote efficiency in service delivery at the grassroots.

Table 10: LG Financial Autonomy will promote corruption of public service at the LG Level?

Variables	Responses	Percentages
Strongly Agree	65	18
Agree	72	19
Strongly Disagree	131	35
Disagree	88	24
Uncertain	16	4
Total	370	100

Source: Field Report, 2017

Table 10 and the charts above reveal the percentage distribution of respondents on whether granting of financial autonomy will increase corruption at the local government level. The responses are intriguing in the sense that majority of the respondents do not see financial autonomy as the reason for corruption at the LG level. While 65 of the respondents representing 18percent strongly agreed that financial autonomy can increase corruption cases at the LG level, only 72 of them merely agreed. In other words 137 of the respondents representing 37percent are in agreement that financial autonomy will cause increase in corruption. However, 291 of the

respondents representing 59percent (35% strongly agree and 24% disagree), disagreed that financial autonomy will lead to increase in corruption at the local government level. Only 16 respondents representing a mere 4percent were uncertain as to the impact of financial autonomy on corruption at the local level. The implication of this analysis is that majority of the respondents disagreed with the notion that financial autonomy will increase corruption at the LG level. This, therefore, implies that local government financial autonomy will not increase corruption in the local government.

Table 11: Whether Financial Autonomy will prevent encroachment by the State Government into the Affairs of the LG

Variables	Responses	Percentages
Strongly Agree	196	53
Agree	74	20
Strongly Disagree	63	17
Disagree	26	7
Uncertain	11	3
Total	370	100

Source: Field Report, 2017

Table 11 above shows the frequency distribution as well as the bar and pie charts of the table on whether financial autonomy will curtail the encroachment by the State Government in the affairs of the Local Government. According to the frequency distribution, a total number of 270 respondents representing a cumulative percentage of 73 (53% strongly agree and 20% agree) agreed that it will curtail the encroachment by the State Government in the affairs of the Local Government. However, 89 respondents representing a cumulative percent of 24 (17% strongly disagree and 7% disagree) thought otherwise. Only 11

of the respondents representing a mere 3percent were uncertain. The bar chart and pie chart representations also show the analysis of the respondents where the respondents strongly agreed that financial autonomy in Nigeria local government will reduce State Government encroachment into local government affairs. This is because the State/Local Government Joint Account has been become inhibitor to effective local government revenue from central government. With the financial autonomy to LGs, this inhibitor will be removed permanently.

Table 12 Whether Financial Autonomy in Local Government would make the Council Operation more Efficient and more Productive

Variables	Responses	Percentages
Strongly Agree	174	47
Agree	122	33
Strongly Disagree	48	13
Disagree	15	4
Uncertain	11	3
Total	370	100

Source: Field Report, 2017

Table 12 above shows frequency distribution of respondents on whether financial autonomy in Local Government will make the Council operation more efficient and more productive. From the table it could be seen that an overwhelming number of the respondents, actually 296 of them (174 strongly agree and 122 agree) representing a cumulative percentage of 80 (47% strongly agree and 33% agree) are of the view that granting financial autonomy to the LG Council will make the operations of the LG more efficient and more productive. Forty-eight (48) respondents representing 13percent strongly disagreed with the notion that granting financial autonomy to the LG will make its operations more efficient and more productive; while 15respondents or 4percent of them merely disagreed with this notion. However, eleven (11) respondents representing 3percent were uncertain. The bar and pie charts analysis also show how the respondents strongly agreed with the notion that financial autonomy to the council will make its operations more efficient and more productive. This implies that financial autonomy in local government will enhance optimal productivity and efficiency in the operations of the council.

Discussion on the Factors Responsible for Lack of Fiscal and Administrative Autonomy for Local Governments in Nigeria

Despite the several assurances by the Federal Government of Nigeria that the LG system in Nigeria would be granted autonomy, it appears that not much has been done in this direction. In truth, there

has been persistent clamour for the autonomy of the local government as the third tier of governance in the federation. As pointed out above, it does appear that the Federal Government has in recent times joined in championing the course of local government autonomy. We say this because in the *Guidelines for the 1979 Local Government Reforms*, it was clearly remarked that:

The states have continued to encroach upon what would have been the exclusive preserve of local governments.

With this reform, the local government was granted the power of grassroots governance with apparent improvement in the autonomy as the third tier of government in the country. In order to strengthen the autonomy and philosophy of government at the local level, the Federal Government guaranteed the statutory nature of local government by embodying it in the 1979 constitution. In Section 7(1) of the Constitution, it was stated that:

The system of democraticall y elected local government councils is under this constitution guaranteed

Even the military administration of General Ibrahim Babangida, from 1986, took bold steps to strengthen the autonomy of local government system. For instance, in 1988 the government of Ibrahim Babangida scrapped the State Ministries of Local Government throughout the country, thus, removing the political control and bureaucratic red-tapism perpetuated by these State Ministries. According to [6] other efforts made towards strengthening local government autonomy include:

- ❖ The approved scheme of service for local government employees following the recommendation of the Oyeyipo Committee report of March 1988.
- ❖ The direct disbursement of funds to local governments; thus preventing the hijacking of the funds of local government by the state governments (through the federal pay offices).

Constitutional contradictions on Political and Financial Autonomy of LGs:

The 1999 constitution provides for the autonomy of the Local Government system on two basic aspects as follows:

- a) *Provision for the Political/Administration Autonomy of the Local Governments:*

In other to enhance the political/administrative autonomy of the

The system of local government by democratically elected local government councils is under this constitution guaranteed and accordingly, the government of every state shall subject to Section 8 of this constitution, ensure their existence under a law, which provides for the establishment, structure, composition, finance and functions of such councils.

In order to effect the establishment of the Local Government Council through the conduct of a democratic election, the constitution in section 177(1)(b) further provides for the establishment of State Independent Electoral Commission (SIEC). The SIEC conducts the chairmanship and the councillorship elections for the Local Government Areas in the states, except LG Councils within the Federal Capital Territory. Each State in Nigeria has a SIEC that conducts Local Government elections based upon law for that purpose enacted

- ❖ Subsequent increases in the statutory allocations to local government in the 1989 constitution which are aimed to remove the inadequacies of the local government system viz.: section 7(8), section 292 and section 304 etc.

While admitting that local government autonomy cannot be absolute in a federation, it is pertinent to note that local governments need to be granted good measure of fiscal autonomy so as to be able to carry out, effectively, the task of rural development. Curiously, the series of reforms so far carried out by the Federal Government in order to strengthen the local government as the third tier of government in the federation has not yielded much in terms of Local Government autonomy. What are the reasons? This is what this section of the work attempts to discuss.

Local Governments, the constitution provided for a democratically elected Local Government Council. Specifically Section 7(1) of the 1999 constitution guarantees this as it provides thus:

by the State House of Assembly pursuant to Section 7(1) of the Constitution. Further, Section 198 of the Constitution provides that the appointment of the Chairman and Members of SIEC reside on the Governor of the State but subject to ratification by the State House of Assembly. The political autonomy of the Local Government as the above provisions sought to guarantee is equated to grassroots democracy aimed at bringing governance closer to the rural populace and giving the vast majority of the people in a Local Government Area the fullest

opportunity to participate in determining their own destiny within the limits of the law that established it.

b) Provision for the Financial Autonomy of the Local Government:

Any amount standing to the credit of the Federation Account shall be distributed among the Federal, State and the Local Governments on such terms and in such manner as may be prescribed by the National Assembly.

The constitution, however, further provides in Section 5 that the amount standing to the credit of Local Government Councils in the Federation Account shall also be allocated to the States for the benefit of their Local Government Councils on such terms and in such manners as may be prescribed by the National Assembly. Further and for the purpose of remitting the statutory allocation to the Local Government Councils, the constitution further provides that each state shall maintain a special account to be called "State Joint Local Government Account" into which shall be paid all allocations to the Local Government Councils of the State from the Federation Account and from the Government of the State. The first time the question was addressed about

Section 162 of the 1999 constitution provides for the financial autonomy of the Local Governments as it stipulates, specifically, in paragraph 3 thus:

whether autonomy would be granted to the administration of Local Government in Nigeria or not was in 1976. It will be recalled that the Dasuki Committee had identified one of the primary responsibilities of the Local Government as "the exercise of democratic self-government close to the local level of our society". In accepting the recommendations of the Panel, the then Military Government had approved the establishment, structure, composition, finance and functions of the Local Government Council as a separate tier of government. This was reflected in Section 7(1) of the 1979 Constitution. The same provision is embodied in Section 7(1) of the 1999 Constitution. These constitutional provisions are hereunder reproduced:

Section 7(1) provides that the system of local government by democratically elected local government councils is under this Constitution guaranteed; and accordingly, the Government of every State shall, subject to Section 8 of this Constitution, ensure their existence under a Law which provides for the establishment, structure, composition, finance and functions of such councils. (2) The person authorized by law to prescribe the area over which a Local Government Council may exercise authority shall: (a) Define such area as clearly as practicable; and (b) Ensure, to the extent to which it may be reasonably justifiable, that in defining such area, regard is paid to: (i) The common interest of the community in the area; (ii) The traditional association of the community; and (iii) Administrative convenience (3) It shall be the duty of a Local Government Council within the State to participate in economic planning and development of the area referred to in subsection (2) of this section and to this end an Economic Planning Board shall be established by a Law enacted by the House of Assembly of the State. (4) The Government of a State shall ensure that every person who is entitled to vote and be voted for at an election to a House of Assembly shall have the right to vote and be voted for at an election to a Local Government Council. (5) The functions to be conferred by Law upon Local Government

Councils shall include those set out in the Fourth Schedule to this Constitution. (6) Subject to the provisions of this Constitution- (a) The National Assembly shall make provisions for statutory allocation of public revenue to Local Government Councils in the Federation; and (b) The House of Assembly of a State shall make provisions for statutory allocation of public revenue to Local Government Councils within the State.

The provisions of Section 7(1) of the 1999 Constitution are, no doubt, a response to the recommendations of the Dasuki Committee. A strict construction of the Section, particularly subsection (1) thereof, reveals a clear intention of the legislature to create the Local Government Council as a separate and distinct tier of government in Nigeria. It is also clear from the provisions that the State Governments are under a constitutional obligation to ensure the existence of these councils through democratic means.

The emphasis on 'the system of local government by democratically elected local government council...' is quite instructive. Under the Constitution, there is no provision for 'caretaker committees', a political contraption, which is now the practice in many of the States of the Federation. It is submitted that the State Governors who have set up Caretaker Committees in the Local Government Councils of their respective States are committing gross illegality for which they ought to be sanctioned. It is scandalous that some of these Caretaker Committees have been in the saddle for a period that is even longer than the first term of office of some of these Governors. This, to say the least, is very unfortunate.

It is also clear from the provisions of Section 7(6) that the Local Government is to be funded from revenues from both the Federation Account and the State Account. If this provision were to be implemented candidly, an average Local Government Council in Nigeria should be very buoyant. But is that true of the Local Government Councils of Nigeria? The question must be answered in the negative. For, as noted by [7], "there is hardly any Local Government in Nigeria that can carry out any development project". What then is the reason? This will lead us to the question of autonomy. What is at issue here is financial autonomy or independence. There is no doubt that politically, the Local Government Councils can be said to be fairly autonomous, even though the State Governments are withdrawing the relative autonomy granted to them by the Constitution through the inauguration of Caretaker Committees. Regarding financial autonomy, however, it does appear that the Constitution itself is not helping matters. The provision of the Constitution that seems to be creating problems for the Local Governments is section 162(5)-(8).

Section 162(5)-(8) of the 1999 Constitution of the Federal Republic of Nigeria provides that: (5) The amount standing to the credit of Local Government Councils in the Federation Account shall also be allocated to the State for the benefit of their Local Government Councils on such terms and in such manner as may be prescribed by the National Assembly. (6) Each State shall maintain a special account to be called 'Stated Joint Local Government Account' into which shall be paid all allocations to the Local Government Councils of the State from the Federation Account and from the Government of the State. (7) Each State shall pay to Local Government Councils in its area of jurisdiction such proportion of its total revenue on such terms and in such manner as may be prescribed by the National Assembly. (8) The amount standing to be credit of Local

Government Councils of a State shall be distributed among the Local Government Councils of that State on such terms and in such manner as may be prescribed by the House of Assembly of the State.

Whatever the system of Local Government may have gained through the insertion of Section 7(1) into the Constitution or through the implementation of the Dasuki reform proposals of 1976 has wholly been taken away by the provisions of Section 162 of the 1999 Constitution. In other words, whereas political autonomy is guaranteed by Section 7(1), Section 162 has rendered the Local Government administration completely prostrate. Indeed, those who mooted the idea of 'State Joint Local Government Account' mentioned in subsection (6) of Section 162 might have meant well, but the

Each State shall pay to Local Government Councils in its area of jurisdiction such proportion of its total revenue on such terms and in such manner as may be prescribed by the National Assembly

That is the rule and, indeed, the basis of the State Joint Local Government Account. But what is the reality on the ground? This provision has been grossly abused by State Governors to deprive the Local Government Councils of their own share of statutory allocation. Not only do the States fail to fund the Local Governments, as mandated by the Constitution, there are allegations across the country that funds meant for the Councils from the

unfolding events have since shown that they misread the political pulse of Nigerian politicians. The idea could have arisen from an interpretation of Section 7(6) pursuant to which Local Governments are to be funded by public revenues accruing from both the Federation Account and the State Account. Accordingly, the Joint Account is expected to be funded by both the Federal Government and the State Government for the benefit of the Local Governments; which is even the reason why subsection (7) of Section 162 stipulates that:

Federation Account are often diverted or hijacked by the State Governments. The result is that whenever a Local Government Chairman (Executive or Caretaker) needs to spend money, he goes cap in hand to 'His Excellency', the State Governor, for approval. This is the scenario that has been playing itself out since the return of the country to democratic rule in May 1999

CONCLUSION

Nigeria is rightly regarded as the most populous country in Africa, with an estimated population of 180 million; 64 percent of whom live in rural areas. In the pursuit of development at the grassroot, local government system was created to provide certain level of measurable services to rural dwellers. In Nigeria, local government is the third tier of government whose major responsibility is to provide commensurate services to the rural dwellers. Everywhere in the world, irrespective of the system of government, local government is created to ensure efficient services at local level. Local government as an agent of development is expected to use the financial

allocations made available to it by both Federal and State Government as well as the internally generated revenue (IGR) to improve on the lives of the people at the grassroot within the Local Government Area by initiating and attracting developmental projects to the Local Councils such as provision of access roads, water, and rural electricity; communal services such as the construction of roads, bridges, and personal welfare in such areas as education, housing, and healthcare services. The importance of Local Government is a function of its ability to promote a sense of belonging, safety and oneness among the people. Whatever is

the mode of government; Local Government has been essentially regarded as the path to, and guarantor of national integration, administration and development. In line with the above, the 1976 *Local Government Reform Guideline* in Nigeria outlined the principal aims of the Local Government system as making appropriate services and development activities responsible to local needs and initiatives by developing or delegating them to local representatives bodies; facilitating the exercise of democratic self-government close to the local levels of our society, and to encourage initiative and leadership potential; mobilizing human and material resources through the involvement of members of the public in their local development; and providing a two-way channel of communication between local communities and higher levels of government (state and federal) in the country. From the objectives above, the essence of creating Local Governments is to provide services using human and financial resources at its

disposal to facilitate development at the grassroots. Local Government is the lowest in the governmental hierarchy within the concept of Nigerian federalism but constitutionally regarded as an independent tier of government.

Nigeria's experience in Local Government administration, whether in military regimes or in democratic era, has clearly shown that the Local Government is faced with daunting challenges in their mandate to promote development and provide essential services to the rural dwellers. The failure of the Local Governments in the area of service delivery has made the people to lose trust in the Local Government as an institution.

It is given that the Local Government system in Nigeria has not done well in providing efficient and effective service delivery at the grassroots due to several factors; the most outstanding being lack of autonomy, obvious interference from the state Governments and fiscal challenges.

RECOMMENDATION

There is no doubt that the Local Government system in Nigeria can and should be encouraged to provide effective service delivery at the local level. Despite the many challenges confronting this tier of government in Nigeria, we cannot discountenance the fact that it has made appreciable contributions to service delivery; but there are still many areas that should be addressed in order to move this tier of government to the next level. It is on the basis of this assertion that we make the following recommendations:

- a) Local Governments should be granted Fiscal Autonomy: The continued retention and operation

of the JSLGA is a major obstacle to effective Local Government service delivery in Nigeria. Local Governments in Nigeria are totally dependent on State and federal governments for funding and this does not help the smooth operation of the Local Governments. Hence, there is urgent need to grant full fiscal autonomy to this level of government in Nigeria. This will stop illegal deductions from LG allocations or outright diversion of such allocations by the State Governments.

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