IMPACT OF LOCAL GOVERNMENT REVENUE ON SERVICE DELIVERY IN KUDAN AND SABON GARI LOCAL GOVERNMENT AREAS, KADUNA STATE

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DECLARATION

I declare that the work in this dissertation entitled “Impact of Local Government Revenue on Service Delivery in Kudan and Sabon Gari Local Government Areas, Kaduna State” has been carried out by me in the Department of Local Government and Development Studies. The information derived from the literature has been duly acknowledged in the text and a list of references provided. No part of this thesis was previously presented for another degree or diploma at this or any other institution.

Ibrahim Umar	Signature	Date

CERTIFICATION

This dissertation entitled "Impact of Local Government Revenue on Service Delivery in Kudan and Sabon Gari Local Government Areas, Kaduna State" meets the regulations governing the award of Master of Public Administration (Local Government) of Ahmadu Bello University, Zaria and is approved for its contribution to knowledge and literary presentation.

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DEDICATION

This dissertation is dedicated to my family.

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Alhamdulillah! Alhamdulillah!! Alhamdulillah!!! All good praises are due to ALLAH (SWT) who made the completion of this study a success, May He increase His blessings on Prophet Muhammad (SAW), his family, companions and those that follow his righteous path till the day of resurrection (Ameen). My special gratitude goes to my supervisors, Professor Halidu I. Abubakar, Dr. Bashir Jumare, Dr. Muhammad Kabir Isa and Mr. Ejisun who out of their tight schedule sacrificed time to go through my work, may Allah reward you all (Ameen).

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ABSTRACT

This study is on the impact of local government revenue on service delivery. The study determined the general level of revenue generation in the two Local Government Areas under study by examining the two major sources (internal and external) of revenue available to local government in Nigeria. It also examined the relationship between revenue generation and service delivery. The study used survey research method where data was generated through both primary and secondary source. The primary data was collected through the use of questionnaire in soliciting information from the respondents about the management of revenue generated and services delivered. The secondary data was collected through the two local government annual estimates, treasurer's reports, etc. Pearson chi-square was used for data analysis to show the relationship between effective management of local government revenue and level of service delivery in the local governments. Pearson Correlation was also used to measure the relationship between the amount of revenue generated and service delivery in the two local governments. However, it was found that effective management of local government revenue positively impacted on the efforts of local government in promoting development. And there is a positive correlation between the amount of revenue generated and the level of services delivered. This means that the ability of local governments to provide effective services to people depends on its ability to generate revenue from its internal and external sources. This is achievable through proper collection and remittance of revenue by revenue collectors and financial discipline in budgeting processes. In line with the findings of the study it was recommended that more revenue sources should be identified and adopted in order to increase and improve the revenue base of the local governments. Property and tenement rate as potential sources of local government revenue should also be tapped fully to improve the revenue base of the local governments.

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CHAPTERONE

INTRODUCTION

1.1 Introduction

Local government finance is one of the aspects of public finance. It deals with the generation of revenue, expenditure and utilization of financial resources in order to bring the impact of government closer to the people at the grassroots. Put differently, finance is essential at enabling local governments transform the lives of the rural dwellers through the provision of social services and rural infrastructures like the construction and maintenance of rural roads, markets, schools, health centers, etc.

Finance is the heart of the major activities of government. Government units at all levels-national, State and Local are daily engaged in the production and distribution of public goods and services in areas such as agricultural extension, education, healthcare, social welfare, security, all of which involve huge amounts of money. The mobilization of the financial resources or revenue to meet the diverse welfare needs of the people has in effect become an important responsibility which governmental authorities have to shoulder. This responsibility not only includes the generation of revenue but also its allocation among competing needs of the local governments. It is within this context that we can appreciate the task of revenue collection at local government level (Abubakar, 1999).

Generally speaking, revenue accruing to any tier of government may be classified as recurrent or capital. While the former is generated on day-to-day basis throughout the year, the latter arises once in a while and in a larger proportion. They are also described as internal and external sources of revenue respectively. Barber (1978) remarked that the principal sources of local government revenue are local rates, federal government grants and trading receipts. The 1976 Local Government Reforms (in

Nigeria) recognized the fact that if meaningful local government is to be expected in Nigeria, much larger financial resources are needed. The internal sources of revenue comprise many major and miscellaneous items aggregated to provide the required fund for financing the enormous functions ascribed to Local Governments as third tier of Government, Orewa and Adewumi (1983) stated that one of the main reasons why a local council exists is to collect various forms of revenues from its citizens and to use these to provide social services in an efficient manner as possible. These sources are summarized into the following revenue heads: Tenement rate/property rating, local license, fines and fees, earnings from commercial undertakings and rent on property, interest payment, and dividends and miscellaneous (Orewa and Adewumi,1983).

According to Abubakar (1999) Local Government units today are assigned a wide ranging number of functions and of reaching responsibilities for which they are statutorily empowered to raise revenue from local sources to supplement their allocations from the Federation Account and other intra-governmental sources.

A development oriented local government system is therefore expected to be a vehicle for the provision of goods and services, which are necessary prerequisites for sustained development.

In the 1976 Local Government Reforms, the Federal Republic of Nigeria articulated four basic objectives for establishing local government. These are:

i. To make appropriate services and development activities responsive to local wishes and initiatives by developing or delegating such services to local representatives bodies.
ii. To facilitate and bring the exercise of democratic self-employment close to the local level of our society and to encourage initiative and leadership potentials.

iii. To mobilize human and material resources through the involvement of members of the public in their local government, and

iv. To provide a two-way channel of communication between local communities (both state and federal) (Fajobi, 2010:3).

For local government to perform these enumerated functions, it has a history of revenue allocation in Nigeria. Prior to 1979 constitution local governments were given occasional grants for the funding of health and primary education.

Over the years, the percentage allocation of local government revenue to capital expenditure which is meant for the provision of services is very low. Specifically, 40.20% in 2006 was allocated to capital expenditure, 17.38% in 2007, 17.35% in 2008, 34.0% in 2009 and 39.28 in 2010 (CBN, 2010). This means that over 50% of the revenue received by Nigerian local government is allocated to recurrent spending at the expense of service delivery.

The report of the CBN, (2012), shows that the statutory allocation to local government accounts for 57.5%, in 2011 and 59.4% in 2012 of their total revenue. This percentage is very high compared to the Internally Generated Revenue (IGR) of 1.6% and 1.9% respectively in the same years (CBN, 2012).

1.2 Statement of the Problem

Nigeria operates a federal system of government where power is constitutionally shared between three tiers of government. Local government was created as a means of promoting development and bringing government closer to the people.

Nigeria's experience in local government administration, whether in military regimes or in democratic era has clearly shown that local governments are faced with

daunting challenges in their mandate to promote development and provide essential services to the rural dwellers. Local government, which is statutorily established to be the closest tier of government to the people, is not doing its bidding coupled with the fact that resident population in the local government has no significant access to the benefits of its existence. The failure of the local governments in the area of service delivery has made the citizens to lose their trust in government as an institution. In some areas, council officials are better known for the harassment of citizens than service delivery (Ajibulu, 2011). It is common knowledge that local government has the weakest capacity to initiate and manage rural development programme. Most of the officials are performing their functions without the relevant qualification to perform effectively. As a result, the available resources for accelerated and sustainable rural development are inefficiently utilized for the purpose intended (Ocheni. et al. 2012:131).

In spite of the increase in total amount of funds available to Local Governments from early 1990s to date, their economic and financial profile have been very poor, relative to its development due perhaps to false declarations of statements of revenue by revenue collector's and treasury staff, political instability and lack of socio-political philosophy among others. Mope, (2015) argued that in nominal terms, the allocation which stood at ₦597.2 billion in 2005 jumped to N1, 379 billion in 2008, reflecting a marginal revenue increase of 130.9%. However, some challenges which served as impediments to Local Governments' efforts to generate adequate revenue from various sources. Many factors have been identified to be responsible for the inadequate internal revenue effort. Chief amongst them are corruption and weak machinery for check and balances in the generation of revenues. Preliminary survey has shown that the inability of the local governments to provide adequate services to the people within their areas of

jurisdiction is attributed largely to inadequate revenues. The researcher was therefore motivated to conduct research in order to investigate the impact of local government revenue on service delivery in Kudan and Sabon Gari Local Government Areas.

1.3 Research Questions

The study seeks to answer the following research questions:

i) What is the level of revenue generation in Kudan and Sabon Gari Local Government Areas?

ii) What is the relationship between revenue generation and service delivery in Kudan and Sabon Gari Local Government Areas?

iii) To what extent does revenue affect service delivery in Kudan and Sabon Gari Local Governments Areas?

iv) How effective is revenue management in Kudan and Sabon Gari Local Government?

v) What are the challenges of revenue generation and service delivery in Sabon Gari and Kudan Local Government Areas?

1.4 Objectives of the Study

i) To determine the general level of revenue generation in Kudan and Sabon Gari Local Government Areas;

ii) To examine the relationship between revenue generation and service delivery in Kudan and Sabon Gari Local Government Areas;

iii) To determine the extent to which revenue affects service delivery in Kudan and Sabon Gari Local Government Areas;

iv) To examine the effectiveness of revenue management in Kudan Sabon Gari Local Government.

v) To identify the challenges of revenue generation and service delivery in Sabon Gari and Kudan Local Government Areas.

1.5 Hypotheses of the Study

H_{o1}: The amount of revenue generated by the local government has no significant relationship with the level of service delivery in Kudan and Sabon-Gari Local Government Areas.

H_{02}: Effective management of local government revenue does not affect the performance of local government in service delivery.

1.6 Significance of the Study

Previous studies like that of Jumare, (2008) focused on statutory allocation to local government and service delivery and Youbi (2008) associated the failure of service delivery by local government functionaries with bad local politics. This study focused on the two sources of local government revenue and service delivery.

The study provided the basis for developing various ways of improving revenue generation in Sabon Gari and Kudan Local Governments Areas and in other local governments' areas in Nigerian. With an improved revenue generation, Kudan and Sabon Gari Local Governments will be able to meet the demands of the people and will be able to perform their primary functions of provision of essential services more efficiently. The study also revealed the extent to which an improved revenue generation will impact on development generally. The study is an added contribution to the existing knowledge on revenue and service delivery in Local Government and ways of

improving the two. The research will also help other researchers who may wish to carry out research of similar nature.

1.7 Scope and Limitations of the Study

This dissertation focused on the study of local government revenue and service delivery in Kudan and Sabon Gari Local Government Areas of Kaduna State. The scope of the study is restricted to a period of seven (7) years i.e. (2007-2013).

Limitations of the Study

As with any other research, there were restrictions or constraints that the researcher encountered. The limitations of this study include:

i. Financial constraint:

It is an established fact that every research work consumes a lot of money. Therefore, the financial requirement for gathering data, typing of the project subsequently and other related expenditure served as a major constraint to this research work.

ii. Responses while gathering data

For some reasons best known to the officials of the Local Government, the authorities were not willing to release some information which is relevant to this research project, even after persuasion and being assured that the information sought will only be used for academic purposes alone. This refusal to release some vital information by the Local Government was as a major constraint to this research work.

1.8 Definition of Concepts

From our analysis of the statement of the problem and hypotheses stated above, there are some key concepts that need to be conceptually defined for better understanding. These concepts include: Local Government Finance, Financial Management, Revenue Generation, IGR, Development, Service Delivery and Local Government.

Impact: Impact in this study refers to the effect of revenue generated on service delivery by local government. It also determined the extent to which local government was able to deliver local services with resources at its disposal.

Local Government

Local Government is defined as Government at the local level exercised through representative council established by law to exercise specific powers within defined areas. These powers should give the council substantial control over local affairs (including staffing) and institutional and financial powers to initiate and direct the provision of services and to determine and implement projects so as to complement the activities of the state, and Federal Government in their areas, and ensure, through the active participation of the people and their traditional institutions, that local initiative and response to local needs and conditions are maximized (Federal Republic of Nigeria, 1976).

Service Delivery

According to this research, service delivery refers to all the goods and services delivered by the local government in responses to the public needs in order to address societal problems. The services here include provision of schools facilities like books and chairs; hospital facilities like beds and drugs; agriculture, farm inputs and machines like tractors, fertilizers and seeds.

Financial Management

Financial management is defined as the act of total management function concerned with the effective and efficient raising and use of funds. As processes and responsibility, financial management consists of decision making regarding the following major activities among others.

1. Determination of funds requirement of the organization revenue generation and mobilization.
2. Seeking and obtaining the right amount of funds at the right time for cash flow management
3. Deploying available funds to the needs of the organization revenue application and control, and
4. Giving proper stewardship for funds obtained and utilized (Abubakar, 1999).

Revenue

According to 1999 constitution, revenue is defined as any income or returns accruing to or derived by the government from any source and include any receipt however described arising from the operation of any law, and receipt however, described from or in respect of any property held by government, and any returns by way of interest or loans and dividends in respect of shares or interest held by government in any company or statutory body. However, revenue can also be regarded or referred to as tolls, taxes, rates, fees, royalties, rents and other receipts of government from whatever sources such as proceeds from loans given out (Section 162(10) of 1999 Constitution).

Revenue accruing to any tier of government may be classified as recurrent or capital. While the former is generated on day-to-day basis throughout the year, the

latter arises once in a while and in a larger proportion. They are also described as internal and external sources of revenue respectively. Nevertheless, the word revenue will be used in the context of this research to mean any amount of money coming into the local government from whatever sources and which the local government has power of appropriation.

Statutory Allocation

This consists of financial allocations approved by the constitution, to the different tiers of government from the federation account and share of the state government revenues that is allocated to the local governments.

External Sources

These are sources of Revenue that are sourced outside the local government e.g. Donation, Aid, Loan et cetera.

Internally Generated Revenue (IGR)

This refers to the revenue or money collected by the local government from its internal sources (within the Local Government Area). The internal sources of revenue comprise many major and miscellaneous items aggregated to provide the required fund for financing the enormous functions ascribed to local government as third tier of government (Abubakar, 1999).

CHAPTER TWO

LITERATURE REVIEW AND THEORETICAL FRAMEWORK

2.1 Introduction

In this chapter the study reviewed the relevant literature in the area of study, i.e. revenue and service delivery and finally provided Fiscal Federalism theory as a theoretical framework upon which our study is based. The key areas covered in our literature review include; local government and finance, revenue, source of revenue, development, the concept of socio-economic development and the role of local government in the development process.

> *Finance is the backbone of any organization more so when such organization is saddled with responsibilities for the design, promotion and administration of socio-economic development at the grass roots level and the provision of a wide ranging number of service and infrastructural support in such areas like primary education, basic health care and social welfare among others, which have since the 1976 Local Government reforms formed the bedrock of local government function and responsibilities in Nigeria. It follows, therefore, the extent to which a local government council is able to perform its statutory functions and discharge its responsibilities would depend very much on the amount of resources at disposal. (Local Government Reforms, 1976).*

Section 162 (10) of 1999 Constitution defines revenue as “any income or returns accruing to the government from any source and include: any receipt however described arising from the operation of any law, and receipt however described from or in respect of any property held by government, any returns by way of interest on loans and dividends in respect of shares of interest held by government in any company or statutory body" (Constitution,1999). However, revenue can also be defined as tolls, taxes, import rates,, fees royalties, refits and other receipts of government from whatever source such as proceeds from loans given out.

Jumare, (1994) observes

> *Generally speaking revenue accruing to any tier of government may be classified as recurrent or capital. While the former is generated on day-to- day basis throughout the year, the latter arises once in a while and in a larger proportion. They are also described as internal and external sources of revenue respectively. Barber (1978) remarked that the principal sources of local government revenue are local rate, federal government grant and trading receipts. Even the 1976 reforms recognized the fact that if meaningful local government is to be expected in Nigeria, much larger financial resources are needed.* (Jumare, 1994:50-51).

He further stated

> *the internal sources of revenue comprise many major and miscellaneous items aggregated to provide the required fund for financing the enormous function ascribed to local Government as third tier of government. Orewa and Adewumi (1983) stated that one of main reasons why a local council exists is to collect various forms of revenues from its citizens and to use these to provide social services in an efficient manner possible these sources are summarized into the following revenue heads: Tenement rate/property rating, local license, fines and fees, earning from commercial undertaking and rent on property, interest payment, and dividend and miscellaneous. (Jumare, 1994:50-51).*

2.2 Conceptual Framework of Local Government

The concept of local governance is as old as the history of humanity, only recently has it entered the broad discourse in the academic and practical literature (Shah, 2006). This concept has created excitement within the scholarship and practicing world of administration. It has attracted the attention of many scholars within the academia who have seriously analyzed and dug deep into the meaning, genesis and the need for its existence within all political arrangement of the world (Akindele. et al. 1997). Therefore, there is no unanimous acceptable definition among the scholars on the definition of local Government.

The term local government has been defined variously by different scholars. In the view of a scholar like Wraith, local government refers to locally elected councils

whose main purpose is to provide or administer services with as great degree of independence as modern circumstance allow (Wraith, 1964. For Golding, local government is the management of their own affairs by the people of their locality (Golding, 1959).

Some other scholars have attempted to expand on and perhaps give greater expression to the definitions given above. For Sorka, local government connotes the decentralisation or dispersion of authoritative decision making where by the authority to make decision is displaced downwards from remote points near the top administration or outward from geographical locations, thus bringing authority closer to the people affected by it (Sorka, 1978). In the same vein, Oyediran sees local government as the diffusion of political process on area basis, i.e. local self administration and inclusion of noble ideals of impartiality, protection of minority rights and integrity, all of which are considered essential to the evolution of a liberal democratic society (Oyediran, 1979).

Whatever else that may be said, it is clear from the above definitions that a local government in any system is assumed to possess the following characteristics.

- A given territory and population
- An institutional structure for legislative purpose
- A separate legal entity, a range of power and functions authorised by delegation from the appropriate central or intermediate legislation
- Within the Anglo-America tradition, autonomy is limited to common law such as the test of reasonableness (Williams, 1978).

However, Appadorai (2004) defines local government as government by popularly elected bodies charges with administration and executive duties in matters

concerning the inhabitants of a particular district or place. According to Shah (2006) local government can be defined as thus:

> *A specific institutions or entities created by national constitutions (Brazil, Denmark. France. India, Italy, Japan. Sweden), by state constitutions (Australia, the United States), by ordinary legislation of a higher level of central government (New Zealand, the United Kingdom, most countries), or by executive order (China) to deliver a range of specific services to a relatively small geo-graphically delineated area. Local governance is a broader concept and is defined as the formulation and execution of collective action at the local level. Thus, it encompasses the direct and indirect roles of formal institutions of local government and government hierarchies, as well as the roles of informal norms, networks, community organizations, and neighborhood associations in pursuing collective action by defining the framework for citizen-citizen and citizen-state interactions, collective decision making, and delivery of local public services. Local governance, therefore, includes the diverse objectives of vibrant, living, working, and environmentally preserved self-governing communities.*

The above definitions seem to have presented a comprehensive definition and description of the concept of local government from the perspectives of different parts of the world. However, the definition has not given a clear-cut definition of local government to reflect Nigerian situation. To address this problem therefore (Akindele et al, 2000) defines local government down to earth to reflect Nigerian local government system when he maintains.

> *The Nigeria 1976 Guideline for Local Government Reform define local government as:*
> *Government at the local level exercised through representative council established by law to exercise powers within defined areas. These powers should give the council substantial control over local affairs (including staffing) and institutional and financial powers to initiate and to determine and implement projects so as to compliment the activities of the state and federal government in their areas, and ensure, through devolution of functions to those councils and through the active participation of the people and their traditional institutions, that local initiative and response to local needs and conditions are maximized (Akindele et al, 2000:67).*

A more comprehensive definition of local government is therefore provided as the government at local/grassroots level created by law with the power to generate revenue through taxation and to provide social/public goods and services to the local population. These governments (local governments) are governed by democratically elected representatives and are independent and autonomous from federal and state governments (Ajayi, 2011) The above two description of local government in Nigeria seem to be done in absolute terms, they tend to produce a generalised negative perceptions for all local governments in Nigeria. In essence, these definitions were not fair and tend to relegate local governments to square one.

All these definition put together clearly show that local government is an important institution for rapid and measurable development at the grassroots. However, from these definitions, according to Tumini (2011) local government can be view as thus:

- Is a sub-system playing its part within the larger national political system.
- Is the lower level government in a unitary politic system and lowest level government in a federal three-level government.
- It is usually elected/selected and representative.
- It is established by law and has certain responsibilities
- It includes a certain population living within the confines of a defined territory.
- It is a legal entity of its own and can sue and be sued.

Therefore, local government in Nigerian context, the third tier of governance, protected by the constitution which comprise of democratically elected representative whose purpose is to provide basic services to the people at the grassroots.

2.3 Service Delivery

Joseph, (2014) sees services as the services as goods and social outputs that people in a community wish to obtain for the common good, such as a livable environment, clean water, good education, health care, security, and so on. (Jung, 1997). These services in the words of Joseph, (2014) include, water supply, sewerage collection and disposal, refuse removal, electricity and gas supply, municipal health services, municipal roads and storm water drainage, street lighting, municipal parks and recreation. In this regard, the service to be provided by local government in Nigerian are stated in the fourth schedule of the Constitution of the Federal Republic of Nigeria.

Joseph also added that, services have a direct and immediate effect on the quality of the lives of the people in that community. For example, if the water that is provided is of a poor quality or refuse is not collected regularly, it will contribute to the creation of unhealthy and unsafe living environments. Poor services can also make it difficult to attract business or industry to an area and will limit job opportunities for residents.

According to Kadiresan (2009), service delivery refers to the goods and services which the government both federal, state and local government provide to the general public in which the consumption of which depends not on consumers' income, but only on the need of the public. This definition says a lot about service delivery. However, it concluded that service delivery reflects solely the public needs. This could not be true in real sense, especially in our situation in Nigeria where social services are produced mainly to address political issues and not really address social/public problem(s). in fact, politics determine who gets what and how and why?

In the words of Lubega (2000), service delivery is the primary responsibility of every government, whether military or civilian, in which adequate good and essential

services are produced by the public authorities (either direct or through contracting) to the citizenry. In fact, it is the only bond between the government, on behalf of the state, and the people.

Lubega (2000) has actually said much about service delivery and its importance to the survival and sustainability of the social contract. But his definition seems to have placed much emphasis on service delivery to be solely provided by the government alone. He suggested that the citizenry would not pay allegiance to government (state) when such services are not essentially provided and/or delivered. This his suggestion could not be valid, especially in Nigerian situation, where the social services are critically in short supply and the private sector (in the form of corporate social responsibility) and international donor organisations would have to provide intervene in various ways to complement the provision of such services.

Nangobi (1987) defined service delivery as an "attitude or dispositional sense, referring to the internalisation of even service values and norms. It is the delivery concerned with supply 'superior goods/products' based on the opinion of the customers.

The above definition of service delivery by Nagobi seems to define service delivery from point of view of business as he refers to the end users of services as customers. This tends to narrow the scope of service delivery to business, for service delivery can be provided to the general public by the government or its agencies.

Kitimbo (1995) asserts that service delivery should be designed in such a way to provide maximum levels of services to respond to customers yearning in a specific location and time. Therefore, location of service delivery and their accessibility contribute to customer needs and performance satisfaction.

The above two definitions have contributed immensely towards understanding of what service delivery is. However, both definitions state the importance of consumer as the end user of services delivered. Therefore, if the services to be delivered are not compatible with the consumers' needs and specifications, they (services) are null and void. These definitions have not in any way defined or state precisely how to determine the general consumers' or public need.

To Weng (2005) service delivery remains agency – centred such that the government forced citizenry to interact with them the way they are organised and delivered instead of the way that best makes sense from citizen's perspective, some of the services provided remain unattended to.

According to the Uganda Particulars Assessment process Wakiso District report (2001), it was indicated that people are unhappy with the service provision. The locals are much concerned about the quality of the services yet most of the poor are scared of inaccessible services. The quality of health service delivery for example are mentioned to the poor and consultants attribute the poor service delivery to mismanagement of public funds, lack of transparency, accountability and consultation from the poor people who never get to know of the services provided and participate little or not in planning for their funds.

Thus from the above discussion, there is need for local governments to provide sufficient information concerning service delivery to the residents. In a budget, service delivery can be strengthened through a number of ways:

- Improved service delivery
- Strengthened governance and accountability. (Ekpo, 1990).

However, (Zola, 1997) notes that despite the government's determination and commitment, some of their expectations will take long time to be realised because we

have to live in the resources that our country can afford. Tax evasion and avoidance is also explained by (Snavely, 1998) that compliance for locals to pay taxes to finance service delivery requires sending messages in the media tracing the benefits of compliance.

According to (Abigaba, 1996) the decentralisation of local authorities had a loophole in the revenue collection and efficiency of service delivery. This was due to the fact that laws were not clear as to times at who should collect revenues and to whom to offer the services, the poor accounting system, untrained personnel and politicians all affected the performance of local authorities. This is in agreement with (Babiiha, 2002) who noted that the sub-counties in Ntungamo district give water programmes a less priority thus giving minimal funding hindering construction of new and rehabilitation of old safe and communal water resources.

As noted by Benga, (2010) lack of appropriate tools for ensuring adequate tax compliance account for more than 85% loss in the ability of local governments in Nigeria to generate revenue internally, as he asserts, "overdependence of the local government on their statutory allocation from Federation Account and grants from federal government has contributed immensely to the failure of local governments to come out with more effective measures towards ensuring tax compliance" (Benga, 2010).

Based on the above quotation, it could be realized that Benga has attributed statutory allocation and grants to local government as major factors that discourage local governments from designing and implementing strategies for ensuring tax payers comply adequately toward paying taxes to local authorities. Therefore, if there were no statutory allocation and adequate grants from federal government, local government would have developed more effective measures towards ensuring tax compliance.

In line with the above, Jumare, (1994:79) observed that;

> *the criteria for distributing revenue transfers among local governments over-emphasized equalization factors (equality and population being responsible for 80% (or more) rather than the taxable capacity of local governments. The transfers thus serve as a source to local revenue improvement. As a result, local taxes such as the property rates remain grossly under-developed.*

Jumare, above attributed the negligence of local government toward improving their taxable sources to the over-emphasis of the criteria for revenue sharing on population and equality than the taxable capacity of the local government. This could be true when reference is made to the over 80% of the local government expenditure, both capital and recurrent, depends on the statutory allocation, rather than the internally generated efforts.

Jumare, (1994) further stated that,

> *But the most devastating single action of state governments in respect of local finances is their decision to abolish or suspend major internal revenue sources of the local government. Kano and Kaduna states were the first states to abolish the poll or community tax as well as the cattle or Jangali tax as the civilian governments assumed office on a radical political platform in October, 1979. Not wanting to be outdone, the National Party of Nigeria (NPN), which controlled the most of the states (12 out of 19) adopted the abolition of these taxes as a policy and promised to abolish them nationally by 1983. Jumare, (1994:80).*

Given the above explanation, it could be realized that the abolition of these major internal revenue sources were made to satisfy political instincts or desires at the expense of economic realities. The consequence of all these has been the over-reliance of the local governments as well as most state governments on grants and allocation from federation account.

Buhari, (1999) observes that service provision is a function of revenue, effective financial management and political will of the government when he explain that,

> *No one doubts the importance of revenue towards service delivery. However, the magnitude of the amount of revenue generated, both externally and internally, does not purely determine the amount of service delivered. Two key factors, in addition to revenue generated, play significant roles in service delivery; effective management of revenue generated and government political will. When these two are absent or ineffective, the quantity of revenue generated would not play any significant role in service delivery.*

Base on the above submission, it could be realized that, effective management of revenue and government political will are two critical factors, in addition to the amount of revenue generated, that determine service delivery.

2.3.1 Service Delivery at Local Government

Service delivery refers to the provision of social or public goods that will promote socio-economic wellbeing of the citizens. Public services offered by government are numerous and may include the provision of public utilities, security, economic development projects, and the enforcement of the law and so on. The delivery of public goods and services at the local government level or the grass root is aimed at moving the standard of living of the populace to the next level (Angahar, 2013).

Consequently, the efficient and effective provisions of basic amenities and social infrastructures for the people at the grass root are key factors to the existence of any government (Bolatito & Ibrahim, 2014). In sequel to the above, the Nigerian constitution assigns service delivery responsibilities to the three tiers of government with states and local government playing the most significant role in the delivery of basic services. Some of the services expected form local government authority include education, health, housing, water, rural electricity, waste disposal services, roads, transport, and so on (Adeyemi, 2013; Agba, Akwara, & Idu, 2013). Thus local government councils are required to serve the public interest in areas of constructing

roads, public markets, healthcare centres, drainages, transportation, motor parks, building primary schools, among others (Bolatito & Ibrahim, 2014).

In support of this position, Agba, Akwara, & Idu (2013) contends that as agents of rural development, local governments are to use funds made available to them by both federal and state governments and their internally generated revenue to improve on the lives of the people within their areas of operations through initiating and attracting developmental projects to the local government such as provision of access roads, water and rural electricity. Apart from being available political and administrative organ for the transformation of rural communities, local governments also act as the training ground for the breeding of the grassroots democracy fundamental in national development (Adeyemo, 1995; Lawal and Oladunjoye, 2010).

2.4 The Role and Challenges of Local Government Towards Service Delivery in Nigeria

Nigeria is the most populous country in Africa, with a population of 140 million (Amakom, 2009), 64 percent of whom live in rural areas. In the pursuit of development at the grassroots, local government was created to provide level of pleasurable services to rural dwellers.

Ola (1984), 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 to use the fund made available to them by both central and state government and the internally generated revenue (IGR) to improve on the live of the people at the grassroots within the local government council's area of operation 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 area as education, housing, and health care service delivery system.* (Ola, 1984).

In line with the above, the 1976 Nigerian Local Government Reform Guidelines stated the principal aims of local (government as follows:

a) To make appropriate services and development activities responsible to local wishes and initiatives by developing or delegating them to local representatives bodies:

b) To facilitate the exercise of democratic self government close to the local levels of our society, and to encourage initiative and leadership potential;

c) To mobilize human and material resources through the involvement of members of the public in their local development;

d) To provide a two-way channel of communication between local communities and government (both state and federal).

From the objectives above, one of the major reasons for creating local government 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 federalism. The federal government is the sovereign national, the state government, a quasi-sovereign and local government infra-sovereign, subordinate and subject to the control of the state government; yet it is a separate legal unit being a body corporate having a common seal, with powers to sue and to be sued, mainly providing obligatory municipal services (Samihah and Adelabu. 2011).

2.4.1 Challenges of Services Delivery at Local Government Level in Nigeria

Local government is the closet tier of government to the people in Nigeria, yet the resident population in it is denied the benefits of its existence. This is evident in the poor environmental state, deteriorating public school building, poor market facilities and lack of health centers (Olusola, 2011). It was put in place for reasonable purposes ranging from political, social, and economic reasons. These reasons are captured in section 7 (2) of the Nigeria constitution (Iguisi. 2010). It is quite disturbing over the years; that these purposes have not been fully realized. There has been a sustained argument that the 774 Local Government Areas, which form the third tier of government in Nigeria, are contributing little to national development to justify their existence. Local government has not really facilitated rapid development at the grassroots, which is the essence of their creation (Amaechi. 2012). The concept of bringing governance closer to the people through a third-tier participatory form of government has not materialized in Nigeria. Lack of capacity of local government to fulfill the aspirations of their communities are caused by lack of adequate resources, including inappropriate fiscal base, the usurpation of its power to raise internal revenue and the manipulation of the state joint local government account (John, 2012). This development according to Mimiko in (Aborisade. 2012) has made people to see the councils as a place where top administrators' engage in corruption and an environment where supposed professional had little or no idea of what the councils should be doing. Yovbi has also blamed the people for the failure of local government: he gave the reason as thus:

> *Lamentably, most Nigerians do not know the specific functions of the three tiers of government and tend to put the blame for everything on the most visible tier. Clogged drains in front of their houses are blamed on the Federal government, while the Chairman of their Local Council will makes away with federal allocations to the area and*

> *revenue generated, usually at the expense and to the discomfort of residents of the LGA. Majority of Nigerians do not see that politics at the Local Government level can be a means of honest livelihood and an opportunity to contribute effectively and meaningfully to the development of society. Therefore, they sit by while those who know even less than themselves, walk away with easy victories won with intimidation and then proceed to abuse citizens and erode the quality of our lives (Yovbi, 2008:88).*

Yovbi above associates the failure of service delivery of local government functionaries with the bad local politics. Thus, he directly related the challenges of service delivery to bad local government politics. While in real sense, the challenges of service delivery is a product not only bad local politics (through closely related to it) but also other things like poor revenue generation strategies, poor utilisation of the revenues generated and, among other things, poor project implementation mechanisms.

Another reason for the failure of local government in area of services delivery is the role of the state governors in the affairs of local government. The governors are found of taking over their financial allocation, taxes counterpart and refuse to conduct Local government elections, but instead ruling local government with appointed administrators, most of whom are party loyalists and their friends and relations turning the entire process of local governments into irrelevance schemes of things (Ukonga 2012). This same view was also corroborated by Khaleel quoted in John when he observed thus:

> *There is no state of the federal state of Nigeria where one form of illegality or the other is not committed with funds of local government, through over deduction of primary school teacher's salary, spurious state/local government joint account project, sponsoring of elections, taking over the statutory functions of local government and handling them over to cronies and consultants, non-payments of pensioners and non-utilisation of training fund despite the mandatory deduction of stipulated percentages for these purposes... nine states out of the 36 states of the federal state of Nigeria*

> *have elected representatives running the affairs of their local governments. This is central to the whole problem because it is by planting stooges called caretaker committee, who neither have the mandate of the people nor the moral strength to resist the excruciating control of the state government that perpetuates the rot... In Imo State, local government workers embark on series of industrial actions to get their accumulated salaries paid, while their five years arrears of all statutory allowances are fast becoming bad debt. The drive to maximally control the local government councils is taking another dimension now, with senior officers in the councils, who are Directors of Administration. Finance and other officials being removed or deployed while lesser officers who are not qualified for such positions are appointed to replace them... In Lagos State all manners of gazette, policies and laws are being produced on daily basis with intention of taking over the collection of revenue from council's staff. In Plateau State, staff of local government are being deployed and restricted to serve only in the local government of their origin.* (Ekpo, 1990).

However, the implication of this according to Ajibulu (2012) is that local government is now considered as an extension of state's ministry. The inherent nature of this problem has caused subservience, a situation where local government waits for the next directives from states government before embarking on any developmental projects. This has made local government an object of control and directives.

2.5 Local Government Revenue Sources and Service Delivery in Nigeria

There are basically two major sources of funds for the states and local governments. These are allocation from the Federalism Accounts (including VAT, Stabilization Receipts and General Ecology) and internal revenue generation (tax revenue and non-tax revenue) (Odoko and Nnanna www.csae.ox.ac books/epon/fiscal/federalism).

Intergovernmental transfers are made from the federal account to the states. The funds are meant to provide general revenue to all tiers of government to fund basic

operations where their own revenue would not be sufficient to fulfill such responsibilities. The states then transfer funds to local governments. Allocation of funds in Nigeria is decided by the National Revenue Mobilization, Fiscal and Allocation Commission (NRMFAM) based on criteria to ensure that there is equity in allocation, both vertically between tiers of government and horizontally, across Nigeria (Aniakon. 2009). The criteria are as follow:

- **Vertical**

Federal government — 52.7%

State government — 26.7%

Local government — 20.6%

- **Horizontal**

Equality-40%, Population-30%

Internally generated revenue - 10%

Land mass and terrain - 10%

Social development factor - 10%; made up of the following items:

- Territorial spread- 1.5%
- Rainfall-1.5%
- Primary/secondary enrolment — 4%
- Hospital beds - 3%

The social development factor is used to determine states that ha\e better literacy levels, hospital facilities.

- **Value added tax (VAT) Vertical**

Vertical

Federal government- 15%

State government - 50%

Local government - 35%

Horizontal

Equality-50%

Population-30% Derivation-20%

According to Aniakon (2009) since the creation of the 12 states structure in 1967, States and local governments have been dependent on the federalism account. The federalism account is shared among the three tiers of government as detailed in the above vertical formula, which was last amended in 2004.

Aniakon (2009) also reveals that there is evidence of monthly payment to all tiers of government since 2003 and the above percentage meant for local governments is usually transferred from the federalism account to state accounts. However, there is no evidence that the state transfers the same percentage to local governments.

2.5.1 Local Government Revenue Resources

Jumare, (1994) observed that, "effective and virile fiscal federalism depends to a large extent on the availability of financial resources". Wheare (1953) aptly argues that each level of government should have adequate resources to perform its functions without appealing to the other levels of government for financial assistance. He emphasized the view that:

> *If state and local authorities, for example, find that the services allotted them are too expensive for them to perform and (hence) they call upon the federal authority for grants and subsidies to assist them, they are no longer coordinate with the federal government but subordinate to it Financial subordinate marks an end of federalism, in fact, no matter how carefully the legal forms may be preserved. It follows therefore that state. Local and federal authorities in a federalism must be given the power in the constitution, each to have access to and control over its own sufficient*

> *financial resources. Each must have a power to tax andto borrow for the financing of its own services by itself* (Wheare, 1953).

Local government financial structures fall within the system of fiscal federalism or what is often defined as "Intergovernmental Fiscal relationship (IGR)" Under such arrangement, there are five distinct sources of revenue for local government. These are financial transfer, local tax which include; community tax or poll tax, property tax or rates, users fees and charges and loans. Whereas financial transfer and loans are external to local government, the others are internal to it. For convenience, we shall make distinction between internal and external sources, with the external further split into transfers (statutory allocations and grants) and loans and advances

External Sources

The external sources of revenue to local government are external because the size of such revenue as well as when and how to generate them are invariably not directly determined nor influenced by the local governments. They are statutorily given to the local government to perform their designated or assigned functions. Within the system of fiscal federalism, revenues accrued to the Federal or National government are distributed among the component units of government. The nature of inter-governmental fiscal relationships or financial transfers dictates the pattern of allocations.

Financial transfers cover a wide range of relationship between levels of government, in relation to local governments, the transfers consist of funds from principal revenue sources of central or federal governments. These include funds that are ultimately financed from the central government principal tax instruments (generally) income and trade taxes) and from central government borrowing, financial transfers are assuming considerable importance in central-local relation all over the world. The

practice goes by different names in different countries. Some of the common names are "intergovernmental transfer", "statutory allocations" and "grants" among others.

Loans and Advances

Borrowing and credit transactions are other sources of external finance for local authorities. The role of credit in the finance of service provision is an unsettled issue. However, one consensus is that, the problem is not so much the borrowing but what the acquired loans are used for. If proceeds from loans are used to finance self-liquidating projects or income-generating activities, repayment will not be much of a problem. But where they are spent on consumption or recurrent expenditures, problems are bound to arise. Essentially, there is nothing wrong with borrowing rates; the question is the judicious use of what was borrowed. Davey, (1983) in Jumare, (2008) identified a number of sources from which local governments could borrow. They include the following:

i. Loans from higher levels of government;

ii. Loans from international agencies, usually through the central government;

iii. Loans from central banks or loan-able fund from regional authorities;

iv. Interest-bearing bonds or stock normally with fixed dates for redemption;

v. Loans and over-drafts from commercial or public banks;

vi. Mortgages on physical assets;

vii. Internal borrowing from reserve funds such as superannuation funds for employees or renewal funds for plant and equipment;

viii. Hire purchase or rental leasing of equipment; and

ix. Contractor finance for construction projects.

Bello-Imam and Aziegbe (1990) contended that, "it is difficult and indeed dangerous to generalize about sources of loan at local government level".

They advance that "what is plausible to argue is that there are four dominant borrowing systems that can be discerned at that level of government". The first is where only the central government, assisted in some cases by internal organizations, loan to local governments. The second category is where no central government Institution exists to grant credit to this level of government; hence, it relies absolutely on the money markets for loans. The third category is where a central credit institution provides loan finance from the money market. Finally, there are various countries where a centralized credit institution is the exclusive predominant source of loans for local governments.

In Nigeria, loans are not attractive to local governments because they often cannot meet the conditions usually to be fulfilled. The properties that may be used as collateral do not have valid documents like certificates of occupancy. The financial statements to be tendered for security are either in arrears or not in existence. The manpower in place expected to manage the facility lacks the technical know-how to manage the loans efficiently. Only loans obtained from the other tiers of government may not require most of these conditions (Hassan, 2002)

Internal Revenue

Local government revenue sources could be generally grouped into tax and non-tax revenues. Tax revenue of local government falls under the system of intergovernmental fiscal relationships. Two factors have been considered in allocating tax powers amongst the component level of government in any federal system. These are: administrative efficiency and fiscal independence. The efficiency criterion demands

that a tax be assigned to that level of government that will administer it efficiently at minimum cost; while the fiscal independence requires that each level of government should, as far as possible, raise adequate resources from the revenue sources assigned to it to meet its needs and responsibilities. In effect, the allocation of tax powers should take into consideration the respective assignment of function among the federating units (Abubakar, 2000 in Jumare, 2008).

Experience in many countries strongly indicates that there is often a conflict between the two determining criterion: the efficiency criterion tends to conflict with the principle of fiscal independence. While the former would call for greater deal of concentration of tax powers at the higher level of government due in large measure, to the limited administrative capacity of lower level of government, the latter would demand the devolution of more tax power to lower units of government to match the functions assigned to them. In particular, arguments bordering on the economies of scale and national security tend to give greater tax power to the higher level of government, to the disadvantage of lower levels, especially local governments. Rowland (1976) in Jumare, (2008) provides a slight departure from this viewpoint but nonetheless corroborating the "fiscal centralizing" tendency of central or federal governments when he noted that:

> *In a developing country the taxes and other revenue sources available to the states are usually significantly less than are likely to be needed to finance the desirable expenditure programmes of central and local Governments. The central government is, therefore, compelled to give close attention to the allocation of fiscal power and usually reaches the decision that it must reserve to itself the most productive or potentially most productive of taxable resources... Local authorities thus have to rely heavily for their revenues ongovernment grants, minor taxes, licenses fees and charges for services.*

Viewed within a historical context, even if the "fiscal stress-hypothesis" alluded to by Rowland may not be that compelling, the picture provided by the writer, however, aptly characterizes the development, and structure of allocation of tax powers among component units within a federal system of government. Federal Government reserves to itself only the potential and elastic taxes. Local governments on the other hand have very narrow taxable capacity for their expenditure needs. Local Government taxable base can be classified under three main headings; Community Tax or Poll Tax, User Charges and Fees and; Property Tax/Tenement Rate.

Poll Tax

The poll tax is a kind of levy imposed across the board by a governmental authority on every eligible citizen. It is a form of direct taxation paid at a flat rate irrespective of whether or not the taxpayer enjoys some kind of service provided by the government. Dlakwa (1990) in Jumare, (2008) observes that synonyms like community tax, head tax, and general tax are used as substitutes for poll tax.

He also remarks that poll tax has a pejorative connotation because, in its strict sense as propagated by Fredrick Lugard, it refers to a mode of taxation imposed on a "primitive community". Thus, its usage has become abundant with the advancements in economic activities in Nigeria. The basic feature of poll tax is its uniform application on members of a particular community having similar socio-economic characteristics. Justifications for it are generally grouped as philosophical/political, economic and even pedagogical (Dlakwa, 1990).

The philosophical justification is consistent with the principle of equality between human beings. In this connection, poll tax is uniformly imposed on able-bodied people who are not employees in any government; or public organization.

The associated political angle to the philosophical justification is that, every citizen in a community enjoys some form of services rendered by the government; therefore, they should fulfill their civic duties by paying one form of tax or the other. The payment of poll tax is accordingly adjudged the most congenial means of fulfilling an individual obligation to the society.

The economic reason hinges on the argument that "the first need of the modern government is revenue, which is indeed the breath of its nostrils". Another but less fancied economic reason is that, it forces people out of idleness since the realization that they have to pay tax. This compels individuals to seek employment and earn income. The income level could move the individual away from the grouping those eligible for the poll tax or they would have the means to pay if they still remain within the bracket. On the pedagogical level, a corollary of the second (economic) reason is that people get forced Into jobs that expose them to realities of life. This is expected to lead to changes in attribute to work. Equally important is that, they get transformed from "chronic loafers" and "habitual idlers" to productive members of the socio-economic system.

Musgrave and Hirnrichs (1969) have shown that tax structure development is influenced by economic, political, and socio-cultural factors. Economic factors affect tax structure development in two ways; first, as the structure of the economy changes with economic development, the range of available tax bases also changes; secondly, the economic objectives of tax policy pursued by a country vary with the stages of economic development. Thus, the economic criteria vary with the stages of economic development of the country. Political and socio-cultural factors form the oasis of the standards of equity; these constitute a major factor in the choice of appropriate tax instrument (Musgrave, 1969). Thus, Musgrave's analysis seems to indicate that the

theory of tax structure development must embrace elements of the economic objectives of the country, the choice of appropriate lax base which itself is function of the economic structure (measured by the degree of monetization and per capita income, equity and administrative efficiency). Taxation therefore could be used to accomplish many economic and social objectives as pointed out by Musgrave. Rabiu (1981) reiterated this view.

According to him, government can use taxation to accomplish some economic objectives such as influencing consumer demand and providing incentives for production investment and savings. Buhari (1993) has classified the economic objectives into four broad headings: revenue generation; Income distribution, regulation and stabilization of the economy. Hanson (1988) listed the economic reasons for imposition of taxes as follows: payment for the cost of general administration, deference and social services, curtailing the consumption of harmful commodities, redistribution of labour and reduction in equality of income.

Harvey (1982) on the other hand summarized the economic purpose of taxation thus: payment for the goods and services produced by the country, compensating social costs and benefits and regulation of the economy. He further explained that the economy of a country could be regulated in order to develop important industries, to protect infant industries, to move factors of production from one industry to another, to reduce unemployment, to allocate resources and to encourage the growth of the national income. All these objectives are geared towards economic growth and development and are aimed at improving the welfare and living condition of the citizens.

Fees and Charges:

Jumare (2008) observes that fees are charges are also known as user fees. They are usually paid directly by those who benefit from a given product or service towards meeting all or part of the cost. This contrasts with taxes, which are normally paid by eligible citizens of a political/economic system as a legal obligation without regard to the benefit that may accrue to the individual from how the tax is utilized. The basis for charging is cost recovery. Policy may permit charging less than the full cost, or may seek the recovery of more than the full cost, involving respectively a contribution to generate revenue. Bello-Imam and Eronin (1990) advance that "the extent to which services are financed from fees and charges rather than taxation is an important element in politics for the overall distribution of income and welfare and for prices and income". They also note that fees and charges are not generally intended to raise revenue but to regulate the particular service on which they levied and the fees and charges sometimes lag behind the cost of providing the service for which they are charged. Kenneth Davey (1983) has advanced five grounds for charges:

i. Whether the service is a public or private good, it may not be possible to provide it to everyone and it is thereforeunfair to charge its cost to those taxpayers who cannot get it. This is one reason for charging for water supplies, or for education in advance of universal provision. (This argument may not apply where a service is financed through property taxation, and the availability or absence of services is reflected in the valuation).

ii. A service may involve an expensive or scarce resource and public consumption needs to be disciplined. This, again, is often a reason for charging for water supplies (particularly through metered systems) or for the prescription of medical drugs.

iii. There may be widespread individual consumption, which relate, at least partly, to choice rather than need. The use of recreational facilities is an example.

iv. A service may be utilized for portable commercial operations as well as the satisfaction of individual domestic needs. Water, electricity, refuse disposal, posts, and telephones are all used extensively by industry, for example. (This may lead to charging all consumers, or only those in commerce and industry.)

v. Charging may test out the directions and scale of public demand for a service, where essential needs or types and standards of provision cannot be unequivocally prescribed. A case can be made out for almost any form of public expenditure; willingness to pay directly for it is a more significant test of public preference.

Property/Tenement Rates

Orewa (1991) in Jumare, (2008) defines a rate as "a tax on the benefit derived from the occupation or use of any landed property". Such property includes underdeveloped land, or land on which a building or any physical structure is located. It is sometimes referred to as tenement rate because it is not imposed on plant, machinery and furniture. It could be regarded as a direct tax for the reason that it is collected from user/occupier of the property. But there is the possibility of shifting the burden from a tenant occupier to the owner; this possibility implies that property or tenement rates can also be regarded as indirect taxes. The basis of the assessment of a rate payable on a tenement can be capital, rental, and lavational or flat rate value of the property.

The capital value is the estimated cost of constructing a building, including the facilities it has, and in some cases taking account of the values of the land on

which the property is situated. Professional or chartered valuer's, who use technical parameters to arrive at the estimated cost of the property, undertake valuation of each tenement, a percentage, like five percent of the capital value, is regarded as the annual rate able values, which forms the basis or assessment of the rate payable each year.

Among the merits of the capital value assessment are the following. One, it could be an equitable tax on capital investments of the same value in area. Two, the valuation is easy to be revised (upwards) as the property in an area appreciates in value over time. Three, it is either proportional or progressive and places lower burden on the less affluent. However, it has some demerits. Which include the following: First, the basis for assessment by professional values may be difficult for the average ratepayer to understand. Second-and related to the first, it could be overvalued or undervalued due to the sophisticated nature of the parameter.

The rental value assessment involves the use of information on annual rents payable for different categories of buildings in an area devoted to various users. The assumed annual rent becomes the basis of assessment. This approach has the benefit of being suitable for local areas with a combination of rural and urban locations, or where there are divergent property values. It is better understood, relative to the capital method, given its relationship with the assumed market value of the property. There is the additional advantage of flexibility in dealing with booms and depressions. However, there are some problems that may confront the system of rental valuation.

One is the issues of getting accurate information on current rents from different categories of property. Two is the fact that the benefit of

flexibility could mean that downward reviews were considered during depression which may entail insufficient receipts to cover normal expenses.

The location value method involves a cross between the capital and rental value methods. On the other hand, it takes cognizance of the use to which a property is put while consideration is given to the current rents from properties in an area. On the other hand, it involves zoning, which takes account of the value of property in each sector for the assessment. The vocational value is useful as a first step from the rudimentary flat rate system. It is easy to administer by non-professional valuation staff. It could be said to maintain equity and does not discriminate in respect of the value or size of the buildings of the same structure in an area. It also takes account of the assumed earnings capacity of the property in each zone. However, it has the weakness that, if there is discrimination as to uses to which different properties could be put in determining the value, the structure or building could be changed, without the changed status reflected in valuations. Problems of judgment and sociopolitical influences may be brought to bear.

The flat rate assessment is a rudimentary system of assigning rates in a rough-and-ready manner. It is a non-systematic way of assessing properties with each category of building assumed to attract an average income there is no question of valuation of any tenement. The system is useful as a first step in gaining acceptability of property rating in areas where it did not exist previously as the subject could get politically charged.

Within the Federal structure various institutional arrangements are used to administer the property tax. These include: completely centralized systems, in which the central government carries out the valuation and collects the rates as it is

done in countries such as France, Sweden, Turkey, etc. and completely decentralized system in which the local government carries out the valuation and collects the tax as in the United States, Japan, Brazil and some states in Nigeria. The split allows the central government to carry out the valuation while local government collects as in Kenya. The obverse from the split system which allots the local government responsibility to value properties while the central government collects as in the Netherlands and Tunisia (Hassan, 2002 in Jumare, 2008). Property tax is universally a valuable and substantial source of funds for local government especially in urban areas, and one most frequently end readily assigned to local governments. The estimation of the potential contribution, which this form of tax can make to local government finance, is partly based on the sizeable proportion of local revenues derived from it in the developed Europe and American Countries and partly on its advantages as a source of local revenue. Hepworlh (1984) said they are the only independent taxing source available to local authorities in Great Britain. For example, in Great Britain, it was calculated that tax rates provided 30% of local government expenditure of 20.6 billion pounds in 1982. Fees and charges yielded 22% and grants amounted to 48%. Similarly, in the United State of America, in 1982, property rates yielded 25% of total local government revenue of $315.322 billion (Bello, 1986 in Jumare, 2008).

The discussion so far has ignored the fact that property taxes are fully grounded within the doctrine of welfare economics; the branch of economic theory concerned with the social desirability of alternative means of funding of governmental economic activities. In the Tie bout model, the property tax is just the cost of purchasing public services, and each individual buys exactly the amount he or she desires. Property taxes are therefore devoted to services connected with physical

development, such roads or drains and the revenues accrued from these sources are expected to finance public services such as education, public health.

2.6 Theoretical Framework:

2.6.1 Fiscal Decentralization

Fiscal decentralization comprises the financial aspects of devolution to regional and local government. It is the fashionable term; the alternative description "central-local (or intergovernmental) fiscal relations" and "fiscal federalism" are often used.

According to Davey (2003) fiscal decentralization theory covers two interrelated issues. The first is the division of spending responsibilities and revenue sources between levels of government (national, regional, local etc). The second issue is the amount of discretion given to regional and local governments to determine their expenditures and revenues (both in aggregate and detail).

These combined dimensions have a significant impact on the reality of decentralization in its broader political and administrative sense. How much power and responsibility regional and local governments actually exercise depends substantially on;

i) What range of public services they finance
ii) Whether their revenues are commensurate with these responsibilities
iii) How much real choice they have in allocating their budget to individual services
iv) Whether they can determine the rates of their taxes and charges (both allowing them to vary their spending level and making them answerable to the taxpayers).

The network of the theory posits that local finances involve the following variables/concepts

i) Spending responsibility
ii) Local taxes
iii) Intergovernmental transfer
iv) Capital finance
v) Local discretion
vi) Beneficiary of the government service (public)

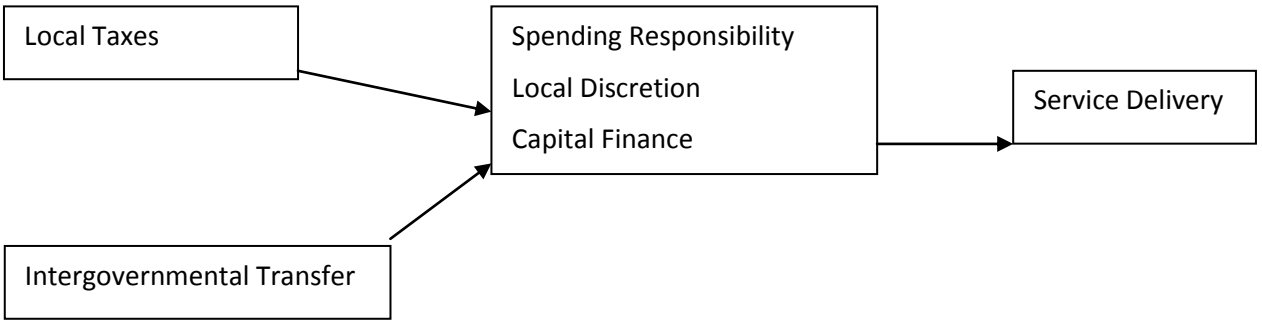


Fig 2: The Network Theory of Fiscal Decentralization

The above theory is very important in study for that it explains how both internal and external revenue helps local government in service delivery. These services may range from primary health care, basic education and social welfare, development agriculture among other services that are within the constitutional functions of local government.

The above discussed theory is relevant and applicable to this research. It tends to relate local taxes and intergovernmental transfer with service delivery with the former being a discretion of local government council. Thus, as stated by the theory the

extent to which services are delivered depends on not only the local taxes collected and intergovernmental transfer but also the spending responsibility, capital finance and local discretion of the local government council.

2.6.2 The Benefit Received Theory of Taxation

This theory holds that the taxes which an agent pays should be commensurate to the benefit that he receives from the mix of goods and services supplied by the state (Blum and Kalven, 1953).

The theoretical framework in the benefit received principle or expenditure – revenue principle does not include the specification of a single fiscal system to be used as a point of analysis into the governmental activities and their possible impact on the taxable capacity of different tiers of government. In other words, the framework does not however enable the fiscal specialist to indicate the alternate distribution of tax burdens and public expenditures which will yield the desired result. Emphases should be geared towards at the analysis of government mandatory responsible for such expenditures and taxes decision making (Jumare, 1994). In this study, the theory explains that tax payers paid tax to government only when they know that government will provide them something in return in form of service delivery (as a quid pro-quo). Therefore, the ability of government to raise revenue is dependent on its capacity to provide the basic services to the people. Therefore, the government should try as much as possible to provide more social services to the tax payers who will in turn, be motivated towards paying more taxes.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter focuses on the methodology of the study. This consist of methods and approaches used, justification of the methods, instrument/tools used, population sampling and size, sampling procedure employed, justification for sample selection procedure and statistical techniques used in the research analysis.

3.2 Research Design

The research employed the use of both quantitative and qualitative analysis. Quantitatively, survey research method is used; on the other hand content analysis of the estimates of the two local governments has been made.

3.3 Population and Sample Size

Based on the 2006 population census figures, Sabon Gari Local Government Area has a total population figure of 291,358 while Kudan Local Government Area has a total population figure of 138,956. In terms of staff, Sabon Gari Local Government has a total of 1400 staff out of which 150 are staff of the finance department, while Kudan Local Government has a total workforce of 776 staff out of which 98 are staff of the finance department. Both categories of the population would be used as our population size from which our total sample size would be determined. Twenty percent (20%) of the finance staff of each Local Government would be used as the sample size of the study.

The total population of the two local governments is 291,358 for Sabon Gari local government and 138,956 for Kudan Local Government, we shall determine our sample size using the Yamani's Formula as follows;

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

Where; n = Sample size

N = Population Size

e = Sampling Error or degree of precision.

Source; Charles,T.C. &Lawrence, L.S (1989).

If we take our sampling error to be 5% (0.05), we will have our sample as thus;

For Sabon Gari local government:

$$n = \frac{291{,}358}{1 + 291{,}358\,(0.05)^2}$$

$$n = \frac{291{,}358}{1 + 291{,}358\,(0.0025)}$$

$$n = \frac{291{,}358}{1 + 728.395}$$

$$n = \frac{291{,}358}{729.395}$$

$$n = 399.5$$

Therefore, the approximately sample size of Sabon Gari is 400;

For Kudan local government:

$$n = \frac{138{,}956}{1 + 138{,}956\,(0.05)^2}$$

$$n = \frac{138{,}956}{1 + 138{,}956\,(0.0025)}$$

$$n = \frac{138{,}956}{1 + 347.39}$$

$$n = \frac{138{,}956}{348.39}$$

$$n = 398.85$$

Therefore, the approximate sample size of Kudan local government is 399.

However, in each category 10% of the sample size was added to the minimum sample sizes determined using the Yamani formula. Therefore, the following table presents the sample sizes of each of the selected Local Government Areas:

Local government	Sample Size	
	Staff	Beneficiary Members
Sabon Gari	30	440
Kudan	20	439
Total	50	879

Source: Researcher's Survey, 2014.

The above table represents the sample size of the staff and beneficiaries in the studied areas. Sabon Gari Local Government has a staff sample size of 30 and 440 beneficiaries. On the other hand, Kudan Local Government has a sample size of 20 staff and 439 beneficiaries.

Thus, our total sample size of the staff (finance) is fifty (50) i.e 30 + 20

In terms of beneficiaries, forty (40) beneficiaries would be selected in each of the 11 wards of the Sabon Gari Local Government Area, while forty four (44) beneficiaries would be selected in each of 10 wards of the Kudan Local Government Area. Therefore, the total community members of 880 constitute the sample size of the community members. In all, a sample size of 930 i.e (50 + 215) was adapted as the sample size of the study.

3.4 Sampling Methods

A multi-stage sampling technique was employed for this study. Purposive sampling technique was used in selecting the staff respondents in the local government who are mainly from finance department and especially those that have direct bearing with the revenue generation in the Local Government Area. However, cluster sampling technique was used in selecting respondents, base on the number of wards per each

local government of the study. And finally, community members were randomly selected taken into consideration their occupations and sex category.

A simple random sampling (SRS) was employed in the selection of the sample for this study. A sampling frame of each of the members comprises of staff of both Kudan and Sabon Gari Local Governments and community members (youths, elders, groups, leaders, etc) will be developed by assigning a number to each member of the three (2) groups.

3.5 Instruments of Data Collection

Both primary and secondary data will be collected and analyzed to test the hypotheses already formulated in section one. However, both quantitative and qualitative data would also be used for the study. The following are the methods and instrument of data collection.

3.5.1 Primary Data

These are the first hand data to be used for the study which would be collected through field work. Two basic instruments would be used for collecting the primary data. These are:

i. Questionnaires: A carefully designed but wide-ranging questions aimed at eliciting right responses was constructed and piloted in order to detect any abnormalities or inherent problems. From the comments and remarks from the pilot questionnaire respondents, the entire questionnaire was reviewed and improved upon. While some questions were open-ended, a few were Yes or No format.

3.5.2 Secondary Data

The study made use of secondary sources. These are second hand or ready-made data collected, organized and presented by other researchers, agencies and government organizations in the form of reports. This type of data is critically important for examining the relationship between revenue and service delivery and also to test our hypotheses. These data are available in the library, Federal State and Local Government financial reports, project documents and accounting books among others.

3.6 Administration of Questionnaire

The questionnaire was designed to capture detailed profile of the respondents in addition to what they consider as the benefits and challenges facing the revenue generation. The questionnaire was administered through the employment of a research assistant that facilitated the process, while others were self administered by the researcher to the respondents. All the sample size (50 + 296) were given questionnaire. The number of questionnaires administered and returned will be use for data analysis.

3.7 Method of Data Analysis

All the data collected will be organized, presented and analyzed using both descriptive and inferential statistical tools. The opinion of our respondents are presented in Tables, percentages and average would be used as descriptive statistical tools, while Pearson's coefficient correlation analysis of SPSS 16.0 would be used to test hypotheses to determine the nature and strength of the relationship between revenue generation and in the local government case study. However, chi-square (x^2) distribution would be employed as analytical statistical tools to test whether effective

management of revenue has positive impact in the promotion of grass root in the two Local Government Areas.

CHAPTER FOUR

HISTORICAL BACKGROUND AND DEVELOPMENT OF SABON GARI AND KUDAN LOCAL GOVERNMENT AREAS

4.1 Sabon Gari Local Government Area

Sabon Gari Local Government Area came into being through several transformations of Sabon Gari town which literally means "New Town" and it is surrounded by villages (native authority system). Even though the name came into being before the arrival of colonial masters, history has it that one of the younger brothers of the late Emir of Zazzau (Alu) who contested for the throne and lost left Zaria city with his family and finally settled at the present township stadium in Club Street. Until when the British Colonial masters finally came in 1913 and decided to shift the family of the prince to somewhere after the railway line that comes from the Northern Headquarters of NRC to Bauchi. The extended family of the prince is found in DogonBauchi, Ang. Gabas, and Ang. Gwado.

Other important villages that have been in existence even before the Usman Dan Fodio Jihad are: Bomo, Basawa and Dogarawa. Oral tradition has it that all Emirs of Zazzau whenever they embarked on a visit to their wards, they will spend a day each in these villages mentioned above because of their historical origins.

Sabon Gari town, from which the local government derives its name was established as a result of the development of communication, commerce and military establishments in the area after it was formally created by the British colonial administration in the north as a rehabilitation centre for railway workers in 1903. It became one of the five urban centres in the northern part of the country which include Kano, Jos, Kaduna and Zungeru. This development facilitated the migration of people from all the different parts of the country into Sabon Gari town to give it a unique cosmopolitan nature and outlook and the unification of the surrounding villages such as

SabonGari town itself, Dogon Bauchi, Jushin Waje, Tsugugi, Unguwar Kanawa, Muchiya, Chikaji, Hanwa, Palladan, Jama'a, Basawa, Samaru, Bomo, Sakadadi, Gwanda, Zangon DanBorno, Zabi, Shika – Dam, Katankga, Tohu, Hayin Ojo, Unguwar Jaba, Daurawa, Kwangila, Unguwar Mai Gwado, GRA and the local government headquarters, Dogarawa to form one administrative block, gave it a district status from 1960 to 1985. In 1985 additional districts were made as a result of increase in population.

When the local government councils were first created in Nigeria, Sabon Gari district formed part of the then Zaria Local Government Council which was itself being transformed from the Native Authority system to a local government system. Subsequently, Sabon Gari Local District and Soba District were carved out of Zaria Local Government and merged to create Soba Local Government Council in September (1989).

Later on the 27th August, 1991, the then Military Administrator under retired General and President Ibrahim Badamasi Babangida, carved out Sabon Gari district from Soba Local Government Area to form the new existing Sabon Gari Local Government Area.

Number of Districts

Sabon Gari is one of the districts of Zazzau Emirate Council and the first district head of Sabon Gari was the late Emir of Zazzau Mohammed Aminu (OFR) who was appointed first as Wakilin Tsabta and later Iyan Zazzau. After his appointment as the Emir of Zazzau he later on appointed Saidu Zango as IyanZazzau and district head of SabonGari. The third district head of Sabon Gari and the Iyan Zazzau was Mallam Mohammadu Bashari Aminu the son of former Emir of Zazzau and is still the district

head until when Basawa district was added. In April 2001 during the administration of Alh. (Dr) Ahmed Mohammed Makarfi additional four districts were created from these two districts making the number of districts in Sabon Gari Local Government to six namely:

1. Sabon Gari
2. Basawa
3. Muchiya
4. Samaru
5. Bomo
6. Hanwa.

Population, Land Area and Major languages

The Local Government Area has a population of about 291,358 people with a land area of approximately 600 kilometres square. It has boundaries with the neighbouring Local Government Areas such as:

(a) To the North – Kudan Local Government Area

(b) To the West – Giwa Local Government Area.

(c) To the South West - Soba Local Government Area.

(d) To the East – Zaria local government.

Many civil servants are now involved in large scale farming, producing a large yield of cash and food crops. Effort also is being made by the local government council to form co-operative societies by both groups of men and women for the establishment of cottage industries for the making of soaps, pomades, hairdressing, candles sewing, knitting etc.

The established industries and factories are situated around Chikaji and Zabi Industrial Areas. They include:

a. Electricity Meter Company of Nigeria (EMCON)

b. John Holt Agro – Engineering Company

c. Premier Seeds (Producers of variety improved seeds)

d. UAC Seeds (as above)

e. Arewa poultry farm

f. Comrade cycle (bicycle assembly plant)

g. Zazzau Ginnery

h. Cotton and Agricultural Processing Company (CAP)

i. British American Tobacco Company (BAT)

j. A.J. Seward (Makers of Cosmetics)

k. Kaduna Chalk Manufacturing Company

l. Ladan Bakery and Confectionaries

m. Zaria Confectionaries

n. Several Block Industries

o. Coca Cola Depot Company

p. Cadbury Nigeria Ltd

q. Zaria Oil Mills

r. Trow Flour Mills

s. Tulips Food and Confectionaries

t. Mrs Biggs

u. Al Nasiha Restaurant

v. Habib Restaurant

w. Red Onions

x. Chicken Republic

y. Ostrict Bakery

z. Mazari Nails.

The main trade and commercial houses are situated around the GRA including Leventis Stores, John Holts, G. Bolivani, U.A.C, PZ Cusson, Zaria, Longman Nigeria Ltd, BAT Leaf buying centre and International Leaf Buying Centre. There are some big private business houses like Harmony Brothers, Hamzet Stores, Abdu Kwari Ventures, Amil Motors, Hakuri Motors, Matso – Matso Motors, Olu Professionals, Block Industries and Agro Allied Companies Scattered all around the area. The local government has many construction firms (boreholes and water construction works), Lilleiker Brothers (electricity engineering works).

The availability of immediate fund is the life line of all business interactions. It is gladding to note that all banks operating in Nigeria are adequately represented in Sabon Gari Local Government Area. Sabon Gari local government is second to none but Kaduna the state capital, in terms of Banking industry. The following are some of the many banks found in Sabon Gari local government:

a. Union Bank – Sabon Gari Branch

b. Union Bank – Samaru Branch

c. UBA – Sabon Gari Branch

d. UBA – Samaru Branch

e. First Bank – Sabon Gari Branch

f. First bank – Samaru Branch

g. Main Street bank – Sabon Gari Branch

h. Nigeria Agricultural and Cooperative Bank

i. Stanbic IBTC Bank – Sabon Gari Branch

j. Stanbic IBTC Bank – Samaru Branch

k. Unity Bank – Sabon Gari Branch

l. Keystone Bank – Sabon Gari Branch

m. Inter Continental Bank – Sabon Gari Branch

n. Diamond Bank – Sabon Gari Branch

o. Diamond Bank – Samaru Branch

p. First City Monument Bank – Sabon Gari Branch

q. Oceanic Bank – Sabon Gari Branch

r. Zenith Bank – Sabon Gari Branch

s. Guaranty Trust Bank – Sabon Gari Branch

t. Skye Bank – Sabon Gari Branch

u. Fidelity Bank – Sabon Gari Branch

v. Ahmadu Bello University Community Bank.

Filling Stations in the Local Government

1. M R Filling Station Samaru
2. Oando Filling Station Samaru
3. Con Oil Filling Station Zangon Shanu
4. A.P Filling Station Palladan
5. Wada Musa Filling Station Palladan
6. Linhab Filling Station Palladan
7. Shirash Filling Station Basawa
8. Al-Mudeco Filling Station Kwangila
9. Asas Filling Station Basawa
10. Mobil Filling Station Kwangila
11. Banadeen Filling Station Kwangila
12. Likoro Filling Station Fly Over Kwangila
13. Asas Filling Station Yan Karfe Hanwa

14. Likoro Filling Station Kwangila
15. Al-Mudeco Filling Station Kwangila
16. First Prestige Filling Station Kano Junction
17. Dutsen Wai Filling Station Kano Junction
18. Dutsen Wai Filling Station GRA
19. Al Mudeco Filling Station Dogarawa
20. BMB Filling Station Dogarawa
21. Oando Filling Station MTD Junction
22. Dahiru Garba Filling Station MTD Junction
23. First Prestige Filling Station Opposite BAT Staff Club
24. Salbas Filling Station Opposite Nitel
25. Total Filling Station Opposite Union Bank
26. Mobile Filling Station Opposite PZ
27. Con Oil Opposite PZ
28. Oando Filling Station Opposite Oceanic Bank
29. Oando Filling Station Opposite Main Street Bank
30. Fasada Filling Station Opposite First Bank
31. M R S Filling Station near Main Motor Park Sabon Gari
32. Total Filling Station Opposite Motor Park Sabon Gari
33. Shirash Filling Station Sabon Gari
34. Mobile Filling Station Opposite Kasuwa Mata
35. Asas Filling Station Muchia Round About
36. Munirat Filling Station Dogarawa
37. Al – Sadakahum Filling Station Dogarawa.

Markets

Sabon Gari local government was endowed with a number of flourishing markets where people from far and near conduct business interaction daily. The markets in the area operate daily because of the availability of almost all requirements in each and every market operating therein. Manufactured goods from within and outside the country are traded there on daily basis. They include:

a. Sabon Gari Market Comprising Zone A and B

b. Samaru Central Market

c. Kasuwar Mata Market

d. Bayan Gidan Iya Market

e. Palladan Market

f. Dogarawa Tomatoes Market

g. Sabon Gari Tomatoes Market

h. Zangon Shanu Cattle Market

i. Kwangila Ram/Cattle Market

j. Muchia Market

k. Yan Karfe Market.

All the markets in category “a – e” sell variety of manufactured goods such as tin products, cooking oil, soaps, cosmetics and other domestic needs. Textile materials, food crops, meat, leather works, etc “f – k" market sell what their names implies such as tomatoes ingredients, cattle, ram and goats.

Natural Economic Endowment

a. Minerals

There exist some mineral resources in the area which are found in appreciable quantities like iron, precious stones such as grid etc. There are some other mineral resources that are found in small quantities for local use.

b. Agriculture

Farming is the pre dominant occupation of the majority of people in Sabon Gari Local Government Area. They produce both cash and food crops in large quantity that make the area as one of the major food basket of the Kaduna state. Crop such as guinea corn, maize, yam, potatoes (both sweet and foreign) are grown. The breakdown is as follows:

(i) Commercial Crops

The following commercial crops are found in Basawa, Sakadali, Anguwan kanawa, Jushi and Anguwan Jaba;

Cotton	Tomatoes	Maize
Yams	Rice	Groundnut
Pepper	Sugar cane	Tobacco
Cattle		

(ii) Food Crops

Guinea crops	Millet	Cassava
Beans	Sweet potatoes	Dairies
Poultry	Rams and goats	Fisheries

(a) Others

There are economic trees in abundance that are produced in commercial quantity and local use, Boabob, Dutchart, Mango, Sheabutter Trees, Cashew, Barrasus, Mahogany, timber products, etc, are found for local and export uses.

Tourism Potentials

The tourism attractions in the area are Dam project at Shika, the Ahmadu Bello University Geological and Veterinary sector, Dam and Museum at Samaru, the state government fishers at Bomo, the Army Depot Museum at Sabon Gari and the historical Queen Amina wall at Shika, Katanga, Sakadadi, Zabi and Gwanda Villages. Its main markets (see items 6) are also tourist's attractive areas.

There are spread accommodation facilities in all direction of the Local Government Area. They include Zaria Hotel, Zaria motel, Zaria Club, Polo Club, Emanto Guest Inn, Jim Harrison Hotel, Beauty Guest Inn, Rahama Guest Inn, ABU Staff Club, Aviation Staff Club, Ariya Guest Inn, Splendid Hotel and Guest Inn, Soho Hotel, TJ Place Hotel, Zazzau Royal Guest Inn, Hanwa Guest Inn, Sweet Guest Inn, Valley Guest Inn. Some of these hotels and restaurants are situated around GRA, while others operate fully in the township area. There are barbing and hair dressing saloons, photographic and sound studios within the Local Government Area.

Sabon Gari local government has good road network and the Nigeria College of Aviation Technology based in the Local Government Area run a skeletal air services for traveler within Nigeria. Buses and car hire services are operated for site visit within and outside the Local Government Area.

Social Attraction

(a) Transportation

The local government has the following:

i. Railway line linking the local government with other states of the federalism.

ii. Road transport: This is made up of motor cars, trucks, buses, tractors and vehicles travelling to all the states across the nation.

iii. National air taxis to all the states by use of College of Aviation Technology Air strips and small Nigerian Airway planes which provide the air services nationwide.

iv. The boats and canoes for local use in the Dam and river Galma to surrounding towns and villages are available.

(b) Power Supply

The Power Holding Company of Nigeria (PHCN) has been supplying electricity to all the areas of the local government. There are also private and individual power plants spread all over the area. The rural electrification project controlled by the Kaduna State electrification board reached many villages in the area.

(c) Educational Institutions

Sabon Gari Local Government Area has about thirty nine (39) primary schools and more than twelve (12) post primary institutions. These are all public institutions. We have however private primary and post primary schools spread all over the Local Government Area. The local government is also hosting a number of educational institutions of higher learning which include:

1. Ahmadu Bello University, Zaria

This University is the largest in sub Sahara Africa and one of the greatest in Africa. It has the Main Campus in Samaru, Institute of Administration Kongo Campus, Institute of Agricultural Research Samaru, National Agricultural Extension Research and Liaison Services, National

Animal Production Research Institute Shika, Ahmadu Bello University Teaching Hospital Shika and is affiliated to many tertiary institutions like Kaduna polytechnic etc.

2. The Nigerian Institute of Transport Technology (NITT) Zaria
3. Nigerian College of Aviation Technology Zaria
4. National Research Institute for Leather and Chemical Technology Zaria
5. Chemical Research Technology (CHELTECH) Zaria
6. Industrial Development Centre (IDC)
7. Centre for Energy Research and Training (CERT) Zaria.

(d) Army and Police Establishment/Security

The Local Government Area is opportune to host many military formations like:

i. The Nigerian Army Training Chindit Barracks
ii. The Nigerian Military School
iii. The Nigerian Army School of Military Police
iv. Nigerian Army Physical Training Corps
v. The Nigerian Army Engineers
vi. The Nigeria Police Area Command
vii. The Federal Road Safety Corps
viii. National Security and Civil Defence Corp (NSCDC)
ix. The Nigerian Police Mobile Police (MOPOL).

Sabon Gari Local Government Area has the highest number of military formations in Kaduna state, outside Kaduna metropolis. The combination of the presence of high number of both the military and police gave the area a big sense of security.

(e) Culture

The culture is a mixed of religion and western pattern type, though it has traditional values by the complexity of the ethnic groups that form the society and population of the Local Government Area.

Festivals observed are mainly religious such as Sallah festivals, Eid-El Fitr, Eid – El – Kabir as well as Eid – El – Moulud for Muslism. Christmas, Easter and New Year for Christians. There are also many festivals in accordance with ethnicity of the people who migrate into the area.

(f) Water and Health Facilities

Pipe borne water is the stable water supply of the area through the existing water works. Bore holes and wells were also provided by the local government council in rural areas.

There are eighteen (18) health clinics spread over the Local Government Area which provided first aid consultancy services and primary health care development. Serious illness, operations and special cases are being referred to the Ahmadu Bello University Teaching Hospital Shika. There are also several private hospitals and clinics all over the area such as Major Ibrahim Abdullahi Hospital which is a state government hospital and so many private hospitals like Limi Hospital, Ladiya Hospital, Salama Hospital, Jama'a Hospital, Savanna Hospital and Mayfair Clinic etc.

(g) Religion of the Local Government

The majority of the people are Muslims while there are also Christians in the area.

(h) Incentives

There is abundant land for development, agriculture and animal husbandry. The people are hardworking and are self-reliant in food production, but need to be provided

with facilities and be motivated to further exploit their potentialities and the natural resources around them for the benefit of not only their own area but the investors, state and the nation in general. The taxable capacity of the local government is also very high, partly because of large concentration of business outfits and industrial estate. These have made the local government to have more revenue potentials for service delivery.

The area has been endowed with a large population and with many institutions of all types, many highly educated people in various disciplines. Energetic, skilled and semi-skilled labour are in abundance. The area is no doubt bestowed with sufficient human resources to run the activities so much deserved by investors.

Apart from the above natural resources, the area has the highest number of military formations and police area command. This facilitates have provided adequate security in the area. No wonder the people are living with one another peacefully despite their differences in cultural and religious background. The local government is ready to assist, be soft and respond to investors requirements whenever the need arises.

4.2 Historical Background and Development of Kudan Local Government Area

Kudan local government was created from the former Makarfi local government during the military regime of Gen. SaniAbacha, on the 1st October 1996 which makes the present numbers of the Local Government Areas the total of 774 in Nigeria.

Kudan local government is bordered by the Makarfi local government to the east, by the SabonGari local government to the west by Giwa to South and Danja Local Government Area of Katsina state to the North. Kudan local government Headquarter is located at Hunkuyi.

Geographical Features of Kudan Local Government

Kudan local government is a fertiles land and loamy soil which resulted to farming as the major occupation of the people in the area. The mainly agricultural activities such as farming, fishing, cattle rearing and forestry are the main activities of the populace. There are also many agricultural crops produced for commercial purposes in the area such as maize, genui corn, groundnuts, tomatoes, Arish potatoes, carrots, cabbages, pepper, sugar cane, garden eggs etc.

Main Occupation of the People

Due to the location of the local government in the rural area, the main occupation of the people are farming, fishing and cattle rearing.

Traditional Set-Up

The majority of the people are Hausas and Fulanis. Also the local government found under the emirate of Zazzau, which has five districts, headed by the following:

S/No	District Area	Name of district Head	Title
1	Hunkuyi District	Alh. HalliruMamuda	TukuranZazzau
2	Kudan District	Alh. IsiakuAshiru	Christian Zazzau
3	Likoro District	Engr. AbdullahiNuhu	Chiroma of Zazzau
4	Doka District	Alh. Mu'azuShehuDoka	Shenagu of Zazzau
5	K/Wali District	Alh. Namadi K/Wali	Wagu of Zazzau

Main Market/Days

1. Hunkuyi Market

(a) Market which is producing tomatoes, Arish potatoes and vegetables in commercial quantities.

(b) Market day – Saturday

2. Kudan Market

(b) Is a market which is producing tomatoes, sugar cane and other vegetables in commercial quantities.

(c) Market day - Friday

3. Tashankade tomatoes market seasonal

4. K/Wali Sugar Cane Market

Seasonal

5. Hawanmaimashi tomatoes market

Seasonal

6. Jajagurden eggs (Gauta) market

Seasonal

Motor Park

(1) Hunkuyi motor park

(2) SabonGarinHunkuyi motor park

(3) Kudan motor park

(4) Dokamotor park.

Slaughter Houses

1. Local slaughter house at Hunkuyi
2. Local slaughter house at Kudan
3. Local slaughter house at Likoro
4. Local slaughter house at Doka.

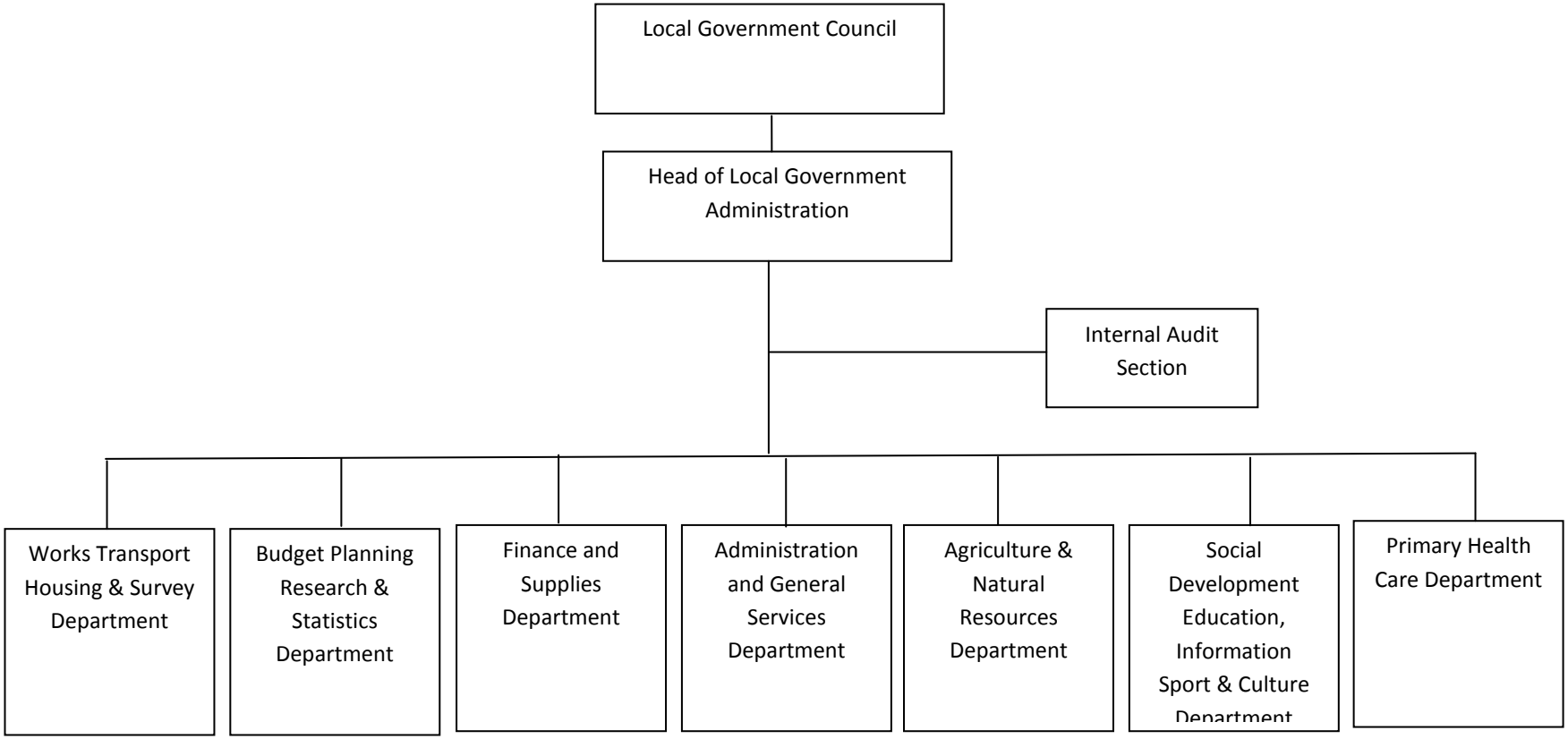
Tenement Rate

As a result of the local government located at the rural area there are poor turn over in term of tenement rates. Only few fuelling stations located at the area which are the sources of tenement rate.

4.3 Organisational Structure of the Administration of Local Government Departments

Due to the unified system of local government administration, both Kudanand SabonGari localgovernment have essentially the same administrative structures and processes. The following diagram is the structure of the local government departments of the two Local Government Areas under study;

Structure of Local Government Component Department



Functions of the Various Departments at the Local Government

Finance and Supply Department

This Department is headed by Director of Finance and Supply Or Town Treasurer with other Units under his control its functions are as follows:

- Revenue Generation
- Keeping financial records
- Disbursement of fund to the system (Local Governments).
- Consulting the Local Government Finance, supervising the account of all Departments of the Local Government
- Publishing monthly and annual Financial Statement of the Local Government.
- Providing receipt to other Departments for Revenue Generation
- Preparation of the Vouchers of the Staff of the Local Government
- They coordinate the activities of the Revenue collections on the field.

Department of Agriculture and Natural Resources

The Department is headed by Director of Agric with appointed Supervisory Councilor answerable to the Chief expect the Department is responsible of supplying of fertilizer to the farmers, carrying out extension service educating farmers in planting of crops, husbandry, and poultry e.t.c.

Department of Administration & General Service Headed by (Director)

This Department serves as the administrative center of the Local Government. It is concerned with staff matter's include the section, appointment, promotion and discipline of officers and their general well being. The Admin Department has the Junior Staff Management Committee (JSMC) which is responsible for the appointment, promotion and discipline of officers on GL 01-06 and it consist of representative of each Department.

Moreover, the appointments, promotion and discipline of staff on grade level 07 and above the responsibility of Local Government Service Commission, the Admin Department also coordinate the activities of their units.

Primary Health Care Department

The Department is also headed by Director Primary Health Care under the administration advice of a Supervisory Councilor who is answerable to the Chairman. The Department caters for Health Facilities and control of Local Medical Units.

- It is also responsible for service such as refuse dump collection.
- Educating the Community on Health and Immunization Programmes against diseases.
- They provide maternity services to the Local Government dwellers.

Department of Works and Housing

The Department is headed by Director of Works. He works in hand with the Supervisory Councilor who is answerable to the Chairman, the Department is responsible for the general works of the Local Government.

- Road construction
- Building of motor parks
- Installation of market
- Naming of streets
- Maintenance and repairs of Local Government machinery and furniture.

Department of Budget Planning Research and Statistics

The Department is headed by Director of Budget

- The Department is responsible for the annual estimates

- Also ensuring budgetary control
- Checking the P.Vs from various Departments for accuracy and accountability and good governance.

Education and Social Development

This Department is headed by the Director of Education with the appointed Supervisory Councilor who is answerable to the Chairman. The Department is responsible for the education matters in the Local government. Appointment of Primary School teacher's Headmasters are all under their Department. Also the distribution of school material and payment of teachers salaries are taken care of by the Department. Under this Department we have community Development. Information Adult education and now under the new Scheme of Service Cooperative Unit from Agric Department is now under E.S.P.

In summary, all the Departments Admin and General Service Departments, ESD, Agric, Works, Budget, PUH, has a strong link with Finance and Supply Department, due to the issue of Finance, Agric Department will not supply fertilizer and chemicals without the concern of Finance Department. Salaries will not be paid, construction of culvert, renovation of Primary Schools, Clinics, supply of immunization materials will not be done without Finance.

Above all the running cost of the whole Local Government will also affected e.g. provision of working materials for the smooth running of day-day activities of the General Admin of the Local Government will collapse if Finance and Supply did not disburse the fund accordingly.

Some List of Projects Implemented by Kudan Local Government

1. Kudan Local Government

Works Department

Electrification at:

Tashan Kade Ward

Kauran Wali

Anguwan Dantaru

Agric Department

Purchase of fertilizer to distribute across the Wards.

Purchase of three Nos. Trucks

Renovation of Slaughter Slab at:

- Kauran Wali
- Kudan
- Hunkuyi

Education Department

Completion of 2No. classroom with office and 2No. Toilets @ neighborhood, Hunkuyi and Kudan.

- Construction of additional classrooms @ neighborhood Secondary School at Saban Garin Hunkuyi Ward, Taba, Dumunga.
- Supply of Primary School funitures at
- Likoro
- Garu
- Sabon Garin Hunkuyi

Health

- Construction of Health Clinic at Tashan Kanawa, Doka Ward.
- Construction of Cool Room at L.G. Secretariat
- Renovation of PHC Kauran Wali

- Purchase of Isuzu (FTR) Refuse Collection Truck (JP)
- Completion of Health Centre at Nasarawan Kudan
- Purchase of Ambulance (JP).

2. Sabon Gari Local Government

Health Department

- Construction of Shika Dam Health Clinic and Fencing
- Purchase of Solar Powered refrigerator for Health Facilities.
- Completion of Renovation of Clinic at Hayin Dogo, Jema'a.
- Construction of Clinic at Kababana
- Purchase of Isuzu for effuse collection.

Agric Department

- Purchase of Agro-Chemicals for distribution to Farmers.
- Rehabilitation of Tractors
- Rehabilitation and improvement of animal Market at Zangon Shanu and 'Yan Awaki Market.
- Rehabilitation of slaughter Slab at Hayin Ojo, Jama'a and Hayin Dogo.
- Purchase of Drugs and immunization equipment for livestock against epizootic disease.

Work Department

- Energizing of transformer at ANg. M/Sule, Ung/Rimi New Extension Samaru, Tsugugi.
- Completion of drainage at Basawa Central, 'Yan Awaki and Muchia.

- Installation of transformer at Basawa, Zabi Ang. Yusi, Bomo, Kwangila, Kaabawa L.G. Secretariat Yoruba Street, Koraye, Muchiya.
- Replacement of Wooden Electric Poles with Concrete poles at Jama'a.

  H/Liman

  S/Dadi

  Ang. Rimi

  Ang. Katsinawa

  D/Makwarwa

  Day Samaru

Education Department

- Construction of 2 blocks of classroom at Unguwan Fulani, Shika Dam, Madarasatul Isalm Marmara.
- Purchase of 1No. Hilux
- Vehicle at LGEA
- Purchase of 5No. Motorcycles for LGEAs
- Completion of fencing of Primary School Muchia, Kwangila, Jushi, Sakadadi Secondary School.

CHAPTER FIVE

DATA PRESENTATION AND ANALYSES

5.0 Introduction

Under this chapter, the various primary and secondary data collected will be presented and analyzed using both descriptive and inferential statistical tools. Tables and percentages would be used to present the data while spearman's correlation and chi-square statistical test will be adopted to test the hypotheses already formulated in chapter one. In the process of testing, the study has employed Statistical Package for Social Sciences (SPSS) 16.0 and the results are summarized in the subsequent sections of this chapter.

5.1 DETAILS OF REVENUE SOURCES OF SABON GARI LOCAL GOVERNMENT AREA OVER THE YEARS

Table 5.1: Revenues of Sabon Gari Local Government over the Years

Head	Details	2007	2008	2009	2010	2011	2012	2013
1002	Rates	18,270,020	21,712,100	22,107,100	55,700,000	40,000,000	40,000,000	40,000,000
1003	Local licence, fees and fines	7,180,000	13,000,000	17480,000	21,858,301	15,000,000	15,000,000	13,900,000
1004	Earning from comm. Undertaking	30,850,000	30,430,000	49,300,000	12,610,000	5,000,000	5,000,000	35,600,000
1005	Rent on LG property	1,000,000	1,000,000	-	-	-	-	-
1006	Interest Dividend and Payment	-	15,735,000	500,000	200,000	-	-	500,000
1007	Grant **Reimbursement**	24,000,000	24,000,000	24,000,000	36,000,000	36,000,000	36,000,000	36,000,000
1008	Miscellaneous	95,566,979	125,395,776	88,806,110	15,300,000	18,000,000	43,500,000	96,503,035
1009	Statutory Allocation	1,193,918,990	2,144,812,061	1,954,666,790	1,646,397,878	2,053,066,812	3,278,305,120	3,249,705,546
	GRAND TOTAL	1770,785,969	2,376,084,837	2,156,880,000	2,163,066,179	2,220,066,812	3,470,808,158	3,522,200,767

Source: Extracted from Treasurer's Report, 2007 – 2013.

The above table shows the total revenue and details of the various revenue sources over the years in Sabon Gari Local Government Area. The first column shows the head code of the various revenue sources and the second column shows the details of the various revenue sources. From the third to the ninth column, it shows the revenue generated over the years under review. As could be seen from the table, in 2007 the grand total revenue generated was N1,770,785,969 and increase to N2,376,084,837, in 2008, it dropped to N2,163,066,179 in 2009 and continued to rise to N2,220,066,812, N3,470,808,158 and N3,522,200,767 in 2011, 2012 and 2013 respectively.

5.2 REVENUE ALLOCATION FOR SERVICE DELIVERY

Table 5.2: Expenditure (Service delivery) in Education, Health, Agric, and Works over the years

Sector	2007	2008	2009	2010	2011	2012	2013
Education	39,768,963	44,832,196	32,761,831	56,152,732	58,316,81	76,811,833	71,318,266
Health	36,261,968	45,311,631	33,116,11	37,000,831	33,261,881	51,831,111	70,899,631
Agric	43,216,831	40,811,167	39,831,443	36,311,396	39,211,763	48,344,333	69,381,111
Works	39,754,107	55,702,222	55,120,432	44,866,679	52,831,322	99,353,920	70,167,995
Total	159,754,107	186,677,216	160,829,817	174,331,638	183,621,777	276,341,197	281,767,003

Source: Source: Extracted from Treasurer's Report, 2007 – 2013.

The above table shows individual and total services delivered in monetary terms from 2007 to 2013 in education, works, health and agriculture sector. In 2007, a total amount of N159,754,107 was spent while the amount increased to N186,677,216 in 2008. The amount dropped to N160,829,817 in 2009. From then, the amount continued to increased to N174,331,638; N183,621,777; N276,341,197; and N281,767,003 in 2010, 2011,2012 and 2013 respectively.

Table 5.3: Total Revenue and Service Delivery over the years in Sabon Gari Local Government Area

Year	Grant total	% change in Grand total	Grand Expenditure	% change in Grand expenditure
2007	1,770,969	-	159,001,869	-
2008	2,376,084,837	34.2	186,677,216	17.0
2009	2,156,880,000	-9.3	160,829,817	-14.0
2010	2,163,066,179	0.3	174,331,638	9.0
2011	2,220,066,812	2.6	183,621,777	5.2
2012	3,470,808,158	56.3	276,341,197	50.8
2013	3,522,200,767	1.5	281,767,003	1.8

Source: Source: Extracted from Treasurer's Report, 2007 – 2013.

The above table shows an analysis of the increase/decrease on revenue generated and the corresponding increase/decrease in service delivery. It could be seen from the above table that 34.2% rate of increase was recorded from 2007 to 2008. Between 2008 to 2009 there was 9.3% decrease. The percentage increased to 0.3 between 2009 and 2010 and also increased to 2.6% from 2010 to

2011. There was significant increase of 56.3% in revenue from 2011 to 2012. Finally the amount increased from 2012 to 2013 by 1.5%.

On the other hand, a 17.0% increase in service delivery was recorded from 2007 to 2008. The level of service delivery decreased by 14.0% reflecting the decrease in revenue generated in 2009. However, the level of service delivery increased to 9.0% from 2009 to 2010. Also an increase of 5.2% was recorded from 2010 to 2011. Also, there was significant increase in the level of services delivered of 50.8% from 2011 to 2012. Finally, an increase of 1.8% was recorded from 2012 to 2013.

5.3 DETAILS OF REVENUE SORUCES OF KUDAN LOCAL GOVERNMENT AREA OVER THE YEARS

Table 5.4: Revenues of Kudan Local Government over the years

Head	Detail	2007	2008	2009	2010	2011	2012	2013
1001	Taxes	2,440,355	-	-	-	-	-	-
1002	Rates	60,551,180	3,001,715	2,750,000	2,500,000	2,900,000	2,900,000	13,000,000
1003	Local licence, fees and fines	-	3,881,115	5,712,500	4,062,300	5,467,000	14,467,000	24,042,604
1004	Earning from Comm. Undertaking	5,307,805	2,618,285	1,799,411	1,931,000	2,675,000	2,675,000	13,000,000
1005	Rent on Local Government	3,309,300	800,600	539,804	-	-	-	-
1006	Interest on Dividend	1,096,930	500,000	500,000	500,000	-	-	1,000,000
1007	Grants	500,000	10,500,000	12,000,000	12,000,000	24,000,000	24,000,000	24,000,000
1008	Miscellaneous	90,217,281	590,476,381	160,056,952	19,125,000	56,917,500	73,693,811	34,050,000
1009	Statutory Allocation	1,481,442,429	1,076,056,474	1,578,589,611	1,890,898,308	2,009,845,023	2,545,409,037	2,781,342,634
	Grand Total	1,590,369,280	1,687,834,570	1,762,248,308	1,931,016,705	2,101,804,523	2,663,144,848	2,943,735,238

Source: Source: Extracted from Treasurer's Report, 2007 – 2013.

The above table shows total revenues of Kudan local government over the years. The first column shows the head code of the various revenue sources of

revenue of Kudan Local Government Area. The second column shows the details of various revenue sources. From third column to the ninth column, it shows the individual and total revenues generated over the period under review. On the total row, the data shows that a total revenue of N1,590,369,280 was generated and the amount continued to increased to N2,687,834,570; N1,762,248,308; N1,931,016,705; N2,101,804,523; N2,663,144,848 and N2,943,735,238 in 2008, 2009, 2010, 2011, 2012 and 2013 respectively.

Table 5.5: Expenditure (service delivery) in Education, Health, agric & Works over the year in Kudan Local Government Area

Sector	2007	2008	2009	2010	2011	2012	2013
Education	56,512,935	54,825,662	111,596,802	68,069,266	13,167,803	62,526,373	51,723,210
Health	58,006,821	61,383,340	12,352,051	29,688,439	101,008,093	113,542,369	105,044,434
Agric	17,821,681	16,534,940	17,003,451	19,098,012	27,689,752	14,445,809	30,477,074
Works	12,611,180	14,086,375	12,901,699	39,806,918	44,361,398	21,059,554	36,495,313
Total	144,952,617	146,830,317	153,854,003	156,662,635	186,227,046	211,579,105	223,740,030

Source: Source: Extracted from Treasurer's Report, 2007 – 2013.

The above table shows service delivery, in monetary term, of Kudan Local Government Area in the area of education, health, agric and works. In 2007, a total amount of N144,952,617 was expended in service provision. The amount continued to increase to N146,830,317; N153,854,003; N156,662,635; N186,227,046; N211,579,105 and N223,740,030 in 2008, 2009, 2010, 2011, 2012 and 2013 respectively.

Table 5.6: Total Revenue and Service Delivery over the years in Kudan Local Government Area

Year	Grand total	% change in grand total	Grand expenditure	% change in grand expenditure
2007	1,590,369,280	-	144,952,617	-
2008	1,687,834,570	6.1	146,380,317	1.4
2009	1,762,248,308	4.4	153,854,003	4.8
2010	1,931,016,705	9.6	156,662,635	2.0
2011	2,101,804,523	8.8	186,227,046	19.2
2012	2,663,144,848	26.7	211,579,105	13.4
2013	2,943,735,238	10.5	1223,740,030	5.7

Source: Source: Extracted from Treasurer's Report, 2007 – 2013.

The above table shows the percentage increase in the amount of revenue generated over the years and corresponding expenditure in Kudan Local Government Area. From the table, 6.1% increase of revenue generated was recorded from 2007 to 2008. Also, from 2008 to 2009 there was 4.4% increase and the rate of increase rose to 9.6% from 2009 to 2010. From 2010 to 2011, 8.8% increase in revenue was recorded. From 2011 to 2012 as could be observed from the table, there was 26.7% increase in revenue generated. Finally, an increase of 10.5% was recorded from 2012 to 2013.

On the other hand, there was continuous increase in the percentage increase in the service delivered over the years of 1.4%, 4.8%, 2.0%, 19.2%, 13.4% and 5.7% between 2007 to 2008; between 2008 to 2009; between 2009 to 2010; between 2010 to 2011; between 2011 to 2012; and between 2012 to 2013 respectively.

5.4 Issues on Revenue Generation and Service Delivery

Table 5.6: Returned Questionnaires

Local Government Area	Questionnaire administered		Returned		Percentage of returned questionnaires	
	Staff	Beneficiaries	Staff	Beneficiaries	% rate of staff returned	%Beneficiaries returned
Sabon Gari	30	440	28	417	93%	95%
Kudan	20	440	18	416	90%	95%
Total	50	880	46	833		

Source: Researcher's Survey, 2014.

The above table shows the number of questionnaires administered and the rate of returned. The rate of return is higher in staff category which stands at 93% and 90% for Sabon Gari and Kudan local government respectively. In the beneficiary category rate of return is higher in Kudan than in Sabon Gari local government, the rate is 76% and 70% respectively. The analysis of primary data is based on the returned number of questionnaires.

RESPONSES OF LOCAL GOVERNMENT STAFF ON REVENUE GENERATION

Table 5.7: The Availability of Several Revenue Generation Sources in Sabon Gari Local Government Area

Options	Frequency	Percentage (%)
Strongly Agreed	7	25
Agreed	9	33
Disagreed	4	14
Strongly disagreed	4	14
Undecided	4	14
Total	28	100

Source: Researcher's Survey, 2014.

The above table shows respondents' responses about the availability of several revenue sources in Sabon Gari Local Government Area. Out of twenty eight (28) respondents, seven (7) representing 25% strongly agreed that there were various revenue generation sources; nine (9) equivalent to 33% agreed; four (4) representing 14% disagreed; four (4) equivalent to 14% strongly disagreed; and four (4) representing 14% were indecisive. From the above, it could be realized that majority of the respondents (33%) agreed that there were availability of several revenue generation sources in Sabon Gari Local Government Area.

Table 5.8: the Availability of Several Revenue Generation Sources in Kudan Local Government Area

Options	Frequency	Percentage (%)
Strongly Agreed	2	11
Agreed	3	17
Disagreed	10	56
Strongly disagreed	2	11
Undecided	1	5
Total	18	100

Source: Researcher's Survey, 2014.

The above table shows respondents' responses about the general availability of revenue generation sources in Kudan Local Government Area. It shows that out of eighteen (18) respondents, two (2) representing 11% strongly agree that there are various revenue generation sources; three (3) equivalent to

17% agreed; ten (10) equivalent to 56% disagreed; two (2) representing 11% strongly disagreed; and one (1) representing 5% was indecisive. From the above, it could be examined that majority of the respondents, (56%) disagreed with the assertion.

Table 5.9: Availability of Several strategies for Revenue Generation in Sabon Gari Local Government Area

Options	Frequency	Percentage (%)
Strongly Agreed	5	18
Agreed	3	11
Disagreed	10	35
Strongly disagreed	4	14
Undecided	6	22
Total	28	100

Source: Researcher's Survey, 2014.

Respondents in Sabon Gari Local Government Area were asked to determine whether there were several strategies for revenue generation in Sabon Gari Local Government Area. Out of twenty eight (28) respondents, five (5) representing 18% strongly agreed; three (3) representing 11% agreed; ten (10) equivalent to 35% disagreed; four (4) representing 14% strongly disagreed; and six(6) equivalent to 22% were indecisive. From the above, it could be examined

that, majority of the respondents (35%) disagreed that there are several strategies for revenue generation in Sabon Gari Local Government Area.

Table 5.10: Availability of Several Strategies for Revenue Generation in Kudan Local Government Area

Options	Frequency	Percentage (%)
Strongly Agreed	3	16
Agreed	1	6
Disagreed	3	17
Strongly disagreed	9	50
Undecided	2	11
Total	18	100

Source: Researcher's Survey, 2014.

Respondents were asked whether there were several strategies for revenue generation in Kudan Local Government Area. Out of eighteen (18) respondents, three (3) representing 16% agreed; three (3) equivalent to 16% disagreed; nine (9) representing 50% strongly disagreed; and two (2) equivalent to 11% were indecisive. From the above, it could be realized that majority of the respondents (50%) strongly disagreed that there were several strategies for revenue generation in Kudan Local Government Area.

Table 5.11: Level of Commitment for more Revenue Generation is High in Sabon Gari Local Government

Options	Frequency	Percentage (%)
Strongly Agreed	5	18
Agreed	2	7
Disagreed	19	68
Strongly disagreed	2	7
Undecided	0	0
Total	28	100

Source: Researcher's Survey, 2014.

Respondents were asked whether there was high level of commitment for more revenue generation in Soban Gari Local Government Area. Out of twenty eight (28) respondents, five (5) representing 18% strongly agreed; two (2) equivalent to 7% agreed; nineteen 919) equivalent to 68% disagreed; two (2) representing 7% strongly disagreed; and none was indecisive. From the above, it could be examined that, majority of the respondents (68%) disagreed that there was high level of commitment for more revenue generation in Sabon Gari Local Government Area.

Table 5.12: Level of Commitment for more Sources of Revenue is High in Kudan Local Government Area

Options	Frequency	Percentage (%)
Strongly Agreed	8	44
Agreed	2	11
Disagreed	5	28
Strongly disagreed	3	17
Undecided	0	0
Total	18	100

Source: Researcher's Survey, 2014.

The above table shows respondents responses about whether there was high level of commitment for more revenue generation sources in Kudan Local Government Area. Out of eighteen (18) respondents, eight (8) representing 44% strongly agreed; two (2) equivalent to 11% agreed; five (5) representing 28% disagreed; and three (3) equivalent 17% strongly disagreed. From the above, it could be realized that majority of the respondents, (44%) strongly agreed that the level of commitment by Kudan local government toward more sources of revenue was high.

Table 5.13: Attitude of Tax Payers is Essentially Cooperative in Sabon Gari Local Government Area

Options	Frequency	Percentage (%)
Strongly Agreed	0	0
Agreed	5	18
Disagreed	13	46
Strongly disagreed	10	36
Undecided	0	0
Total	28	100

Source: Researcher's Survey, 2014.

Respondents were asked whether taxpayers' attitudes towards tax payment was essentially cooperative in Sabon Gari Local Government Area. Out of twenty eight (28) respondents, five (5) representing 18% agreed; thirteen (13) equivalent to 46% disagreed; and ten (10) representing 36% strongly disagreed. From the above, it could be realized that majority of the respondents (46%) disagreed.

Table 5.14: Attitude of Taxpayers is Essential Cooperative in Kudan Local Government Area

Options	Frequency	Percentage (%)
Strongly Agreed	2	11
Agreed	3	17
Disagreed	7	39
Strongly disagreed	6	33
Undecided	0	0
Total	18	100

Source: Researcher's Survey, 2014.

The above table shows respondents responses about whether the attitudes of tax payers is essentially cooperative in Kudan Local Government Area. Out of eighteen (18) respondents, two (2) representing 11% strongly greed; three (3) equivalent to 17% agreed; seven (7) representing 39% disagreed; and six (6) equivalent to 33% strongly disagreed. From the above, it could be examined that majority of the respondents (39%) disagreed that the attitudes of taxpayers were essentially corporative in Kudan Local Government Area. This view, agreed with the responses of interviewees with tax payers, the tax payers opined that they are not will to pay tax because the local government is not providing them with basic infrastructure like health facilities, drainages, educational facilities, market stalls, slaughter houses, and other service for agricultural development.

Table 5.15: Sabon Gari Local Government Revenue Generation Effort is Essentially Satisfactory

Options	Frequency	Percentage (%)
Strongly Agreed	5	18
Agreed	3	11
Disagreed	17	60
Strongly disagreed	3	11
Undecided	0	0
Total	28	100

Source: Researcher's Survey, 2014.

The above table shows respondents responses about whether the local government revenue generation effort was satisfactory in Sabon Gari Local Government Area. Out of twenty eight (28) respondents, five (5) representing 18% strongly agreed; three (3) equivalent to 11% strongly disagreed 60% disagreed; and three (3) equivalent to 11% strongly disagreed. Form the above, it could be realized that majority of the respondents, (60%) disagreed that the local government revenue generation effort in Sabon Gari Local Government Area is satisfactory.

Table 5.16: Kudan Local government Revenue Generation effort is Essentially Satisfactory

Options	Frequency	Percentage (%)
Strongly Agreed	1	6
Agreed	3	17
Disagreed	5	27
Strongly disagreed	9	50
Undecided	0	0
Total	18	100

Source: Researcher's Survey, 2014.

Respondents were asked whether revenue generation efforts by Kudan local government was essentially satisfactory. Out of eighteen (18) respondents, one (1) representing 6% strongly agreed; three (3) equivalent to 17% agreed; five (5) equivalent to 27%) disagreed; and nine (9) representing 50% strongly disagreed. From the above, it could be examined that, majority of the respondents (50%) strongly disagreed with the assertion that Kudan local government revenue generation efforts were essentially satisfactory.

Table 5.17: Sabon Gari Local Government Funding on Community Development is Sufficient

Options	Frequency	Percentage (%)
Strongly Agreed	3	11
Agreed	22	78
Disagreed	0	0
Strongly disagreed	3	11
Undecided	0	0
Total	28	100

Source: Researcher's Survey, 2014.

The above table shows respondents' responses about whether funding on community development is sufficient in Sabon Gari Local Government Area. Out of twenty eight (28%) respondents, three (3) representing 11% strongly agreed; twenty two (22) equivalent to (78%) agreed; and three representing 11% strongly disagreed. From the above, it could be realized that majority of the respondents (78%) agreed local government funding on community development was sufficient in Sabon Gari local government.

Table 5.18: Kudan Local Government Funding on Community Development is Sufficient

Options	Frequency	Percentage (%)
Strongly Agreed	2	11
Agreed	3	17
Disagreed	8	44
Strongly disagreed	3	17
Undecided	2	11
Total	18	100

Source: Researcher's Survey, 2014.

Respondents were asked whether funding on community development was sufficient in Kudan Local Government Area. Out of eighteen (18) respondents, two (2) representing 11% strongly agreed; three (3) equivalent to 17% agreed; eight (8) representing 44% disagreed; three (3) representing 17% strongly disagreed; and two (2) equivalent to 11% were indecisive. From the above, it could be examined that majority of the respondents 44% disagreed with the assertion funding in community development was sufficient in Kudan Local Government Area.

Table 5.19: Revenue Collectors Remit High Amount into Sabon Gari Local Account

Options	Frequency	Percentage (%)
Strongly Agreed	2	7
Agreed	2	7
Disagreed	19	68
Strongly disagreed	5	18
Undecided	0	14
Total	28	100

Source: Researcher's Survey, 2014.

The above table shows respondents' responses about whether revenue collectors remit high amount into Sabon Gari Local government account. Out of twenty eight (28) respondents, two (2) representing 7% strongly agreed two (2) equivalent to 7% agreed; nineteen (19) representing 68% disagreed; and five (5) representing 18% strongly disagreed. From the above, it could be realized that majority of the respondents (68%) disagreed with the assertion revenue collectors remitted higher amount into Sabon Gari local government account.

Table 5.20: Revenue collectors Remit High Amount into Kudan Local Government

Options	Frequency	Percentage (%)
Strongly Agreed	2	11
Agreed	9	50
Disagreed	3	17
Strongly disagreed	2	11
Undecided	2	11
Total	18	100

Source: Researcher's Survey, 2014.

Respondents were asked whether revenue collectors remit high amount in Kudan local government account. Out of eighteen (18) respondents, two (2) representing 11% strongly agreed; nine (9) equivalent to 50% agreed; three (3) representing 17% disagreed; two (2) equivalent to 11% strongly disagreed; and two (2) representing 11% were indecisive. From the above, it could be realized that majority of the respondents (50%) agreed that revenue collectors remitted high amount into Kudan local government account.

Table 5.21: Revenues Generated in Sabon Gari Local Government Area are properly Utilized

Options	Frequency	Percentage (%)
Strongly Agreed	5	18
Agreed	8	29
Disagreed	14	50
Strongly disagreed	1	3
Undecided	0	0
Total	28	100

Source: Researcher's Survey, 2014.

Respondents were asked to determine whether revenues generated from Sabon Gari Local Government Area are properly utilized. Out of twenty eight (28) respondents, five (5) representing 18% strongly agreed; eight (8) equivalent to 29% agreed. Fourteen (14) representing 50% disagreed; and one (1) equivalent to 3% strongly disagreed. From the above, it could be realized that, majority of the respondents, (50%) disagreed with the assertion that revenues generated from Sabon Gari Local Government Area are properly utilized.

Table 5.22: Revenues Generated in Kudan Local Government are Properly Utilized

Options	Frequency	Percentage (%)
Strongly Agreed	1	6
Agreed	2	11
Disagreed	8	44
Strongly disagreed	4	22
Undecided	3	17
Total	18	100

Source: Researcher's Survey, 2014.

The above table shows respondents' responses about whether revenues generated from Kudan Local Government Area are properly utilized. Out of eighteen (18) respondents, one (1) representing 6% strongly agreed; two (2) equivalent to 11% agreed; eight (8) representing 44% disagreed; four (4) equivalent to 22% strongly disagreed; and three (3) representing 17% were indecisive. From the above, it could be realized that, majority of the respondents disagreed with the assertion that revenues generated from Sabon Gari Local Government Area are properly utilized.

Table 5.23: Sabon Gari Local government Performs its Primary Responsibilities Effectively in some Areas

Options	Frequency	Percentage (%)
Strongly Agreed	7	25
Agreed	12	43
Disagreed	5	18
Strongly disagreed	4	14
Undecided	0	0
Total	28	100

Source: Researcher's Survey, 2014.

The above table shows respondents' responses about whether Sabon Gari local government performs its primary responsibility effectively in some key areas. Out of twenty eight (28) respondents, seven (7) representing 25% strongly agreed; twelve (12) equivalent to 42% agreed; five (5) representing 18% disagreed; and four (4) equivalent to 14% strongly disagreed. From the above, it could be realized that majority of the respondents (43%) agreed that, Sabon Gari Local government performs its primary responsibilities effectively in some key areas.

Table 5.24: Kudan Local Government Performs its Primary responsibilities Effectively in Some Areas

Options	Frequency	Percentage (%)
Strongly Agreed	3	17
Agreed	4	22
Disagreed	8	44
Strongly disagreed	3	17
Undecided	0	0
Total	18	100

Source: Researcher's Survey, 2014.

The above table shows respondents' responses about whether Kudan Local Government performs its primary responsibilities effectively in some key areas. Out of eighteen (18) respondents, three (3) representing 17% strongly agreed; four (4) equivalent to 22% agreed; eight (8) representing 44% disagreed; and three (3) equivalent to 17% strongly disagreed. From the above, it could be realized that, majority of the respondents, (44%) disagreed that Kudan local government performs its primary responsibilities in some key areas.

Table 5.25: Frequency of Sending Treasury Staff for Training in Sabon Gari Local Government

Options	Frequency	Percentage (%)
Very often	10	36
Often	13	46
Not often	5	18
Total	28	100

Source: Researcher's Survey, 2014.

Respondents were asked to determine the frequency of sending treasury staff for training in Sabon Gari local government. Out of twenty eight (28) respondents, ten (10) representing 35% said it was very often; thirteen (13) representing 46% said it was often; and five (5) equivalent to 18% said it was not often. From the above, it could be realized that majority of the respondents (46%) agreed that staff are often sent for training in Sabon Gari Local Government.

Table 5.26: Frequency of Sending Staff for Training in Kudan Local Government

Options	Frequency	Percentage (%)
Very often	3	16
Often	5	28
Not often	10	56
Total	18	100

Source: Researcher's Survey, 2014.

Respondents were asked to determine the frequency of sending staff for training in Kudan local government. Out of eighteen (18) respondents, three (3) representing 16% said it was very often; five (5) representing 28% said it was often; and ten (10) equivalent to 56% said it was not often. From the above, it could be realized that majority of the respondents (56%) said staff are not often sent for training in Kudan local government.

Table 5.27: Strategies that would lead to Higher Revenue in Sabon Gari Local government

Options	Frequency	Percentage (%)
Through the use of local government tax collectors	3	11
Through the use of traditional authorities	3	11
Through the use of taskforce	7	25
Through enlightenment campaign	13	46
Through contracting out to contractors	2	7
Total	28	100

Source: Researcher's Survey, 2014.

Respondents were asked to determine through which strategy higher revenues would be ensured in Sabon Gari local government. Out of twenty eight (28) tax collectors; three (3) equivalent to 11% said through the use of local government tax collectors; three (3) equivalent to 11% said through the use of traditional authorities; seven (7) representing 25% said through the use of taskforce; thirteen (13) equivalent to 46% said through enlightenment campaign; and two (2) representing 7% said through contracting out to contractors. From the above, it could be realized that majority of the respondents (46%) advocated that use of public enlightenment campaign for ensuring high revenue generation in Sabon Gari local government.

Table 5.28: Strategies that would lead to Higher Revenue in Kudan Local Government

Options	Frequency	Percentage (%)
Through the use of local government tax collectors	5	28
Through the use of traditional authorities	10	56
Through the use of taskforce	2	11
Through enlightenment campaign	1	5
Through contracting out to contractors	0	0
Total	18	100

Source: Researcher's Survey, 2014.

Respondents were asked to determine through which strategy that higher revenues would be ensured in Kudan local government. Out of eighteen (18) respondents, five() representing 28% said through the use of local government tax collectors; ten(10) equivalent to 56% said through the use of traditional authorities, two (2) representing 11% said through the use of taskforce and one equivalent to 5% said

through public enlightenment campaign. From the above, it could be realized that majority of the respondents (56%) said higher revenues could be generated through the use of traditional authorities in Kudan Local Government Area.

Table 5.29: Execution of Projects by Sabon Gari Local Government brings About Meaningful Development

Options	Frequency	Percentage (%)
Strongly Agreed	2	7
Agreed	15	54
Disagreed	6	21
Strongly disagreed	5	18
Undecided	0	0
Total	28	100

Source: Researcher's Survey, 2014.

The above table shows respondents responses about whether execution of projects by Sabon Gari local government can bring about meaningful development. Out of twenty eight (28) respondents, two (2) representing 7% strongly agreed; fifteen (15) equivalent to 54% agreed; six (6) representing 21% disagreed; and five(5) representing 18% strongly disagreed. From the above, it could be realized that majority of the respondents. (54%) agreed that execution of project could bring about meaningful development in Sabon Gari Local Government Area.

Table 5.30: Execution of Projects by Kudan Local Government brings about Meaningful Development

Options	Frequency	Percentage (%)
Strongly Agreed	1	6
Agreed	8	44
Disagreed	3	17
Strongly disagreed	4	22
Undecided	2	11
Total	18	100

Source: Researcher's Survey, 2014.

The above table shows respondents responses about whether execution of projects by Kudan local government can bring about meaningful development. out of eighteen (18) respondents, one (1) representing 6% strongly agreed; eight (8) representing 44% agreed; three (3) equivalent to 17% disagreed; four (4) representing 22% strongly disagreed; and two (2) equivalent to 11% were indecisive. From the above, it could be realized that majority of the respondents (44%) agreed that execution of projects could bring about meaningful development in Kudan Local Government Area.

Table 5.31: Development Projects Executed in Sabon Gari Local Government Reflect Revenues Generated

Options	Frequency	Percentage (%)
Strongly Agreed	6	22
Agreed	13	46
Disagreed	4	14
Strongly disagreed	3	11
Undecided	2	7
Total	28	100

Source: Researcher's Survey, 2014.

Respondents were asked whether execution of projects in Sabon Gari Local Government Area reflected revenue generated. Out of twenty eight (28) respondents, six(6) representing 22% strongly agreed; thirteen (13) equivalent to 46% agreed; four (4) representing 14% disagreed; three (3) equivalent to 11% strongly disagreed; and two (2) representing 7% were indecisive. From the above, it could be realized that majority of the respondents (46) agreed that development projects executed in Sabon Gari Local Government Area reflected revenue generated.

Table 5.32: Development Projects Executed in Kudan Local Government Reflect Revenues Generated

Options	Frequency	Percentage (%)
Strongly Agreed	2	11
Agreed	3	17
Disagreed	8	44
Strongly disagreed	4	22
Undecided	1	5
Total	18	100

Source: Researcher's Survey, 2014.

Respondents were asked whether development projects executed in Kudan Local government reflected revenue generated. Out of eighteen (18) respondents two (2) representing 11% strongly agreed; three (3) equivalent to (17%) agreed; eight (8) representing 44% disagreed; four (4) equivalent to 22% strongly disagreed and one (1) representing 6% was indecisive. From the above, it could be realized that majority of

the respondents 44% disagreed that development projects executed in Kudan local government is a reflection of revenue generated.

Table 5.33: The Impact of Community Development Project is Positive on the Living Standard of the People in Sabon Gari Local Government Area

Options	Frequency	Percentage (%)
Strongly Agreed	2	7
Agreed	20	71
Disagreed	4	14
Strongly disagreed	2	8
Undecided	0	0
Total	28	100

Source: Researcher's Survey, 2014.

The above table shows the impact of community development projects on the living standard of the people in Sabon Gari Local Government Area. Out of twenty (28) respondents, two (2) representing 7% strongly agreed; twenty (20) equivalent to 71% agreed; four (4) representing 14% disagreed; and two (2) equivalent to 8% strongly disagreed. From the above, it could be realized that majority of the respondents (71%) agreed that community development project had positive impact on the living standard of the people in Sabon Gari Local Government Area.

Table 5.34: The Impact of Community Development Project is Positive on the Living Standard of the People in Kudan Local Government Area

Options	Frequency	Percentage (%)
Strongly Agreed	4	22
Agreed	4	22
Disagreed	8	45
Strongly disagreed	2	11
Undecided	0	0
Total	18	100

Source: Researcher's Survey, 2014.

The above table shows the impact of community development project on the living standard of the people in Kudan Local Government Area. Out of eighteen (18) respondents, four (4) representing 22% strongly agreed; four (4) equivalent to 22% agreed; eight (8) representing 45% disagreed and two (2) representing 11% strongly disagreed. From the above, it could be realized that majority of the respondents. (45%) disagreed that community development project positively impacted on the living standard of the people in Kudan Local Government Area.

Table 5.35: The Level of Local Government Programmed on Community Development is High in Sabon Gari Local Government Area

Options	Frequency	Percentage (%)
Strongly Agreed	7	25
Agreed	19	68
Disagreed	2	7
Strongly disagreed	0	0
Undecided	0	0
Total	28	100

Source: Researcher's Survey, 2014.

Respondents were asked whether the level of local government programme on community development was high in Sabon Gari Local Government Area. Out of twenty eight (28) respondents, seven (7) representing 25% strongly agreed; nineteen (19) representing 68% agreed; and two (2) equivalent to 7% disagreed. From the above, it could be found out that, majority of the respondents (68%) agreed that the level of local government programme on community development was high in Sabon Gari Local Government Area.

Table 5.36: The Level of Local Government Programmed on Community Development is High in Kudan Local Government

Options	Frequency	Percentage (%)
Strongly Agreed	3	17
Agreed	4	22
Disagreed	8	44
Strongly disagreed	3	17
Undecided	0	0
Total	18	100

Source: Researcher's Survey, 2014.

Respondents were asked whether the level of local government programme on community development was high in Kudan local government. Out of eighteen (18) respondents four (4) representing 17% strongly agreed; four (4) equivalent to 22% agreed; eight (8) equivalent to 44% disagreed; and three (3) representing 17% strongly disagreed. From the above, it could be realized that majority of the respondents (44%) disagreed that the level of local government programme on community development was high in Kudan Local Government Area.

Table 5.37: Factors Responsible for Underutilization of Promoting Socio-Economic Development in Sabon Gari Local Government Area

Options	Frequency	Percentage (%)
Lack of skill manpower	2	7
Financial constraints	14	50
Corruption	10	36
Interference by the state government	2	7
Total	28	100

Source: Researcher's Survey, 2014.

Respondents were asked to choose the factors responsible for underutilization of promoting socio-economic development in Sabon Gari Local Government Area. Out of twenty eight (28) respondents, two (2) representing 7% said lack of skilled manpower; fourteen (14) representing 50% due to financial constraints; ten (10) representing 36% said to due corruption; and two (2) representing 7% said due to interference by the state government. From the above, it could be realized that majority of the respondents (50%) attributed the underutilization of promoting socioeconomic development in Sabon Gari local government are to fiscal constraints.

Table 5.38: Factors Responsible for underutilization of Promoting socio-economic Development in Kudan Local Government Area

Options	Frequency	Percentage (%)
Lack of skilled manpower	0	0
Financial constraints	7	39
Corruption	8	44
Interference by the state government	3	17
Total	18	100

Source: Researcher's Survey, 2014.

Respondents were asked to choose the factors responsible for underutilization of promoting socio-economic development in Kudan Local Government Area. Out of eighteen (18) respondents; seven (7) representing 39% said financial constraints; eight (8) representing 44% said corruption; and three (3) equivalent to 17% said undue interference by the state government. From the above, it could be realized that majority of the respondents (44%) attributed this underutilization to corruption.

RESPONSES OF BENEFICIARIES ON SERVICE DELIVERY

Table 4.39: Sabon Gari Local Government Assist in Irrigation Farming

Options	Frequency	Percentage (%)
Strongly Agreed	81	19
Agreed	186	44
Disagreed	84	20
Strongly disagreed	60	14
Undecided	6	3
Total	417	100

Source: Researcher's Survey, 2014.

Respondents were asked whether Sabon Gari Local government assisted them in irrigation farming. Out of 417 respondents, 81 representing 19% strongly agreed; 186 equivalent to 44% agreed; 84 equivalent to 20% disagreed; 60 representing 14% strongly disagreed, 6 representing 3% were indecisive. From the above, it could be realized that majority of the respondents 44% agreed that Sabon Gari Local Government assisted them in irrigation farming.

Table 5.40: Kudan Local Government Assists in Irrigation Farming

Options	Frequency	Percentage (%)
Strongly Agreed	196	47
Agreed	104	25
Disagreed	72	17
Strongly disagreed	32	8
Undecided	12	3
Total	416	100

Source: Researcher's Survey, 2014.

Respondents were asked whether Kudan Local Government assisted them in irrigation farming. Out of 416 respondents, 47 representing 47% strongly agreed; 104 equivalent to 25% agreed; 72 representing 17% disagreed; 32 representing 8% strongly disagreed; and 12 representing 3% were indecisive. From the above, it could be realized that, majority of the respondents, (47%) strongly agreed that Kudan Local Government assisted in irrigation farming.

Table 5.41: Adequacy of Subsidy on Fertilizer in Sabon Gari Local Government

Options	Frequency	Percentage (%)
Strongly Agreed	54	13
Agreed	78	19
Disagreed	252	60
Strongly disagreed	27	6
Undecided	6	2
Total	417	100

Source: Researcher's Survey, 2014.

Respondents were asked whether fertilizer subsidy was adequate in Sabon Gari local government. Out of 417 respondents, 54 representing 13% strongly agreed that

subsidy on fertilizer was adequate; 78 representing 19% agreed; 252 equivalent to 60% disagreed; 27 representing 6% strongly disagreed; and 6equivalent to 2% were indecisive. From the above, it could be realized that majority of the respondents. (60%) disagreed that fertilizer subsidy was adequate in Sabon Gari local government. This has agreed with the opinion of respondents with respect of interview conducted. It was opined that the local governments are subsidy on fertilizer is inadequate because people who have access to the government fertilizer nearly buy it at a market price.

Table 5.42: Adequacy of Subsidy on Fertilizer in Kudan Local Government

Options	Frequency	Percentage (%)
Strongly Agreed	148	36
Agreed	172	41
Disagreed	80	19
Strongly disagreed	16	4
Undecided	0	0
Total	416	100

Source: Researcher's Survey, 2014.

Respondents were asked whether fertilizer subsidy was adequate in Kudan local government. Out of 416 respondents, 148 representing 36% strongly agreed; 172 equivalent to 41% agreed; 80 representing 19% disagreed; and 16 representing 4% strongly disagreed. From the above, it could be realized that majority of the respondents, (41%) agreed that the subsidy or fertilizer in Kudan local government was adequate.

Table 4.43: Effectiveness of Hiring Scheme of farm Implements in Sabon Gari Local Government

Options	Frequency	Percentage (%)
Strongly Agreed	78	19
Agreed	35	11
Disagreed	228	55
Strongly disagreed	30	7
Undecided	36	8
Total	417	100

Source: Researcher's Survey, 2014.

The above table shows the effectiveness of hiring scheme of farm implements in Sabon Gari Local Government Area. Out of 417 respondents, 78 representing 19% strongly agreed that the scheme was effective; 35 equivalent to 11% agreed; 228 representing 55% disagreed; 30 equivalent to 7% strongly disagreed and 36 equivalent to 8% were indecisive. From the above, it could be realized that, majority of the respondents, (55%) disagreed that the scheme was effective.

Table 5.44: Effectiveness of Hiring Scheme of Farm Implements in Kudan Local Government

Options	Frequency	Percentage (%)
Strongly Agreed	72	17
Agreed	288	69
Disagreed	48	12
Strongly disagreed	8	2
Undecided	0	0
Total	416	100

Source: Researcher's Survey, 2014.

The above table shows respondents responses about the effectiveness of hiring scheme of farm implements in Kudan Local Government Area. Out of 416 respondents, 72 representing 17% strongly agreed; 288 equivalent to 69% agreed; 48 equivalent to 12% disagreed; and 8 representing 2% strongly disagreed. From the above, it could be realized that majority of the respondents 69% agreed that the hiring scheme of farm implements in Kudan Local Government Area was effective.

Table 5.45: Availability of Immunization Exercise in Sabon Gari Local Government

Options	Frequency	Percentage (%)
Strongly Agreed	126	30
Agreed	249	59
Disagreed	30	7
Strongly disagreed	6	2
Undecided	6	2
Total	417	100

Source: Researcher's Survey, 2014.

Respondents were asked whether there was immunization exercise in their Local Government Area. Out of 417 respondents, 126 representing 30% strongly agreed that there was immunization exercise; 249 representing 59% disagree; 30 equivalent to 7% disagreed; 6 representing 2% strongly disagreed; and 6 (2) equivalent to 2% were indecisive. Form the above, it could be realized that majority of the respondents (59%) agreed that there as immunization exercise in Sabon Gari Local Government Area.

Table 5.46: Availability of Immunization Exercise in Kudan Local Government

Options	Frequency	Percentage (%)
Strongly Agreed	52	13
Agreed	208	50
Disagreed	72	17
Strongly disagreed	80	19
Undecided	4	1
Total	416	100

Source: Researcher's Survey, 2014.

Respondents were asked whether there was immunization exercise in their Local Government Area. Out of 416 respondents, 52 representing 13% strongly agreed; 208 equivalent to 50% agreed; 72 representing 17% disagreed, 80 equivalent to 19% strongly disagreed; and 4 representing 1% was indecisive. From the above, it could be realized that majority of the respondents (52%) strongly agreed that immunization exercise was available in Kudan Local Government Area.

Table 5.47: Sabon Gari Local Government Provides Good Refuse Collection System

Options	Frequency	Percentage (%)
Strongly Agreed	54	13
Agreed	78	19
Disagreed	147	35
Strongly disagreed	63	15
Undecided	75	18
Total	417	100

Source: Researcher's Survey, 2014.

The above table shows respondents' responses about whether their local government provides good refuse collection system. Out of 417 respondents, 54 representing 13% strongly agreed; 78 equivalent to 19% agreed; 147 representing 35% disagreed; 63 representing 15% strongly disagreed and 75 equivalent to 18% were indecisive. From these, it could be realized that majority of the respondents (35%) disagreed that Sabon Gari local government provides good refuse collection system.

Table 5.48: Kudan Local Government provides Good Refuse Collection System

Options	Frequency	Percentage (%)
Strongly Agreed	84	20
Agreed	208	50
Disagreed	44	11
Strongly disagreed	60	14
Undecided	20	5
Total	416	100

Source: Researcher's Survey, 2014.

The above table shows respondents' responses about whether their local government provides a good refuse collection system. Out of 416 respondents, 84 representing 20% strongly agreed; 208 equivalent to 50% agreed; 44 representing 11% disagreed; 60 equivalent to 14% strongly disagreed and 20 representing 5% were indecisive. Form the above, it could be realized that majority of the respondents 50% agreed that Kudan Local Government provides a good refuse collection system. The opinion of the interviewees agreed with the majority view that many said that many people dump their refuse on the waterways, their backyards because there are no

collection centres provided by the local government. Those that put at the backyard used it as a manure in their farms.

Table 5.49: The Rate of Performance of Clinics in Sabon Gari Local Government Area

Options	Frequency	Percentage (%)
Highly Effective	54	13
Effective	114	27
Ineffective	219	53
Highly Ineffective	30	7
Total	417	100

Source: Researcher's Survey, 2014.

The above table shows the rate of performance of clinics in Sabon Gari Local Government Area. Out of one hundred and thirty nine 417 respondents, 54 representing 13% said the performance was highly effective; 144 representing 27% said it was effective; 219 representing 53% said it was ineffective; and 30 equivalent to 7% said it was highly ineffective. From the above, it could be realized that majority of the respondents (53%) attested that the clinics performed ineffectively.

Table 5.50: The Rate of Performance of Clinics in Kudan Local Government Area

Options	Frequency	Percentage (%)
Highly Effective	8	2
Effective	104	25
Ineffective	108	26
Highly Ineffective	196	47

Total	416	100

Source: Researcher's Survey, 2014.

Respondents were asked to rate the performance of clinics in their Local Government Area and their responses is presented in the table above. Out of 416 respondents, 8 representing 2% said they were highly effective; 104 representing 25% said it was effective; 108 equivalence to 26% said it was ineffective; and 196representing 47% said it was highly ineffective. From the above, it could be realized that majority of the respondents (47%) stated that the clinics in Kudan Local Government were highly ineffective.

Table 5.51: The Standard of Primary Schools in Sabon Gari Local Government Area

Options	Frequency	Percentage (%)
Highly Standard	42	10
Standard	60	14
Not standard	315	76
Total	417	100

Source: Researcher's Survey, 2014.

Respondents were asked to rate the standard of primary schools in Sabon Gari Local Government Area. Out of 417 respondents, 42 representing 10% said they were highly standard; 60 equivalent to 14% said they were standard; and 315 representing 76% said they were not standard. From the above, it could be realized that, majority of the respondents (76%) said that the primary schools in Sabon Gari local government were not standard.

Table 5.52: The Standard of Primary Schools in Kudan Local Government Area

Options	Frequency	Percentage (%)
Highly Standard	80	19
Standard	104	25
Not Standard	232	56
Total	416	100

Source: Researcher's Survey, 2014.

Respondents in Kudan showed that 80 representing 19% said the primary schools were highly standard; 104 representing 25% said they were standard; and 232 equivalent to 56% said they were not standard. From the above, it could be realized that majority of the respondents said that the primary schools in Kudan local government were not up to standard.

Table 5.53: Adequate Drainage System in Sabon Gari Local Government Area

Options	Frequency	Percentage (%)
Strongly Agreed	84	20
Agreed	96	23
Disagreed	234	56
Strongly disagreed	3	1
Undecided	0	0
Total	417	100

Source: Researcher's Survey, 2014.

The above table showed respondents responses about the adequacy of drainage in Sabon Gari Local government. Out of 417 respondents, 84 representing 20%

strongly agreed that drainages were adequate; 96 equivalent to 23% agreed; 234 representing 56% disagreed; 3 representing 1% strongly disagreed. From the above, it could be realized that, majority of the respondents, 56% disagreed that the drainages in Sabon Gari Local Government Area were adequate.

Table 5.54: Adequate Drainage System in Kudan Local Government Area

Options	Frequency	Percentage (%)
Strongly Agreed	112	26
Agreed	44	11
Disagreed	228	55
Strongly disagreed	24	6
Undecided	8	2
Total	416	100

Source: Researcher's Survey, 2014.

The above table shows respondents responses about the adequacy of drainages in Kudan Local Government Area. Out of 416 respondents, 112 representing 26% strongly agreed. 44 representing 11% agreed; 228 equivalent to 55% disagreed; 24 representing 6% strongly disagreed and 8 representing 2% were indecisive. Form the above, it could be realized that majority of the respondents (55%) disagreed that the drainages in Kudan Local Government Area were adequate.

5.5 Test of Hypotheses

Here, the hypotheses already formulated would be tested at this juncture.

5.5.1 Test of Hypothesis (I)

Decision Rule: We will accept the above null (H_0) hypothesis if the chi-square (x^2) calculated is less than chi-square (x^2) tabulated (critical). We will reject the null

hypothesis (H_0) if chi-square (x^2) is calculated greater than chi-square (x^2) tabulated (critical).

H_0: Proper utilisation of local government revenue in Sabon Gari does not affect the performance of local government in promoting development

Table 5.55 Chi-Square Tests

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	56.615[a]	4	.000
Likelihood Ratio	43.249	4	.000
Linear-by-Linear Association	4.271	1	.039
N of Valid Cases	28		

a. 24 cells (96.0%) have expected count less than 5. The minimum expected count is .07.

H_0: Proper utilisation of local government revenue in Kudan does not affect the performance of local government in promoting development

Table 4.56: Chi-Square Tests

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	30.375[a]	4	.016
Likelihood Ratio	29.193	4	.023
Linear-by-Linear Association	13.480	1	.000
N of Valid Cases	18		

a. 25 cells (100.0%) have expected count less than 5. The minimum expected count is .06.

Using SPSS 16.0 the x^2 calculated is 56.615 in Sabon Gari Local Government as shown in the above table 5.55 while x^2 critical at 4 Degree of Freedom is 2.20. Therefore, x^2 calculated 56.615 is greater than x^2 critical 2.20. Thus, we reject the null (H_0) hypothesis.

On that ground we will vividly state that proper utilisation of local government revenue positively affects the performance of local government in promoting development in Sabon Gari local government.

On the other hand, the x^2 calculated is 30.375 in Kudan Local Government as shown in the above table 5.56 while x^2 critical at 4 Degree of Freedom is 2.20. Therefore, x^2 calculated 30.375 is greater than x^2 critical 2.20. Thus, we reject the null (H_0) hypothesis.

On that ground we will vividly state that proper utilisation of local government revenue positively affects the performance of local government in promoting development in Kudan local government.

5.5.2 Test of Hypothesis (II)

H_0: There is significant correlation between amount of revenue generated and level of service delivery in Kudan and SabonGari local government.

For the purpose of our analyses, we need to make a comparative analysis of the two local governments in question. Therefore, we are going to test the hypothesis on each of the Local Government Areas.

5.2.2.1 Correlation Test between Revenue Generation and Service Delivery in Sabon Gari Local Government Area

Table 5.35: Percentage changes in Revenue and Corresponding percentage in Service Delivery in Sabon Gari Local Government Area

Year	% change in Revenue	% change in service delivery
2007	-	-
2008	34.2	17.0
2009	-9.3	-14.0
2010	0.3	9.0
2011	2.6	5.2
2012	56.3	50.8
2013	1.5	1.8

Source: computed from Revenue and services over the year

Correlations

		Service Delivery (dependent var.)	revenue (independent var.)
Service delivery (dependent var.)	Pearson Correlation	1	.94
	Sig. (2-tailed)		.469
	N	6	6
revenue (independent var.)	Pearson Correlation	.94	1
	Sig. (2-tailed)	.469	
	N	6	6

The results of the correlation test of Sabon Gari Local Government Area reveal, as show above, that there is a positive relationship between revenue generation and service delivery. Then strength of the relationship is 94%.

Table 5.36: Percentage change in Revenue and Corresponding Percentage in Service Delivery in Kudan Local Government Area

Year	% change in Revenue	% change in service delivery
2007	-	-
2008	6.1	1.4
2009	4.4	4.8
2010	9.6	2.0
2011	8.8	19.2
2012	26.7	13.4
2013	10.5	5.7

Source: computed from Revenue and services over the year

Correlations

		Service delivery (dependent var.)	revenue (independent var.)
Service delivery (dependent var.)	Pearson Correlation	1	.48
	Sig. (1-tailed)		.480
	Sum of Squares and Cross-products	7.946E16	-6.575E15
	Covariance	1.589E16	-1.315E15
	Nigeria	6	6
revenue (independent var.)	Pearson Correlation	.48	1
	Sig. (1-tailed)	.480	
	Sum of Squares and Cross-products	-6.575E15	7.324E17
	Covariance	-1.315E15	1.465E17
	Nigeria	6	6

The results of the correlation test of Kudan Local Government Area, as shown above in table 5.36, that there is a positive relationship between revenue generation and service delivery. Then strength of the relationship is 48%.

5.6 Major Findings

After various data were collected, presented and analysed, the following findings were reached;

It was found that in the two Local Government Areas, the IGR was very low compared to the external source. This has affected the level of revenue generation and service delivery.

That effective management of local government revenue positively impacts on the effort of local government in promoting development. This is evidenced in the level of allocation given to capital expenditure that is meant for service delivery.

Generally there is a positive correlation between the amount of revenue generated and the level of service delivery in Sabon Gari and Kudan Local Government Areas.

In comparative terms, the correlation coefficient of revenue generation and service delivery was stronger in Sabon Gari Local Government Area (94%) than in Kudan Local Government Area (48%).

Public enlightenment campaign was the most effective way of encouraging tax payers to pay tax in order to generate more revenue to deliver more services.

The result of the analysis also shows that the larger percentage of the revenue received by the two local governments were in favour of recurrent expenditure. And living smaller percentage to service delivery (capital spending).

CHAPTER SIX

SUMMARY, CONCLUSION AND RECOMMENDATIONS

6.0 INTRODUCTION

This chapter discusses the summary, conclusion and the necessary recommendations.

6.1 SUMMARY

This research is conducted to examine the impact of revenue generation on service delivery. The research is divided into six main chapters. Chapter one is apparently introductory in nature which provides the basis upon which the whole research is carried out. The chapter includes, among others, the background to the study, statement of the problem, hypotheses, research question, objectives of the study and significant of the study. Chapter two reviews the various literature relevant to the study in terms of conceptual issues, theoretical issues and empirical studies and the theoretical framework of fiscal decentralization was adopted as the foundation upon which the study was based. Chapter three deals with the methodology of the study whereby the various research design and methods of data collection were discussed. Not only that, the methods of data analysis and population, sample size and sampling techniques were also highlighted. Chapter four presented the historical background, development and the economies of the two local governments under our case studies. However, the organisational structure and operational pattern of the two local governments question were also discussed. Chapter five was on data presentation and analyses whereby all the data collected from the survey and that obtained from the secondary sources were summarised, organised, presented and analysed using both descriptive and statistical tools. All the hypotheses formulated were tested under this

chapter. Chapter five which was the concluding chapter dealt with summary, conclusion and recommendations. The chapter summarised the whole work and conclusions were drawn while recommendations were made on how to improve local government revenue generation in order to provide more services.

6.2 CONCLUSION

Based on the data collected, presented and analysed and the result of statistical tests, the following conclusions are discernable:

That service provisions by local government is the product of the ability to generate revenue. Therefore, based on this, the higher the revenue the higher the number/quantity of services provided and vice versa;

That commercial/economic activities are great determinants of local government revenue and subsequently service provision. This is based on the comparative data analysis where results have shown that Sabon Gari local government revenue generation capacity has more impact on service provisions than Kudan local government. It is therefore concluded that, this is as a result of the growing level of economic/commercial activities in Sabon Gari Local Government Area that are not much available in Kudan Local Government Area.

That effective management of generated revenue is also a fundamental issue in the provision of services to the local populace. Therefore, revenue generation is not an end in itself in determining service provision, but proper utilisation is also a great determinant.

6.3 RECOMMENDATIONS

Having summarised and concluded the work, the following recommendations among others would serve as ways through which local government revenue generation should be boosted in order to improve the level of service delivery to the local citizenry.

(1) Having established that the more the revenue generated the more services are provided to the citizenry, more revenue sources should be identified and adopted in order to increase and improve the revenue base of the local governments. The present revenue sources should also be fully tapped to improve the revenue base of the local government. Here, it is strongly recommended that the local government should adequately be involved in commercial transportation. By this, it means that commercial vehicles (cars, buses and trailers) should be purchased and operate, not on a subsidised bases but purely on commercial bases i.e. profit maximisation. However, this commercial vehicles should not be managed by any official or any department of the local government council, but a management consult be given to manage. For example, Afribank, and other transport consults on contract management basis. This will undoubtedly improve the revenues of the Local Government Areas under study.

(2) Diversification of income sources should be made in the two local government under study. However, Kudan local government should be more diversified since our findings revealed that SabonGari local government has more revenue sources than Kudun local government perhaps due to the fact that the former is having more commercial and economic activities than the latter. This diversification could be done even in terms of agriculture in addition to the

commercial undertakings. For Kudan to be diversified, sound policies should be made that can attract investors especially with regards to commercial farming and food processing through cottage industries and more specifically selling plot at subsidised price to only those who would want to establish food processing factory and commercial farms. A tax leave should be given to these factories for a period of 10 years of start-up of operation.

(3) In order to ensure that taxpayers pay their taxes as at when due, a public enlightenment campaign should regularly be organised explaining the importance of paying tax not only for revenue generation but also for service delivery. There has always been reciprocity between tax payers and the government (Local Government). Tax payers refusal to pay local taxes was as a result of poor services or lack of services rendered by local governments. The higher the services, the higher the taxes and vice versa.

(4) Efforts should be enhanced by the local government towards generation of internal revenue so as to meet the yearnings and aspiration of the people at grassroot level.

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APPENDIX

Department of Local Government and
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Ahmadu Bello University, Zaria

Questionnaire Form

Dear Respondent,

I am a post graduate student of the above department conducting a research proposal titled "Impact of Local Government Revenue on Service Delivery InKudan and SabonGari Local Government Areas, Kaduna State."

The main aim of the questionnaire is to get authentic information for this research work only. Confidentiality of respondents view is very much assured.

Thank you!

Ibrahim Umar

MPA/LG/Admin/1667/08-09

Questionnaire 1: For Local Government Staff

Respondent are please required to supply answers to the questions by ticking the box that is applicable and filling the blank spaces were provided.

Part One: Background Information:

a. Your designation or position ……

b. Local Government……..

c. Highest Qualification……

d. Main occupation of the people of the area……

Part Two: Issues on Revenue Generation:

1. Your local government has several sources of revenue generation.
   (a) Strongly agreed [ ]
   (b) Agreed [ ]
   (c) Disagreed [ ]
   (d) Strongly disagreed [ ]
   (e) Undecided [ ]
2. There is a strong revenue generation strategy in your local government.
   (a) Strongly agreed [ ]
   (b) Agreed [ ]
   (c) Disagreed [ ]
   (d) Strongly disagreed [ ]
   (e) Undecided [ ]
3. The level of commitment of your local government towards identifying more sources of revenues is essentially effective.
   (a) Strongly agreed [ ]
   (b) Agreed [ ]
   (c) Disagreed [ ]
   (d) Strongly disagreed [ ]
   (e) Undecided [ ]
4. The attitude of taxpayers towards paying tax is essentially cooperative.
   (a) Agreed [ ]
   (b) Strongly agreed [ ]
   (c) Disagreed [ ]
   (d) Strongly disagreed [ ]
   (e) Undecided [ ]
5. State your reasons on your answer in the question 4 above.
   (a) ……
   (b) ……
   (c) ……..
6. The local government revenue generation efforts is essentially satisfactory.
   (a) Strong agreed [ ]
   (b) Agreed [ ]
   (c) Disagreed [ ]
   (d) Strongly disagreed [ ]

(e) Undecided [ ]

7. The level of local government funding on community development projects is sufficient.
   (a) Strongly agreed [ ]
   (b) Agreed [ ]
   (c) Disagreed [ ]
   (d) Strongly Disagreed [ ]
   (e) Undecided [ ]

8. If no sufficient, what new sources would you suggest for the local government?
   (a) .....
   (b) .....
   (c) .....

9. There is high level of remittance of revenue into local government account by the revenue collectors.
   (a) Strongly agreed [ ]
   (b) Agreed [ ]
   (c) Disagree [ ]
   (d) Strongly disagreed [ ]
   (e) Undecided [ ]

10. There is a better level of utilization of the revenue generated in your Local Government Area.
   (a) Strong agreed [ ]
   (b) Agreed [ ]
   (c) Disagreed [ ]
   (d) Strongly disagreed [ ]
   (e) Undecided [ ]

11. State reason for your answer to question 10 above.
   (a) .....
   (b) .....
   (c) .....

12. In which of these primary responsibilities of local government has your local government performed creditably well. [ ]
   (a) Provision and maintenance of grave yard [ ]
   (b) Refuse evaluation [ ]
   (c) Construction of drainage [ ]
   (d) Construction and maintenance of markets [ ]
   (e) Construction and maintenance of motor park [ ]

13. How often does your local government send revenue staff for training?
   (a) Very often [ ]
   (b) Often [ ]

(c) Not often [ ]

14. Which of the following strategies do you think will yield high revenue for your Local Government Area?
    (a) Through use of local government tax collectors [ ]
    (b) Through use of traditional authorities [ ]
    (c) Through use of task force [ ]
    (d) Through use of enlightenment campaign [ ]
    (e) Through contracting out to contractors [ ]
    (f) Through the use of E-payment [ ]

15. Suggest measures you consider necessary for improving revenue generation effort in your local government.
    (a) .....
    (b) .....
    (c) .....

Questionnaire II: For Beneficiaries

Respondent are please required to supply answers to the question by ticking the box that is applicable and filling the blank spaces provided.

Part One: Background Information:

(a) .....

(b) Local government.....

(c) Occupation.....

Part Two: Issues on Communities Development:

(1) There is government programme towards improving irrigation farming in your Local Government Area.
   (a) Strongly agreed [ ]
   (b) Agreed [ ]
   (c) Disagreed [ ]
   (d) Strongly disagreed [ ]
   (e) Undecided [ ]

(2) Fertilizer is adequately subsidized for farmers by the local government.
   (a) Strongly agreed [ ]
   (b) Agreed [ ]
   (c) Disagreed [ ]
   (d) Strongly disagreed [ ]
   (e) Undecided [ ]

(3) There is effective hiring scheme of farm implements by your local government for farmers.
   (a) Strongly agreed
   (b) Agreed
   (c) Disagreed
   (d) Strongly disagreed
   (e) Undecided

(4) The immunization exercise is adequately and effectively carried out in your area.
   (a) Strongly agreed [ ]
   (b) Agreed [ ]
   (c) Disagreed [ ]
   (d) Strongly disagreed [ ]
   (e) Undecided [ ]

(5) There is provision of good refuse collection system by your local government.
   (a) Strongly Agreed
   (b) Agreed
   (c) Disagreed
   (d) Strongly Disagreed
   (e) Undecided

(6) How do you generally rate the performance of clinics in your community?
   (a) Highly effective [ ]

(b) Effective [ ]
(c) Ineffective [ ]
(d) Highly ineffective [ ]

(7) How do you generally rate the standard of primary schools in your community?
(a) Highly standard
(b) Standard
(c) Not standard

(8) Drainages are adequately constructed by your local government.
(a) Strongly agreed [ ]
(b) Agree [ ]
(c) Disagree [ ]
(d) Strongly disagreed [ ]
(e) Undecided [ ]

APPENDIX II









A Tractor purchased by Sabon Gari local government



Fencing of Bashir Aminu LGEA Primary school at Anguwan Gabas Ward, Sabon Gari Local Government.



Furniture provided to Primary schools at Sabon Gari Local Government.



Renovation of clinic by Sabon Gari local government in Palladan



Text books distributed to LGEA Primary School Yakubu, Kudan ward,Kudan local government



Fencing of LGEA Primary School Yakubu, Kudan ward, Kudan local



Purchase of Tractor by Kudan Local Government



Women centre (under home economic unit) at Anguwan Wali Hunkuyi ward



Purchase of fertilizer for farmers by Kudan local government



Cold room in constructed and equipped by Kudan local Govt in Anguwan Wali Hunkuyi Ward



Primary Health care (clinic) constructed in Hunkunyi ward - Anguwan Wali