

**ASSESSMENT OF LOCAL GOVERNMENT CAPACITY AND SERVICE DELIVERY
IN SOKOTO STATE**

BY

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DECLARATION

I, Wamakko, Aliyu Magatakarda, hereby declare that this thesis titled: Assessment of Local Government Capacity and Service Delivery in Sokoto State is a product of my research work under the supervision of Prof S.B. Abdulkarim and Dr. H.A. Yusuf. Information derived from the literature has been duly acknowledged in the text and a list of references has been provided. To the best of my knowledge, this thesis has not been previously presented for the award of a diploma or degree in this or any other University.

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CERTIFICATION

This thesis titled: “Assessment of Local Government Capacity and Service Delivery in Sokoto State by WAMAKKO, Aliyu Magatakarda, meets the requirement of the regulations governing the award of the degree of Doctor of Philosophy (Ph.D)in Public Administration, Ahmadu Bello University, Zaria, and approved for its contribution to knowledge and literary presentation.

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DEDICATION

This research work is dedicated to all those individuals who have, over the years, encouraged and supported my deep seated interest in the study and practice of Local Government Administration in my capacity as a public officer at various levels of responsibility.

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ABSTRACT

The issue of local government financial autonomy, as undermined by the State Joint Local Government Account, is seen as greatest factor undermining that tier of government capacity to deliver services to the grass-root communities under its jurisdiction. The financial constraints and dependence on the State has provided ground for the Local Governments abysmal performance, and further compounded by the poor administrative capacity to providing services for better social and economic conditions of the rural dwellers. The objective of this research is to assessing the capacity of local governments in Sokoto State and service delivery. The study examines the local Governments financial and administrative capacity and effect on provision of services to the communities' wellbeing and development in the State. The study hypothesized that there is relation between financial and administrative capacity of the local governments and provision of services in Sokoto State. The study used survey method to drawing samples from two main primary sources: Local government officials and the communities, using structured questionnaires. While secondary source of data consist records of revenue, expenditures, and services provided obtained largely from State Government and the LGCs sources. Hypotheses were tested using both qualitative and quantitative analysis, including Mean, Standard Deviation and Pearson Product Moment Correlation. Findings revealed that LGCs in Sokoto State heavily depended on statutory allocations from the federation accounts, have very poor IGRs and service delivery due to weak administrative and revenue generation capacity as well as low quality leadership and personnel. Both the Local government officials and the communities generally agreed that the Local governments have not significantly contributed to the provision of services, in line with constitutional responsibility, to their communities. The study recommended that the LGCs should have direct statutory allocation; empowered to improve on their IGRs; enhance their administrative capacity through leadership and personnel operational freedom, effective capacity building to enhancing their innovative contribution to providing quality service delivery, and personnel appointment, promotion and posting/deployment be based on merit; that local government financial autonomy should be with control mechanism for prudence through enabling State legislation.

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CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

Local governments historically played a critical role in, especially agricultural and overall transformation of developed countries through the bottom-up development strategy, providing the raw materials for industrial inputs. Today they are still playing very important roles in the social and economic development of most countries of the world, and, indeed, certify as the effective catalyst for grassroots and national development.

The definition of local government as given officially in the 1976 reform document contained the central objectives of local government administration, and stating that:

Government at (the) local level exercised through representative councils established by law to exercise specific powers within defined areas. These powers give the councils substantial control over local affairs such as the staff, institutional and financial power to initiate and direct the provision of services; and to determine and implement projects as to complement the activities of the estate and Federal Governments in their areas, and to ensure through devolution of function to these councils an active participation of the people and their traditional institutions, that local initiative and response to local needs and conditions are maximized (Oluwu 1991 in Mbaye, et.al 2010).

Local Government have a great potential in raising agricultural and industrial productivity in less developed countries (LDCs), in the areas of collective action in managing scarce resources (land, soil, water), assisting cooperatives both in the rural areas and in the informal sector of the urban areas to organize themselves for effective economic and political action, reduction of waste, presenting opportunity for experimentation/innovation in diverse project/management possibilities and promoting healthy competition for cooperation among communities. All these cannot be achieved with local government incapacitation in revenue generation, adequacy and management as well as knowledgeable skill and able personnel with capacity to willingly deploy potentials, innovate and have executive capacity to effectively discharge local government administrative and developmental responsibilities.

Therefore, the challenge of revenue generation and disbursement under fiscal federalism is that service delivery and development will have to suffer at particular levels of government if not at all levels. In most cases, the lowest level of government, that is Local Government, tends to be more adversely affected by problems arising from the inability to fashion out a functional, efficient and equitable system of revenue sharing and administration. Rowland (1972) clearly brought out this reality when he observed 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 on government grants, minor taxes, licenses, fees and charges for services...

Local governments are by nature established to perform functions which directly impact on the lives of people at the grassroots level. This explains why statutory provisions which establish local governments in most countries tend to emphasize their service delivery and local developmental functions. For instance the Guidelines to the 1976 Local Government Reforms (Section 3) in Nigeria envisioned the new Local Government System as one that:

"... Give the Local Government Council substantial control over local affairs as well as the institutional and financial powers to initiate and direct the provision of services through active participation of the people and their traditional institutions that local initiatives respond to local needs, and conditions are maximized.

Specifically, the 1978 Reforms (in Wamako, 2010), had the following objectives:

- i. To make appropriate services and development activities responsive to local wishes and initiatives by developing or delegating them to local representative bodies;
- ii. To facilitate the exercise of democratic self-government close to the grassroots of our society, and to encourage initiative and leadership potential;

- iii. Mobilization of human and material resources through the involvement of members of the public in their development, and
- iv. To provide a two-way channel of communication between local communities and government (both State and Federal).

Since the 1976 Reforms, Nigerian Constitutions have not only recognized Local Government as a tier of government with defined functions and responsibilities, but have also accordingly made appropriate provisions for them to share from the pool of centrally collected revenues, i.e. the Federation Account, in the country. Indeed, the 1976 Reforms paved the way for the inclusion of Nigerian Local Governments into the mainstream of the country's fiscal federation and intergovernmental fiscal relations. This is expected to strengthen the capacities of Local Governments to perform more effectively in the challenging tasks of service delivery and grassrootsdevelopment. As Abubakar (1991:1) aptly pointed out:

The size of the revenue (accruing to a Local Government) and the pattern of its flow, the structure of expenditure and the efficiency in its administration and control, as indeed the totality of the fiscal or financial powers statutorily assigned to Local Government (as third tier of Government, as in the Nigerian case) combine to determine very substantially, the extent to which a Local Government Council is able to perform in the discharge of its wide ranging functions and responsibilities.

Now well over three decades after the consequent fiscal and financial empowerment of the country's local government system, there is a general feeling that Nigerian local governments have not lived upto expectations. One of the major problems which appear to have constrained localgovernments in making them play the effective roles envisioned for them in the 1976 Reforms is the problem that has emerged in the management of fiscal federalism in the country. The structure and, indeed, the politics of fiscal federalism have tended to put local governments at a disadvantage. This is further confirm by what Abubakar (2001:4) described as the "Financial

Stress Hypothesis”, to explain virtually all their problems, particularly relating to non-performance in service delivery.

Essentially, the argument has been two-fold: firstly, the vertical revenue sharing arrangements i.e. between the Federal, State and Local Governments put the latter at a severe disadvantage. Secondly, that the arrangement for statutory revenue administration through the State Joint Local Government Account (SJLGA) provides an avenue for the states to interfere, manipulate and control the local government funds undermining their capacity to provide services to their communities within their respective jurisdictional areas. The Local governments have always blamed their poor performance on the State Governments with the main reason that they are not allowed full access of their financial allocations, or even determine what services are desirable by their communities. In addition to financial constraints affecting the local governments’ performance, there is also the challenge of administrative efficiency necessary to facilitating rural development and check the rural urban migration syndrome in Nigeria, and providing the rural population with essential services and employment opportunities to enhancing their general wellbeing.

1.2 Statement of the Problem

It is believed that Local Governments in Sokoto State, like Local governments in other States of the Federation, received their statutory allocations from the Federation Account. In addition to all proceeds that goes into the State Local Government Joint Account. In addition, the State government is mandated to allocate a percentage of its own total revenues to the Local Government. Records obtained from the Office of the Accountant General of the Federation, Abuja, revealed that the 23 Local Government Councils (LGC) in Sokoto State, received over N62 billion from the Federation Account within the period 1999 - 2005. This was made up of

about N51 billion or over 82 percent from their share of Statutory Allocation; while VAT and the Local Governments' share of Crude Oil Proceeds each accounted for about N5 billion or over 8 percent each. These monies were paid into the State Joint Local Government Accounts for onwards sharing to the LGCs. There are no records of the State Governments contribution.

These are quite substantial funds that have accrued to Local Government in Sokoto State in both absolute and relative terms. Therefore, the major questions that arise are: How much of this money actually got to the LGCs, and how much was used to enhance their capacity to deliver services. That is whether the LGCs in Sokoto State had especially both adequate financial and administrative capacity to provide required services for development and general wellbeing their respective communities?

1.3 Research Questions

- i. What are the actual Local Government's statutory allocations in Sokoto State?
- ii. How has this enhance the financial capacity of the local governments for effective service delivery in Sokoto State?
- iii. What is the capacity of the local government councils to fully explore and enhance its IGR?
- iv. What is the Local Government Councils administrative capacity to plan and execute programmes for effective service delivery in Sokoto State?
- v. What is the quality and competence of leadership to services delivery in the local governments?

1.4 Objectives of the Study

The broad objective of the study is to assess the capacity of the Local Governments and provision of services in Sokoto State. The operational objectives are:

- i. To ascertain the Local Governments statutory allocations in Sokoto State.
- ii. To determine the effect of financial allocations on provision of services in Local Governments Areas of Sokoto State.
- iii. To examine the capacity of the local governments in enhancing their IGR for provision of services in Sokoto State.
- iv. To determine the local government councils administrative capacity for effective services delivery in Sokoto State.
- v. To assess the local government leadership competence in service delivery in Sokoto State

1.5 Hypotheses

The study was designed to test the validity or otherwise of the following three hypotheses.

- H₁: There is no significant relationship between statutory financial allocations and Local Government Councils capacity for service delivery in Sokoto State.
- H₂: There is no significant relationship between administrative capacity of the local government councils and effective service delivery in Sokoto State.
- H₃: There is no significant relationship between the ability of the local governments Councils to enhance internally generated revenue and the capacity to deliver services in Sokoto State.
- H₄: There is no significant relationship between the local government leadership competence and capacity to deliver services in Sokoto State.

1.6 Significance of the Study

There is scarcity of researches in area of local government finances, operational performances and services for grassroots development. In more recent times Jumare (2008), Otaha (2008) have tried with commendable success to examine the relationship between fiscal federalism and socio-economic development. Jumare in his doctoral dissertation examined Local Government finance in Nigeriawith particular interest to identify the relationship between revenue, expenditure and development. Otaha, in a similar doctoral dissertation, examined fiscal federalism and growth of local government spending inNigeria. Both scholars provided groundbreaking research findings, appropriately recommending guide future research in the area. Wamako (2010) research examined and advance the fiscal and financial relationship between the Sokoto State Government and its Local Government Areas. The studies did not, however, provide a strong insight into the issues of financesources (Internal and External), administrative capacity and effect on Local Governmentsservices delivery for grassroots development and their communities wellbeing.

The significant of this research are in three folds: an academic exercise providing empirical evidence to prove the financial capacity ofthe Local Government Areas. This will no doubt add toour understanding of the developmental challenges of local government areas. Second, it will add to the scanty of literature on public finance, intergovernmental relationship and service delivery at the Local Government areas. Finally, the study emphatically provides more insight into the financial debacles, covert operational constraints and administrative incapacitation (especially politico-administrative placement and project planning and execution capacity)undermining the local government councils ability to discharging their constitutional

responsibilities and be an effective instrument to rural communities wellbeing and, indeed, grassroots development.

1.7 Scope and Limitations of the Study

The study covered a period of five years, between 2010 and 2015; and the choice of period not only afforded the researcher the opportunity of accessing actual financial data, which are usually not immediately available until years after, but also because it is a transitional period of change in government (in policy and ideology). The study also covered five (Tanbuwal, Bodinga, Dange-shuni, Rabah, and Sabon Birni) of the twenty three local governments in the State, guided by the need to include only those local governments that are semi-urban and rural Local governments requiring governmental intervention for development. The five selected local governments share identical developmental characteristic, which is basically low level of development - poor rural infrastructure, including health facilities, education and social services. The State has consistently been placed low on the UNDP's Human Development Index over the years. It is our belief that in a state like Sokoto, Local governments play more active and more visible roles in the grassroots development process.

The study significantly used secondary data as evidence of determining service delivery as provided mainly by actual expenditure incurred in social and economic services. There was no meticulous inspection other than physical observation of projects and programmes claimed to have been executed by the Local Governments. This was however mitigated by the questionnaire survey responses elicited from the communities' perceptions of the contributions of their Local Governments in the provision of social and economic services.

1.8 Operational Definitions of Key Concepts

Financial Allocation: This consists of financial accruals, both statutory and administrative, given to local governments to discharge their constitutional responsibilities as approved by the Constitution from the Federation Account as well as including the share of State government revenues that is administratively allocated to the Local governments. This financial allocation to the local government is often referred to as the external sources of revenue base of this third tier of government in Nigeria. These external revenue sources consist mainly of statutory allocations from the Federation Account, VAT and other miscellaneous government (petroleum surpluses, State government grants, etc.) and non-government sources that accrued to the local governments in federal Nigeria.

Internal Generated Revenue (IGR): This is this is the internal revenue sources generated to enhancing the revenue base of the Local Government Councils to strengthening their financial capacity for effectively service delivery in Sokoto State. IGR are thus the internally generated sources of revenue (IGR) available, explorable and that are within the jurisdiction of the Local government Councils to supporting the financial needs for service delivery. It is the operational autonomy and freedom of the Councils to generate revenue and deliver services towards enhancing the local government areas development. It includes the ability of the local government councils to profound effective strategy to enhancing their revenue base through exploring the multiples internal sources.

Service Delivery: These are the social and economic services provided by the local governments to enhance the general wellbeing of the local communities and accelerate grassroots development. It includes health, education, transport and communication, roads, power and energy infrastructural facilities, agriculture supports, water supply, etc.

Administrative Capacity: This is found as a core concept in the public administration, involving especially capacity building as a tool for policy implementation, through which the capacity of personnel are developed. It involves building and improving efficiency in public administration, human resource and performance management, better implementation of policy or initiatives and improving structure of public administration to improve the provision of service to business and citizens. Improve administrative capacities in terms of recruitment, career profiles and training. It involves capacity to make good use of funds granted, reducing red tape and the cost of tax compliance and collection. According to Heichlinger, A. et.al (2014), ACB does not only lead to performance improvement of institutions and of the provision of public goods and services but also, and more importantly, to good governance; thus the building of trust and social capital. It is a prerequisite for innovation in the public sector. This study sees Administrative Capacity within the context of the Sokoto State Local Government public service ability for articulation, planning and execution of socio-economic developmental programmes and projects. It entails the Local Government Councils administrative operational autonomy to initiate plans, make independent decisions on the operational direction of the Council, determine who gets what, where, when and how of services and projects, and ability to deliver for the general wellbeing of the rural communities and grassroots development.

Leadership Competence (political and administrative classes): It is informed by their qualification, professional training, knowledge, skill and competency to deliver services to their respective communities. It is informed by their knowledge, skills and ability to properly manage resources (human and material) and innovate for effective services delivery. Leadership competence is thus characterized by proper recruitment, posting and placement of qualified and competent personnel as well as the proper election of able and competent political leadership for

the local government councils to ensuring effective performance, quality service delivery and rural development.

1.9 Organization of the Study

The study is organized into six chapters, chapter one is the introductory chapter, including background, problem statement, objectives and hypotheses of the study. Chapter two reviews the relevant literature and theoretical framework on which the study is based. Chapter three discusses research methodology, while chapter four gives an overview of the Local governments' financial and administrative operational pattern and service delivery in Sokoto State. Chapter five contains data presentation and analysis and sixth contains the research conclusions and recommendations.

CHAPTER TWO

LITERATURE REVIEW AND THEORETICAL FRAMEWORK

2.1 Introduction

The main thrust of this thesis is fundamentally the challenges of finances affecting the operational performance of the Nigeria local governments; and, indeed, their administrative capacity to discharging the constitutional responsibilities of provision of services to ensuring the general wellbeing of the rural communities and the development of the grassroots. This chapter explored issues (theoretical, conceptual and empirical) on local government capacity and service delivery in Nigeria.

2.2 Challenges in the Nigeria Fiscal Federalism

Fiscal federalism refers to the assignment of responsibilities and allocation of tax powers among the component units in a federal system of government. Regardless of how any federation comes into existence, these are issues that have to be discussed and decided at different times in the life of the nation. Fiscal federalism put slightly differently according to Okigbo (1965) "... refers to the allocation of tax powers and expenditure responsibilities to the different levels of government in a federation".

The proper scope or classical fiscal federalism according to Mbanefoh (1993) should refer essentially to the fiscal relationship between the central government and the regional or state governments since the position of local government in the federation is not appreciably different from that in the unitary government as far as fiscal powers are concerned. Adamolekun (1993:92) lent support to this view when he argued that "...little attention is paid to the issue of allocation of jurisdictional powers below the major sub-national government". The author contended that the functional responsibilities of local government are invariably assumed to be

the exclusive preserve of State government. Otaha (2008) however drew attention to the fact that the principle of classical federalism "... requires that within the framework of federalism, matters of local concern should be managed by the recognized unit of government free from interference by the central government".

This latter view tends to support the nature of fiscal federalism in Nigeria, in which the three tiers of government including local government are distinctly recognized in the assignment of responsibilities (functions), and the allocation of tax powers and revenue rights. Bhatia (2008:309) opined that "a federal set up is confronted with the twin issues of diversities and equivalence". He went on to explain that in the context of provision of public services, the former issue concerns the demand that in a federal set up, regional and local needs and aspirations should be satisfied to the extent possible. The equivalence issue means that public services may be categorized on the basis of their national, regional and local applicability and provided accordingly. Mbanefoh (1990:4) contended that "...ideally, each level of government should be given adequate resources to enable it discharge its duties and responsibilities". But he was quick to caution that... in practice... it is virtually impossible in a federation to nicely adjust the functions entrusted to members to their financial resources". Put in a more elaborative context, Abubakar (2004) identified the central or contending issues in fiscal federalism as those having to do with the resolution of three problems: the Assignment problem; the Allocation problem; and Revenue sharing.

The Assignment Problem

Responsibilities and functions have to be shared among the component units of government in any federation. The criteria for determining which responsibilities or functions should go exclusively to a particular level of government or should be performed concurrently

between coordinative levels of government define the content of the assignment function. In most countries the functions and responsibilities of each level of government are codified into the Exclusive List; the Concurrent List; or the Residual List, which is usually not really a defined list but consists of those functions not specifically mentioned in any of the two Lists. As to how to determine which function should be performed by which level or tier of government or in effect which function should go with which list, Mbanefoh (1992) (in Abubakar, 2004:3-4); provides the following guidelines:

- a. Functions whose benefits region covers the entire country or which can be more efficiently performed by the Central or Federal Government than lower level governments be assigned to the former, i.e. be placed in the exclusive legislature list. These include national defence, external relations (including borrowing and external trade), banking, currency, nuclear energy, etc.
- b. Functions whose benefit areas are more local than national but with possibility of spillover effects be placed in the Concurrent List. Such functions include education, health, industrial and agricultural development, etc.
- c. Functions which are purely local in character, in the sense that the benefits accrue, mainly to limited geographical areas within the country, are usually assigned to local authorities. Such functions would include the establishment and maintenance of markets, motor parks, and public conveniences, refuse disposal, primary education, and the construction and maintenance of local roads and streets.

Attempts have been made to explain the assignment problem using what Brown and Jackson (1990:256) call “Logical Analysis”. One of the most popular of such attempt is what has

come to be known as the “Layer Cake Model of Government” and specifically, the Tiebout — Musgrave layer cake model of the public sector. This model maintains that the stabilization and distribution functions of the public sector should be discharged by the central government, and that state and local governments should engage in allocation activities. Under the Layer-cake model, lower levels of government are regarded as more efficient in the allocation of resources since they provide that mix of outputs which best reflects individual tastes.

The Allocation Problem

The allocation problem refers to the problem of determining allocation of tax powers and attendant fiscal jurisdictions among the component units of government. Two factors constitute the major basis of allocating tax powers amongst the component levels of government in any federal system. These are administrative efficiency and fiscal independence (Abubakar, 2003; Bhatia, 2003).

One of the most popular of such attempt is what has come to be known as the “Layer Cake Model of Government” and specifically, the Tiebout — Musgrave layer cake model of the public sector. This model maintains that the stabilization and distribution functions of the public sector should be discharged by the central government, and that state and local governments should engage in allocation activities. Under the Layer-cake model, lower levels of government are regarded as more efficient in the allocation of resources since they provide that mix of outputs which best reflects individual tastes (Brown and Jackson, 1990:256-257):

The conclusion is that in a federal set —up, is likely to be an imbalance between the needs and resource availability of different governments, leads us to look into the problem of financial adjustments between them ... such a problem of financial adjustment normally implies transferring resources from the central government to state governments.

The problem of financial adjustments thus underpins the practice of revenue sharing. However, the process is often contentious like the case in Nigeria over the years. Again, Bhatia (2003:316) identified two problems which have to be resolved in the revenue sharing process. These are first, determining the relative needs of states and other lower level governments which constitute the component units of the federal structure. The second problem is the choice and the use of the instruments and methods of restoring the resource-balance between different governments in the federal set-up.

Another scholar, Abubakar (1986:245) is of the view that the revenue sharing process should centre around the following three considerations:

- i. Determining what taxes and related revenue to be collected by each level of government. This is the delineation and distribution of tax powers or fiscal jurisdictions.
- ii. Determining the proportions in which such centrally collected revenues should be shared between the central, state and other levels of government.
- iii. Determining the criteria or set of criteria, to apply in sharing revenues among and within the lower levels of governments.

Abubakar, (2004:5) classified the second consideration as the vertical allocation, and the third, as horizontal allocation. The vertical allocation essentially refers to the determination of proportions for sharing centrally collected revenues among the constitutionally recognized component units of government, and this in some cases could include allocation to “special accounts”, again, as defined by the constitution or statutes governing revenue sharing. Vertical sharing of centrally collected and pooled taxes or revenue among the component units is often determined by the assignment of responsibilities among the different units of government. Thus,

where the central government carries a higher load of responsibilities, it is expected that it will attract a proportionately higher percentage of the country's revenue.

The horizontal sharing aspect of revenue sharing involves the determination of criteria and their respective rights that will be used in sharing assigned revenues to lower levels of government. Unlike the central government, the lower level government units are usually many and therefore appropriate criteria or set of criteria on which to share what is due to them from the centrally pooled Account, had to be consensually determined. Horizontal sharing criteria include factors which are economic, compensatory and socio-political in nature. Quite often, the factors or criteria to use and their respective weights have constituted issues of contention and quite often strident political debates.

Revenue Sharing

It has been pointed out elsewhere in this study that the concept of fiscal federation and fiscal decentralization can be, and are often, used interchangeably. It was however suggested that the former is a more comprehensive concept than the latter. Nevertheless, the concept of fiscal decentralization also provides a very useful framework for understanding the nature of fiscal and financial relationship in a multi-tier government structure, which is characteristic of federal system of governments.

As has earlier been indicated, the subject of fiscal decentralization essentially address two interrelated issues which are; first, is the division of spending responsibilities and revenue sources between component levels of government, and second is, the amount of discretion given to sub- national and local governments to determine their expenditure patterns. According to Davey (1999:1), these combined dimensions have a significant impact on the reality of decentralization in "... its broader political and administrative sense'. Davey went on to stress

that the level of power and responsibility sub-national and local governments actually exercise depend substantially on the following:

- 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 budgets to individual services;
and
- iv. Whether they can determine the rates their level of spending and making them answerable to the payers. (See Davey 1999:1).

The foregoing essentially defines the content of fiscal decentralization, while the essential content of fiscal federation is discussed below.

2.3 Allocation of Tax Powers

The allocation of tax powers or determination of fiscal jurisdiction is essentially a legislative function. Indeed even during the years of military rule in Nigeria, the allocation of tax powers is issued through the instrument of decrees. An important point to note about the allocation of tax powers in Nigeria is the relative long-run stability of the system as there has not been any major or significant change in the structure over the last three decades (30 years) or so. Most of the discussions and controversies over the structure of fiscal federalism and the accompanying specifics of intergovernmental fiscal relations have centred more on revenue sharing as opposed to sharing of responsibility and authority for raising the revenues that go into the Federation Account.

The prevailing distribution of tax powers in Nigeria is presented in Table 2.1. The table shows the type of tax, the level of government with the legal authority to legislate on the tax, and the level that administers and collects the tax. We have earlier mentioned that it is sometimes the

practice for one level of government to be entrusted with the legal authority for a tax, while another is charged with responsibility for collection. From Table 2.1, we can see that the major tax heads including: duties, rents and royalties, petroleum profit tax, company income tax etc. are not only under the Federal Government's jurisdiction they are administered and collected directly by the Federal government through its various agencies. The items listed (1) to (9) account for between 85 and 90 percent of all federal revenues going into the Federation Account. Nothing in our discussion so far should suggest that because a level of government has legal authority over a tax head, or groups of tax heads, as well as administrative responsibility for collection, it will collect and appropriate the total amounts collected to itself. Indeed, the bulk of those revenue collected by the Federal government goes into the Federation Account which is shared between the Federal Government and the other levels of government. So too are the proceeds of Value Added Tax (VAT), which was introduced in 1993, shared among the three levels of government.

Table 2.1: Allocation of Tax Powers in Nigeria, 1999

S/N	Type Of Tax	Law	JURISDICTION: Administration and Collection
1.	Import Duties	Federal	Federal
2.	Excise Duties	Federal	Federal
3.	Export Duties	Federal	Federal
4.	Mining Rents and Royalties	Federal	Federal
5.	Petroleum Profit Tax	Federal	Federal
6.	Companies Income Tax	Federal	Federal
7.	Capital Gains Tax	Federal	Federal/State
8.	Personal Income Tax other than those listed in 9	Federal	State
9.	Personal Income Tax: Armed Forces, External Affairs Officers, Non-Residents, Residents of the Federal Capital Territory and Nigerian Police	Federal	Federal
10.	Licenses Fees on Television and Wireless Radio	Local	Local
11.	Stamp Duties	Federal	Federal/States
12.	Capital Transfer Tax (CTT)	Federal	Federal
13.	Value Added Tax(VAT)	Federal	Federal
14.	Pools Betting and other States Betting taxes	States	States
15.	Motor Vehicle and Drivers Licenses	States	States
16.	Entertaining Tax	States	States
17.	Land Registration and Survey	States	States
18.	Property Taxes and Rating	States	Local
19.	Market and Trading licence and Fees	Local	Local

Source: Abubakar, H.I. (2002) Local Government Finance in Nigeria: Fiscal Jurisdictions and Revenue Rights. The particular status of the Federal Capital territory has not been taken into consideration in respect of this table.

2.4 Local Government Financing in Nigeria

Prior to the 1976 Reforms, Local governments in Nigeria did not have the status of a component tier or level of government. Their funding was thus limited to discretionary transfers by way of block and matching grants from the Regional/State governments. It was thus the 1976 Reforms that put Nigerian Local governments in the mainstream of the nation's fiscal federation. As Abubakar (2003:2), pointed out, "Local governments have since the 1976 Reforms been brought into the mainstream of intergovernmental fiscal relations in Nigeria, with a statutory share of the Federation Account, which has risen from 10 percent in 1976 to 15 percent in 1991, and 20.6 percent from 1993". The 1998 edition of the Local Government Year Book Published by the Presidency, had earlier recognized this development and the benefits it has brought to the Local Government System in Nigeria. According to the Year Book;

In the years since the 1976 Local Government Reforms, the finances of Local Government in Nigeria have undergone significant structural and institutional changes. During other things, these changes have manifested in substantially higher financial transfer to the Local Governments. (Presidency, 1998:8).

It is however pertinent to recognize the fact that despite its changed status within the structure of fiscal federation in Nigeria, a number of factors have combined to severely constrain their performance in the area of development. Some scholars have argued that the recognition of Local governments into the Nigerian fiscal federation system, is only partial since they are not given the required autonomy. This is evidenced in the fact that Constitutionally, the State governments still supervise the administrative and fiscal conducts of Local governments, and thus placing, in many cases, some constraints on the autonomy and performance of the Local governments.

The current arrangement including indices and relative weights used in revenue allocation in Nigeria can be traced to the Okigbo Report of 1980. It is pertinent to point out that the Okigbo Committee on Revenue Allocation was set up as a result of the criticisms leveled against the Aboyade Technical Committee's report as being "too technical". Incidentally, Dr. Okigbo was at the forefront of critics who condemned the Aboyade Report. Contributing to deliberations on the Aboyade Report in the Constituent Assembly in 1978, Dr. Okigbo was reported as having made the following remarks or criticism:

We have a report prepared by a formidable array of Nigerian talents, six of them in all, five of whom are professors, and one comes from the world of business. From such a distinguished panel, we have received a report that is distinguished by its elegance but perhaps dominated by the pursuit of novelty rather than political intuition... The Report (i.e. the Aboyade Report) before us now is, in my view, academic and doctrinaire in the extreme and cannot be made the basis of clear working procedures outside the purview of military administration. (Constituent Assembly Debates, New Nigerian Newspaper, 22" December, 1979, PP III- IV).

It was against this background that the Okigbo Presidential Commission on Revenue Allocation was inaugurated by President Shehu Shagari in 1980. The Okigbo Commission recommended a sharing formula that was considered simple and straightforward. The Commission recommended a vertical sharing formula that gave 53% of the Federation Account to the Federal Government; 30% to State Governments; 10% to Local Governments; and 7% to Special Accounts. For horizontal sharing (among the States), the Commission provided the following criteria accompanied by their relative weights; Minimum Responsibility/Equality of States 40%; Population 40%; Social Development Factor 15%; and Internal Revenue Effort 5%.

By and large, the principles of both the vertical and horizontal considerations behind the Okigbo recommendations have endured to date. It is true that there have been some changes in the weights of the vertical sharing, but the Okigbo recommendations have remained the major

basis for revenue sharing in Nigeria today. Even the current (1999) Constitution appeared to have endorsed the horizontal sharing principles which Okigbo recommended in 1980. Specifically, the 1999 Constitution, Section 162 (2) provides that in determining whatever revenue allocation principle, the National Assembly: “shall take into account, the allocation principles especially those of population, equality of States, internal revenue generation, landmass, terrain, as well as population density”. This is of course followed by the important provision that: “the principle of derivation shall be constantly reflected in any approved formula as being not less than thirteen percent (13%) of the revenue accruing to the Federation Account directly from any natural resources”.

It should be added that the 1999 Constitution expunged “Special Accounts”, which was introduced by the Military Governments, from the vertical sharing arrangement. The Constitution recognizes only the Federal Government; State Governments; and Local Government Councils as the beneficiaries of the Federation Account. This is very clear from Section 162 (3) of the Constitution which states that:

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

It is instructive to note that this provision was ignored between 1999 and sometime in 2003 when there was a Supreme Court ruling which declared any sharing arrangement which was not in line with Section 162 (3) as illegal. Prior to this judgment, the vertical sharing arrangement was as follows: Federal Government, 48.5%; States, 24%; and Local Governments, 20%. The arrangement also provided special funds which totaled 7.5% and was shared as follows: FCT 1%; Ecology 2%; Stabilization 0.5%; Derivation 1% and OMPADEC 3%. Both

the Derivation and OMPADEC allocations were directly related to proceeds from mineral resources particularly, oil.

The landmark Supreme Court judgment, according to Abubakar (2003:12-1 3) brought about a kind of destabilizing effect on the revenue sharing arrangement in the country. Based on extant statutory provisions that allowed the President the power to issue an Executive Order to resolve whatever anomalies arise in the revenue sharing arrangement, President Obasanjo issued an Executive Order which added the 7.5% in contention to the existing allocation of the Federal Government and in consequence raising the FGN's allocation to 56% from 48.5%. This was however done with the understanding that the FGN will continue to apply the 7.5% for the purpose for which they had been earmarked, i.e. derivation, ecology, FCT, etc.

Within two months of issuing the first and indeed the only one approved by the enabling statute, the President issued a second Executive Order (in July 2002) which distributed the 7.5% earlier approved for special funds among the three tiers of government which resulted in a new vertical sharing structure. The new structure was: FGN 54.68%; States 24.725% and Local Governments 20.60%. The RMAFC subsequently drew the President's attention to the breach of the statute and requested the States to refund about N15 billion which were allocated to them in breach of the extant statutory provision. (See Punch Newspaper, Jan. 26, 2004, PP 1-2). The main contentious issue in Nigeria's revenue allocation politics and management, to date is the inability of the National Assembly to come up with a revenue sharing formula as provided for by Section 162 (2) of the 1999 Constitution.

State/Local Government Financial Relations

Section 7(1) of the 1999 Constitution puts Local Governments under the control or supervision of the State governments. The Constitution provides that the Government of every

State shall ensure the existence of Local Governments within its jurisdiction under a Law which provides for “the establishment, structure, composition, finance and functions of such councils.

The main basis for the financial relationship between States and Local Governments revolves around two things; the provisions of section 162 (5), (6), and (7). Section 162 deals with the administration of the Federation Account. The sub-sections mentioned in the foregoing make specific provisions that can be said to create a basis for the financial relationship between States and Local Governments. For instance, 162 (5) stipulates that:

"The amount standing to the credit of Local government councils in the federation Account shall also be allocated to the states for the benefit of their Local Government councils on such manner as may be prescribed by the National Assembly".

Furthermore, Section 162 (6) provides inter alia

"Each State shall maintain a special account to be called 'State Joint Local Government Account', into which shall be paid all allocations to the Local Government Councils of the State from the Federation Account and from the Government of the State".

Section 162 (7) is one provision which has been quite constant in the nation's Constitutions since 1979 but which has also suffered wide scale default. This is the provision which says that:

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

While Section 162 (5) (6) and (7) provides what we have said is a major basis for States-Local Governments financial relations in Nigeria, the challenges in this relationship is largely the non- compliance to these provisions by the State Governments. The non-remittance of a provision of (10 percent) of their total revenues by State Governments to the coffers of their Local Governments is one area which has remained problematic over the years. Most State

Governments routinely refuse to remit the statutory 10 percent of their total revenues to their Local Governments; and the few who do usually remit much less than the statutory 10 percent.

TABLE 2.2: State Government Allocations to Local Government Councils in Nigeria (1993-2004) (N Million)

	(1)	(2)	(3)
Year	State Internally Generated Revenue	State Government Allocations to Local	% of (2) To (1)
1993	5971.20	253.10	4.24
1994	10,929.80	466.40	4.27
1995	17,287.30	625.40	3.62
1996	19,467.30	685.10	3.52
1997	27,368.20	703.50	2.57
1998	29,213.90	1,097.80	3.76
1999	34,109.00	419.80	1.23
2000	37,788.50	1,923.1 Q	5.09
2001	59,416.00	1,598.60	2.69
2002	89,606.90	1,672.30	1.89
2003	118,753.50	2,119.80	1.79
2004	134,195.30	3,625.7	2.70
Total	584,106.90	15,190.60	2.60
Average	48.675.58	1,265.88	2.60

SOURCE: Jumare, B. (2008).

The table (2.4) above shows that the average annual remittance from State Governments to the Local Government Councils was 2.6 percent, between 1993 and 2004; and this thus means that States appeared to spite this arrangement particularly in face of the fact that there has not been any mechanism through which States would be forced to honour their statutory obligations to their Local Governments.

It should be pointed out that the figures in Table 2.4 grossly under represented the enormity of the problem. In the first place, the data does not reveal the number of States which make no contributions at all, and second, the figures particularly since 1999, should have been total revenue as opposed to States IGR since the Constitution refers to total revenue and not IGR.

The import of this is that if total State Governments revenue was to be used as a base, the average contribution of States to their Local Governments would be very insignificant. It needs however be pointed out that the 1999 Constitution did not state a specific percentage of State government revenue that should be contributed to the SJLGA. This apparently is subject to relevant state legislations. The point is that from 1999, the Constitution did not specifically state any percentage (of States Local revenues) to be contributed or allocated to Local governments. All discussions referring to 10 percentage is therefore based on tradition. Whatever way we look at it in the fiscal analysis, the bottom-line is that State governments are often very reluctant to allocate funds to the Local governments.

Another area which constitutes a major source of contention particularly between the States and other Local Government Councils in the administration of funds in the State Joint Local Government Accounts. There are widespread allegations that the State governments deny their Local Government Councils access to the full value of their respective allocations. In the main, the State governments are often accused of diverting Local Government Councils allocations to other uses. At times, the Local Government Councils are “forced” to participate in “joint” projects with the State governments, which in most cases turn out to be Local Government funds managed by State government authorities. Similarly, Local Government Councils are forced into purchases, i.e. of tractors, and other financial obligations which they, the Local Government Councils, believe they can do without. Local government officials generally claim that because of the undue interference with the funds in the SJLGA, they are starved of funds to use to address the development needs of their people. In the end, the Local Government Councils are only left with funds which are barely enough to pay salaries and other personnel emoluments. Unfortunately, this is a problem that everybody knows or believes exists but no one

is willing to officially accept that it exists. The constant arraignment of State government officials by the Economic and Financial Crimes Commission (EFCC) over allegations of misappropriation of Local governments funds often running into billions of Naira is however a strong indication that administration of the SJLGA is fundamentally flawed in most States of the Federation.

It should be noted that the General Ibrahim Babangida military administration (1985 — 1993) foresaw this problem and thus decided on a system of “direct allocation” to Local Government Councils. Within the period (1991 — 1993) when this system operated, there were hardly any complaints from the Local Government Councils of the diversion of their funds by the State governments. Unfortunately, however there is hardly any serious study to determine whether or not the direct allocation recorded any developments at the grassroots level which is appreciably more than what is recorded under the regime of the SJLGA. This will be necessary to do in order to draw any conclusions on the funding line to Local Government Councils.

2.5 The Role of Local Governments in Development

The concept of development has elicited profound interest among scholars and practitioners since it gained international prominence in the 1950s. Scholars have given different definitions of what constitutes development. A cursory look at some of the contributions will provide a sense of the diversity in perspectives. Rodney (1972) for instance asserts that “Development is a many sided process. At the individual level, it implies increased skill and capacity, greater freedom, creativity, self-discipline, responsibility and material wellbeing. At the level of social groups, development implies an increasing capacity to regulate both internal and external relationships”.

In his own view, Rogers (1969), sees development as a “type of social change in which ideas are introduced into a social system in order to produce higher per capita income and levels of living through more modern production methods and improved social organization”. Finally, Rowstow (1960) whose seminal work attempted to situate the development process within stages, sees development essentially in terms of "modernizing a basically traditional society or a subsistence sector into a developing economy with the aim of attaining sustained growth". Indeed the perspectives on development up to the early 1970s were as varied as there were contributors. Today, development scholars and practitioners are agreed that unlike in the 1950s and 1960s, the concept and process of development transcends the growth in Gross Domestic Product (GDP), Per Capita Income, or any macro-economic aggregates. (Abubakar, 1993:12). A Pakistani official Malbub-al Haq (1971) cited in Adamu, (2008; 104) quite aptly and graphically put the issue in perspective when he noted that:

The problem of development must be defined as a selective attack on poverty. Development goals must be defined in terms of progressive reduction and eventual elimination of main nutrition, disease, illiteracy, squalor, unemployment and inequalities. We were taught to take care of GNP because it would take care of poverty. Let us reverse this and take care of poverty because it will take care of the GNP. In other words, let us worry about the content of GNP even more than its rate of increase.

Todaro (1989:62) quite aptly summarizes what most consider development today.

According to the author:

Development is a multi-dimensional process involving the reorganization and reorientation of entire economic and social systems. In addition to improvements in incomes and output, it typically involves radical changes in institutional, social and administrative structures as well in popular attitudes and in many cases, even customs and beliefs

Todaro went on to explain that:

Development in its essence must represent the entire gamut of changes by which an entire social system, tuned to the diverse basic needs and

desires of individuals and social groups within that system, moves away from a condition of life widely perceived as “unsatisfactory” towards a situation or condition of life regarded as materially and spiritually “betted”. (Todaro 1989:62)

Evident from Todaro’s perspective of development is the fact that development is essentially about people and the satisfaction of their material and psychological needs. Indeed in the view of another eminent development scholar, Dudley Seers (1972:123 — 134), the determination of any nation’s development status can be found in the following three critical questions: What is happening to poverty? What has been happening to unemployment? What has been happening to inequality? Seers contend that:

If all three of these have declined from high levels, than beyond doubt this has been a period of development for the country concerned. If one or two of these central problems have been growing worse, especially if all these have, it would be strange to call the result “development”, even if per capita income doubled (Seers, 1972:123- 134)

This appears to be a consensus among scholars and practitioners that the pursuit of development in any society should revolve around the following three goals, Abubakar, (1993: 20).

- i. To increase the availability and widen the distribution of basic life sustaining goods such as food, shelter, health and protection;
- ii. To raise levels of living including, in addition to higher incomes, the provision of more jobs, better education, and greater attention to cultural and humanistic values, all of which will serve not only to enhance material well-being, but also to generate greater individual and national esteem;
- iii. To expand the range of economic and social choices available to individuals and nations by freeing them from servitude and dependence not only in relation to

other people and nation-states but also from the forces of ignorance and human misery.

In his own contribution, Todaro, (1989:) a leading scholar in the field of development, is of the view that the “verification tests” suggested by Seers (1972), and expanded in the foregoing can best be captured and put into a more functional perspective by providing answers to the following questions:

- i. Have general levels of living within a nation risen to a point that there has been a lessening of absolute poverty (i.e. deprivation of life sustaining goods) and inequality in income distribution, as well as improvements in the level of employment and the nature and quality of educational, health and other social and cultural services.
- ii. Has economic progress enhanced individual and group esteem both internally vis-a-vis one another and externally, vis-a-vis other nations and regions.
- iii. Finally, again, has economic progress expanded the range of human choice and freed people from external dependence and internal servitude to other people and institutions, rather than merely substituting one form of dependence for another.

Deriving largely from the contributions of scholars like Seers and Todaro, among others, Goulet (1991 :23) concluded that the ingredients which make up development as explained earlier can indeed be viewed as constituting the “core values of development”.

According to the author, all discussion about development should centre around these core values which he identified as; life- substance, self-esteem, and freedom. Life substance according to Goulet (1991:23) is concerned with the provision of human basic needs; self-esteem, with the feeling of self-respect and independence, and freedom from the three evils of

“want, ignorance and squalor”. All these three core components or values are interrelated in a form of self-reinforcing and self-sustaining process. Thirwall (1983:9) another development scholar agrees with this contention. Elaborating on this, Thirwall argues that these core components or values are interrelated in the following sense: levels of self-esteem and freedom result from low levels of life self-sustenance, and both lack of self-esteem and economic imprisonment become links in a "... circular, self-perpetrating chain of poverty by producing a sense of fatalism and acceptance of the established order”. Thirwall, (1983:9).

It is generally agreed that because local government is the level of government closest to the people or the grassroots, it has a major role to play in the development process as was observed by the World Bank (1975), local or community participation in the development process greatly facilitates the attainment of development goals. According to the World Bank (1975:36):

Community (or local) involvement, which is essential to a sustained development process, is greatly facilitated by local rather than centralized control. One particular advantage is the problems of the community, as perceived by its residents and those imputed by local officials tend to be more easily reconciled.

Olowu (1988) citing Leamans (1970) and Esman and Uphoff (1967) identified the role of Local governments in the development process as consisting of three things: Political Integration/Nation Building; Social Development, and Economic Growth; The nature and content of each of these roles is summarized in Table 2.4 below.

POSSIBLE CONTRIBUTION OF LOCAL GOVERNMENTS

Political Integration/Nation Building	Social Development	Economic Growth
1. Unity Through opportunity for political participation	1. Better access to and use of information in respect to services location and effective maintenance capabilities	1. Local institutions in a bottom-up strategy
2. Training in citizenship and political leadership	2. Easier to tap the people's knowledge, initiatives and services delivery	2. Local institutions historically played a critical role in the agricultural and overall transformation of today's developed countries.
3. Promotion of accountable governance	3. Integration of the development activities of central and Local governments at planning and execution stages made more feasible by responsible local governments.	3. Local Governments are today still playing very important roles in the economic development of both socialist and capitalist countries.
4. Promote claim making on central government	4. Enable individuals and communities to make choices about social services they are willing to pay for.	4. Local Government have a great potential in raising agricultural and industrial productivity in LDC's in the following areas: (a) collective Action in managing scarce resources – land, soil, water. (b) assisting cooperatives in the rural areas and in the informal sector in the urban Areas to organize themselves for effective Economic and political action. (c) Reduction of waste by central government dominated projects. (d) Presenting a wide opportunity for experimentation/innovation with diverse project/management possibilities (e) Promoting health competition for cooperation among communities.
5. Reduce social discrimination through the empowerment of minorities.		

Source: Arne, Leemans, (1970) in Olowu (1988:12)

2.6 Administrative Capacity and Challenges of Local Government Councils

Local government constitutes the lower tiers of government in Nigeria. It is in partnership with the federal and state government in making life worth living for the people in rural and urban areas. As observed in the report of the Local Government Reforms of 1976, it is believed that local government is fundamental to building a stable government, not just at the state, but also at the federal level through representative councils established by law. The council of local government exercises specific functions, within defined areas of jurisdiction. According to Maduako (2010:18) the functions of local government have two fold purposes for its existence created to render services in defined geographical areas. Majorly, the existence of local government was due to inability of the central government to meet the rural needs in satisfying government institution.

However, the first function is administrative, concerned with welfare of the citizen in the provision of goods and services such as; street cleaning, sanitation, refuse collection, road construction and maintenance, housing, water and sewerage, primary education, clinics among others. Other function is to represent and involve citizens in determining specific public needs and how the needs can be met through elected or selected representatives.

Local governments have wide statutory power to enable them discharge their functions effectively. The functions of local governments are discharged through headship of different departments and supervisory councilors. According to the 1999 Constitution of the Federal Republic of Nigeria, the Fourth Schedule spelt out the

functions of local government service delivery in Nigeria. This is can be categorized into three (3): Law and Order functions, Mandatory functions and Permissive functions (Ajaegbu 2000:251, in Osungboye, 2015):

a. Law and Order Functions

Local government maintains law and order in their jurisdiction by:

- i. Reporting any act that is likely to result in breach of peace to the community;
- ii. Prevention to breach of peace

b. Mandatory Functions

These are the functions that are constitutionally and exclusively preserved for local government and they include:

- i. Provision and maintenance of public conveniences, sewage and refuse disposal.
- ii. Construction and maintenance of roads, streets lightening, drains and other public highways parks, gardens, open spaces, or such public facilities as may be prescribed from time to time by the House of Assembly of a state.
- iii. Establishment, maintenance and regulations of slaughter houses, Slaughter slabs, markets, motor parks and public conveniences.
- iv. Naming of roads and streets and numbering of houses.
- v. Registration of all births, deaths and marriages
- vi. Licensing of bicycles, trucks (other than mechanically propelled trucks), canoes, wheel barrows and carts.
- vii. Licensing, regulation and control of the sale of liquor.

- viii. Control and regulation of out-door advertising and hoarding, movement and keeping of pets of all description, restaurants, bakeries and other places for sale of food to the public.
- ix. Control of land held under customary tenure
- x. Control and collection of revenue from private forest estates
- xi. Collection of vehicles par charges
- xii. Collection of community tax, property and other rates etc.

Permissive Functions

These are functions specifically meant for local government but, where the fund for such functions is not available, state or federal government can perform the functions.

They include:

- i. Provision and management of nursery, primary and adult education
- ii. Information and public enlightenment is done by local government through their designated councillors. This could be done through rallies and public gatherings organized by local government.
- iii. Health centres, maternity centres, dispensaries and health clinics, ambulance services, leprosy centres, preventive health services, abattoirs and neat inspection.
- iv. Provision of scholarships and bursaries. This aspect is the most neglected area of local government authorities.
- v. Provision of public libraries and teaching rooms.
- vi. Agricultural extension, animals, health extension, extension services and veterinary clinics.

- vii. Rural and semi- urban water supply
- viii. Fire services
- ix. Provision of roads and streets (exception of truck roads), their lighting and drainages.
- x. Control of begging, prostitutions and repatriation of destitute.
- xi. Control of water and atmospheric pollution.
- xii. Provision of commercial undertakings.
- xiii. Regulation and control of building.
- xiv. Town and country planning

Before the 1976 local government reforms, responsibility for providing public services is concurrently shared between the federal and state government. The advent of Local Government Authorities (LGAs) in 1976; recognizes local government as the tier of government responsible for law and order functions, mandatory and permissive functions. For effective delivery of the functions, local governments are entitled to statutory revenue allocation from federal and state governments as may be prescribed by the National Assembly. However, the evolving realities over the past decades indicated that the local government councils in Nigeria lack effective administrative capacity to discharge their constitutional responsibilities. This is largely because the State governments have usurped their powers in all ramifications and simply made them appendage of State machinery. They are not independent, have no operational autonomy and hence fundamentally lacked the capacity for financial control, administrative decision, projects articulation, planning and execution, and cannot therefore deliver

services essential for the general wellbeing of their communities and, indeed, grassroots development for which they were created.

The Nigerian local governments are treated with disdain by both the Federal and State Governments. Though part of the federating units, the federal and State governments barely recognized them as tier of government in Nigeria. Thus notwithstanding constitutional provisions, local governments have remain subservient, structurally inferior and operation subdued by the Federal and State governments. These obnoxious intergovernmental relationships, especially with the State governments, have affected the administrative capacity of local governments, eroding their independence, operational autonomy, revenue accrual, generation and utilization, development projects needs assessment, planning and execution and, indeed, personnel recruitment, deployment, development and control. The degree of external influence, operational intrusion and control of local government affairs by the federal and state governments contributed to the rampant corruption cases among the senior and junior bureaucrats at the States and local governments to whom the public funds meant for developmental purposes are entrusted. Generally, wide-scale embezzlement by public officials made the needed development of the grassroots at all dream and incapacitated them to discharging their constitutional responsibilities.

In 2012, it was discovered that local government councils in Kaduna State embezzled thirty billion naira (Blueprint Newspaper, 2012), and the Probe Panel Reports revealed the culpability of civil servants (Mbaya, 2014). Further, the rampant dissolution of local government councils by State governments, sometimes without proper investigations, or sacking of all local government chairmen and councilors on spurious

allegations is not good for the future of local government administration in Nigeria. Ekiti State Governor Kayode Fayemi in 2008 sacked all the local government councils, Governor Rochas Okorocha of Imo

State as soon as he took office on 29th May, 2011 did same, Governor David Jonah Jang of Plateau State also sacked all local government chairmen and councilors. Similarly, Governor Rotimi Chibuike Amechi of Rivers State also sacked eleven (11) council chairmen for arriving late to a meeting he convened (Guardian Newspaper, 2012). All these are classical examples that subverted democratic process and undermined constitutional authority at the grassroots. The inherent nature of this problem has made local government subservient, waiting for directives from state government before thinking or embarking on developmental projects and perpetual object of control and directives. Gwomu (2003) identified political control of the local government chairmen by state governors as a major challenge. This is a result of the fact that state governors sponsor selection of most, if not all, of the chairmen. They are handpicked by the state governor rather than being elected. It is a clear case of who pays the piper dictates the tune.

Areas of relation	Stateinstruments	Administrative Incapacity of LGCs
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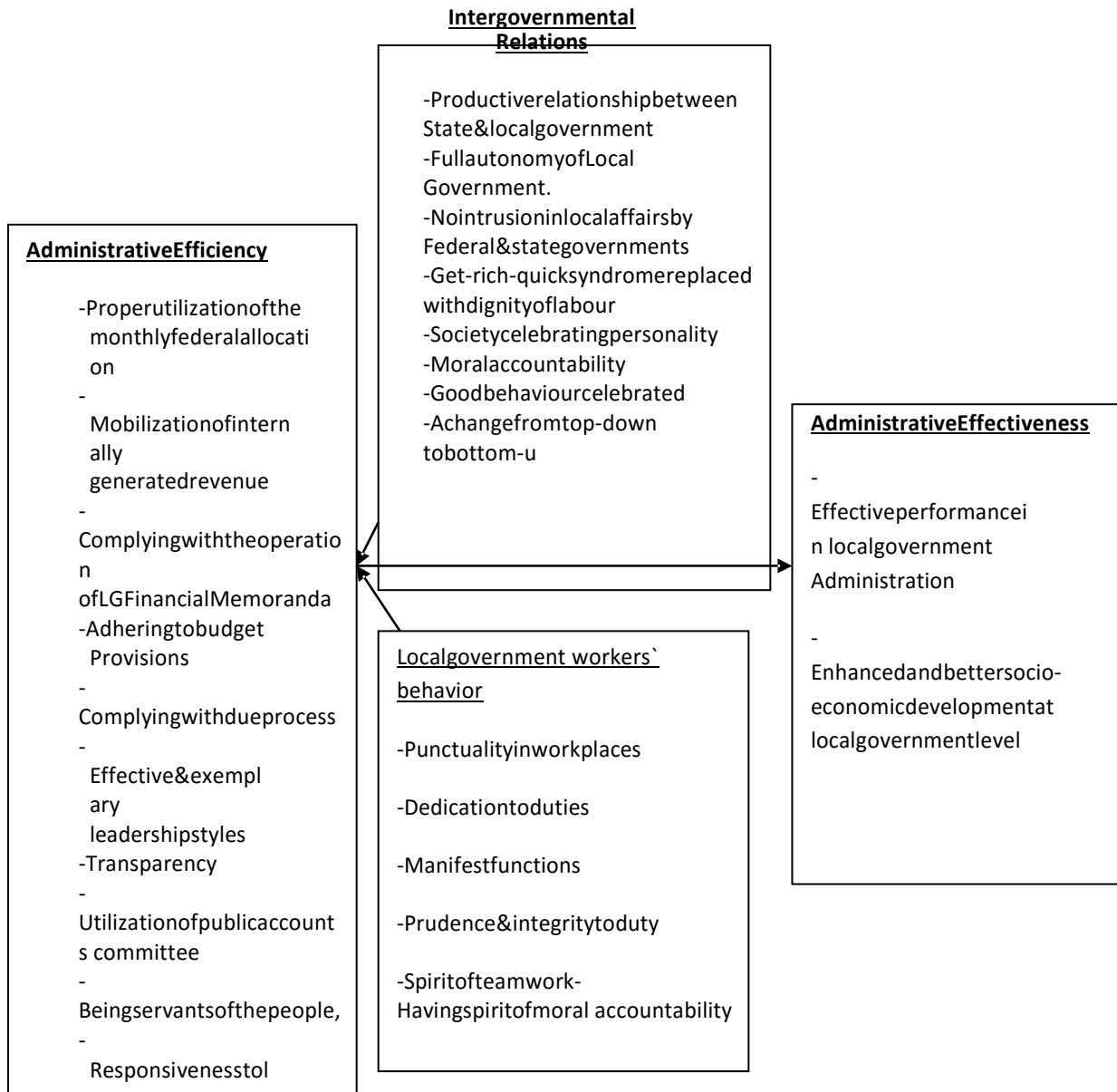
Inter-Governmental Relations and Administrative Incapacitation of Local Governments

Establishment & adjustment of LGS	The 1999 constitution & State Assembly legislation	-Made LG not actually a tier of government -Created the setting a master-servant relationship -Erode co-ordinate powers but local administration -Remove financial autonomy of LG by state executive -Obscured the presidentialism status of LG status and created several opportunities for manipulation.
To ensure their democratic existence,	State INEC	-Political victimization -Political manipulation to favour party in power in local government elections
section 7 of the 1999 constitution		-Political and party office holders are not chosen by the people, but instead by state executive -The result is a litany of misplaced priorities and efforts to grease the palms of the godfathers (state executive)
Functional relations	-Joint implementation of some functions -Directive on state objectives and minimum standards	-Undertake projects and services with LG funds that are not the priority of LG e.g. purchase of jeeps -Unnecessary directives to release funds to some party faithful and contracts that are not justified
Financial relations	-Statutory provision to LGs -Grants -Auditing accounts of LGs -Advise and assistance in annual estimates -Powers to investigate finances of LGs	-Abuses of State-Local government joint account of their monthly subvention -Unnecessary deductions from the account -10% of the internal revenue of the state are mostly not given to LGs -Abuse these powers to investigate to remove stubborn chairmen -This relation is characterized with violation of due process, financial indiscipline and corruption
Judicial relations	LG affairs are subject to state courts	-State executive uses the court to issue a threat to council chairman that is not dancing to their dictates
Staff matters	State LG service commission	State executive uses the commission to fire, transfer and discipline LG staff unjustly

Source: Adapted from Mbaya, 2006 (in Mbaya, 2014, et.al)

The above table shows cases of abuses and usurping local governments powers by the State, including non-compliance to due process, political manipulation, poor management of State-Local Government Joint Account and, indeed, clear Master-Servant Inter-governmental Relationship, and thus affecting the local governments capacity for operational

efficiency and effective service delivery. To enhance administrative effectiveness, according to Mbaya et.al (2014), the behavioral patterns of both States and local governments leaders must change to pursuing manifest functions to address the general misplaced values. This can be achieved using the institutional behaviour model below:



Source: Mbaya, 2009 Institutional Behaviour Model (in Mbaya et.al, 2014)

The Model simply states that adhering to due process, operational ethics and values and constructive inter-governmental relationships between States and Local governments shall enhance the administrative capacity, operational efficiency and effective service delivery for grassroots development and general wellbeing of the rural communities.

2.7 Internal Revenue and Financial Capacity in Local Government

Nigeria operates a federal system of government with a Federal Capital Territory (Abuja), 36 states and 774 local governments. Constitutionally, local government councils are mandated to perform four basic functions such as; provision of services within the capability of the local government (primary education, primary health and sanitary services), the execution of federal and state government policies, consensus for the resolution of conflicts and grassroots training ground for political participation of the people. This implies that Nigeria local governments are to render services that will foster socio-economic development of the rural communities in their jurisdiction. According to Otinche (2014) the existence of local government is to facilitate development at the grassroots for ensuring effective, measurable and efficient service delivery to rural communities. Some of the services expected from local government authority include housing, water, rural electricity, roads and transport, health facilities etc. In addition to local government services, are required to bring economic development through the implementation of various initiatives and to determine if the allocation of resources has had an impact on services provided. In attempt to clearly define the essence of local governments in Nigeria, the 1976 local government reforms decentralized service delivery

having the functions spelled out in the Fourth Schedule of the 1979 and 1999 constitution of the Federal Republic of Nigeria.

The success of Nigeria federal system for effective governance depends on an appropriate division of responsibilities and sufficient financial resources at each level of government to carry out its assigned functions. To Otinche (2014) it is not the federal government that controls local government affairs in the country, except in aspect of making federal based policies like public health, primary education and public workers implementation at the local government levels. The relationship between state and local governments in Nigeria is such that the former are being oppressed by the state governors, reducing their political and financial apparatus, giving rise to poor management and capacity of the local government to provide services.

The Constitution of Nigeria addressed two broad categories of local government finances namely the revenue and expenditure patterns. On the part of revenue, being the focus of this study, for service delivery, local governments like their other counterparts in most part of the country have five sources of revenue namely; financial transfer from the central to local government (statutory), local tax, rates or property tax, loan, user fees and charges. These sources are guided by the model financial memoranda for local government councils in Nigeria. While the expenditure pattern of the councils are often determined by the availability of revenue sources in financing both capital and recurrent expenditure (Muhammed 2012: 9).

However, management of Public Treasury is essential for viable local government of the country; who are responsible for providing capital and recurrent expenditure to

respective community areas. Moreover, local government administration is expected to establish sound financial management for revenue and disbursement of funds in providing public services. According to Ayapere (2013:276) the financial management of local government revenue is an essential part of public administration; to ensure accountability and efficiency in the provision of public goods and services. This sees local government financial management as an aspect of administrative functions such as planning and controlling of financial resources in providing public services as expected from government to the people. Therefore, when the financial and administrative structure is weak, it tends to affect the adequacy and quality of services provided. Respect to Ovaga (2012:185) the pattern of local governments' sources of revenue in Nigeria is classified into two; internal and external sources of revenue generation. The Internally Generated Revenue (IGR) are sources which local governments generate revenue through their own efforts in the course of discharging their constitutional responsibility. While External sources comprised of statutory allocation from the Federation Account, Grant-in-aid from the state government and loans from other financial institutions.

The Constitution of Federal Republic of Nigeria (1999, Section 162:3), states the total amount standing to the credit of the Federation Account, less the sum equivalent to 13 per cent of the total as first line charge for distribution to the beneficiaries of the derivation funds, shall be distributed among the Federal and State Governments and the Local Government Councils in each State on such terms and in such manner as may be prescribed by the Act of Parliament. According to the Allocation of Revenue (Federation Account) Act 2002, the sharing formula among the tiers of government stood as the

Federal government has 56 per cent, the State Governments 24 per cent and the Local Governments 20 per cent.

Subject to Section 162 (5) of the Constitution, the amount standing to the credit of local government councils in the Federation Account shall be allocated among the states of the Federation for the benefit of their local government councils, in such manner as may be prescribed by the State House of Assembly. Each State shall pay to local government councils in its area of jurisdiction such proportion of its total revenue (10 per cent) to the State Joint Local Government Account (Grant). The objective of the constitutional provision of both statutory allocation from the Federation Account and Grant from State Government, are meant to boost the revenue base and funding adequacy of the local governments for effective service delivery.

The sources of local government internally generated revenue are clearly expressed in the Financial Memoranda and classified into headings ranging from Head 1001 to Head 1009. In each of these Heads, there are other sub-heads showing details of the revenue as stated below:

Head 1001 Taxes: Community or Poll Tax, Development tax or Levy, Cattle Tax (where applicable), other special service taxes (e.g. Electricity, Water rates or Night Guard tax etc.)

Head 1002 Rates: It included; Tenement Rate, Ground Rent, Federal Government and State Government Grant in lieu of Tenement Rates.

Head 1003 Local Licences, Fees and Fines: The head 1003 is further classified into sub-heads such as; Fines, General Licences, Food Control, Security, Social, Health, Economic and Engineering Works and Survey. Details of these sub-heads revenue are:

Fines: Towing of vehicles fines and fees, fines on overdue/ lost library books

General Licence fees: Bicycle licence fees, canoe licence fees, Dog licence fees, cart/truck licences fees, motor cycle licences fees, bus/commercial, vehicle/tax permit fees, liquor licence fees, palm wine tapping/ selling licence fees etc.

Head 1004 Social and Economic Charges:

Food Control: Slaughter fees, bathing houses licence fees, registration of meat van fees, cold room licences fees, butcher licences fees, Dried Fish/Dried meat licence fees etc.

Security: Auctioneer licences fees, Goldsmith and Gold Seller licence fees, Dane Gun licence fees, hunting licence fees.

Social: marriage registration fees, entertainment, drumming and temporary booth, naming of street registration fees, mobile sales promotion licence fees, radio/television permit fees, open air preaching permit fees, tent at sea beach permit fees etc.

Health: Dislodging of septic tank charges, impounding of animals fines, pest control and disinfectant charges, birth and death registration fees, burial fees, dispensary test fees, laboratory test fees, earning from environmental sanitation services etc.

Economic: general contractors registration fees, tender fees, minor industry licence fees, trade licence fees, petty traders licence fees, sand, granite, iron rod sellers, sawmill licences fees, photo studio licence fee, welding machine licence fees, printing

press license fee, registration of laundries and dry cleaners fees, block making machine etc.

Engineering Works and Surveys: workshop receipts, sales of unserviceable stores, hire charges, survey fees, approval of building plans fees, mortgage sublease sublease approval fees, customary right of occupancy fees, commission on transfer of plots etc.

Head 1005 Earning from Commercial Undertakings: market, Motor Park, shops and shopping centres, cattle market, Abattoir/ slaughter house, proceeds from sales of consumer goods, transport services earnings, earning from industrial undertakings, earnings from other commercial undertakings etc.

Head 1006 Rents on Local Government Property: rent on Local Government Quarters, Rent on other Local Government building, rent on other Local Government landed property.

Head 1007 Interest Payments and Dividends: Interest and Dividend payments are realized from vehicle and Bicycle/Motor cycle Advances, loans to other Local Governments, Staff Housing and Capital Market respectively.

Head 1008 Grants: Grants from State Government, Grant from Federal Government and other Grants.

Head 1009 Miscellaneous: Mortuary Hearse and Cemetery, Recovery of losses and over payment, payment in lieu of resignation notices, unclaimed deposit.

With regards to the above Heads of revenue, it obvious that local governments have over hundred sources of internal revenue generation. But the over dependency

syndrome on external sources of revenue has incapacitated the initiative to effectively explore and exploit the internal sources of revenue.

According to Olisa (2004:32) the capacity of local government to generate revenue internally is one of the considerations for existence of local government council. The internal source of revenue comprises miscellaneous items aggregated to provide the required fund for financing the enormous functions ascribed to local government as a tier of government. Ojobo (2011) internal sources of revenue as it implies, are revenue realized within a local government area such as community tax, tenement rates, fees and charges, local licences, marriage registration etc. The extent to which local government accomplished socio-economic services to the community depends on its strength of internally generated revenue as additional sources to statutory allocation from the federation account.

To Carlson (2008), local government institution cannot be expected to provide equal access and fair service delivery, if they are not adequately funded or sources of revenue and generation is poor. Funding of local government services is perceived to be adequate if the local government were successful with their budget requests, received funding for new programs or development of the areas. In cases where there are no budget increases or the increases were insufficient to even keep up with normal routine functions or expected increase in expenditures, funding is perceived to be inadequate either from external sources or internally generated revenue sources. However, there are other structural factors contributing to inadequate funding of local government finances e.g. when there is restrictions on revenue streams passed by the legislative bodies or there

is economic downturn. These could reduce available revenue and thus affecting stability and reliability of funding sources and, indeed, capacity for service delivery.

In view of Ejikeme (2012:69) the demand and expectation from local government councils over the years have been on the increase while the finance required to deliver the functions of good administration at the grassroots continue to dwindle. Inadequate funds, mismanaged and misappropriation of resources, has been a factor for dwindling of revenue. In the long-run, local government funding are financially crippled in provision of substantial service delivery to the community base. In order for local government to effectively and consistently fulfill equitable service delivery over time, they must have stable and predictable funding levels. According to Ocheni(2013:24) the statutory allocation from the federation account, serving as the main source of revenue to local government, is said to be inadequate and untimely received by the local government administration to enable discharge their obligations. However, certain provisions of the Constitution constitute hindrance to funds available to local government councils. In Section 7 (1) of the 1999 Constitution of the Federal Republic of Nigeria (as amended) provides that:

The system of local government by democratically elected local government councils is under this Constitution guaranteed; and accordingly, the Government of every state shall subject to section 8 of this Constitution, ensure their existence under a Law which provides for the establishment, structure, composition, finance and functions of such councils (p. 24).

This thus implies, the autonomy of local government councils in Nigeria is at the mercy of federal and state governments. In most cases, State Governors are known to act

as centre referees and State Legislators, act as middlemen at the expense of rural dwellers. Local government depends on federal allocation and approval of State Governors release of the funds to State Joint Local Government Account (SJLGAs). It takes bureaucratic procedure and delay before funds are made available to local government account.

Ekwubi (2010:17) the success or failure of services depend on the adequacy of finance to local government councils, and ways through which the fund are utilized. Okoli (2002) noted that revenue constitutes an essential component in the management process of local government. For local government to function effectively in Nigeria, revenue allocation formula should be changed. Large percentage of the revenue allocation should go to local government in enhancing grass root development. This is because about 70% of Nigerian populations reside in the rural and semi-urban areas.

The level of funding for local government and capacity to deliver services is generally considered inadequate due to State government manipulation, mismanagement and misappropriation of the funds (Okoli 2002, Ekwubi 2010 and Okechukwu *et al.*, 2013). The financial resources of local government are dwindling from time to time, compared with the demands from the ever increasing population. Yet, the performance of local government councils is measured by the quality and quantity of services rendered to the people within their area of jurisdiction. For effective provision of social and economic services, adequate funds and its efficient management should be ensured by local government administrative structure, good financial regulatory framework, reliable data for planning and disbursement of funds and internal control system – all to ensure

prudence in financial management. Odoh (2014), notes that the weakness in local government level of funding is dated back to Nigeria's Second Republic. Local government under the Second Republic was a subordinate creation of the state government, having been given the powers to establish, determine its structure, composition, finances and functions. This is done through the instrumentality of the Governor that appoints Caretaker or Management Committee to manage the affairs of local government. This process makes it easy for state governments to manipulate local government affairs; reducing local governments Autonomy both administratively and financially, which then affects their ability to deliver public services.

Consequently, the form of deconcentration between the state and local government has kept local government in perpetual dependence on the whims and caprices of the state administration. Studies have pointed out the weakness in local government finances include: little attention paid to internal source of revenue, withholding local government funds and diverting grants meant for local governments by state governments, and state government failure to honour grants allocation to local government from the State Joint Local Government Account (SJLGAs). The Act of parliament in Nigeria, prescribed the level of funding as the basis for distribution of revenue accruing from the Federation Account between the Federal, State and Local Government Councils. In determining the level of funding to the three tiers of government, the National Assembly shall take into account, allocation principles especially those of population, equality of states, internal revenue generation, land mass, terrain as well as population density. The proportion of the total revenue of each state in

funding local government service delivery shall be paid into the State Joint Local Government Accounts (SJLGA).

Lamidi and Fagbohun (2013:93) issue of revenue allocation remains very unstable and constitute a major source of political and governmental tension in Nigeria. It has been a chronic problem facing fiscal federalism in Nigeria. According to Iliyasu (2011:95) revenue allocation appears to be more political in nature than technical. This is because one could gather the necessary parameters and principles for determining the formula, but political dimensions might interplay to create distortions in the final outcome. Consequently, it can be said that various principles guiding revenue sharing formula are superseded by political jingoists at state and federal levels. This invariably brings about ineffectiveness and lack of adequate funding at local governments level. The imbalance and lop-sidedness associated with revenue allocation system affect the grassroots development, leading to ineffective decision making and poor service delivery among other problems facing Local Government.

Adeyemo (2009:254) posited that local government chairmen clamour for increase in their shares of revenue from the federation accounts. The inadequate and unstable funding of local government services is the justification of the lop-sidedness and inefficiency that have characterized the national revenue mobilization policy, allocation and administration. Except the revenue allocation is revisited and corrected; the level of funding and performance of local government services in Nigeria will be in jeopardy. More so, local government revenue structure relies heavily on statutory allocations from the federation account.

2.8 Challenges of Internal Revenue Generation and Service Delivery

There are a number of factors militating against the ability of local governments to generate revenue and deliver services in Nigeria. These include, among others, corruption, lack of suitable qualified professional staff, poor work attitude, undue political interference, mismanagement and misappropriation of funds, over dependent syndrome, tax avoidance and tax evasion etc. (Akindele, 2002, Pavini, 2009 and Akwara, 2013). That since the 1976 local government reforms in Nigeria, significant amount of money has been sunk into the activities of local government, with the expectation that these funds will enhance their performance in rendering services to the rural people. Unfortunately, the achievements of the lower tier governments have continued to fall below expectation. The identified obstacles associated with revenue generation and service delivery, in Osungboye (2015) include: corruption, lack of suitable and qualified professional staff, undue political interference and poor work attitude.

Corruption: The ability of local governments to provide services of standard, demanded by SERVICOM has been linked to high levels of corruption among local government officials. In February 2010, the Chairman of Ijebu East Local Government Council in Ogun State was suspended from office on account of various financial misdeeds. Similarly, in Benue State (2010), the House of Assembly suspended 12 council chairmen in the state and directed that the chairmen should refund a total of 150 million naira being financial misdeeds associated with the excess crude funds received by local governments in the state (National Mail, Issue 12).

In Kogi State, the chairman of Ibaji and Ogori Mangogo Local Government Area were suspended over what was described as non-performance and misappropriation of resources. It was alleged that the statutory allocation of 75 million naira received by Ibaji Local Government for December 2008 was neither used for payment of salaries or implementation of any meaningful project. More so, the loan of 200 million naira or the excess crude fund of 380 million collected or received by the Ibaji Local Government were not judiciously used. The illustration in explaining the issue of corruption as an impediment in the non-performance of local governments in Nigeria, led to the arrest and prosecution by the Economic and Financial Crimes Commission (EFCC) of former Enugu State Government, Chimaroke Nnamani on the allegation of diverting local governments funds in the state (<http://www.articlesbase.com/leadership-articles>).

The internally generated revenue is hoped to accelerate the finance of local government but corrupt practices have bedeviled the Internally Generated Revenue of local governments. On the part of revenue collectors, it has been observed that revenue collectors have in possession unofficial receipts; enabling them to divert local government funds into private uses. Besides, corruption is the locust that has eaten local government revenue, this manifested in the distorting of revenue return receipts, embezzlement and misappropriation of funds.

Lack of Suitable and Qualified Professional Staff: Local governments have lost a lot of staff to state and federal governments and private organizations. The creation of more states by both Babangida and Abacha galvanized a lot of local government public servant to seek positions in the newly established state governments. More so, the politics

of political patronage has led to the recruitment of thugs and uneducated men into services of local government as a means of compensating them for political support during elections. Local governments lack skilled technical and professional staff like qualified engineers, medical doctors, accountants, statisticians, economists, lawyers, town-planners etc. The Nigerian civil servants have been described as exhibiting poor work attitude detrimental to productivity. Poor work attitude could take the form of absenteeism, lying, indiscipline, laziness, lack of work commitment, lateness to work etc.(<http://www.articlesbase.com/leadership-articles>).

Undue Political Interference:Local government administrations in Nigeria, lacks financial autonomy and are often considered as an extension of states ministry. Decisions are taken by state governors imposed on local governments in their state for implementation. The federal allocations to local government are first deposited into a particular ad hoc account before being disbursed. This undue interference has incapacitated local government from effective functioning on one hand, and alienated grassroots people from enjoying social service delivery expected of local governments in Nigeria.

Local government in Nigeria has improved revenue from 1976 till date due to reforms introduced by different regimes all aimed at making local government effective and efficient in discharging statutory responsibilities to the people. The obstacles ravaging the revenue of local government in Nigeria are multifarious ranging from over-dependency of local government on statutory allocation of federal and state government, borrowing capacity, corruption, mismanagement and misappropriation of local

government funds, ineffective strategies for enhancing internally generated revenue and lack of skilled and technical personnel.

According to Pavini (2009:67) the obstacles facing most of the local government throughout the country is lack of financial capacity to execute the functions assigned to them. This obstacle derives partly from the lack of creativity and imagination on the part of the local government to identify and explore new sources of revenues and the increasing dependence syndrome of local government on statutory allocations from the Federation Account. In this regards, local government cannot generate enough revenue internally but rather keep depending on the external sources.

Akindele (2002:30) highlighted some obstacles militating against the effective revenue of Nigeria local governments, to enable the provision for sustainable services:

Mismanagement of Funds: This is one major obstacle of revenue generation in local government; in most cases local government funds have been mismanaged. Tax collectors that are charged with responsibility to collect revenue do not adequately effect the official authority to collect and exploit other sources of revenue available to local government. In addition, many local government officials embezzle local government funds through all sorts of manner like inflating contracts, embarking on white elephant project and outright siphoning of funds which has affected the development process of local government.

Problem of Tax Avoidance and Tax Evasion: Tax avoidance is a phenomenon that occurs when a tax payer utilizes the provision of the tax laws and identifies the

loopholes. On the other hand, tax evasion is a phenomenon where tax payer practically neglects to pay tax which is a criminal offence.

Over Dependency of Local Government on Federal and State Government

Allocation: The local governments are over dependent on federal and state government, statutory allocation in financing both recurrent and capital expenditure. The over dependency of local government, on statutory allocation of federal and state government has contributed to the financial crisis or delay in disbursement of statutory allocation and run into crisis in payment of salaries and other recurrent expenditure. The greatest impact of this over dependency on the part of the local government, has neglected the initiative to establish independent sources of revenue. In addition, inadequate transportation and poor communication network to reach the community areas, lack of motivational incentives in boosting the morale of revenue collectors, thereby leading to diversion of revenue collected for private uses.

2.9 Review of Empirical Studies

The need to improve on local government services in Nigeria cannot be overemphasized. Demands for socio-economic services are always on the increase; over 70 per cent of the Nigerian population reside in the rural areas and are directly or indirectly affected by services of local governments. In others words, quality and adequate services play significant role in the survival of any country's economy and development. Services like; public education, health care, well-maintained roads, safe drinking water, security of lives and property are fundamental for stable economy.

According to Akwara *et al.*, (2013:458) the provision of social services such as education, health, maintenance of roads, and other public utilities within the jurisdiction of most local government in the country is a mirage; the tenure of local government chairmen is primitively conceived as a period of wealth accumulation and not of service to humanity. Empirical studies has shown, that the average residents at grassroots level are still suffering from lack of potable water, inadequate health facilities, poor hygienic conditions and low quality of education. It is glaring that local governments in Nigeria have not justified the reasons for their creation through the delivery of services. In the following expression of ex-president Obasanjo in 2003: below:

...what we have witnessed is the abysmal failure of the local government system. It is on record that at no time in the history of the country has there been the current level of funding accruing to the local governments from the Federation Account, yet the hope for rapid and sustained development has been a mirage as successive councils has grossly under-performed in (their assigned responsibilities). Almost all the areas of their mandate, yet the clamour for the creation of more LGAs have not abated (p.458).

Government efforts, in injecting efficiency and effectiveness in the ability of local government to deliver through established reforms, structure of services and increase funding capacity from the Federation Account to 20%, SERVICOM charter and anti-corruption agencies have remained abortive in their results. Obasanjo's observation shows among others that local government services is a mirage to the very objective for which they were created by the 1976 local government reforms. According to Ukiwo, 2006 (in Akwara, 2013:459) instead of bringing government and development closer to the people local governments have produced absentee local government chairmen who

are only seen at council headquarters when the monthly Abuja allocation arrives and leave immediately with their standby jeeps and mobile police escort.

The underperformance of Nigeria's 774 local governments has continued to attract huge policy and research concern in the last three decades. About 70% of the Nigeria population is classified as poor while about 54.4% are absolutely poor and live below the global US\$1 benchmark, with life expectancy flipping between 48 and 52 years. This indicator is a huge performance lapse on the side of government at all levels. Moreover, basic local government services (education, water supply, health services and rural roads) are below the expectation. Health care centres are mostly inhabitable, grossly understaffed and without basic drugs. In Ofu local government of Kogi state, the health centres are ridiculously inadequate with 18 poorly equipped health centres; given the ratio of health centre to population of the people is 1:2000 falling below expectation (Achimugu *et al.*, 2013:335).

Abdulraheem, 2012:6 (in Oshungboye, 2015) noted that the provision of Primary Health Care is the responsibility of local government with support of state ministries of health. Quality primary health services is fundamental right of all Nigeria citizens, with the goal to provide accessible health for all that is protective, preventive, restorative and rehabilitative. The health service provided at Primary Health Centres include; primary health education concerning prevailing health conditions and methods of preventing and controlling endemic diseases, immunization against infections, provision of essential drugs, environmental health and the collection of statistical data on health and health related event. The Sokoto State Local Government Areas, like other States of the

federation, run their primary health care services delivery in compliance with the principles/framework of the National Health Policy in Nigeria.

In the views of Nwanko (2004:2) Environmental sanitation is another socio-economic service delivery of local government to the community. It is the provision of safe and adequate water supply, proper and efficient disposal of wastes, safeguarding of food other include the provision of insect vector and other pest control measures, control of animal reservoir infection, air hygiene and prevention of atmospheric pollution and the elimination of environmental hazards. The impetus for decentralizing government activities cut across two political frameworks: first is provision of basic services such as education, health, water supply, etc. and these are failing in the rural communities while secondly it is assumed that most of the services to be provided are consumed locally (World Bank, 2003). In Nigeria, decentralization of governmental activities is meant to prepare for the transition to democracy, strengthen governance at the local level and improve service delivery to citizen. The evolving antecedents of Nigeria local government shows lack of capacity to discharge responsibility for provision of public services. As reported by Usman (2008), the joint research conducted across Northern Nigeria by United Nation Development Programme (UNDP) and Ahmadu Bello University (ABU) shows lack of ability of local governments to manage public finances and maintain proper books of accounts. Further, the objective of decentralizing governmental activities among the tiers of government was intended to strengthen both the administrative, political and fiscal powers of local governments in Nigeria. But the application has wittingly or unwittingly resulted in political subjugation and subservience

of the lower levels by the elites, especially at the local government level. Thirdly, decentralization of service delivery has led to mis-alignment of responsibilities. This is manifested when responsibility of service provisions falls within the concurrent legislative list. Thus, the issue of sharing responsibility and percentage of cost weighs down the discussion to the total neglect of provision at the end of the day.

In the views of Usman 2008, Abdulraheem, 2012, Achimugu, 2013 and Akwara, 2013, the decentralization of governmental activities is meant to improve local government and service delivery such as primary education, health services, water supply and sanitary of the environment among others. In this regards, local government have performed below expectation in terms of the provision of services in areas of their jurisdiction. However, the local government ability to deliver these services is inhibited by financial and administrative capacity. In more recent times Jumare (2008), Otaha (2008) have tried with commendable success to examine the relationship between fiscal federalism and socio-economic development. Jumare in his doctoral dissertation examined Local Government finance in Nigeria with particular interest to identify the relationship between revenue, expenditure and development. Otaha, in a similar doctoral dissertation, examined fiscal federalism and growth of local government spending in Nigeria. Both scholars provided groundbreaking research findings, appropriately recommending guide future research in the area. Wamako (2008) research examined and advance the fiscal and financial relationship between the Sokoto State Government and its Local Government Areas. The studies did not, however, provide a strong insight into the issues of finance sources (Internal and External), administrative capacity and effect on Local Governments services delivery for grassroots development and their

communities wellbeing.

Mbaye et.al (2014,) in their publication on administrative efficiency of local governments in Borno State, notes that about 80% of the State total populations are rural based and need urgent socio-economic development. That administrative efficiency at the local government level will facilitate rural development and check the influx of the skilled and unskilled manpower from the rural areas to the urban centers. That good local governance through proper execution of rural projects that will provide the rural population with employment opportunities, education, recreation and leisure, security, health and the like are very essential. They argued that the allegations from the public that local government have not been performing very well in service delivery and being described as centres of sharing money is a problem of administrative efficiency and effectiveness. The paper revealed that the nature of state-local government relations in Borno State is such that has negative impact on local administrative efficiency thereby rendering service delivery ineffective. That generally local governments in Nigeria are not recognized as a third tier of government but local administration, operating simply as an extension of State ministry because they lack autonomy in line with the presidential system of government. They recommended enhance administrative capacity and operational autonomy of the local governments; and that there should be consultation of community members to properly assess and appreciate their felt needs before formulation and execution of community projects.

2.10 Theoretical Framework

Every major research work needs a theoretical framework. A theoretical framework, according to Obasi, (1999:43), is "... a device or scheme for adopting or applying the

assumptions, postulations and principles of a theory in the description and analysis of a research problem”. The main reason behind the use of the theoretical framework in the view of Oguonu and Anugwom, (2006:32-33), “is for the study findings or generalizations to enable a validation of the theory at the end of the study. The theoretical framework links the study with the state of knowledge in the area and gives the study the much needed theoretical context”.

The theoretical framework underlying the present study is derived with the following considerations in mind: first, the study is in the area of public administration and thus any theoretical framework to support the study must be one that can locate a relevant theory within the broad area of public administration. Second, a major consideration for proposing a theoretical framework for the study is that it deals with issues of inputs, interactions and outputs within the system. In view of the foregoing, we have found the “Systems Theory” the most appropriate framework on which to base our study.

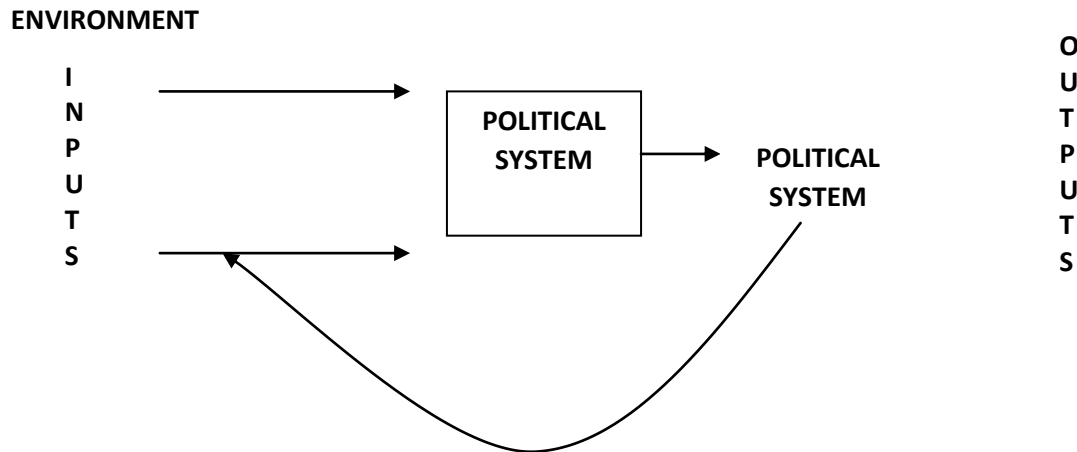
Systems Theory

The Systems Theory is predicated on the functional interrelatedness of a parts units which is seen as any entity, conceptual or physical which consists of inter-related, interacting or interdependent parts. (Harnka, 1972:5). According to Macmillan and Gonzahs (1973:2), “End system is a set of all entities, a change in whose attributes affect the system and also those entities whose attributes are changed by the behaviour of the system.

The Systems Theory as used in policy and administrative studies today was popularized by Easton (1957). Easton (1957:384) explains that if one holds the system as a unit before our minds eyes, as it were, we can see that what keeps the system going are inputs of various kinds. These inputs are converted by the processes of the system into outputs and these, in turn have consequences both for the system and the environment in which the system exists. Essentially

therefore, the Systems Theory views a system first of all as being a dynamic entity or process, and secondly it derives its essence from the dynamic process of converting inputs to outputs after going through a political (decision) process. Easton illustrates the concept of the systems theory graphically as shown in figure 2.1.

Figure 2.1. The Systems Process.



Source: Easton D; An Approach to the Analysis of Political Systems: Reprinted from World Politics, Vol. ix 1957, P

The adaptation of the systems theory to political science was conceived by David Easton's in 1953. According to Easton (1957) behavioural approach to politics, political system could be seen as a delimited system with precise boundaries and fluids (charging) the system and entails steps for decision making and action. This model is simplified thus:

Step I: Changes in the Environment surrounding a political system produce demands” and “supports” for action or the status quo directed as “inputs” towards the political system, through political behaviour.

Step II. These demands and supporting groups stimulate competition in a political system leading to decisions or “outputs” directed at some aspect of the surrounding social or physical environment.

Step III: After a decision or output is made e.g. specific policy) it interacts with its environment, and if it produces change in the environment there are “output”.

Step iv: When a new policy interacts with its environment, outcomes may generate new demand or supports or against the policy (feedback) or a new policy on some related matter.

Step v: Feedback leads to step I, it is a never ending story. If the system functions as described, then we have a “stable political system”. If the system breaks down then we have a “dysfunctional political system”. (Easton 1957).

Relevance of the Theory to our Study

Like we have earlier stated, we find the Systems Theory the most appropriate theoretical framework for our study. We can see the fiscal and financial relationship between the Local governments and the State Government in particular, and the Federal and State governments in general, as a system. The financial allocations coming from the Federation Account and the State government as well as the local government internally generated revenue and their administrative capacity as inputs. The interactions between the State and Local government regarding the management of the SJLGA and administrative operations of the areas are the representative of the political system which converts inputs into processes and socio-economic demands into outputs through service delivery. Both the actual financial allocations that eventually go to the Local governments and their administrative capacity all leads to effective services delivery and

contribution to grassroots socio-economic development and general wellbeing of the rural communities representing the output of the system.

The study further used another complimentary theory to supporting the system theory; this we adapt the theories of local government. The local government theories evolved from the thinking of Mill Panter-Brick, Wilson Bentham, Mackenzie and Harold Laski (as submitted by Gboyega, 1987). They argued that services critical and for the betterment of the local people are better and more effectively administered locally. That the basic education for citizen are better provided by local government; that political leadership training are better provided from the grassroots and nurtured by local government; and that information about the localities, which are essential for adequately meeting the need efficiently and minimizing concentration of political power by diffusing services, are also better provided by the local government. According to Gboyega (1987), the central principles of these theories were anchored on the following premises:

1. Democratic-Participatory School of Thought,
2. Service Delivery School of Thought and
3. Resource Mobilization Principle.

The Democratic-Participatory School viewed the existence of local governments as basically for the purpose of promoting democracy and participation at the grassroots level, thereby bringing government nearer to the people. The School of Thought perceived local government as an institution that provides political education, nurture potential political elites who actively participates decision-making at the local level and

who eventually grow and develop to participating at the national democratic process and to take up leadership mantle.

The Service Delivery School: This School emphasizes on efficiency and quality service delivery. It explains the value of service to the citizenry and the need for the local government to discharged this in the most effective and efficient manner to enhancing the general wellbeing of their community and grassroots development. It suggests the need for competent and innovative leadership, qualified professional personnel and efficient resources management for provision of social and economic amenities and quality service delivery.

The Resource Mobilization School: This theory states that local governments are veritable instruments strategically established to stimulating grassroots development and rural transformation. To achieve this objective, the local governments must mobilize the required andadequate resources (human and material) for development. Therefore, the adequacy of the statutory financial allocations (as fixed and given from the federation account) as well, indeed, as the capacity of the local governments to generate internal revenue from available sources are critical factors determining rural development and alongside the administrative capacity to deliver the much desirable services for the wellbeing of the rural communities and grassroots development.

Therefore, critical and of much relevance to this study is the Service Delivery and Resources Mobilization conceptual issues. These are necessary for the institutional sustainability of the Nigeria local governments, as a viable instrument for provision of social and economic services to the rural communities, ensuring the rural transformation

agenda and grassroots development. The multiples of services listed in the Fourth Schedule of 1999 Nigeria Constitution, Gboyega (1987) noted, required the local governments to have administrative capacity with operational freedom, quality human resources, adequate material resources as well as other logistics (competency or skills in planning, resources management and leadership) for ensuring quality service delivery. This is further strengthened with effective revenue mobilization, adequacy of finances and prudent management. This becomes essential if local government will meet their constitutional responsibility; ensure quality service delivery and indeed local government development.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter explains the methodology used for data collection, presentation and analysis. It shows the research design, sources of data, population size and sample size and techniques used for sampling, as well as instruments for data collection and, indeed, data analysis.

3.2 Research Design

Research design, according to Asika (2004) and Tuckman (1972), is the structuring of an investigation aimed at identifying variables and other relationships to one another. The research design for this study is based largely on the survey method, and some form of content analysis. The study used survey methods, covering both official views on financial capacity and operational relationship between the State government and the Local governments as well as the perceptions of stakeholders (communities) on the performance of their Local governments in the provision of services. It also surveyed historical data and or content analysis of relevant information/records.

The study used survey research design to allow for systematic use of any instruments of data collection to elicit firsthand information from the studied population. The survey method also allows the researcher to have mix information generation strategy (i.e. qualitative and quantitative) for comprehensive articulation and analysis of the research problem (Craswell, 2008:21).

3.3 Population of the Study

The parent population of the study comprises stakeholders (members of the communities and beneficiaries of service delivery) in the selected local governments and principal officers and senior personnel of the local government areas in Sokoto State. The stakeholders' views shall confirm the actual state of provision of social and economic services and the impact of the local government on their general wellbeing and development. The principal officers and senior personnel have access to hard data, and are well informed about the challenges undermining the local government capacity for effective service delivery than the junior staff. 2006 Census Figures shows Sokoto State with a population of 3,696,999 (estimated to be 4,998,100 by 2016) from National Population Commission of Nigeria, and National Bureau of Statistics Websites. The Commission and Bureau also gave the following population sizes of our selected local governments of study as follows: Bodinga, 174,302 estimated 235,300; Dange-Shuni: 193,443, estimated 261,100; Rabah: 149,152, estimated 201,300; Sabon-Birni: 207,470, estimated 280,100 and Tambuwal: 225,917, estimated 305,000. The study used the government officially released 2006 population figures for sampling.

3.4 Sample size and Sampling Technique

Sample size is the total number of element of the population that is selected for closer study in the research (n of N). The larger the size of the sample, according to Olabisi, 2004 (in Wamako, 2010) the more representative of the total population and the more reliable the generalization about the total population, because large size reduces the standard error of measurement. A sample is usually considered a true representative of the population. A good

sample must therefore embody the key features or characteristics of the entire population. It is necessary that a sample must truly represent the entire population because generalizations are usually made about entire populations on the basis of samples. This also strongly suggests that the size and the process of determining samples (i.e. sampling techniques) are very important in any study.

There are 23 Local Government Areas (LGAs) in Sokoto State; and most (over 90 percent) share identical developmental characteristic, placed low on the UNDP's Human Development Index over the years. All the LGAs share similar functions, and structures in organisation and staffing. In effect, any LGA selected as a sample is a good representative of the major features or characteristics of the LGAs in the State, in at least 90 percent. The sample size of five (5) local government areas, which is a little over 20 percent of the total, is seen as adequate; believing that an increase in the sample size will not in any significant way change the direction of our findings and conclusions. The five LGAs selected are: Tanbuwal, Bodinga, Dange-shuni, Rabah, and Sabon Birni; Tanbuwal, Sabon-Birni and Dange Shuni were classified and clustered as semi-urban while Bodinga and Rabah were clustered as rural LGAs.

From population of the study, sample size of local government areas were drawn, using Robert and Morgan, 1970 formula (Oshungboye, 2014), to determining maximum sample size for population known. The formula is expressed as:

$$s = \frac{X^2 N P (1-P)}{d^2 (N-1) + X^2 P (1-P)}$$

Where s = same size

X^2 = chi-square table value at .05 degree of freedom

N = population size

P= population proportion (assumed to be .50)

d = degree of accuracy (expressed as a proportion)

Calculation of the sample size using the formula above;

$$s = \frac{3.84 \times 950,284 \times 0.50 (1 - 0.50)}{0.05^2 (950,284 - 1) + 3.84 \times 0.50 (1 - 0.50)}$$

$$S = \frac{912,273}{0.0025(950,283) + 0.96}$$

$$S = 383$$

The sample size for all the local government areas 381, to get the percentage of each cluster of the population is determined as:

$$\frac{\text{Cluster population}}{\text{Total population}} \times \frac{100}{1} = \% \quad \text{i.e.} \quad \frac{207,490}{950,281} \times 100 = 21.83\%$$

In order to get the number of questionnaire to be distributed to each cluster, using the sample size and percentage of cluster is determined as:

$$\frac{\text{Sample size}}{100} \times \% = \text{proportion of questionnaire distribution in each cluster}$$

$$\text{i.e.} \quad \frac{383}{100} \times 21.83 = 84$$

Population, Percentage and Sample Proportion of the LGAs

	Selected Communities	Population	% of Population	Proportion of Sample
Semi-Urban	Sabon Birni	207,470	21.83	84
	Tambuwal	225,917	23.77	91
	Dange-Shuni	193,443	20.36	78
Sub Total		626,830	65.96	235
Rural	Bodinga	174,302	18.34	70
	Rabah	149,152	15.70	60
		323,454	34.04	130
Sub Total		323,454	34.04	130
Grand Total		950,284	100	383

Source: Field Survey 2015

Thus the questionnaire were distributed and administered according to the above sampled size as the representative of each of the local government. Sabon Birni, Tambuwal and Dange-Shuni were clustered into Semi-Urban areas while Bodinga and Rabah as Rural areas. However, with respect of the personnel of the selected local government area Councils, purposive (judgemental) sampling technique was used. Thus, we simply select three personnel in each of the Departments of the local governments (Finance, Personnel Management, Health, Education, Works, and Agriculture); this included their respective heads, a senior person and a supervisory councilor, as constituting the desired sampled size of the personnel. This thus shall total 18 in each local government, and 90 for the five selected local government areas (i.e. $18 \times 5 = 90$).

In determining the characteristics of the stakeholders sampled was also tasking, considering each of the LGAs population of not less than 200,000 people. We thus note the need that respondents from the population should be adults, having understanding or informed opinion of the role of the LGAs in service delivery. Again, even among those sampled from the stakeholders, other factors as socio-cultural and economic, were considered. Thus the question is not what should be our sampled size but the character to include in the sample for well informed responses became a problem. However, for practical purpose and to achieving the research objectives, the sampled stakeholders' population was significantly educated people (good enough to read, write or understand the role of local government in service delivery). We also ensured that different shades of interest and bodies including gender, position, traditional institutions and civil society were included.

3.5 Sources of Data Collection

There are basically two sources from which data are drawn; these are primary and secondary sources:

3.5.1 Primary Data

The primary data were collected from both the selected local government areas, Ministries and Service Commission, in both qualitative and quantitative terms. For the qualitative the study administered questionnaire to both personnel and communities (stakeholders) of the selected local government areas. Interview was also conducted with Principal Officers of the local government Councils and the State Ministries of Finance, Local Government and Chieftancy Affairs and Local Government Service Commission. Further participant observation method was also used to compliment the qualitative data.

3.5.2 Secondary Data

The secondary sources of data includes: Revenue Allocation to Local Government Councils in Nigeria 1999 – 2005 Local Government Annual Estimates, 1999 - 2005 Local Government Law (Sokoto State) Funding Reports of Projects on Local Governments, MDGs, and other socio-economic projects, Records of Income and Expenditure, Internal revenue structure and constraints, Local Governments Projects Development activities, circulars, guidelines etc. Others include personnel records/profiles (qualifications, training, remuneration, promotion, leadership election/appointment, knowledge, skills and ability/competency). Further, research works by other scholars, particularly thesis and dissertations; Local Government Year Book, journal publications, workshop/seminar papers, and other related materials were used.

3.6 Instrument of Data Collection

The two main instruments used in collecting primary data were questionnaires administration and interviewing as well as participant observer method.

3.6.1 Questionnaire

Two sets of structured questionnaires were designed and administered to the targeted population sampled. The first set was designed and administered to the Local government personnel; and the second set of questionnaire was to elicit information from Stakeholders (communities) to determine the issues of service delivery by the selected Local government councils.

3.6.2 Interviewing

Interviews were conducted to key State functionaries (Commissioners and Permanent Secretaries from the Ministries of Finance and Local Government and Chieftancy Affairs) and some selected principal officers of the local governments (Chairmen, Secretaries and Directors of

Finance and Personnel Management, Treasury, Heads of Works, Agriculture, Health, and Education Department). The interview was interactive and group discussion, researcher being an active participant in the local government administration, to elicit information from the respondents on the prevailing funding and administrative capacity of the local governments in service delivery.

3.6.3 Participant Observer

As a former Local Government Principal Assistant Secretary, Under Secretary, Sole Administrator, and Chairman of Local Government Councils in some local government areas of Sokoto/Zamfara States as well as the local government Service Commission (all during period 1982-1989), and as Deputy Governor (1999-2006) and later Chief Executive Governor, Sokoto State (2007-2015), the researcher has in-depth knowledge of the administrative capacity, challenges and governance of the Sokoto State local government modus operandi. We can therefore, provide first-hand information and determine the capacity of the local governments in service delivery.

3.7 Validity and Reliability of Research Instrument

To ensure the validity of the test instrument, experts and Ph.D holders in test measurement evaluation and administration from Faculty of Education were consulted. Further the instruments were subjected to pilot study for reliability test analysis, using Spearman rank order correlation at r-value of 0.7 and 0.8.

3.8 Method of Data Analysis

In this study, both descriptive and inferential statistical tools of analysis were used. The descriptive tools include the use of frequency tables and simple percentages for interpreting and analyzing the respondents bio-data while mean and standard deviation were used to answer the

research questions obtained from primary sources. On the other hand, the inferential statistical tool employed was Pearson Product Moment Correlation (PPMC) was used to test the null hypotheses, to determining the relationship between the dependent and independent hypothetical variables. The use of PPMC was considered ideal to establishing the significant relationship that (a) local government were established to provide socio-economic services to enhance the general wellbeing of the rural communities and for grassroots development (b) the sampled size (350 for communities and 85 for personnel, totaling 435) of the study is large enough representation of the whole and (c) there is correlation between capacity of the local government councils and their ability to provide services for grassroots development. The hypotheses were calculated at 0.05 levels of significance.

Decision Rule:

In order to test the stated hypothesis for this study, correlation analysis was used on the mean summary of the respondents' responses which comprises both LGA Officials and Community (stakeholders) giving the total of 435 participants. The test was conducted at 0.05 level of significance and this decision was considered as the bench mark for accepting or rejecting the null hypothesis.

CHAPTER FOUR
OVERVIEW OF FINANCIAL AND ADMINISTRATIVE PATTERN OF LOCAL
GOVERNMENTS IN SOKOTO STATE AND SERVICE DELIVERY

4.1 Overview of Local Government Revenue and Services in Nigeria

The 1999 constitution has outlined the revenue profile of each tier of government; the major areas of revenue generation in the country which are made up of import, export and excise duties, mineral, royalties, value added tax and so on are all within the jurisdiction of the federal government. While sources such as personal income tax (PAYE), sales taxes that generate considerable revenue are assigned to the state governments. The layout of local government revenue sources consists of community tax, rents and licenses such as bicycle, wheel barrow, radio and television licenses. The revenue sources of local government only generate a paltry amount of revenue that is inconsequential. The overview of local government revenue structure indicates that they heavily depend on statutory allocation for their survival since the internal revenue sources are insignificant (Angahar 2013:112).

Furthermore, these statutory allocations are not paid directly to the local governments but rather to states local government joint accounts, leaving local government at the mercy of the state government. In reality most states are reluctant in releasing funds due to local government councils; the state governments find all sorts of excuses not to channel funds to local governments. Moreover, there is a clear mismatch between responsibilities and revenue powers at the lower tier of government and this has greatly impaired the ability of local governments to delivery service at the grass root.

In the views of Usman and Erunke (2012:319) the issue of inadequate funds in financing local government services, has remained endemic with all local government councils in the country. Since the 1979 constitution delineated a three tiered federal structure in which each

tiers, particularly the federal and state's governments has considerable jurisdiction to raise funds. Coming into existence of the 1999 constitution, which ushered in the Fourth Republic, much controversy has generated with respect to state-local government relations. The state governors not only exercised their powers under section 7 (1) of the 1979 constitution to dissolve, elect and replace local government councils with sole administrators or caretaker committees but also created new local government areas. The 1999 constitution entails state government to pay 10 percent of the grant to local government councils; very few states honored the provision. Additionally, statutory allocations from the federal account to local government councils, paid into State-Joint Local Government Account (SJLGA) are often diverted by the state government emasculating local government services.

The local government system in Nigeria is problematic viewing the law establishing its structure and the kind of autonomy both federal and state government devolve over local government as the third tier of government. The federation allocations to local government are controlled by the state governor, even though the fund does not pass through the office of the Governors. As a puppet, the council chairmen are expected to willingly sign off a percentage of their allocation to the state Governor. Any chairman who refuses to abide by this contraption has the State House of Assembly to contend with. A case of Diamen Okon, the former Chairman of Akpabuyo local government area in Cross River State vs. Donald Duke, the former Governor of the state is an example. Diamen Okon was kicked out of office by the State House of Assembly ingeniously for refusing to comply with the state Governor's instruction over local government allocation from the federal account; other examples abound across (Felix and Okonette 2013:196).

Consequently, local governments hardly get the total sum of the statutory allocation from state-joint local government account in financing their services due to the following reasons. Firstly, what each local government gets depends on the support they give to the ruling party in the election that brought them to power. Secondly, local governments controlled by the opposing party to the one in government get less than the local governments controlled by the party in government. And thirdly, local government whose state governor is perceived to be disloyal to the President not minding that they belong to the same party also gets less intervention grant from the federal government. This is the state of local governments in River State under Governor Ameachi who is currently at loggerheads with President Goodluck Jonathan, leaving local governments in perpetual situation (Felix and Okonette 2013).

According to Otinche (2014) the Nigeria type federalism creates dependable fiscal relations between the federal, state and local government. The federal government control high yielding revenue heads and allocate the average and low yielding revenue heads to the state and local government respectively. Among the low yield sources of revenue to the local governments are taxes and rates, licenses and fees, revenue from commercial ventures and miscellaneous sources. The miscellaneous sources of revenue like bicycle and radio licences are not viable sources of revenue for local government councils in Nigeria in this modern era compared with the scope of their responsibility.

Admittedly, Local Government Authorities in Nigeria are empowered by law to impose and collect certain defined taxes, levies and other charges within their jurisdiction among other reasons, to provide the local government authorities with necessary funds or revenue needed for effectiveness and smooth running of the affairs of the local governments. In most cases, local government authorities engage the services of tax contractors who impose and subsequently

collect these taxes and levies through their employed agents for and on behalf of the local government. The personnel sometimes mount road blocks or cause road blocks to be mounted for the purposes of collecting taxes and levies in gross contravention of the extant laws. Many Nigerians, and indeed other foreigners resident in Nigeria, have been victimized by these agents, who sometimes act thuggishly and resort to violent measures in collecting taxes/ levies from unsuspecting citizens (Otinche 2014).

Now well over three decades after the consequent fiscal and financial empowerment of the country's local government system, there is a general feeling that Nigerian local governments have not lived up to expectations. One of the major problems which appear to have constrained local governments in making them play the effective roles envisioned for them in the 1976 Reforms is the problem that has emerged in the management of fiscal federalism in the country. The structure and, indeed, the politics of fiscal federalism have tended to put local governments at a disadvantage. This is further confirm by what Abubakar (2001:4) described as the "Financial Stress Hypothesis", to explain virtually all their problems, particularly relating to non-performance in service delivery.

Essentially, the argument has been two-fold: firstly, the vertical revenue sharing arrangements i.e. between the Federal, State and Local Governments put the latter at a severe disadvantage. Secondly, that the arrangement for statutory revenue administration through the State Joint Local Government Account (SJLGA) provides an avenue for the states to interfere, manipulate and control the local government funds undermining their capacity to provide services to their communities within their respective jurisdictional areas. The Local governments have always blamed their poor performance on the State Governments with the main reason that

they are not allowed full access of their financial allocations, or even determine what services are desirable by their communities.

4.2 Background and Functions of Local Government in Sokoto State

The present Sokoto State was created in October 1996. It covers a land area of 28,232.37 square kilometers, and has, by the 2006 Census figures, a population of about 3.7 million people. The State is located between longitudes “11° 30 to 13° 50” East, and latitude 4° to 6° North. It is bordered on the North by Niger Republic, Zamfara State to the East, and Kebbi State to the South and West. The area covered by the present Sokoto State was the home and Kingdom from the Pre-colonial Western Sudan, which include Gobir and Kebbi Kingdoms as well as the World renowned Sokoto Caliphate. Following the conquest of the Caliphate by the British in 1903, its various components were made autonomous and joined into the Government of the Northern Protectorate, which became Northern Region. This continued through various constitutional changes under the creation of States by the Gowon regime in 1967. Sokoto became part of the newly created North Western State. In 1976 Niger State was created out of the North West State; and Kebbi and Zamfara States were carved out of what remained of the original North West State in 1991 and 1996 respectively. What remained out of all this exercise is the present Sokoto State. Sokoto State has 23 Local Government Areas/Councils. The 23 LGAs and their headquarters are listed below in Table 4.1

Table 4.1; Sokoto State LGC and their Headquarters

S/No.	LGC	Headquarter
1	Binji	Binji
2	Bodinga	Bodinga
3	Dange-Shuni	Dange
4	Gada	Gada
5	Goronyo	Goronyo

6	Gudu	Balle
7	Gwadabawa	Gwadabawa
8	Llela	Llela
9	Isa	Isa
10	Kware	Kware
11	Kebbe	Kebbe
12	Rabah	Rabah
13	Sabon Birni	Sabon Birni
14	Shagari	Shagari
15	Sitame	Sitame
16	Sokoto North	Sokoto
17	Sokoto South	Shiyar S/Zamfara
18	Tanbuwal	Tambuwal
19	Tangaza	Gidan Madi
20	Tureta	Tureta
21	Wamakko	Wamakko
22	Wurno	Wurno
23	Yabo	Yabo

Source: Sokoto State - Seat of the Caliphate, 2009.

The functions of Local governments in Sokoto State are as stipulated in Schedule 4 of the 1999 Constitution. The Sokoto State Local Government Law of 2000 essentially adopts the functions stipulated in the Constitution. Odoh, (2010: 28 — 29) regards the functions as basically mandatory/exclusive. He summarized these functions as follows:

- i. Planning Functions — including consideration and making of recommendations to the State on economic planning for the economic development of the LGA.
- ii. Revenue Raising Functions — these include collection of rates, license, fines and fees on basic items such as radio and television, bicycles, wheel barrows and carts; establishment of markets and parks and revenue there from; property rates, Outdoor

advertising and hawking, shops, and kiosk, restaurants, bakeries and laundries, regulation and control of liquor.

- iii. Other basic service areas exclusive to Local governments include public conveniences, construction and maintenance of roads, streets and houses; birth, death and marriage registration.
- iv. Concurrent Functions including participation of councils in the Government of a State as respect the matters of the provision of primary, adult, and vocational education, development of agriculture and natural resources, the provision and maintenance of health services and any other functionalities as may be conferred on a LGC by the State House of Assembly.

Most of the functions enumerated by the Sokoto State Local Government Law (2000) are captured in Odoh's (2010) categorization of functions above. We may need to however add that LGCs in Sokoto State are specifically charged with the responsibility of the Sokoto Emirate Council. Also, the Section 5 of the State Law enumerated a fairly long list of functions which are considered additional responsibilities to the Local governments. These include: Agriculture, Forestry and Veterinary Extension; Community Development; Control of Land under land Tenure; curative Health Centres and Leprosy Clinics, Rural and Semi-Urban Water Supplies,

The State Local Government Law (Section 7) also identified other functions which every Local government in the State can perform with the specific approval of the State Governor. "... provided that the approval shall not prevent the appropriate State government MDA from providing similar concurrent service". These services include:

- a) Ambulance Service
- b) Control and amenity Nurseries

- c) Grazing grounds
- d) Provision of Scholarship and Bursaries
- e) Public Housing Programme
- f) Public Libraries
- g) Town and County Planning
- h) Vaccination and Innovation.

From the foregoing, it is obvious that Local Governments in Sokoto State are entrusted a lot of responsibilities, almost in excess of what the Nigerian Constitution envisaged to their role in service delivery. The import of this is that the people in the State look up to Local Governments for a variety of services beyond the average role of Local Governments in the Country in general. This may not be surprising giving the role Native Authority played in the early years upto the attainment of independence in 1960 and beyond. Indeed there is a very strong and long tradition of Local governance in the State.

Local governments in Sokoto State are structured along the line of Local governments generally across the Country, that is single tier multipurpose units whose existence is guaranteed in the Country's Constitution, and whose governance shall be based on democratically elected representatives. The Local Governments are headed by elected Chairman and Councillors who have a three year tenure. The Council is administered under a "Parliamentary System" as the Law stipulates that: supervisory councilors shall be appointed from among the elected councilors. This is unlike in other States which run the "Presidential System", where the political heads of departments, known as supervisors, are appointed from outside the council. Each council in the State has between 3 and 5 Supervisory Councillors.

4.3 Local Government Administrative Bodies

The Law provides for the setting up of Committees to facilitate the work of the Local Governments. The Committees are bodies so stipulated in the Law are:

- i. Finance, Tenders and or General Purpose Committee (Section 31), which consist of:
 - a) The Chairman of Council who shall be Chairman.
 - b) The Supervisory Councilors
 - c) At least two other members

Section 32(1) of the Law further stipulates that:

Subject to the provisions of this part (Part IV), a Local Government may in addition to the Committees specified; appoint other Committees for the purpose of exercising any of its functions as the Local Government may specify.

- ii. Public Order/Security Committee. This Committee consists of:
 - a) The Chairman of the Council who shall be the Chairman.
 - b) The most senior Police Officer in the area of authority or such other Police Officer as may be specifically designed as the liaison officer in that behalf;
 - c) The most senior security officer in the area of authority of the Local Government;
 - d) All District Heads in the LGA;
 - e) The Secretary of the Local Government; and
 - f) Three other persons to be nominated by the Councils.
- iii. Section 42 also provides for the establishment of a State Economic Planning Board whose membership will include representatives of both the State and local Governments.

Section 43 similarly provides for the establishment of a Joint Board of State and local Governments. This Board is to be established for the joint execution of any project or provision

of any service which may be provided by the Local Government in concurrence with the State Government.

Ministry for Local Government and Community Development

The MLG and CD, as the title suggests is made up of Local Government affairs on the one hand, and Community Development, on the other. The Local Government wing is headed by the Honourable Commissioner, while the Community Development wing is head by a Special Adviser. The Ministry has, in addition to the two service departments Administration and Finance, the following professional Departments:

i. Planning, Research and Statistics (PRS)

- Responsible for data collection, collation, storage and distribution.
- Intermediary between parastatals e.g. MDGs IFAD and other development partners, and the LGCs.
- Preparation of Budgets for LGCs.
- Preparation of the ministry budgets, etc.

ii. Monitoring and Inspection

- Monitoring of Local Government Finances and administration
- Quarterly Audit of LG Accounts, etc

iii. Local Government Matters

- Complaints and Petitions
- Issues pertaining to health, education, agriculture, etc.

iv. Community Development

- Coordination of all issues related to Community Development

The Departments outlined above are manned by highly experienced Officers, whose combined efforts facilitate and coordinate the relationship between the State government and the Local Government Councils.

4.4 Local Government Financial Structure and Allocations

Like LGCs across the Federation, Local Governments derive their revenues from both internal (IGR), and external sources. The internal sources include, Local taxes, rates, licenses, permits, dues, charges, rents, investment revenue, etc. While the external sources include the Statutory allocation (from the Federation Account), Value Added Tax, Proceeds from Excess Crude Sales, and Statutory contribution from the State government as per Section 162(7) of the 1999 Constitution which states that “Each State shall pay to Local government Councils and its area of jurisdiction in such manner as may be prescribed by the National Assembly.

Tables 4.2 to 4.6 provide a summary of the recurrent revenue structure of LGCs in Sokoto State, using the sample of 5 LGCs we have taken, between Fiscal years 2000 to 2005. It is important to point out that the revenue figures used in the tables are generally estimates as it proved very difficult to access authentic actual revenue figures. We were only able to get actual data for about two of the LGCs included in our sample but even for them there were significant gaps in the data which made the data unreliable. The use of estimates as we have done in the tables does in no way affect the velocity of our data nor the authenticity of our analysis. The important' which was intended to be highlighted in the tables is to provide a sense of the key features of Local Government in Sokoto State LGCs.

Our a priori familiarity with the revenue estimates process in the LGCs convince us that IGR estimates are generally over estimated, in other words the actual IGR figures in the tables are much less than the estimates. On the other hand, particularly statutory allocations are generally underestimated. Regardless of these observations however, we are confident that the estimated

figures or data used in Tables 4.2 through 46 provide a realistic idea of the essential features or characteristics of LGCs recurrent revenue profile in Sokoto State.

Table 4.2: Revenue Structure of Bodinga LGC, 2010 — 2015 (Actual or Estimates) (₦'m)

	Revenue source	2010	2011	2012	2013	2014	2015
1.	IGR	3,058,370.00	3,146,810.00	3,146,810.00	3,209,740.00	3,209,740.00	3,209,740.00
2.	Statutory allocation	128,668,290	282,840,740.00	238,577,220.00	157,752,560	204,327,450	627,598,930.00
3.	VAT	128,668,290	26,114,840.00	36,389,840.00	41,750,810	48,944,290	58,974,760
4.	Excess	128,668,290	26,114,840.00				
5.	State allocation	128,668,290	2,416,000.00	4,230,000.00	41,750,810	48,944,290	58,974,760
Total (Rev. (TR))		131,726,660	370,685,690.00	282,343,879	202,713,110	256,481,510	689,783,430.00
% of IGR to TR		2.32	0.85	1.11	1.60	1.25	0.46

Source: Bodinga LGC; Annual Budgets/Estimates, 2010 – 2015

Table 4.3 Revenue structure of Dange/Shuni LGC, 2010 - 2015 (Estimates) (₦' m)

	Revenue source	2010	2011	2012	2013	2014	2015
1.	IGR	3,375,410.00	3,471,400.00	3,471,400.00	3,540,830.00	3,540,830	3,540,830.00
2.	Statutory allocation	114,373,970	304,398,940.00	253,762,840.00	155,475,290	190,488,100	683,643,810.00
3.	VAT crude	19,969,940.00	28,514,870.00	38,284,430.00	43,869,70	51,213,520	61,709,040.00
4.	Excess	-	-	-	-	-	-
5.	State allocation	-	-	-	-	-	-
Total (Rev. (TR))		137,719,320	336,385,210	295,518,670	202,885,890	243,242,450	748,893,680
% of IGR to TR		2.45	1.03	1.17	1.74	1.45	0.47

Source: Rabah LGC Annual Budgets/Estimate, 2010-2015.

Table 4.4: Revenue Structure of Rabah LGC, 2010-2015 (Estimates) (₦' m)

	Revenue source	2010	2011	2012	2013	2014	2015
1.	IGR	1,0000,000.00	1,027,160.00	1,027,160.00	1,046,770.00	1,046,70.00	1,046,770
2.	Statutory allocation	141,670,860.00	338,637,170.00	284,696,830	203,487,990	230,926,820	952,610,710
3.	VAT crude	16,957,270	24,887,490	33,975,520	39,025,940	45,800,270	55,186,410
4.	Excess crude	-	-	-	-	-	-
5.	State allocation	-	-	-	-	-	-
Total (Rev. (TR))		158,728,130	364,551,820	318,551,820	243,560,700	277,73,860	1,008,843,890
% of IGR to TR		0.63	0.28	0.32	0.43	0.38	0.10

Source: Sabon Birin LGC Annual Budgets/Estimate 2010-2015

Table 4.5: Revenue Structure of Sabo Birni LGC, 2010 - 2015 (Estimates) (₦'m)

	Revenue source	2010	2011	2012	2013	2014	2015
6.	IGR	1,432,750	1,470,240	1,470,240	1451,620.00	1451,620.00	1451,620.00
7.	Statutory allocation	123,404,600	309,301,790	278,826,720	177,929,630	213,514,730	673,783,610
8.	VAT crude	19,530,880	28,090,300	40,140,000	45,628,270	54,277,530	65,400,980
9.	Excess crude						
10.	State allocation						
Total (Rev. (TR))		144,368,230	338,862,330	320,436,969	225,002,520	269,243,880	952,023,840
% of IGR to TR		0.99	0.38	0.46	0.64	0.54	0.15

Source: Sabon Birin LGC Annual Budgets/Estimate 2010-2015

TABLE 4.6: Revenue Structure of Tambawal LGC, 2010 - 2015

	Revenue source	2010	2011	2012	2013	2014	2015
1.	IGR	N/A	3,478,720.00	3,478,720	3,547,290.00	3,547,290.00	3,547,290.00
2.	Statutory allocation	N/A	339,883,330.00	275,227,050	17,348,740	213,170,680	665,738,280
3.	VAT crude	N/A	28,841,580.00	39,795,800	45,663,360	53,663,360	64,407,510
4.	Excess crude	N/A					
5.	State allocation	N/A					
Total (Rev. (TR))		-		372,203,630	318,501,570	226,559,390	270,171,540
% of IGR to TR		-		0.93	1.10	1.60	1.31

Source: Tambawal LGC Annual Budget/Estimates 2010-2015.

The data in the tables show that LGCs in Sokoto State rely almost entirely of statutory transfers for their recurrent revenue. The data shows that Rabah and Sabon Birni LGCs recorded IGRs that are less than one percent throughout the period covered in the analysis. In 2015 for instance, Rabah LGCs recorded an IGR of 0.10 percent, while for the same year in Sabon Birni, the IGR was 0.15 percent. Bodinga and Tambawal LGCs performed slightly better than the other three LGCs, but even these two LGCs had IGRs that were a bit higher than the average but appreciably low nonetheless. None of the LGCs out of the five surveyed, and by extension almost all the other LGCs in the State, recorded an IGR that was up to 3 percent of total revenue. The highest IGR recorded by Bodinga LGC for instance was 2.32 percent in year 2010, while Dange/Shuni recorded a maximum of 2.45 percent for IGR in year 2010. In all cases, however the IGRs of all the LGCs dropped progressively. The IGR situation in the State's LGCs is extremely low. They should in fact be among the bottom lowest in the Federation.

Another point worthy of note is the non-contribution of the State's statutory contribution to the LGCs. The explanation as provided by the State Ministry for Local Government and Community Development was that the State Government was unable to honour this statutory obligation because there is no legislation stipulating the percentage of its total revenue it should contribute to its LGCs. This is a very serious lapse in the existing revenue sharing legislation in the country.

In accordance with the provisions of the 1999 Constitution, Section 66 of the Sokoto State Local Government Law (2000) provides for the establishment of the SJLGA whose function is essentially to allocate among the LGCs in the State (a) allocation to the LGCs of the State from the LGCs of the State from the Federation Account, and (b) all allocations to the

LGCs from the State government. Section 66(2) of the said Law provides that: The amount standing to the credit of Local Government Councils in the State shall be distributed as follows:

- a) 91% among the Local Government Councils in accordance with the principle of equality and in proportion to land area and population.
- b) 3% to the Sokoto Emirate Council.
- c) 2% to the State Economic Planning Board establishment by Section 7(3) of the 1999 Constitution, and Section 42 of this law.
- d) % Contribution to loans and Common Service Fund

In practice, the allocation to the LGCs was quite different from what the Law stipulated. Throughout the period covered in the study, LGCs were given allocations from the SJLGA to cover Personnel cost and Overheads. According to official sources, the LGCs received less than 50 percent of their statutory allocation from the Federation Account, during the period. It should however be noted that the law itself was deficient because it did not make provision for funding primary education, training and the Local Government Pensions Board.

It should be noted that the management of the SJLGA has changed substantially in recent years particularly from 2007. The current arrangement provides for the following deductions from the SJLGA after which whatever balance remains are credited to the accounts of the respective LGCs on the basis of equality population, and landmass.

- a) 3.0% allocation to the Sultanate
- b) 1 .0% for training
- c) 2.5% for Local Government Pension Board
- d) 2.0% for Primary Education
- e) 1 .0% for Secretariat Charges

f) 1.5% for Joint Projects

On the last deduction, i.e. allocation for “Joint Project”, the Chairmen of the 23 LGCs collectively agreed to contribute 15 percent of the SJLGA for the purpose of executing “joint Projects”. There was evidence that a number of development projects and Services had been executed and procured through this arrangement. These include the construction of mass housing units (660 of them across the State), mass transit, road construction and rehabilitation, procurement of drugs and dressings, roads construction equipment, mobile clinics, etc. It was not clear under what legislated in the foregoing. It is however clear that there was a clear breach of the law to the disadvantage of the LGCs during the period covered by the study.

In our earlier discussion on the structure of LGC revenues in Sokoto State, we have shown that the LGCs rely almost entirely on Statutory transfers as their IGRs are dismally low. In this section we take a look at the structure and flow of revenue from this external source within the period, 2010 — 2015. Table 4.7 gives a summary of these external funds.

TABLE 4.7: Statutory Allocations to Sokoto State Local Government Councils, 2010-2015

YEAR	Gross State Allocation (₦)	Contractual Obligation (ISPO)	Total Deduction (₦)	Crude Oil Excess proceeds (₦)	Value Added Tax	Total Net Allocation (₦)
2010	4,942,399.643	-	1,036,035,983	566,359,168.40	451,479,285.20	4,924,202,114
2011	5,172,782,537	-	1,530,377,345	1,439,716,415	536,131,870.8	5,618,253,478
2012	7,177,936,638.2	20,285,345.8	157,381,370.7	436,459,396.01	971,814,306.2	8,408,543,628
2013	8,456,719,398	-	-	444,190,772.9	1,109,171,710	9,992,081,881
2014	13,109,411,490	-	68,292,241.92	-	1,392,305,439	14,570,009,170
2015	14,09,569,660	-	9,200,000	2,031,226,05.7	1,574,002,164	17,693,997,880
TOTAL	52,938,819,370	20,285,345.8	2,801,286.941	4,917,951,811.01	5,944,904,775	61,207,088,150

Note:

- a. In 2009, the month September is not included
- b. In 2010, the month May is not included
- c. In 2011, the month May is not included
- d. In 2012, the month March is not included
- e. In 2013, the month February is not included.

Table 4.7 shows that between the year 2010 and 2015, the 23 LGCs in Sokoto State received a total of over N61 .207 billion. This amount is higher in reality because records for the allocation of upto four months within the four year period were missing. But even then the available record which has captured about 97 percent of the total allocations will suffice for an analysis. Out of this amount, gross allocation was about N53 billion. Deductions including contractual and other obligations amounted to about N2.85 billion. Receipts from VAT amounted to N5.94 billion (about 9.7% of total net allocation), while receipts from the proceeds of sale of excess crude brought in about N4.92 billion, representing 8.04% of total net allocation. No doubt, the amount recorded to have accrued to the LGCs, was quite substantial. What is not really clear is how much or what percentage of this actually got to the LGCs. Accurate records of financial transfers to LGCs particularly during the period covered by our study is very scanty.

LGCs Expenditure Patterns

The expenditure pattern of any governmental authority provides a useful insight into its developmental role. Where the bulk of expenditure goes into servicing recurrent activities (i.e. consumption expenditure), developmental role of such government can obviously be limited and,if, on the other hand, the bulk of expenditure goes into capital or investment expenditure, then we can conclude that the government is pursuing socioeconomic development. In using government expenditure as a barometer for measuring development; care must be taken to ensure that actual (and if possible audited) expenditure figures are used. Estimates can only be useful to provide us with a trend of expenditure.

Despite the unreliability of estimates in Local Government budgets in Nigeria, we are constrained to use estimates in this study. This is so because we have found actual expenditure

figures very difficult to come by, and the reliability of the available actual expenditure is suspect. However, in using estimates, we were able to determine ab initio some key features of Local government budget implementation. From the scanty records of such actual spending made available to us and the returns we got from our field survey, we confirmed that actual expenditure on capital estimates often fell far short of approved estimates. In fact, actual capital expenditure in Sokoto State LGCs are in an average of 15 percent of estimates. Actual Recurrent expenditures on the other hand are usually overshoot by significant percentages. So our sense in using budget estimates was that we can, by deduction based on the foregoing a priori knowledge, get an idea of what percentage of the LGCs expenditure actually went to recurrent spending, and what part went to capital spending. This at least provides a rough idea of the LGCs spending on socio-economic development within our period of study. Table 4.8 to 4.13 below shows the approved estimates (budgets) for our 5 sample LGCs, i.e. Bodinga, Dange/Shuni, Rabah, Sabon-Birni and Tambawal, within the period covered by this study, 2010 - 2015. The expenditure estimates are presented according to type or classification.

TABLE 4.8: Structure of Selected LGC Estimate Expenditures In Sokoto State, FY 2010

	LGC	TYPE OF EXPENDITURE (₦)					Total Exp.
		CRC	Internal Debt Charges	Personnel Cost	Overhead Cost	Capital Exp.	
1.	Bodinga	11,539,410	7,002,120	38,025,660	27,963,450	76,178,850	160,709,490.00
2.	Mange/Shumi	11,438,630	6,934,290	47,454,130	21,620,000	62,831,310	150,278,360.00
3.	Rabah	13,894,440	8,622,370	39,402,090	35,225,900	77,408,250	174,553,050.00
4.	Sabon Birni	12,697,140	8,330,350	49,360,770	25,019,190	72,607,170	168,016,620.00
5.	Tambuwal	N/A	N/A	N/A	N/A	N/A	N/A
	Total	49,569,620	30,889,130	174,244,650	109,828,540	289,025,580	653,557,520
	As % to Total Exp.	7.6	4.7	26.7	16.8	44.2	100

Key: CRS = Consolidated Revenue

FY = Financial Year

Source: Compiled from Approved Estimates of the respective LGC for FY, 2010

Table 4.9: Structure of Selected LGC Estimated Expenditures in Sokoto State, FY 2011

	LGC	TYPE OF EXPENDITURE (₦)					Total Exp.
		CRC	Internal Debt Charges	Personnel Cost	Overhead Cost	Capital Exp.	
1.	Bodinga	29,836,790	8,259,290	106,746,020	52,176,790	173,666,800	264,046,416.02
2.	Mange/Shumi	31,985,920	19,213,320	109,999,410	78,283,930	160,795,060	400,277,640.00
3.	Rabah	29,444,340	18,809,940	132,647,613	45,181,590	150,115,250	376,198,750.00
4.	Sabon Birni	34,415,500	10,100,000	106,870,150	70,762,810	208,824,980	430,975,440.00
5.	Tambuwal	31,940,320	13,112,220	142,400,250	86,207,700	158,477,640	732,138,130.00
	Total	157,622,870	69,494,770	492,026,186	332,612,820	851,879,730	1,903,636,376.02
	As % to Total Exp.	7.8	3.5	24.5	16.5	42.4	100

Source: Compiled from Approved Estimates of the respective LGC for FY, 2011

TABLE 4.10 Structure of Selected LGC Estimated Expenditures in Sokoto State, FY 2012

	LGC	TYPE OF EXPENDITURE (₦)					Total Exp.
		CRC	Internal Debt Charges	Personnel Cost	Overhead Cost	Capital Exp.	
1.	Bodinga	27,439,930	8,497,000	112,882,610	39,982,000	202,815,580	391,617,120
2.	Mange/Shumi	29,175,190	21,536,260	123,944,010	60,004,780	196,065,010	430,725,250
3.	Rabah	31,252,810	12,197,160	111,878,810	77,280,000	156,621,340	389,130,127
4.	Sabon Birni	28,383,820	10,851,110	138,163,920	47,063,330	237,486,610	461,948,790
5.	Tambuwal	28,118,989	11,272,552	127,273,680	89,401,500	199,881,160	457,400,850
	Total	144,370,739	64,254,082	614,143,030	313,731,610	992,869,700	2,130,822,137
	As % to Total Exp.	6.8	3.0	28.8	14.7	46.6	100

Source: Compiled from Approved Estimates of the respective LGC for FY, 2012

TABLE 4.11 Structure of Selected LGC Estimated Expenditures in Sokoto State, FY 2013

	LGC	TYPE OF EXPENDITURE (₦)					Total Exp.
		CRC	Internal Debt Charges	Personnel Cost	Overhead Cost	Capital Exp.	
1.	Bodinga	27,352,480	11,120,870	117,498,480	31,450,000	123,948,300	313,370,130
2.	Dange/Shuni	27,505,240	17,137,920	138,694,980	41,131,020	118,289,340	342,758,500
3.	Rabah	31,241,290	16,040,500	132,782,130	49,173,470	94,352,540	323,590,930
4.	Sabon Birni	24,149,550	14,257,830	125,973,270	66,683,130	131,808,840	363,172,620
5.	Tambuwal	24,219,500	17,734,300	145,760,020	53,202,920	119,044,590	359,961,330
	Total	134,468,060	76,292,420	660,708,880	241,640,540	587,443,610	1,702,853,510
	As % to Total Exp.	7.9	4.5	38.8	14.2	34.5	100

Source: Compiled from Approved Estimates of the respective LGC for FY, 2013

TABLE 4.12 Structure of Selected LGC Estimated Expenditures in Sokoto State, FY 2014

	LGC	TYPE OF EXPENDITURE (₦)					Total Exp.
		CRC	Internal Debt Charges	Personnel Cost	Overhead Cost	Capital Exp.	
1.	Bodinga	21,253,560	10,394,870	139,573,540	36,580,000	477,191,960	684,993,930
2.	Dange/Shuni	21,416,040	19,803,300	140,634,460	29,077,930	493,815,460	704,747,190
3.	Rabah	21,435,520	18,052,350	161,827,650	52,120,000	413,602,920	645,602,920
4.	Sabon Birni	16,584,300	20,941,910	133,474,460	48,500,690	509,690,190	729,192,650
5.	Tambuwal	16,603,440	6,014,300	153,799,900	70,446,520	474,363,820	721,227,980
	Total	75,857,340	75,206,730	729,311,110	236,725,140	2,628,664,350	3,485,764,670
	As % to Total Exp.	2.2	2.3	20.9	6.8	67.10	100

Source: Compiled from Approved Estimates of the respective LGC for FY, 2014

TABLE 4.13 Structure of Selected LGC Estimated Expenditures in Sokoto State, FY 2015

	LGC	TYPE OF EXPENDITURE (₦)					Total Exp.
		CRC	Internal Debt Charges	Personnel Cost	Overhead Cost	Capital Exp.	
1.	Bodinga	172,849,880	11,001,690	140,003,840	66,300,000	763,167,540	1,153,322,950
2.	Dange/Shuni	176,453,813	36,844,600	185,896,030	56,374,910	745,390,070	1,200,959,440
3.	Rabah	159,148,950	23,789,190	173,885,760	78,700,000	643,719,860	1,079,243,760
4.	Sabon Birni	179,429,930	29,169,000	137,746,550	58,703,270	860,074,020	1,793,422,770
5.	Tambuwal	177,433,890	38,095,00	189,503,690	96,190,000	740,724,760	1,241,947,340
	Total	865,316,480	138,899,480	827,035,870	884,568,180	3,753,076,250	6,469,896,260
	As % to Total Exp.	13.4	2.1	12.8	13.7	58.0	100

Source: Compiled from Approved Estimates of the respective LGC for FY, 2015

Table 4.8 through 4.13 shows the expenditure patterns of oursampled five LGCs between FY 2010 and FY 2015. From the tables, we could see that expenditures are organized along the following five classes, (i) Constitutional Revenue Charges (CRC), which include (a) contribution to Pension Funds, contribution to the sultanate council, (c) contribution to common services, (d) contribution to loans, (d) contribution to Primary Education Board, and (e) contribution to

Training Funds. Other classes of expenditure in the Local Government System are (ii) Internal Debt Charges; (iii) Personnel Cost; (iv) Overhead Cost; and (v) Capital Expenditure. The first four items make up recurrent expenditure, while the fifth item makes up the Capital Budget.

On the basis of the cumulative figures we have used in compiling our tables, we find that between 2010 and 2013, estimated recurrent expenditure, that is the summation of items (i) - (iv) as discussed earlier, accounted for the bulk of estimates. It accounted for an average of 55.8 percent in 2010; 55.6 percent in 2011; 53.4 in 2012, and 65.5 percent in 2013. In 2014 and 2015, the share of estimated expenditure allocated to recurrent spending dropped to 32.9 percent in 2014, and 42.0 percent in 2015. Within the period, estimates for capital expenditure ranged between 34.5 percent in 2013 and 67.0 percent in 2014. Personnel cost which is the single most sizeable component in recurrent expenditure was on the average between about 25 percent of total estimated expenditure. Even though all through the years estimates for capital expenditure were appreciably high, even peaking at over 67 percent in 2014, actual spending on the capital budget was far less than what the estimates showed. Based on content analysis and our interaction with the key actors in budget implementation in the LGCs, we were made to understand that actual capital spending generally falls far less than budget estimates. Some of the reasons for this include the fact that capital budgets are expected to be implemented from proceeds of the LGCs recurrent budget surplus, which is hardly ever available. Second, is the fact that there is usually hardly any sincere intention on the part of the management of the LGCs, to implement the capital budget, which is usually included in the budget estimates without any serious detail of the projects and programmes. It is like since it is “politically correct” to include capital budget proposals in the annual budget, and not only that but to make the capital budget estimates take the greater share of estimated expenditure, then the LGCS just include them

(capital estimates) as a matter of routine. The loose way capital estimates are made and included in the budget underscores this fact. Beyond budget estimates, and even actual budget financial performance, we need to also look at projects executed from the monies that are alleged to have been actually spent on the projects. This we do in the following section.

The Constitution, ab-initio, provides State governments with very crucial roles in the conduct of the fiscal and financial affairs of Local Government Councils. This is quite clear from Section 7 of the Constitution which stipulates that “...the government of each State shall., ensure their existence under a Law which provides for the establishment, structure, composition, finance and functions of such councils. Pursuant to the Section, the Sokoto State Local Government Law makes the following provision with particular regards to the management of the LGC finances.

- i. The State Joint Local Government Account — this has been discussed extensively earlier in this chapter.
- ii. Appointment of Local Government Inspector — Section 51 of the Local Government Law provides that “The Ministry, Department or Bureau may appoint, in respect of any Local Government, a Local Government Inspector”. The Local Government Inspector is empowered to:
 - a) at all reasonable times have access to and be entitled to inspect all books, accounts and records of a council, and
 - b) May advise a Local Government in regard to any of its functions under this law or any other enactment.
- iii. Authority to Incur Expenditure: The State Governor has extensive powers over Local Government expenditures. Section 55 gives extensive powers to the State Governor and this includes his power to issue order as regards LGC expenditure particularly

when and where such expenditure is beyond the approved Expenditure Limited of the Council.

iv. Estimates of Revenue and Expenditure (Budgets) — Section 63 of the State Law provides that “Every Local Government shall in each financial year”:

a) prepare in accordance with the general directive made by the Ministry, Department or Bureau of Local Government, a detailed estimate of its revenue and expenditure for the next ensuing financial year,

b) Consider and approve with or without modification estimates; and,

c) Submit to the said authority within such time and in such manner as may be directed by it a copy of the estimate approved by the Local Government, and of the resolution of the LGC giving such approval. The MLG or Bureau will consider these estimates to ensure that they are not inconsistent with the general economic measures adopted for the State. Where the estimates are found inconsistent, the authority may give such directives as may be appropriate to forthwith comply with such directives.

v. Appointment of Local Government Auditor General: The Law (Section 67) authorises the State Governor to appoint an Auditor General for the State Local Government, subject to the approval of the State House of Assembly. The Auditor general is responsible for the audit of the accounts of the Local Government Councils in the State.

vi. Financial memoranda — Section 62 of the State Law provides that “The Governor may issue written instructions (to be called Financial memoranda) not inconsistent with any of the provisions of the Law, for the better control and management of the

financial business of Local Governments in the State and the regulations of the procedure of the financial and General Purposes Committee, and such shall be observed by the Local Government to whom it is addressed.

The provisions outlined in (i) to (vi) in the foregoing, make it quite clear that the State Government plays a very important role in the conduct of the fiscal and financial affairs of Local governments. The relationship between the State Government and the LGCs encompasses the area of financial administration, control and accountability. It should be pointed out that much of the relationship between the State Government and the LGCs in Sokoto State is channeled through the Ministry for Local Government and Community Development. This Ministry plays a key role in fostering the financial as well as other relationships between the State and Local Governments.

4.5 Services Delivery in the Local Government

Although it is agreed that there should be close cooperation and collaboration between the States and their LGCs as well as between the LGCs themselves in the provision of services and development projects and security, the State Governments often hide under the umbrella of “Joint Projects” to grossly shortchange the LGCs. It has also been argued that a number of these “Joint Projects” arrangements are imposed on the LGCs. Again, in many cases they breach the extent statutory arrangements governing the administration of Local Government Finances.

Generally, capital expenditures are expected to translate into concrete projects and programmes. Any capital expenditure, even when reliable actual spending records are available, can only be appreciated if it translates into a specific project. In examining the LGC spending over the 5-year period, and how this (spending) was effectively expended to impacting on the socio-economic development of the various communities in the selected five LGCs, it is imperative to appreciate the Councils administrative capacity and identify type and number of

development projects executed by the LGCs. Because the records of actual spending are very scanty and not very reliable, a survey of actual projects executed becomes necessary. In doing this, we are not unaware of the fact that the existence of a physical facility, be it school buildings or health centres, does not necessarily guarantee effective service delivery. What we are doing here is just to take a head count of projects executed within the period based on the data provided by the LGCs. The functionality of these projects and contribution to the socio-economic development of the communities in which they are located, and indeed the LGC and State at large are also issues of public interest and concern. Data provided below shall response to some of these enquiries. Table 4.14 presents in summary form, the number of key projects executed, local government by local government.

TABLE 4.14: List of Key Projects Executed in Selected LGCs by Sokoto State, 2010 - 2015.

LGC	Projects (No)				
Location of Projects	Health Centres/ Clinics	New Pry School Classrooms	Rural Water Supply/ Boreholes	Rural Electrification Projects	Rural Roads (No. of Kims
1. Bodinga	5	120	3	1	20
2. Dange/ Shuni	7	105	7	-	18
3. Rabah	4	75	5	-	30
4. Sabon-Birni	4	70	6	-	30
5. Tambuwal	8	150	8	2	25

Source: Compiled from submissions of LGCs.

Table 3.14 gives a “rough” idea of the number of projects executed by the 5 LGCs within the 6 year period. The projects are in the areas of primary health, education, rural water supply, rural electrification and rural roads. In addition to these projects, the LGCs also procured and distributed several tones of fertilizer and other agricultural inputs, constructed a number of

sewages and drainages, purchased drugs and dressings, and a variety of other activities. While we can identify or take a headcount of projects executed and procurements made, it is difficult to determine the quality and functionality of the projects outlined in Table 3.14 and the several others which the LGCs claim to have executed. We however, obtained a general sense of the quality of the LGCs projects, the efficiency in their service delivery, etc, from our questionnaire survey of selected stakeholders in each of the LGCs, the result of which is presented in the next chapter. For we believe the bottom line in determining the developmental role of any government, at whatever level, is the satisfaction of consumer or stakeholders felt needs.

Administrative Capacity and Leadership in the Nigeria Local Government System

The necessity for the creation of local government anywhere in the world stems from the need to facilitate and enhance development at the grassroots. To this effect, some States government had established various strategies for local government effectiveness, rural transformation and grassroots community wellbeing and development. These include Development Area Councils or Committees (Lagos State 2001; Yobe State 2003; Bauchi State 2004; and Imo State 2011). Others constituted Ward Committees to handle or supervise some development projects which are being executed directly by the local governments on behalf of the Federal or State governments; while others used Community Development Associations (CDAs) or Town Improvement Unions as critical agents in community development. There are also Extension Workers (demonstration approach), used by local governments for agricultural purposes. They move within and between ward or village areas educating farmers, advising and assisting them on the application of newly introduced techniques, seedlings, the use of insecticides and irrigation farming. Irrigation farming is predominant in many local governments in the Northern

part of Nigeria where Fadama farming has been largely successful. Thus, taking farming to the local farmers through biotechnology of improved seedlings, insecticides, extension services, irrigation and micro credit schemes (Mbaye, 2014, Mamu, 2003).

Further, the 1999 constitution recognized local governments as a third tier of government, and to forestall the State governments' absolute control over local governments, as well as to facilitate the effective operations of the local government councils. These include: guaranteed existence of local governments in section 7 of the 1999 Constitution, financial allocation from the Federation account and involvement of local governments in economic planning of the State governments. The local government decree of 1989, 1990 and 1992 have all intended to operationalize the third tier status of local government in Nigeria. This is to ensure that local government enjoys a high degree of operational autonomy, capacity for revenue allocation/generation and capacity for service delivery. Despite all these, the performance of local governments remained abysmal as a result of administrative inefficiency informed by leadership ability, personnel quality and adequacy of revenue base.

However, as important as the third tier of Nigeria political structure (local government) is, there are some impediments infringing upon its functions and undermining its effective performance in recent times. These range from undue interference by the higher levels of government (i.e. federal and state governments), bribery and corruption, embezzlement which has become a way of life in Nigeria and, indeed, gross inadequacy of well-trained and qualified personnel, among other factors (Mbaye, 2009). Therefore, Local governments in Nigeria need adequate autonomy to strengthen the leadership, enhance their administrative capacity and facilitate effective operations for service delivery and development of their respective communities. The institutionalization of the democratic electioneering

processes for representative local government councils as obtains at the State and Federal government levels where elections are timely conducted, is imperative.

The present situation where State Governors tinker and determine when elections are conducted and greatly influence who wins is not in the interest of local government survival or institutional sustainability. The deficit in selfless, transformational and patriotic leadership is discernible in all aspects of the Nigeria local government administration. Yet, no country aspires to greatness without people of integrity, zeal and enthusiasm for their nation (Muoghalu, 1992). Thus it is only when positive leadership with operational freedom and sense of vision and mission is in place that the institutional sustainability and developmental crisis of the local governments can be addressed and redressed. This calls for regular electioneering processes for local government Councils leadership, as well indeed, as effective institutionalized training in policy formulation and implementation strategy for political and administrative managers at the local government level. This is to strengthen their administrative capacity for innovation and quality service delivery to ensuring grassroots development.

Local government performance can be measured based on their constitutional functions as specified in the fourth schedule of 1999 constitution, as amended in 2011. These include: Collection of rates, taxes, radio and television licenses; Establishment and maintenance of cemeteries, burial grounds and homes for the destitute or infirm; Licensing of bicycle, truck (other than mechanically propelled truck) canoes wheel barrows and carts; Establishment, maintenance and regulation of slaughter houses, markets, motor parks and public conveniences; construction and maintenance of roads, streets, streets lightings, drains and other public highways, parks, gardens, open spaces or such public facilities

as may be describe from time to time bythe house assembly of a state; Naming of streets, roads and numbering of houses; Provision and maintenance of public conveniences, sewages and refuse disposal; Registration of all births, death and marriages; Assessment of privatelyownedhousesortenementsforthepurposeoflevyingsuchratesasmayprescribedby thehouseofasemblyofthestate;controlandregulationof:outdooradvertisingandhoarding; movement and keeping of pets of all description; Shops, kiosks and laundries; restaurants, bakeriesandotherplacesforthesaleoffoodtothepublic,andlicensing,regulationandcontrol ofthesaleofliquor.Similarly,the provisionandmaintenanceofprimary,adultandvocational education; the development of agriculture and natural resources other than the exploitation of minerals;the provisionandmaintenanceofhealthservices;andsuchotherfunctionsasmaybe conferred on alocalgovernment councilbythe houseofasemblyofastate.

The execution of the above multitudefunctions by local government in terms of revenue exploration, qualitative and adequate service delivery depend upon their administrative capacity for revenue generation and, indeed, initiation, planning and execution of programmes and projects for development. This is informed by the quality of leadership, personnel and ability to operate freely without hindrance by State manipulation. Further, the expected role and functions of leadership of the local government officials can be appreciated below, as submitted by Agbakoba and Ogbonna (2004),and noting the need for well trained, educated and professionally qualify personnel necessary to enhancing the administrative capacity to driving the engine and to meeting the challenges for quality service delivery and grassroots development:

The Chairman

The Chairman of a Local Government holds the executive power of that Council and is the Chief Executive of the Local Government Area. The Law empowers him to delegate his executive functions to:

- a. The Vice – Chairman
- b. Supervisors of the Local Government; or
- c. Officers in the service of the Local Government

Further, the Chairman must be

- (a) A citizen of Nigeria;
- (b) Has attained the age of 30 years;
- (c) Has been educated up to at least the School Certificate level or its equivalent; and
- (d) Is a member of a political party and sponsored by the party.

By virtue of his position, the Chairman of Local Government is charged with the sole function of policy formulation and execution. The role of an Executive Chairman as a policy maker entails that as an elected official, he/she has the duty of establishing goals, examining alternatives, and determining strategies that will guide both present and future actions to benefit the community. As countries of the world move towards greater local self-governance and participatory democracy, the role of a Local Government Chairman is fast changing from that of a mere local official to that of a policy formulator, and an administrator. Chairmen of Local Government no matter the appellation have thus become catalysts for building consensus and coalition for change.

The Chairman's role as a policy-maker provides the opportunity to shape the future of his community and to ensure that those programmes and services, important to the citizens of the Local Government area, which he chairs, are given priority and attention. Policies are important

because they provide institutional framework upon which the attainment of goals is made possible. In other words, they serve as armatures upon which an institution rests its strategies towards the attainment of its set goals. This calls for a major commitment of quality human and adequate material (financial) resources for their attainments.

The Councilor

A Councilor is an elected representative of a local political unit, usually a Ward. He, along-side other Councilors forms the Local Government Legislative Council. The qualification for the office of the Councilor is materially the same with the qualification for the position of the Chairman with a difference in the age requirement of 25. Normally, the tenure of a Councilor expires at the dissolution of the Council to which he was a member. In practice, the life of a Local Government Legislative Council expires either at the formal dissolution of the Council or upon the inauguration of a new Council. Section 12(1) of the Local Government Law provides that the Council shall stand dissolve at the expiration of 3 years from the date when the Councilors take and subscribe to Oath of Membership.

The Council by virtue of section 38 of the Local Government Law is empowered to perform legislative functions. The Legislative function is exercised by way of Bye-Laws passed by the Council. The Council just like any legislature is saddled with the responsibility of approving budget estimates and even amending them to suit the goals of the Local Government. Sub –section (3) of section 41 of the Local Government Law provides that no money shall be withdrawn from the public fund unless authorized by the Council. This provision is aimed at guaranteeing probity and serving as a check to the excesses of the executive arm of government. Further, the councilor, as an overseer, is charged with monitoring and evaluating council policies, programmes and services. It extends to ensuring that the council and its staff are doing

the right things towards actualizing the Council's set goals. The overseer role can be summarized as assessing whether or not the local government is operating effectively and efficiently. This definition is both simple and complex. Simple because these are terms commonly used to describe both quality and progress in organized settings. They are complex because they cut across everything the council and local government do.

Further, it is the duty of the councilor to ensure that policies and programmes being initiated by the council are tailored towards the needs of his community and the council's capacity. The councilor should ensure that the council formulates policies that meet the aspirations and needs of the people of the communities that make up the local government. The councilor is particularly empowered to do this because he is the closest elected government official to the people. As such, he knows the needs of the people and their aspirations. The councilor also has a duty to ensure that council's policies are such that the local government has the capacity to execute them. Most, if not all council's projects involve expenditure and as such, the appropriation of finances for projects must be well considered.

The Councilor must analyze any policy thrust based on: (a) demonstrated need for the programme or service being considered; (b) determine the level of impact on the lives of the people; and (c) the feasibility of the programme with respect to the financial and human capacity of the local government. The councilor should have an up to date knowledge of council's finances to appropriately advise the council on projects and policies. Further, knowledge of the council's human resource capacity is also paramount to determine ability for execution of project, programme or policy. Otherwise resort to determine the convenience of the Council to hire and pay temporary hands, contractor or consultant experts to executing the project, and avoid feasibility trap of over of under estimation.

Overseeing policy implementation implies that the councilor is saddled with the responsibility of policy monitoring and evaluation. This role involves taking stock of what is on board to determine its efficiency and effectiveness. This is done through monitoring and evaluation. Thus the Councilor is to monitor the implementation of the policies and projects as earmarked and approved by the council. In his duty of monitoring policies, a counselor will have to ensure that the project as it is executed is effective and efficient. The ideal time to undertake these kinds of policy assessments is during budget deliberations. A councilor after passing policies into law does not stop at that, he still has to review from time to time, these policies to ensure that they achieve the desired effect. This is important so as to meet with changing circumstances and time.

The Secretary:

The Secretary runs the day-to-day administration of the Local Government. He is the secretary of the Local Government Executive Council. He also keeps Records of the Council. The Secretary may be a career Civil Servant or in some cases, a political appointee. In some Local Governments, he is referred to as an Executive Secretary. This usually confers on him some form of executive powers to execute Council policies. The position of the Secretary in whatever form is so important because he not only ranks second in the hierarchy behind the Chairman and the Vice – Chairman. He is strategically placed to take certain decisions in the absence of the Chairman and the Vice – Chairman.

The Supervisory Councillor:

The Supervisory Councillor is usually appointed by the Chairman to take charge of the various departments of the Local Government. Supervisory Councillors so appointed can be likened to the State Commissioners appointed by the Governor to oversee various ministries. In this sense, Supervisory Councillors are appointed to oversee areas like education, agriculture, works and health amongst others. It is important to note that Supervisory Councillors are sometimes referred to as Supervisors.

The Treasurer:

The Local Government Treasurer is the Finance Officer of the Local Government. Together with the Chairman (and any other person authorised by Law), he is a signatory to the Local Government account. The Treasurer liaises with other level of Government to route every money due to the Local Government from both the State and Federal governments.

4. The Director of Personnel and Management (DPM):

The Head of Personnel and Management (DPM) of a Local Government is responsible for the manpower development of the Local Government. He oversees the recruitment and discipline of the Junior Staff of the Local Government. In some cases, he also ensures that the staff received periodic training that will enable them to function effectively and be better positioned to execute Council policies. It is important to note that some Local Governments in the country due to size and lack of manpower merge the positions of a Secretary with that of the DPM. This is not in the overall interest of the Local Government. Another situation arises where a Secretary is also the treasurer. Apart from entrenching corruption, the above scenarios have the tendency of compromising standards and inhibiting the development of the Local Government. Considering therefore the great responsibilities and administrative challenges of especially political leadership in the Nigeria local government system (as shown above), it is imperative to

have professionally more qualified, competent and knowledgeable leadership in place for effective administration, innovative and quality leadership of the local governments system. It is a de-service to the institutional survival of the system, especially in this 21st century knowledge-based and competitive world to have secondary school graduate or incompetent leadership and personnel charged with the administration of the local governments.

**DANGE/SHUNI LOCAL GOVERNMENT
STAFF STRENGTH 2010-2015**

Particulars	Year 2010	Year 2011	Year 2012	Year 2013	Year 2014	Year 2015
Number of Staff	2,880	2,938	3,112	3,272	4,455	3,394
Grade Level 01-06	1,991	2,056	2,145	2,228	3,462	2,905
07-12	140	150	150	201	779	375
13-17	28	29	30	28	146	42
Fixed	721	703	787	815	68	72
	2,880	2,938	3,112	3,272	4,455	3,394
Qualifications						
SSCE	1,226	1,510	1,516	1,621	2,920	2,101
Certificate	60	67	72	79	101	99
Diploma	92	107	112	143	210	201
NCE	753	517	575	557	1,058	824
HND	17	21	32	37	70	71
Degree	8	10	13	14	23	21
Master Degree	3	3	6	6	5	5

Source: Dange Shunni Local Government Council, 2016

**RABAH LOCAL GOVERNMENT
STAFF STRENGTH 2010-2015**

Particulars	Year 2010	Year 2011	Year 2012	Year 2013	Year 2014	Year 2015
Number of Staff	1,965	2,150	2,275	2,736	4,032,	4,214
Grade Level 01-06	1,589	1,706	1,844	1,997	2,866	3,047
07-12	117	127	133	164	313	297
13-17	18	19	29	20	43	43
Fixed	241	298	269	555	810	827
	1,965	2,150	2,275	2,736	4,032	4,214
Qualifications						
SSCE	1,409	1,489	1,553	1,531	2,057	2,044
Certificate	120	139	176	181	210	173
Diploma	96	101	137	261	264	269
NCE	79	96	109	157	627	829
HND	11	11	14	26	37	43
Degree	6	12	13	19	21	21
MasterDegree	3	4	4	6	6	8

Source: Rabah Local Government Council, 2016

**SABON BIRNI LOCAL GOVERNMENT
STAFF STRENGTH 2010-2015**

Particulars	Year 2010	Year 2011	Year 2012	Year 2013	Year 2014	Year 2015
Number of Staff	2,336	2,563	2,391	2,319	4,176	4,193
Grade Level 01-06	1,580	1,844	1,958	1,854	3,248	3,171
07-12	149	145	155	245	686	664
13-17	43	39	38	46	66	68
Fixed	564	535	240	173	176	290
	2,336	2,563	2,391	2,319	4,176	4,193
Qualifications						
SSCE	1,110	1,204	1,270	1,301	2,400	2,371
Certificate	168	171	227	189	220	221
Diploma	149	303	303	309	314	315
NCE	302	304	305	300	1,000	928
HND	26	26	28	29	45	46
Degree	14	16	15	15	17	18
Master Degree	3	4	3	3	4	4

Source: Sabon Birni Local Government Council

**TAMBUWAL LOCAL GOVERNMENT
STAFF STRENGTH 2010-2015**

Particulars	Year 2010	Year 2011	Year 2012	Year 2013	Year 2014	Year 2015
Number of Staff	1,699	1,825	2,666	2,253	4,731	4,648
Grade Level 01-06	1,351	1,464	1,706	1,699	3,575	3,550
07-12	182	224	654	238	793	746
13-17	41	44	165	54	95	87
Fixed	120	93	141	262	268	265
	1,699	1,825	2,666	2,253	4,731	4,648
Qualifications						
SSCE	1,303	1,463	1,706	1,359	3,353	3,518
Certificate	86	64	424	197	426	410
Diploma	87	92	133	149	292	350
NCE	62	69	127	148	133	
HND	22	24	107	129	201	197
Degree	13	14	20	23.	33	31
Master Degree	6	6	8	7	10	9

Source: Tambuwal Local Government Council, 2016

**BODINGA LOCAL GOVERNMENT
STAFF STRENGTH 2010-2015**

Particulars	Year 2010	Year 2011	Year 2012	Year 2013	Year 2014	Year 2015
Number of Staff	1,632	1,823	2,228	2,373	3,664	3,966
Grade Level 01-06	1,328	1,575	1,772	1,890	3,033	3,229
07-12	168	122	77	188	308	227
13-17	37	34	79	36	43	46
Fixed	99	92	300	259	280	464
	1,632	1,823	2,228	2,373	3,664	3,966
Qualifications						
SSCE	1,272	1,462	1,657	1,721	3,001	3,104
Certificate	61	62	60	146	121	133
Diploma	90	91	90	104	104	102
NCE	42	42	41	56	58	64
HND	43	44	46	49'	52	54
Degree	21	29	29	33	41	42
Master Degree	4	2	5	5	7	3

Source: Bodinga Local Government Council, 2016

Issues on Local Government Internally Generated Revenue (IGR):

The inadequate and unstable funding of local government services is the justification of the lop-sidedness and inefficiency that have characterized the national revenue mobilization policy, allocation and administration. Except the revenue allocation

is revisited and corrected; the level of funding and performance of local government services in Nigeria will be in jeopardy. More so, local government revenue structure relies heavily on statutory allocations from the federation account. They lacked capacity for innovation and exploration of other sources of revenue either because of incompetency or lack of freedom of operation, as simply an appendage to the State governments and sense of insecurity of tenure. The major sources of the local government revenue that can enhance their financial base for development are both external and internal. The most desirable for the betterment of their financial needs are internal generated revenue sources, which are effectively exploited by quality leadership and personnel.

This refers to the money sourced by the Local Government within its area of operation. It varies from such money as taxes of different categories, levies and money secured through the grant of licenses of various kinds. IGR is the primary source of Local Government sustenance. It is the live wire of a Local Government. This is because, (as we shall see) it is the only source of money that the Local Government has control over. As such, the extent to which a Local Government can go in accomplishing its goal will largely depend on its IGR strength. The capacity of a Local Government to generate revenue internally is one very critical consideration for the creation of a Local Government Council. However, due to political considerations, the need to have a balance in the polity and, indeed, the leadership and personnel administrative capacity, there are a lot of Local Governments today could not explore and exploit the multiple sources of revenue at the disposal of the local government. This has created a lot of problems culminating in the overreliance by such Local Governments on external funds. This has also

hampered the ability of the Local Governments concerned to meet with the needs of the people and ensure grassroots development, especially those that are rural based.

a. **Federal Government:**

The Constitution provides that a certain percentage of money accruing to the federation be paid to the Local Governments. This forms the bulk of the external funding expended by the Local Governments across the country. Over dependence on the Federal allocation has been the bane of most Local Governments in the country today. Nothing is done to increase the IGR level of the Local Government. As a result, most Local Governments have been found to in dire financial mess whenever the statutory funds are not forthcoming. In addition, the Federal allocation has made it possible for persons of dubious character to engage in fraudulent activities with Local Governments' funds. Most times, monies meant for the payment of staff wages and the Local

Governments are stashed away in private accounts of Council officials where they yield interests for the enrichment of the staff concerned. Apart from the Federation Account and the statutory allocation, the Local Government is still entitled by Law to a percentage of certain federal tax like the Value Added Tax (VAT). However, the Constitution provides that the distribution of funds due to the Local Government shall be done in a manner as may be prescribed by the House of Assembly of that State (See section 162, Sub-section (8)

b. **State Allocations:**

State governments also form another source of Local Government financing. Accordingly, it is expected that Local Governments receive certain amount of money from States to finance projects (as in Section 162 (3) CFRN 1999). The Constitution makes provision to the effect that State governments shall be involved in the finance of each Local Government. The

Constitution went further to empower the State governments to “maintain a special account to be called the State Joint Local Government Account into which shall be paid all allocations to the Local Government Councils of the State from the Federation account and from the Government of the State”. State governments are also enjoined to pay a proportion of its total revenue to the Local Governments on such terms as may be determined by the National Assembly.

c. Private Sector Funding:

The Local Governments also receive funding from the Organized Private Sector (OPS) to execute their projects. These monies can be in the form of loans or grants.

d. Other External Funding:

Local Governments also receive funds from other external sources like multi-lateral organizations, Non – Governmental Organizations (NGOs) and Community Based Organizations (CBOs) who sponsor various projects in the Local Government that meet their various aspirations and goals.

Sources of Local Government IGR:

Taxes, Rates, Licenses, Fees and Fines, Earnings from commercial undertakings, Rent on Local Government Property, interest repayment and dividends grants. These are further classified as follows:

Taxes:

- 1) Property Rate (Current)
- 2) Property Rate (Arrears)

Licenses:

- 3) Bicycle Licence 2. Liquor Licence
- 4) Native Licence 4. Advertisement Licence

- 5) Wheel barrow & Truck Licence 6. Squatter/Hawker Permit Fee
- 6) Bus/Commercial Vehicle/Taxi Emblem Licence
- 7) Business Premises
 - a) Electric/television workshop b. motor mechanic workshop
 - b) Hair dressing salon d. blacksmith workshop
 - c) Carpenter/wood making f. Vulcanisers' license fees
 - d) Panel beater license fee h. Battery Charging license fee
 - e) Printing Press license fee j. Block making with machine
 - f) Painter, spraying and sign writing workshop fees
 - g) ding mechanic licensing fee m. Rice/cassava mill grinding license
 - h) Corn mill grinding license o. Ingredient grinding license
 - i) Business centers fees (Photocopy, typing etc.
 - j) Vehicle spare parts license fee
- 8) Eating houses fees 10. Kiosk License fees
- 9) Bakery house license 12. Customary Marriage Registration fee
- 10) Entertainment and drumming fees 14. Naming of streets and registration fees
- 11) Radio/Television license fees 16. Club/Cultural and Social organizations

Registration Fees.

- 12) Obstruction and nuisance fees 18. Identification fees.
- 13) Earnings from environmental sanitation services. 20. Pound fee and sale of stray animals.
- 14) Registration of birth and death 22. Dispensary fees
- 15) Maternity fees 24. Registration if contract fees
- 16) Tender fees 26. Building plan control fees

- 17) Minor industry license fee(eg. Palm oil processing industry)
- 18) Building Registration fees
- 19) Clock repairs licensing fees 30. Sewing Institute License fees
- 20) Sales of unserviceable stores 32. Approval of building plans.
- 21) Hire of chairs and canopies 34. Mortgage of Sub – leases approval fees

Earnings from commercial undertakings:

1. Market toll and stallage
2. Motor park tolls
3. Slaughter House fees
4. Earnings from transportation service
5. Earnings from industrial undertakings
6. Earnings from agricultural undertakings
7. Earnings from sale of water with tankers
8. Earnings from canteen

Rent on Local Government Property:

- 1) Rent on Local Government Quarters
- 2) Rent on other Local Government Building
- 3) Rent on other Local Government landed property

(C, Ekenze: *Local Government Budgeting and Procedures*, SEBN News, Vol. 1 No. 3, July September 2002).

BODINGA LOCAL GOVERNMENT

INTERNALLY GENERATED REVENUE FOR THE YEAR 2010-2015

Head and Details of Rev	Year 2010	Year 2011	Year 2012	Year 2013	Year 2014	Year 2015
1001-Tax	258,500	198,950	205,700	255,900	295,500	299,500
1002-Rate	272,850	343,200	365,500	475,200	520,200	595,200
1003-LG Grants	325,400	411,850	461,850	480,500	605,700	650,000
1004-Earning From Comm. Undertakings	1,480,200	1,399,600	1,491,200	1,545,000	1,549,000	1,560,500
1005-Rent on L/G Property.	160,700	155,100	175,500	197,200	220,500	195,000
1006-Int. Payment and Dividend	-	-	-	-	-	-
1007-Miscellaneous	51,350	120,400	93,550	148,500	152,600	149,700
	2,549,000	2,508,700	2,795,300	3,102,300	3,343,500	3,449,900

Source: Bodinga Local Government Council, 2016

DANGE/SHUNI LOCAL GOVERNMENT

INTERNALLY GENERATED REVENUE FOR THE YEAR 2010-2015

Head and Details of Rev	Year 2010	Year 2011	Year 2012	Year 2013	Year 2014	Year 2015
1001-Tax	513,940	527,210	565,700	565,700	550,700	640,500
1002-Rate	450,000	480,000	525,500	525,500	590,600	765,200
1003-LG Grants	694,570	724,580	825,500	825,500	850,200	1,100,000
1004-Earning From Comm. Undertakings	1,636,000	1,646,000	1,700,000	1,711,410	2,500,000	2,550,000
1005-Rent on L/G Property.	-	-	-	-	-	-
1006-Int. Payment and Dividend	20,000	20,000	20,000	20,000	20,000	20,000
1007-Miscellaneous	-	-	51,410	51,410	1,478,990	961,050
	3,314,510	3,397,790	3,688,110	5,990,490	6,036,750	6,036,750

Source: Dange Shunni Local Government Council, 2016

RABAH LOCAL GOVERNMENT

INTERNALLY GENERATED REVENUE FOR THE YEAR 2010-2015

Head and Details of Rev	Year 2010	Year 2011	Year 2012	Year 2013	Year 2014	Year 2015
1001-Tax	252,260	252,650	252,650	252,650	252,650	252,650
1002-Rate	1,200	1,500	15,000	15,000	15,000	15,000
1003-LG Grants	285,000	285,000	285,000	285,000	285,000	285,000
1004-Earning From Comm. Undertakings	598,000	600,000	387,390	387,390	676,770	676,770
1005-Rent on L/G Property.	13,000	14,000	14,000	14,000	14,000	14,000
1006-Int. Payment and Dividend	11,500	12,000	12,000	12,000	12,000	12,000
1007-Miscellaneous	120,040	167,510	167,510	170,510	267,510	267,510
	1,281,000	1,302,660	1,090,050	1,093,050	1,269,820	1,269,820

Source: Rabah Local Government Council, 2016

SABON BIRNI LOCAL GOVERNMENT

INTERNALLY GENERATED REVENUE FOR THE YEAR 2010-2015

Head and Details of Rev	Year 2010	Year 2011	Year 2012	Year 2013	Year 2014	Year 2015
1001-Tax	224,330	400,000	400,000	300,000	300,000	300,000
002-Rate	-	-	-	-	-	-
003-LG Grants	500,000	-	-	-	-	-
1004-Earning From Comm. Undertakings	629,440	400,000	400,000	200,000	1,290,470	1,290,470
1005-Rent on L/G Property.	-	1,036,690	712,860	512,860	1,512,860	1,512,860
1006-Int. Payment and Dividend	-	-	-	-	-	-
1007-Miscellaneous	-	-	-	-	-	700,840
	1,353,770	1,836,690	1,512,860	1,013,360	3,103,830	3,804,670

Source: Sabon Birni Local Government Council, 2016

TAMBUWAL LOCAL GOVERNMENT
INTERNALLY GENERATED REVENUE FOR THE YEAR 2010-2017

Head and Details of Rev	Year 2010	Year 2011	Year 2012	Year 2013	Year 2014	Year 2015
1001-Tax	871,000	2,160,000	2,160,000	2,160,000	2,160,000	2,160,000
002-Rate	-	-	-	-	-	-
003-LG Grants	205,000	-	-	526,450	1,496,060	496,060
1004-Earning From Comm. Undertakings	810,000	-	1,096,440	1,096,440	2,096,440	1,811,010
1005-Rent on L/G Property.	-	-	-	600,000	1,600,000	600,000
1006-Int. Payment and Dividend	-	-	-	-	-	-
1007-Grant	-	-	-	-	-	-
1008-Miscellaneous	15,000	-	259,000	259,000	1,259,000	259,000
	1,901,000	2,160,000	3,515,440	4,641,890	8,611,500	5,326,070

Source: Tambuwal Local Government Council, 2016

The aforementioned tables shows the administrative challenges and revenue generating weakness of the five local governments under study; as evidenced from the small percentages of personnel with bachelor and higher diploma and master degree (who may give leadership and have ability to plan and execute development projects as well as enhance the poor internal revenue generation). Although, there was evidence of a budget process in each of the LGCs surveyed, these are pure routine annual budgets or estimates prepared along the lines determined by the State Government, and submitted to the Ministry of Local Government and Community Development for approval. The estimates follow the routine line-item format with heavy emphasis on personnel and overhead costs. The development programmes and projects plans included in the capital estimates are just the usual list of proposals recurring year-in and year-out. There was no evidence of a self-initiated, proper and well integrated development planning framework by the local governments' officials.

From the annual routine estimates of the LGT, the five Local Government Councils operated a 3-year rolling plans and which falls within our study period of 2011 - 2013, and 2014 - 2015. The personnel have little or no ideas of development plans initiation, processing and execution or were incapacitated to performing and remain dependent upon the State government plans and directives. They are attuned to simply routine administrative actions for supervision or monitoring State or federal governments as well as donor agencies or development partners programmes and projects.

Apart from being included in the budget document there was no other evidence that the LGCs had the requisite machinery for planning and plans implementation. There was obvious evidence that the various Councils lacked administrative capacity both in skills, knowledge and ability as well as more importantly freedom to execute meaningful developmental projects for

general wellbeing of their respective communities. Beyond having funding inadequacies (statutory and IGR), due to SJLGA and poor machinery for internal revenue generation, the Councils also have no administrative autonomy and ability to deliver effective services. They perpetually depended upon and remain subservient to the State government; and their major concern and interest was more on recurrent expenditure for salaries/allowances, service charges and financial distribution/sharing. But certainly not capital expenditure, essential for projects execution and service provision for developmental purposes; because the State government has virtually usurped the power of projects initiation and execution to its purview, making the local governments an appendage.

From the personnel records, significant proportion (80%) of the five local governments workers are primary and secondary schools graduates; less than ten percent of the total workforce are graduates of HND/Degree and about two percent with Master degree. These are the personnel population constituting the senior staff carders and are expected to give leadership, initiate developmental objectives, design plans, direct and coordinate execution of programmes and projects for the community social and economic wellbeing and grassroots development. It was observed that this crop of the local governments' officials lacked adequate administrative capacity to seek for financial autonomy, operational freedom, effective revenue generation and projects planning and execution. Beyond not well exposed to further training, capacity building, professional exposition and skills acquisition for effective performance the personnel are neither encouraged nor allowed to initiate, plan and submit development programmes or projects essential for quality and beneficial services to the rural dwellers and, indeed, development of the local government areas. This fact also undermined their capacity to explore and fully exploit the internally generated revenue sources at their disposal to compliment the statutory allocations.

Only three of the five local governments generated about two percent of their total revenue base; thus signal perpetual and near absolute dependent on statutory allocations.

CHAPTER FIVE

DATA PRESENTATION AND ANALYSIS

5.1 Introduction

This chapter presents the result of data collected from the field survey through the use of questionnaire administered on both personnel and community (stakeholders) in the study area. Furthermore, the total of 90 questionnaires were distributed to officials whereas only 86 questionnaire were properly filled and returned. More so, 383 questionnaire was distributed to the communities whereas only 350 were properly filled and returned.

5.2. Data Presentation

5.2.1 Socio-demographic characteristics of Respondents

The tables below provide data generated from the fieldwork survey for statistical analysis, discussion and generalization:

TABLE 5.1 Local Government Officials Gender Distribution

Gender	LGA officials		Community	
	Freq.	Percent	Freq.	Percent
1. Male	65	76.47	285	81.43
2. Female	20	23.53	65	18.57
Total	85	100.00	350	100.00

Source: *Field Survey, 2017*

Table 5.1 shows that the Local Government Councils is dominated by males. This is observed from the response of 76.47% respondents which comprises the male and 23.53% which comprises the female respondents respectively. This is to be expected given the social structure of the State. Similarly, communities (stakeholders) respondents comprises male as the majority with 81.43% whereas only 18.57 which covers 65 of the respondents represents the female respondents. Also, this is expected because of the social structure of the State.

TABLE 5.2: Local Government Officials Age Distribution

Age range	LGA officials		Community	
	Freq.	Percent	Freq.	Percent
1. 18-30 years	25	29.41	55	15.71
2. 31 -40 “	30	35.29	84	24.00
3. 41 - 50 “	15	17.65	155	44.29
4. 51 -60 “	15	17.65	46	13.14
5. 60 and above	0	0.00	10	2.86
Total	85	100.00	350	100.00

Source: *Field Survey, 2017*

Table 5.2 shows that the bulk of the staff is between 18 and 40 years, numbering 55 and constituting 60% of the total work force; they are the youth and fresh-blood and thus supposed to be active and propelling engine of the local government councils’ service delivery. Others fell between 41-60 years numbering 30 and accounting for 40% of the workforce, and this category of staff are at the maturing and peak of their service years, heading for disengagement. Furthermore, respondents from the community were within the age of 18 years and above, with those within 18 - 30; 31 - 40; and 41 - 50 years, constituting the majority, with 21.05%; 31.58% and 26.31%; respectively.

TABLE 5.3: Local Government Officials Qualifications

Qualification	LGA officials		Community	
	Freq.	Percent	Freq.	Percent
1. Below SSCE and Equivalent	5	5.88	55	15.71
2. SSCE/GCE	19	22.35	109	31.14
3. Diploma/OND	29	34.12	104	29.71
4. HDLG/HND	15	17.65	35	10.00
5. BA/B.Sc.	12	14.12	36	10.29
6. Post Graduate Diploma	0	-	6	1.71
7. Master Degree	5	5.88	10	2.86
Total	85	100.00	350	100.00

Source: *Field Survey, 2017*

Table 5.3 shows that majority of the LGA officials hold either the Ordinary or Higher Diploma as their highest qualifications, accounting for 77 percent of respondents. Only 3 (5.77 percent) hold postgraduate diploma, and none with a Master degree. This is evident of dearth of qualify and competent personnel in the LGCs. We also note that majority (65 percent) of the officials in the selected LGCs were trained in local government administration and financial management (46.15 percent and 19.23 percent respectively), but significantly at Diploma level. Other professionals in the services of the LGCs (i.e. education, agriculture, works, health, etc.) constitute 35 percent. Majority (65 percent) of the personnel have only OND.

On the side of the community (stakeholders), majority are holding SSCE or GCE followed by those with diploma or OND, this is recorded with 31.14% and 29.71%. More so, those with HDLG or HND and BA of B.Sc are recorded with 10.0% and 10.29%. Furthermore, respondents who are below SSCE and equivalent are covering 15.71%, 2.86% representing 10 of the respondents are holding master degree while 1.71% representing 6 are holding post graduate diploma.

TABLE 5.4: Length of Service of the Local Government Officials

Length of Service	Frequency	Percentage (%)
1. 1-10 years	25	29.41
2. 11-20	34	40.00
3. 21 -30	16	18.82
4. 31 - 35	10	11.76
Total	85	100.00

Source: *Field Survey, 2017*

Duration of service as observed in table above disclosed that majority of the LGA officials have being in service for 11-20 years now, this is observed from the response of 40.0% of the respondents which comprises the majority. Furthermore, a significant count covering

29.41 recorded that then been in service for 1-10 years now, 18.82% covering 16 indicated 21-30 years while 11.76% opted 31-35 years.

Table 5.5: Communities (Stakeholders) Occupations

Occupational Status	Frequency	Percentage (%)
1. Farmers	113	32.29
2. Traders	44	12.57
3. Business man/woman	35	10.00
4. Traditional Rulers	11	3.14
5. Public Servants	125	35.71
6. Other Self-Employed Professionals	22	6.29
Total	350	100.00

Source: *Field Survey, 2017*

Table 5.5 above shows that the stakeholders surveyed involved individuals with different occupational status and backgrounds. However, being agricultural-based local government areas, the community-respondents were mostly farmers and traders while others are public servants.

5.2.2 Answers to Research Questions

In answering the research question, the descriptive statistics was employed where result was summarized in mean and standard deviation. In essence, mean < 2.5 is considered disagreed while mean > 2.5 is considered agreed. This is presented as follows:

Research Question One: What are the actual Local Government's Statutory Allocations in Sokoto State?

In order to answer research question one, result were summarized in mean for both LGAs Official and Community (stakeholders). This is presented as follows:

Table 5.6: Mean Responses of LGA Officials on Statutory Financial Allocations

SN	Item Statement	Mean	SD
1	Statutory financial allocation is inadequate and undermine LGCs capacity for service delivery and development	2.94	1.138
2	Nigeria fiscal federalism is skewed in favour of federal and state governments against the LGAs	3.07	1.173
3	The SLGJA made LGCs perpetual dependent on State government	3.19	.957
4	LGAs gets their statutory financial allocations exactly as shared from the federation account	3.07	1.055
5	State government undue control of LGCs finances affects their capacity for development plan initiation and service delivery	2.85	1.249
6	There is relationship between LGCs financial autonomy and capacity for service delivery	3.15	1.041
	Aggregate mean	3.05	

Source: Field Survey, 2017

Table 5.7: Mean Responses of Community (Stakeholders) on Statutory Financial Allocations

SN	Item Statement	Mean	STD
1	Statutory financial allocation is inadequate and undermine LGCs capacity for service delivery and development	2.89	.841
2	Nigeria fiscal federalism is skewed in favour of federal and state governments against the LGAs	3.04	.986
3	The SLGJA made LGCs perpetual dependent on State government and affect their performance	3.00	1.053
4	LGAs gets their statutory financial allocations exactly as shared from the federation account	3.09	.896
5	State government undue control of LGCs finances affects their capacity for development plan initiation and service delivery	2.75	.946
6	There is financial mismanagement in the LGCs that affects their capacity for service delivery	2.56	1.118
	Aggregate mean	2.88	

Source: Field Survey, 2017

Research Question Two: What is the capacity of the local government councils to fully explore and enhance its IGR?

In answering the research question four, the descriptive statistics was employed. This is summarized in the mean results for both LGAs Officials and Community (stakeholders). This is presented as follows:

Table 5.8: Mean Responses of LGA officials on LGAs Internal Generated Revenue Capacity and Service Delivery

SN	Item Statement	Mean	SD
1	The LGAs have adequate internal revenue sources to enhance their revenue base for service delivery and development	2.48	1.201
2	There are qualify and self-motivated revenue officials to exploring the potential internal revenue sources in the LGAs	2.59	1.168
3	The LGCs officials are aware of the legal jurisdiction to explore and tap the internal revenue sources in the LGAs for service delivery	3.11	.939
4	The IGR can significantly improve the revenue base of the LGAs for more and better service delivery	3.38	.723
5	The over-dependent on statutory allocations and State government financial control weakens the LGCs capacity to explore the IGR sources	3.31	.887
6	The more provision of social and economic services the better the IGR sources for LGCs exploitation.	3.40	.819
	Aggregate mean score	3.05	

Source: Field Survey, 2017

Table 5.9: Mean Responses of Community (stakeholders) on LGAs Internal Generated Revenue Capacity and Service Delivery

SN	Item Statement	SD	Mean
1	There are diverse internal revenue sources that can be generated to enhance the LGAs revenue for the provision of services and rural development	3.25	.830
2	The LGCs have no capacity to exploring the potential internal revenue sources in the LGAs	2.61	1.162
3	The LGCs have no community support to tap these internal revenue sources because of poor service delivery in the area	2.10	.765
4	Internal generated revenue (IGR) can significantly improve the revenue base of the LGAs for rural development	2.15	.849
5	The federal statutory allocations and State government financial control incapacitates LGCs exploration of the IGR sources	3.09	.892
6	The capacity of LGCs to have good IGR and more sources is dependent upon the provision of better social and economic services to the rural communities.	3.00	.834
Aggregate mean		2.70	

Source: Field Survey, 2017

Research Question Three: What is the Local Government Councils administrative capacity to plan and execute programmes for effective service delivery in Sokoto State?

In order to answer research question three, result were summarized in mean for both LGA official and community (stakeholders). This is presented as follows:

Table 5.10: Mean Responses of LGA Officials on Local Government Administrative Capacity and Service Delivery

SN	Item Statement	SD	Mean
1	LGCs have administrative autonomy and capacity for financial expenditure to deliver services	3.44	.663
2	LGCs have operational freedom for development plans initiation and execution	3.31	.817
3	LGCs have capacity for recruitment of professionals, career public servants and consultants for service delivery and development	3.31	1.047
4	LGCs have capacity for policy formulation and implementation for service delivery and development	3.39	.888
5	LGCs are in complete directive of the State government and have no power to plan or execute programmes or projects	3.15	1.052
6	LGCs have capacity to make decision, organize and take action on service delivery and development of grassroots	3.07	1.078
	Aggregate mean	3.28	

Source: Field Survey, 2017

Table 5.11: Mean Responses of Community (Stakeholders) on Local Government Administrative Capacity and Service Delivery

SN	Item Statement	SD	Mean
1	LGCs have authority to initiate plans, spend money and deliver services for rural development	3.15	.797
2	LGCs have capacity to make decision and determine services and projects for development of rural areas	2.80	.982
3	LGCs can recruit professionals and senior public servants for high quality service delivery and development	3.19	.679
4	LGCs have ability to formulate and implement policy for the provision of services and development	3.20	.879
5	LGCs are completely under the direct control of the State government and have no capacity to provide services or development projects	3.15	.846
6	LGCs have capacity to make decision and take action for the provision of services and rural development	2.39	1.023
	Aggregate mean	2.98	

Source: Field Survey, 2017

Research Question Four: What is the quality and competence of leadership to services delivery in the local governments?

In answering the research question four, the descriptive statistics was employed. This is summarized in the mean results for both LGAs Officials and Community (stakeholders). This is presented as follows:

Table 5.12: Mean Responses of LGA officials on Types of Service Delivery by the Local Government Councils

SN	Items on Service Delivery	SD	Mean
1	Agricultural Inputs (Fertilizer, Pesticides, Seedlings, etc.)	3.48	.569
2	Education (Class-Buildings, Facilities, Teaching Aids, etc.)	3.46	.733
3	Health (primary/secondary health delivery, provision of facilities, etc.)	3.45	.748
4	Water (Pipe borne, bore-holes, digging of wells, etc.)	2.89	1.145
5	Road (feeder-roads, culverts, drainages, and animals/pedestrians passages)	3.40	.493
6	Social Support Programmes (Hajj, Wedding/Naming Ceremonies, Traditional Institutions, etc.)	3.26	1.071
7	Significant service items above are usually executed by the State government (as joint services), and sometimes for LGCs to only supervise	3.33	.956
	Aggregate mean	3.32	

Source: Field Survey, 2017

Table 5.13: Mean Responses of Community (Stakeholders) on Types of Service Delivery by the Local Government Councils

SN	Items on Service Delivery	SD	Mean
1	LGC provide more services on Agricultural Inputs (Fertilizer, Pesticides, Seedlings, etc.)	1.60	.860
2	LGCs provide more services on Education (Class-Buildings, Facilities, Teaching Aids, etc.)	2.05	.860
3	LGCs provide more services on Health (primary/secondary health service delivery, provision of health facilities, etc.)	2.89	.768
4	LGC provide more services on Water (Pipe borne, bore-holes, digging of wells, etc.)	3.09	.629
5	LGCs provide more services on Road (feeder-roads, culverts, drainages, and animals/pedestrians passages)	3.05	.809
6	LGCs provide more support services on Social activities (Hajj, Wedding/Naming Ceremonies, Traditional Institutions, etc.)	3.15	.725
7	Most of the above services were provided by the State and not directly by the Local Government Councils	3.04	.928
	Aggregate mean	2.69	

Source: Field Survey, 2017

Table 5.14: Mean Responses of LGA Officials on LGCs Leadership Capacity and Service Delivery

SN	Item Statement	SD	Mean
1	The political and administrative leadership of the LGCs are professional and competent to deliver services and develop the rural areas	3.34	.853
2	Most of the personnel in the LGCs are well trained, knowledgeable and with skills to deliver services for development	3.25	.937
3	The personnel are well motivated for high performance and quality service delivery	3.24	.972
4	The personnel recruitment, placement, posting, development and promotion are based on merit for service delivery	3.31	.926
5	The LGCs leadership were properly constituted and competent to deliver services for development of the rural development	3.07	1.078
6	The leadership has operational freedom to initiate plans and execute programmes and projects for development of the local government areas.	2.71	1.193
7	The State government interference in LGCs affect the leadership capacity for innovation and service delivery	3.40	.516
	Aggregate mean	3.19	

Source: Field Survey, 2017

Table 5.15: Mean Responses of Community (stakeholders) on LGCs Leadership Capacity and Service Delivery

SN	Item Statement	Mean	SD
1	The LGCs leadership have capacity to provide services for development of the rural areas	2.8	.986
2	Most of the personnel in the LGCs are qualify to deliver services for development of the rural areas	2.75	1.042
3	The LGCs personnel are well compensated for high performance and quality service delivery	2.58	1.245
4	Most of the LGCs personnel were recruited and engaged based on merit for service delivery	1.54	.736
5	The LGCs political leadership are properly elected, qualify and competent to guide the development of the rural areas	2.76	.952
6	The LGCs leadership has the ability to execute programmes and projects for development of the local government areas.	2.71	1.061
7	The State government interference affect the LGCs leadership capacity for effective service delivery and rural development	2.85	1.070
Aggregate mean		2.57	

Source: Field Survey, 2017

5.3 Testing of Hypotheses

In order to test the stated hypothesis for this study, correlation analysis was used on the mean summary of the respondents' responses which comprises both LGA Officials and Community (stakeholders) giving the total of 435 participants. However, the test was conducted at 0.05 level of significance and this was considered as the bench mark for accepting or rejecting the null hypothesis. The results are hereby presented as follows:

Hypothesis One: There is no significant relationship between statutory financial allocations and Local Government Councils capacity for service delivery in Sokoto State.

Table 5.16: Descriptive Statistics on relationship between financial allocation and service delivery

Variables	N	Mean	Std	Df	r	p-value
Financial Allocation	435	2.9205	.67736		0.115	0.017
Service Delivery	435	2.8184	.40780			

*Correlation is significant at the 0.05 (2-tailed)

Results of the PPMC statistics in table 5.16 above showed that the level of provision of statutory financial allocations to local government councils has significant relationship on service delivery in Sokoto State. This is because the calculated p-value 0.017 is lower than the 0.05 alpha levels of significance at correlation index r level of 0.115 df. Therefore the null hypothesis that states no significant relationship between statutory financial allocations of the local government councils and service delivery in Sokoto State is hereby rejected.

Hypothesis Two: There is no significant relationship between administrative capacity of the local government councils and effective service delivery in Sokoto State.

Table 5.17: Descriptive Statistics on relationship between administrative capacity and service delivery

Variables	N	Mean	Std	Df	R	p-value
Administrative capacity	435	3.0276	.58682		0.314	0.000
Service Delivery	435	2.8184	.40780			

*Correlation is significant at the 0.05 (2-tailed)

Results of the PPMC statistics in table 5.17 above showed that the level of administrative capacity of the local government councils has significant relationship on service delivery in Sokoto State. This is because the calculated p-value 0.000 is less than the 0.05 alpha levels of significance at correlation index r level of 0.314df. Therefore the null hypothesis that states no

significant relationship between administrative capacity of the local government councils and service delivery in Sokoto State is hereby rejected.

Hypothesis Three: There is no significant relationship between the ability of the local governments Councils to enhance internally generated revenue and the capacity to deliver services in Sokoto State.

Table 5.18: Descriptive Statistics on relationship between internal revenue generated and service delivery

Variables	N	Mean	Std	Df	r	p-value
Internal revenue generated	435	2.7676	.45389		0.118	0.014
Service Delivery	435	2.8184	.40780			

*Correlation is significant at the 0.05 (2-tailed)

Results of the PPMC statistics in table 5.18 above showed that ability of the local government councils to enhance the level of the internal generated revenue has significant relationship on service delivery in Sokoto State. This is because the calculated p-value 0.014 is lower than the 0.05 alpha levels of significance at correlation index r level of 0.118df. Therefore the null hypothesis that there is no significant relationship between the ability of the local governments Councils to enhance internally generated revenue and the capacity to deliver services in Sokoto State is hereby rejected.

Hypothesis Four: There is no significant relationship between the local government leadership competence and capacity to deliver services in Sokoto State

Table 5.19: Descriptive Statistics on relationship between leadership competence and service delivery

Variables	N	Mean	Std	Df	R	p-value
Leadership competence	435	2.5761	.59175		0.310	0.000
Service Delivery	435	2.8184	.40780			

*Correlation is significant at the 0.05 (2-tailed)

Results of the PPMC statistics in table 5.19 above showed that the level of leadership competence in the local government councils has significant relationship on service delivery in Sokoto State. This is because the calculated p-value 0.000 is lower than the 0.05 alpha levels of significance at correlation index r level of 0.310df. Therefore the null hypothesis that there is no significant relationship between the local government leadership competence and capacity to deliver services in Sokoto State is hereby rejected.

Therefore, by rejecting the nulls, we conclude that the hypothetical submissions and other complimentary factors (i.e. State control and abuses) are responsible for the incapacity of the LGCs to deliver quality and adequate services for the social and economic wellbeing of their respective communities and indeed grassroots development.

5.4 Interview and General Discussions on Findings

The researcher, also as an active and participant observer, engaged the interviewing processes with principal officers of the local government councils, on one hand, and the permanent secretaries in the ministries of finance and local government and chieftancy affairs as well as the Chairman, Sokoto State Local Government Service Commission, on the other hand. It was an interactive group discussion, eliciting their opinions on issues and challenges of the

local government councils' capacity for service delivery and grassroots development. The interview process was guided by the interview schedule, and in line with the research questions/objectives and hypotheses.

The study observed that communities responses were informed and guided by their personal observations, relationship with the local government officials, reports from electronic and print media, published reports and privilege information on the Sokoto State local governments affairs. The communities overall rating of the LGCs in service delivery was abysmal and that too poor to make impact on the general wellbeing of the communities and, indeed, grassroots development. Therefore, from both the personnel and communities responses, the performance of the Local government councils in services delivery falls far below expectation. There is thus unambiguity in the opinions of both the communities and the personnel on poor service delivery by LGCs in the State.

From the data presented above, we can deduced that the significant factors undermining the LGCs capacity to deliver services include, among others, inadequate statutory financial allocations, undue State government control of the local government finances, weak capacity and lack of interest to explore IGR sources due to over dependence on statutory allocations, state government control of their finances and lack of political will due to poor service delivery to the communities. This also informed reason for the lack of enthusiasm to develop effective strategy to improving the LGCs Internal Revenue Generation capacity; they are more attached and concerned with the statutory allocations and disbursements. Thus, there is correlation between the local government councils over-dependency syndrome on statutory financial allocations and their capacity to improve revenue base to providing adequate socio-economic services and developing the rural areas. This is due to lack of control and access to their finances, no

disbursement or expenditure power to provide services and, indeed, no enthusiasm and political will to explore and exploit internal revenue sources from the communities whom they were neither responsible nor responsive to their needs in Sokoto State.

The incapacitation of the LGCs is further compounded by the State government near-absolute sole de-charge in the provision of social and economic services and infrastructural facilities in the local government, in the name of joint services. The local government councils are at best charge with supervisory role of State planned and executed programmes and projects. The local government councils are simply outlets for the execution of the State government initiated and planned services or projects for rural communities' wellbeing and development. The provision of such service delivery as agriculture inputs (fertilizers, seedlings, pesticides, etc.) meant for the local government farmers are provided by the State government and supplied to the local government councils for distribution to the targeted rural communities. The local government councils sometimes received stipends for capital projects maintenance (i.e. schools and hospitals building/facilities repairs), and execution of minor works (construction of culverts, digging of wells, rehabilitation of feeder roads).

Furthermore, personnel recruitment, deployment and or reposting are not often based on merit, and this is compounded by poor personnel training, development and motivation. The prevailing reality is that less than thirty percent of the total personnel in the selected local governments have HND/B.A/M.A, which meant that significant number have no capacity for leadership, innovation, development planning and execution skills for rural transformation and, indeed, revenue generation abilities or strategies. Thus the adequacy, quality and competency of the local government councils' personnel determine their administrative capacity for innovation, initiation and determination to execute developmental programmes and projects for the rural

communities. This also informed reasons why the local government councils remain dormant and passive recipients in the administration of the local government areas. They remain subjected to perpetual control, manipulation by and subservient to the State government. In addition, the posting of young graduates of tertiary institutions (especially university) to supervise over age-long serving but not academically trained personnel, has led to conflicts, undermining teamwork, collective and effective service delivery. There is great wisdom in combining young and academically knowledgeable personnel with the older but highly experienced personnel in local government administration. The team spirit and collective efforts of the duo can be a catalyst for effective service delivery and grassroots development.

Significant numbers of the interviewed local government principal officers, 20 (80%) opined that the major challenges of the local government councils in Sokoto State include, among others, State government overwhelming control of their finances, determining which services to provide to the rural communities and what developmental projects for the grassroots as well as senior staff recruitment, deployment, development, posting and promotion. The Councils are simply appendage or a department of a ministry in the State service institution; they lacked the autonomy and operational freedom as defined by the constitution; they neither exist as Third Tier of government nor have any sense of independence; they are at the mercy and directive of the State government. These submissions were confirmed by the three State principal officers in charge of the local government affairs (ministries of finances, local government affairs and service commission). They however noted that this is intended to ensure the local government system stability, accountability and balanced development; and to forestall abuses, frauds and wastes.

5.5 Summary of Major Findings

Based on the field survey and the tests statistics, the research findings, on factors determining capacity of the Sokoto State local government councils to deliver services in their respective areas of jurisdiction can be summarized as follows:

- i) The LGCs in the State rely almost entirely on financial transfers from the external revenue sources, fundamentally on the statutory allocations from the federation accounts for both their recurrent and capital needs. Significant proportions (98%) of their revenue base were derived from the statutory allocations. This thus means any failure or shortfalls from these allocations shall simply incapacitate the operational capacity and service delivery of the local governments. This was further compounded by the State Government interference in the local government councils' service delivery and control of their finances through the SJLGA. The State does not comply with the extant State legislation governing the administration of the account. The major method of interference was through outright withholding of the Local Government allocations and through the creation of "Joint Projects or Services." Further the constitutional mandatory allocation of unspecified percentage of State Government total revenue to LGCs for development purposes was never remitted.
- ii) The study also found that the Internal Generated Revenue (IGR) performance of the LGCs has been and remained abysmal. It was noted that the Sokoto State local governments IGR are among the lowest in the country. Out of the 5 LGCs included in our study, three (Dange/Shuni, Tambuwal and Sabon Birni) stands-out with an average IGR of about 1.5 percent and the other two having an average of less than 1.0 percent IGR within the

period of study. They are either ignorant or unwilling to explore the diverse internal revenue sources due to over-dependence on external statutory allocation.

- iii) The study also found that the LGCs lacked administrative capacity for operational autonomy, freedom to expend, ability to initiate, plan and execute development programmes and projects as well as to adequately provide social and economic services desirable for the general wellbeing of the rural communities. These are only tenable with the approval and joint-execution of the State government. Further, they lacked the administrative capacity to recruit senior personnel or technocrats capable of providing the much needed innovative, administrative and professional skills in local government administration, revenue generation and resources management to proffering strategies for effective service delivery and grassroots development. Most (62 percent) of the local government council personnel have only Diploma (OND) and below, as their highest qualification. The number of staff with reasonable qualifications did not translate the local government administrative capacity into high performance for innovative service delivery.
- iv) Some of the local government councils leadership, especially political, lacked the ability for executive capacity to conceptualize, formulate and implement any development plans initiatives. They lacked the locus standing to make any independent decision and meaningful action on what services to provide and what development projects are desirable for general good and development of their local areas. They depend on the State government to determine these, and are usually subjected to directives and only supervisory roles. Further, most of the personnel are not adequately motivated, trained and empowered for quality service delivery due to the local government councils' dependency syndrome on State government. They lacked innovation and initiation for service delivery, development

plans and projects execution directives and used to only supervisory functions of joint-projects or services.

- v) The overall assessment of the LGCs performance by the stakeholders and personnel shows that significant (88 percent felt) that LGCs lacked the capacity to deliver effective services desirable to enhancing the general wellbeing of their communities and indeed contribute to the grassroots development. This is due to inadequate, inaccessible and undue control of the local government finances by the State government. Most of the stakeholders (70 percent) agreed that LGCs have contributed to the provision of fertilizer to farmers, being an agriculture-base State. Over 52 percent of the stakeholders felt that local government poor service delivery can be attributed to incompetence and corruption among the local government officials and political office holders. The LGC officials however blame their abysmal performance in service delivery to three main problems: manipulation of the Joint Account by the State Government; lack of qualified personnel and non-adherence to lay down financial rules and regulations.

5.6 Observational Contribution to Knowledge of Local Government Administration

The State government near-absolute sole de-charge in the provision of social and economic services and infrastructure in the local government areas, in the name of joint services or projects, has significantly undermined the administrative capacity and, indeed, ability of the local government councils to developing innovative skills in programmes and projects plans initiation, formulation and execution. This has added to their perpetual operational redundant and dependence on the State government, making the Councils subservient and an appendage to the State and de-skilling the Council members ability for innovation, initiation and to proffer strategies for rural communities transformation and development.

The personnel stock in the local government councils shows that less than twenty percent have HND/B.A/M.A, which meant that significant number neither have capacity for leadership, innovation and development planning and execution skills nor adequate operational ability for service delivery. This thus compounded the Council leadership administrative capacity for developmental programmes and projects initiation and execution. This also informed reasons why the local government councils remain dormant and passive recipients, subjected to perpetual control, manipulation and subservient to the State government.

Further, the posting of young graduates of tertiary institutions (especially university) to supervise over age-long serving and more experienced but not academically trained personnel, has led to conflicts, undermining team-work, collective and effective service delivery. There is great wisdom in combining young and academically knowledgeable personnel with the older but highly experienced personnel in local government administration. The team spirit and collective efforts of the duo can be a catalyst for effective service driver and grassroots development.

There is correlation between the local government councils over-dependency syndrome on statutory financial allocations and their capacity to improve revenue base to providing adequate socio-economic services and developing the rural areas. This is due to lack of control and access to their finances, lack of disbursement or expenditure power to provide services and, indeed, have no enthusiasm or even the political will to explore and exploit internal revenue sources from the communities whom they knowingly have not adequately and directly served.

Most often the Councils political leadership were imposed, some not qualify and incompetent, and have no any sense of responsibility or responsiveness to the communities' needs, and hence no sense of operational transparency or accountability. This gives room and characterized the often general picture of the local government councils as embodiment of

fraudulent acts, abuse of office and waste of public resources. This invariably affects service delivery and local government areas development.

Also worth noting, in this era of public-private partnership in service delivery, is even where some donor agencies and development partners came to the aids of these local government areas, the Councils either lacked the counterpart funding or administrative capacity or leadership ability to constructively engaged these external bodies for service delivery and rural development.

CHAPTER SIX

SUMMARY, CONCLUSION AND RECOMMENDATIONS

6.1 Summary

For over three decades after the consequent fiscal and financial empowerment of the country's local government system, there is a general feeling that Nigerian local governments have not lived up to expectations. One of the major problems which appear to have constrained local governments in making them play the effective roles envisioned for them in the 1976 Reforms is the problem that has emerged in the management of fiscal federalism in the country. The structure and, indeed, the politics of fiscal federalism have tended to put local governments at a disadvantage. This is further confirmed by the "Financial Stress Hypothesis", to explain virtually all their problems, particularly relating to non-performance in service delivery.

It is believed that Local Governments in Sokoto State, like Local governments in other States of the Federation, received their statutory allocations from the Federation Account. In addition to all proceeds that goes into the State Local Government Joint Account. In addition, the State government is mandated to allocate a percentage of its own total revenues to the Local Government. Records obtained from the Office of the Accountant General of the Federation, Abuja, revealed that the 23 Local Government Councils (LGC) in Sokoto State, received over N62 billion from the Federation Account within the period 2010 - 2015. This was made up of 82 percent from their share of Statutory Allocation and 16 percent from VAT and Crude Oil Proceeds. These monies were paid into the State Joint Local Government Accounts for onwards sharing to the LGCs. There are no records of the State Governments contribution. The major question is: How much of this money actually got to the LGCs, and how much was used to enhance their capacity to deliver services. That is does the LGCs had adequate financial and

administrative capacity to provide required services for development and general wellbeing of their respective communities?

Essentially, the argument has been two-fold: firstly, the vertical revenue sharing arrangements i.e. between the Federal, State and Local Governments put the latter at a severe disadvantage. Secondly, that the arrangement for statutory revenue administration through the State Joint Local Government Account (SJLGA) provides an avenue for the states to interfere, manipulate and control the local government funds undermining their capacity to provide services to their communities within their respective jurisdictional areas. The Local governments have always blamed their poor performance on the State Governments with the main reason that they are not allowed full access of their financial allocations, or even determine what services are desirable by their communities. This was further compounded by the LGCs poor IGR and ineffective administrative capacity for project articulation, planning and execution to deliver essential services to communities within their respective areas of jurisdiction.

6.2 Conclusions

The study concludes that LGCs in Sokoto State over-depend on and almost entirely relied on external sources of funds, especially the statutory allocations from the federation account. This, unfortunately, is channeled through the State Joint Local Government Accounts and thus subjected to control, influence and manipulation by the State Government. In addition, their IGR performance is highly low, unimpressive and abysmal. Further compounding their administrative capacity is inadequate and poor quality personnel lacking management competency, financial prudence and executive innovation for service delivery. To this effect, therefore, local government capacity to effectively deliver services for the general wellbeing of their communities and grassroots development is, to say the least, mission impossible. Until and

unless LGCs substantially improve in their IGR capacities, enhance their financial prudence and have administratively competent and innovatively visionary personnel with executive capacity to deliver development-oriented services, the capacity of local government to contribute to grassroots development shall be a mirage. It will be very difficult for the LGCs to make any significant impact on the socio-economic wellbeing of their people and rural transformation.

6.3 Recommendations

From the research major findings, the study recommended the following measures to improve the capacity of the local government councils, particularly in Sokoto State, for effective service delivery and grassroots development:

The statutory allocations to local governments in Nigeria should not only be reviewed upward, being institutions that closely relate with and most effective catalyst for grassroots communities and development, but also the SJLGA should be abrogated. This is necessary to enhance them with adequate revenue, increasing their social and economic responsibilities and develop sense of accountability. Further, the constitutional mandatory statutory allocation from State government accounts to local governments for developmental purposes should be clearly defined with percentage allocation unambiguously stated. The State Government should endeavour to obtain the extent relevant legislation governing its contribution to the SJLGA. This can be obtained from the RMAFC or learn from other States. However, a legislative control mechanism should be put in place to instill sense of accountability through enabling law that shall compel the local councils to give account of all income and expenditure both for the public consumption and, indeed, the State House of Assemblies.

The local government councils internally generated revenue (IGR) base should be expanded through investment in social and economic activities, local taxation, licenses issuance

and rate charges in goods and services and all other innovative strategies to improving their revenue base should be explore within areas of their operational jurisdiction and constitutional provision. However, this can only be effective to the extent that the local government councils significantly contribute to provision of socio-economic services and infrastructure that can yield multiplier effect to enhancing IGR. It is only when the councils invest in productive services that it can have both the adequacy of internal revenue sources and, indeed, have the political will to explore and exploit for enhance revenue base for development. Further, State government can also give consultancy services and special grants for internally generated revenue performing local governments.

There should a comprehensive overhauling and auditing of the entire workforce in the local government councils. This is to ascertain quantity, quality and adequacy of manpower in the Councils and thus set machineries for training, retraining and recruitment of more competent, able, willing, resourceful, innovative and self-motivated personnel that shall have capacity to discharge responsibility for transformation, progress and development of the local government areas. Further, political leadership should also be subjected to competency, integrity and civic morality. Also, the idea and prevailing practice of bringing young graduates to supervise and direct a long-serving local government official (who has more practical knowledge and experience in local government administration) should be discourage. Instead, there should be synergy of constructive engagement between theory and practice, where both can work as a team on a semblance of equal terms, conditions and status.

Local government councils' leadership should be appointed based on their integrity, professionalism and technical knowledge of local government administration. They should also undertake capacity building training to expose and develop them in the rudiments and

operational ramifications of local administrative system. Furthermore, for effective and transparent administrative management of the local government areas, both the political and administrative leadership should be spread and distributed in a manner that shall ensure full representation across the local government areas of the State. This should be a typical application of the federal character principles at the State level.

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APPENDIX A

QUESTIONNAIRE FOR LOCAL GOVERNMENT COUNCIL OFFICIALS

A. RESPONDENTS BACKGROUND

1. Gender Male () Female ()

2. Age Bracket (Tick one)
 - (i) 18-30 years ()
 - (ii) 31-40 years ()
 - (iii) 31 - 50 years ()
 - (iv) 51 - 60 years ()
 - (v) 61 and above ()

3. Local Government (where you are presently working)
.....

4. Rank

5. Highest Educational/Professional Qualification
(Tick the highest obtained)
 - (i) Below SSCE or Equivalent ()
 - (ii) SSCE/GCE ()
 - (iii) Diploma / OND ()
 - (iv) HDLG/HND ()
 - (v) BA/BSC etc. ()
 - (vi) Post Graduate Diploma ()
 - (vii) Masters Degree ()

- iii. State the Special or Professional Qualification Obtained in Local Government Studies

7. Length of service (Tick as Appropriate)
 - (i) 1-10 years ()
 - (ii) 11-29 years ()
 - (iii) 21-30 years ()
 - (iv) 31 - 35 years ()

B. Please express your Views on Financial Allocations to Local Governments and Service Delivery

Key to Responses: SA (Strongly Agree); A (Agree); D (Disagree) and SD (Strongly Disagree)

SN	Item Statement	SA	A	D	SD	Mean
1	Statutory financial allocation is inadequate and undermine LGCs capacity for service delivery and development					
2	Nigeria fiscal federalism is skewed in favour of federal and state governments against the LGAs					
3	The SLGJA made LGCs perpetual dependent on State government					
4	LGAs gets their statutory financial allocations exactly as shared from the federation account					
5	State government undue control of LGCs finances affects their capacity for development plan initiation and service delivery					
6	There is relationship between LGCs financial autonomy and capacity for service delivery					

Please express your Views on Local Government Administrative Capacity and Service Delivery

Key to Responses: SA (Strongly Agree); A (Agree); D (Disagree) and SD (Strongly Disagree)

SN	Item Statement	SA	A	D	SD	Mean
1	LGCs have administrative autonomy and capacity for financial expenditure to deliver services					
2	LGCs have operational freedom for development plans initiation and execution					
3	LGCs have capacity for recruitment of professionals, career public servants and consultants for service delivery and development					
4	LGCs have capacity for policy formulation and implementation for service delivery and development					
5	LGCs are in complete directive of the State government and have no power to plan or execute programmes or projects					
6	LGCs have capacity to make decision, organize and take action on service delivery and development of grassroots					

Please express your Views on LGCs Leadership Capacity and Service Delivery

Key to Responses: SA (Strongly Agree); A (Agree); D (Disagree) and SD (Strongly Disagree)

SN	Item Statement	SA	A	D	SD	Mean
1	The political and administrative leadership of the LGCs are professional and competent to deliver services and develop the rural areas					
2	Most of the personnel in the LGCs are well trained, knowledgeable and with skills to deliver services for development					
3	The personnel are well motivated for high performance and quality service delivery					
4	The personnel recruitment, placement, posting, development and promotion are based on merit for service delivery					
5	The LGCs leadership were properly constituted and competent to deliver services for development of the rural development					
6	The leadership has operational freedom to initiate plans and execute programmes and projects for development of the local government areas. The State government interference in LGCs affect the leadership capacity for innovation and service delivery					

Please express your Views on LGAs Internal Generated Revenue Capacity and Service Delivery

Key to Responses: SA (Strongly Agree); A (Agree); D (Disagree) and SD (Strongly Disagree)

SN	Item Statement	SA	A	D	SD	Mean
1	The LGAs have adequate internal revenue sources to enhance their revenue base for service delivery and development					
2	There are qualify and self-motivated revenue officials to exploring the potential internal revenue sources in the LGAs					
3	The LGCs officials are aware of the legal jurisdiction to explore and tap the internal revenue sources in the LGAs for service delivery					
4	The IGR can significantly improve the revenue base of the LGAs for more and better service delivery					
5	The over-dependent on statutory allocations and State government financial control weakens the LGCs capacity to explore the IGR sources					
6	The more provision of social and economic services the better the IGR sources for LGCs exploitation.					

Please express your Views on Types of Service Delivery by the Local Government Councils

Key to Responses: SA (Strongly Agree); A (Agree); D (Disagree) and SD (Strongly Disagree)

SN	Items on Service Delivery	SA	A	D	SD	Mean
1	Agricultural Inputs (Fertilizer, Pesticides, Seedlings, etc.)					
2	Education (Class-Buildings, Facilities, Teaching Aids, etc.)					
3	Health (primary/secondary health delivery, provision of facilities, etc.)					
4	Water (Pipe borne, bore-holes, digging of wells, etc.)					
5	Road (feeder-roads, culverts, drainages, and animals/pedestrians passages)					
6	Social Support Programmes (Hajj, Wedding/Naming Ceremonies, Traditional Institutions, etc.)					

Significant service items above are usually executed by the State government (as joint services), and sometimes for LGCs to only supervise

APPENDIX B

QUESTIONNAIRE FOR COMMUNITIES (STAKEHOLDERS) RESPONSES

A. RESPONDENTS BACKGROUND

1. Gender Male () Female ()

2. Age Bracket (tick one)
 - (i) 18-30 years ()
 - (ii) 31-40 years ()
 - (iii) 31-50 years ()
 - (iv) 51-60 years' ()
 - (v) 61 and above ()

3. Please state your Local Government Area.....

4. Highest Educational/Professional Qualification
(Tick the highest obtained)
 - (i) Below SSCE or Equivalent ()
 - (ii) SSCE/GCE ()
 - (iii) Diploma / OND ()
 - (iv) HDLG/HND ()
 - (v) BA/BSC etc. ()
 - (vi) Post Graduate Diploma (Optional) ()
 - (vii) Masters Degree ()

5. What is your Profession / Occupation?
 - (i) Farmer ()
 - (ii) Petty Trader ()
 - (iii) Business man/woman ()
 - (iv) Traditional Ruler ()
 - (v) Civil Servant (Fed. Govt.) ()
 - (vi) Civil Servant (State Govt.) ()
 - (vii) Civil Servant (Local Govt.) ()
 - (viii) Self Employed Professional ()
 - (ix) Student ()
 - (x) Unemployed (Applicant) ()

B. Please express your Views on Financial Allocation to Local Governments and Service Delivery

Key to Responses: SA (Strongly Agree); A (Agree); D (Disagree) and SD (Strongly Disagree)

SN	Item Statement	SA	A	D	SD	Mean
1	Statutory financial allocation to Local Governments Areas is adequate for service delivery and development					
2	Revenue sharing in Nigeria federal system is not in favour of local governments areas					
3	The State government control of the local governments finances weakens performance of the LGCs					
4	LGCs incapacitation to directly access the statutory financial allocations undermines their operational autonomy					
5	State government undue interference in the provision of services and projects affects LGCs capacity for initiation and execution of development plan					
6	There is relationship between LGCs financial autonomy and capacity for service delivery and development					

Please express your Views on Administrative Capacity of the LGCs and Service Delivery

Key to Responses: SA (Strongly Agree); A (Agree); D (Disagree) and SD (Strongly Disagree)

SN	Item Statement	SA	A	D	SD	Mean
1	LGCs have authority to initiate plans, spend money and deliver services for rural development					
2	LGCs have capacity to make decision and determine services and projects for development of rural areas					
3	LGCs can recruit professionals and senior public servants for high quality service delivery and development					
4	LGCs have ability to formulate and implement policy for the provision of services and development					
5	LGCs are completely under the direct control of the State government and have no capacity to provide services or development projects					
6	LGCs have capacity to make decision and take action for the provision of services and rural development					

Please express your Views on LGCs Leadership Capacity and Service Delivery

Key to Responses: SA (Strongly Agree); A (Agree); D (Disagree) and SD (Strongly Disagree)

SN	Item Statement	SA	A	D	SD	Mean
1	The LGCs leadership have capacity to provide services for development of the rural areas					
2	Most of the personnel in the LGCs are qualify to deliver services for development of the rural areas					
3	The LGCs personnel are well compensated for high performance and quality service delivery					
4	Most of the LGCs personnel were recruited and engaged based on merit for service delivery					
5	The LGCs political leadership are properly elected, qualify and competent to guide the development of the rural areas					
6	The LGCs leadership has the ability to execute programmes and projects for development of the local government areas. The State government interference affect the LGCs leadership capacity for effective service delivery and rural development					

Please express your Views on LGAs Internal Generated Revenue Capacity and Service Delivery

Key to Responses: SA (Strongly Agree); A (Agree); D (Disagree) and SD (Strongly Disagree)

SN	Item Statement	SA	A	D	SD	Mean
1	There are diverse internal revenue sources that can be generated to enhance the LGAs revenue for the provision of services and rural development					
2	The LGCs have no capacity to exploring the potential internal revenue sources in the LGAs					
3	The LGCs have no community support to tap these internal revenue sources because of poor service delivery in the area					
4	Internal generated revenue (IGR) can significantly improve the revenue base of the LGAs for rural development					
5	The federal statutory allocations and State government financial control incapacitates LGCs exploration of the IGR sources					
6	The capacity of LGCs to have good IGR and more sources is dependent upon the provision of better social and economic services to the rural communities.					

Please express your Views on Types of Service Delivery by the Local Government Councils
Key to Responses: SA (Strongly Agree); A (Agree); D (Disagree) and SD (Strongly Disagree)

SN	Items on Service Delivery	SA	A	D	SD	Mean
1	LGC provide more services on Agricultural Inputs (Fertilizer, Pesticides, Seedlings, etc.)					
2	LGCs provide more services on Education (Class-Buildings, Facilities, Teaching Aids, etc.)					
3	LGCs provide more services on Health (primary/secondary health service delivery, provision of health facilities, etc.)					
4	LGC provide more services on Water (Pipe borne, bore-holes, digging of wells, etc.)					
5	LGCs provide more services on Road (feeder-roads, culverts, drainages, and animals/pedestrians passages)					
6	LGCs provide more support services on Social activities (Hajj, Wedding/Naming Ceremonies, Traditional Institutions, etc.)					

Most of the above services were provided by the State and not directly by the Local Government Councils

APPENDIX C
INTERVIEW SCHEDULE WITH PRINCIPAL OFFICERS ON LOCAL
GOVERNMENT ADMINISTRATION IN THE MINISTRIES AND LOCAL
GOVERNMENT AREAS OF SOKOTO STATE

SECTION A:

Date of Interview:.....

Venue of Interview:.....

Officials Interviewed:.....

Method of Interview:.....

SECTION B:

Kindly express your general opinions on the challenges of local government councils in the provision of social and economic services in Sokoto State

What is your stake on the issues of statutory financial allocations to local governments and the State Local Government Joint Accounts?

Do you think that the State government is unduly interfering and undermining the effective administration of the local government councils?

Would you agree that the State government control of the local governments' finances, provision of services and development projects has incapacitated the effective performance of the local government councils?

What do you think are the factors for the poor internal revenue generation capacity of the local government councils?

What are your views on enhancing the administrative capacity of local government for effective performance in service delivery and for the development of the rural areas?

Do you agree that the quality of especially political leadership is significant to effective performance of local government councils in service delivery?

Are the local government councils stocked with adequate and qualified personnel to ensure effective service delivery?

Are the personnel recruitment, posting, training and development based on merit in the local government councils to ensuring motivation and high performance?

Finally, can you please suggest strategies to enhancing the capacity of the local government councils to ensuring effective performance in service delivery for the general wellbeing of the rural communities and grassroots development?

Thanks for your cooperation