



Local Government Financial Autonomy and Effective Service Delivery in Wukari Local Government Area of Taraba State, 2015-2021

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Abstract

The study assessed the nexus between local government financial autonomy and effective service delivery in Wukari and Ibi Local Government Areas. It essentially, investigated the financial relationship between Taraba State Government and the local governments on the one hand and examined the challenges militating against financial autonomy and effective service delivery in the local government Areas on the other hand. The fiscal federalism theory by Richard Musgrave was adopted as the theoretical basis for the study. The research utilized both primary and secondary data. The primary data were collected through the administration of questionnaire. The respondents were selected using simple random sampling technique. The study employed both descriptive and inferential statistics using frequency count and simple percentage while chi-square was used to analyze the hypotheses in order to achieve the objectives of the study. Content analysis of secondary research documents was also utilized. This includes the review of journal articles, books, government publications, and newspapers. The findings indicate that the nature of financial relationship between Taraba State Government and Wukari and Ibi local government areas has a negative effect on effective service delivery as a result of state interference and state local government joint account. It was therefore, recommended that for any meaningful development to take place at the local level, there is a compelling need for constitutional review to allow for a truly independent local government practice devoid of state government undue interferences especially in the area of federal allocation receipts, joint-account with the state, power to generate revenue internally from comparative advantage and the power also to manage its resources, among others.

Keywords: Local Government, Financial, Autonomy, Service Delivery, Wukari

Introduction

Local government is generally acknowledged as the closest tier of

government to the people than the other levels of governments. As such, it is believed and accepted to be in a better position than the state and federal governments to appreciate the real problems of the people and

serve as the most effective agents for mobilizing the people for positive socio-economic and political development of the country (Adeyemo, 2005). Constitutionally, local governments have been assigned some functions under the law. Chief among these functions is to bring about meaningful development through effective service delivery at the rural areas (Federal Republic of Nigeria, 1999).

Other reasons for the creation of local government includes; to make appropriate services and development activities responsive to local wishes and initiatives by devolving or delegating them to local representatives bodies, to sensitize and mobilize the various communities in their areas of authority in order to get involved in the overall development of their areas (Ezeani, 2006 in Ibieta, 2010). To achieve the constitutional objectives of local government, Nigeria local Government system has witnessed more reforms and re-organizations when compared with other public service (Obikeze & Nwade, 2010). For instance, the 1976 reform guideline was quite explicit in its recognition of local governments as third-tier of government in Nigeria federalism, with all the necessary paraphernalia of office, most especially the grant of autonomy. The emphasis here rest essentially on making local governance to have distinct territorial boundary, legal powers to do or achieve specific goal and most importantly, enjoy substantial autonomy in financial matters without excessive but

complementary control by higher authority. These include, owning of treasury, separate budgets, and accounts based on effective reliable income generation from within and outside its domain (Duru, 2001). As such, financial autonomy in local governments is generally believed to be the best tool for effective and efficient service delivery in rural areas of federated countries like Nigeria (Imhanlahimi, 2011).

The provisions for the autonomy, as they were, are essentially and apparently aimed at protecting the local government from unnecessary interference from other tiers of government and to enable it play significant roles in the national development process. With adequate funding, due process and accountability, local governments stand to propel rural development in terms of provision of basic social amenities like portable water, electricity, education, health-care service, recreational facilities to their respective communities. By so doing, the system could have among others prevented rural-urban migration and its attendant socio-economic, political and environmental ills. Taraba State consists of sixteen (16) local government areas which are governed by elected/appointed chairmen. Ibi and Wukari local government areas located at the southern part of the state are expected to render effective service as part of their responsibility to cater for the welfare of their citizens as enshrined in the 1999 constitution of the Federal Republic of Nigeria. This welfare

services are expected to bring the needed development to the local government areas. However, development is capital intensive. Suffice to say, if these local government are expected to carry out their constitutional functions to the local populace, adequate finance is needed for them to achieve such goals. More so, fiscal federalism demands that different levels of governments should have fiscal resources (finance) equal to their assigned spending responsibilities. In other words, there should be match, between assignment of functions and finances allocated for the discharge of the constitutionally assigned functions.

This principle therefore, forbids the encroachment of Taraba state government into the affairs of Wukari and Ibi Local Government areas. However, it seems there is an unhealthy financial relationship between the state government and the local government areas especially given its relationship in terms of the State-Local Government Joint Account. Against this backdrop, these local governments do not have direct access to their statutory allocation from the central government and consequently, rendering of services might be a mirage. A situation many believe could be responsible for the low level of development in these local government areas. It is on the basis of this that the study was necessitated to assess local government financial autonomy and effective service delivery in Ibi and

Wukari Local Government Areas of Taraba State.

Research Questions

The pertinent research questions that guided this study include the following:

- i. What is the effect of the financial relationship between Taraba State Government and Wukari and Ibi Local Government Areas on service delivery at the local level?
- ii. What are the challenges militating against local government financial autonomy and effective service delivery in Wukari and Ibi Local Government Areas?

Research Hypotheses

The hypotheses formulated and tested in this study are as follows:

H₀: Local government financial relationship does not have effect on effective service delivery as a result of state interference and state local government joint account.

H₁: Local government financial relationship has effect on effective service delivery as a result of state interference and state local government joint account.

Literature Review and Theoretical Framework Local Government

Local government has been conceived in different ways by various scholars. For instance, Awa (1991) as cited in Idi (2010) sees local government as “a political authority set up by a nation or state as a subordinate authority for the purpose of dispersing or decentralizing political power”. Similarly, Wraith (1984) also defines local government as the act of decentralizing power, which may take the form of deconcentration or devolution. De-concentration involves delegation of authority to field units of the same department and devolution on the other hand refers to a transfer of authority to local government units or special statutory bodies such as school boards for instance. From this perceptive, one can see local government as a lesser power in the national polity. It is an administrative agency through which control and authority relates to the people at the grassroots or periphery.

Akpan and Ekanem (2013), averred that local government is the breaking down of the country into smaller units or localities for the purpose of administration in which the inhabitants of the different units or localities concerned play a direct and full part through their elected representatives who exercise powers and undertake functions under the general authority of the state or National Government. In the same vein, Nwankwo et al (2021) opines that Local government generally can be conceptualized as that tier of government closest to the people, which are vested with certain powers to exercise control

over the affairs of people in its domain. Similarly, Eyitayo and Alani (2019) sees local government as basically characterized by territory, population, an institutional structure for maintenance of law and order as well as provision of limited range of social services to the rural populace. Therefore, local government is considered as a veritable agent of development and grassroots participation in the democratic process. In an attempt to conceptualize the third tier of government, Osakede et al (2016) defines local government system as the tier of government that is closer to the grassroots which its operation is to bring governance and service delivery to rural and underserved communities. This implies that it is an avenue for deepening democracy and decentralizing power through greater citizen participation in electoral processes and decision-making at all the level. It serves as an arena for political development at the grass-roots level.

Local government can be described as some government bodies elected by the people that have administrative, legislative, and executive functions on the territories under their jurisdiction. It is an authority that decides or determines certain measures within a given territory (Thapa, 2020). The author went on to describe the local government as a relatively autonomous, multi-purpose institution providing a range of services, with a tax-raising capacity and is controlled through the election of representatives to oversee the work of full-time officials. Adeyemi (2019) took us back to

decentralization as a key aspect in the concept of local government. He postulates that local government as a form of decentralization can be viewed from the perspectives of de-concentration and devolution. Adeyemi (2019) explained that when a local government is seen as deconcentration which also can be term local administration, it means it lacks power over budgetary decisions or put succinctly, it lacks financial autonomy. Most of its key officials are appointees of the state government that are accountable to the state. Its officials are therefore not democratically elected by the people of the locality. In that instance, the local government becomes a mere administrative outpost of the state government. This is an example of the arrangement in Nigeria where state governments appoint caretaker committees for local governments that report back to them and owe their existence to them. On the other hand, devolution of the local government system entails granting political and administrative powers to local government officials that will enable them to use their initiatives. They have a relative autonomy and their mandate is generated from the people.

Local government according to Ndreu (2016) involves two basic elements: Management of public services and representation of citizens. These two elements are not only distinctive elements of local government but also serve as indicators of the effectiveness of such a government. The National Guidelines for Reform of local

Government (1976) defines local Government as “Government at the local level exercised through representative councils established by law to exercise specific powers within defined areas. These powers should give the councils substantial control over local affairs as well the staff and institutional and financial powers to initiate and direct the provision of services and to determine and implement projects so as to complement the activities of the state and federal governments in their areas and to ensure through active participation of the people and their traditional institutions that local initiatives and responses to local needs and conditions are maximized”. According to the United Nations Division of Public Administration cited by (Ola, 1988), ‘local government is a political division of a nation (or in a federal system, a state) which is constituted by law and has substantial control of local affairs, including the powers to impose taxes or exact labour for prescribed purposes. The governing body of such an entity is elected or otherwise locally selected. Deriving from the above definitions, the conceptual view of local government is basically characterized by territory, population, an institutional structure for maintenance of law and order as well as provision of limited range of social services to the rural populace. However, local government is considered as a veritable agent of development and grassroots participation in the democratic process

Local Government Financial Autonomy

Local government financial autonomy has been variously defined. To Agunya, Ebiri and Odeyemi (2013), local government financial autonomy refers to “the relative financial discretion which Local Government enjoys in regulating and managing their own affairs”. The extent to which Local Government are free from the control of the State and Federal Governments encroachment in the financial management of local affairs. Davey (1991) opines that “Local autonomy is primary concerned with the question of responsibilities, resources and discretion conferred on the local authorities. As such discretion and responsibility are at the core of local government”. It presumes that local government must possess the power to take decisions independent of external control within the limits laid down by the law. It must garner efficient resources particularly of finance to meet their responsibilities, put differently; local autonomy is the freedom of independence in clearly defined issue, areas, as well as separate legal identity from other levels of government.

Aduma et al (2021) posits that financial autonomy of local governments has to do with the freedom of local governments to generate revenue within its shores and outside sources and the freedom to keep and spend the revenue without external interference or influence. Okafor (2010) conceptualizes the financial autonomy of local government to mean “the freedom to impose local taxation, generate revenue within its assigned sources,

allocate its financial and material resources, determine and authorize its annual budget without external interference”.

Adeyemo (2005) postulates that financial autonomy is the freedom the local governments have to exercise their financial authority within the confines of the constitution to enable them to discharge their constitutional responsibilities without interference or restraint from higher authorities. In that regard, if local governments are to discharge efficient and effective services to their domains, adequate financial autonomy and protection must be guaranteed. Osakede & Ijimakinwa (2014) argue that the financial autonomy of local governments would only be meaningful whereby each level of government is not constitutionally bound to accept or take directive or dictation from another.

Financial autonomy of local government entails the extent to which local governments are free from the control of the state and federal governments’ encroachment in the financial management of local affairs. Davey (1991) contends that the financial autonomy of local government means the power they have to take independent decisions devoid of external control. In that regard, they must garner efficient resources to meet their responsibilities. Osakede et al (2016) sum up these assertions by writing that local government financial autonomy in Nigeria’s polity refers to the relative financial

independence of local government away from control by both the state and federal governments.

Service Delivery

Effective service delivery is rendering services that correspond to the customers' desires, needs and expectations. This concept emanates from the perceived need to treat members of the public that require government services like a private-sector entrepreneur would treat his/her customers (Majekodunmi, 2019). Joseph, (2014) sees services as the services as goods and social outputs that people in a community wish to obtain for the common good, such as a livable environment, clean water, good education, health care, security, and so on. These include, water supply, sewerage collection and disposal, refuse removal, electricity and gas supply, municipal health services, municipal roads and storm water drainage, street lighting, municipal parks and recreation. In this regard, the service to be provided by local government in Nigerian are stated in the fourth schedule of the Constitution of the Federal Republic of Nigeria. Joseph also added that, services have a direct and immediate effect on the quality of the lives of the people in that community. For example, if the water that is provided is of a poor quality or refuse is not collected regularly, it will contribute to the creation of unhealthy and unsafe living environments. Poor services can also make it difficult to attract business or

industry to an area and will limit job opportunities for residents.

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

In the words of Lubega (2000), service delivery is the primary responsibility of every government, whether military or civilian, in which adequate good and essential services are produced by the public authorities (either direct or through contracting) to the citizenry. In fact, it is the only bond between the government, on behalf of the state, and the people.

Theoretical Framework

This study is anchored on fiscal federalism theory. The theory was propounded by the German-born American economist Richard Musgrave in 1959. Fiscal federalism deals with the division of

governmental functions and financial relations among levels of government. The theory of fiscal federalism assumes that a federal system of government can be efficient and effective at solving problems governments face today, such as just distribution of income, efficient and effective allocation of resources, and economic stability. Economic stability and just distribution of income can be done by federal government because of its flexibility in dealing with these problems. Because states and localities are not equal in their income, federal government intervention is needed. Allocation of resources can be done effectively by states and local governments. Musgrave argued that the federal or central government should be responsible for the economic stabilization and income redistribution but the allocation of resources should be the responsibility of state and local governments.

The following are benefits of fiscal decentralization: regional and local differences can be taken into account; lower planning and administrative costs; competition among local governments favours organizational and political innovations; and more efficient politics as citizens have more influence. The theory of fiscal federalism has some shortfalls such as: the lack of accountability of state and local governments to constituents; the lack of availability of qualified staff; the possibility for people to choose where to reside; a certain degree of independence of the local governments from the national government; and unavailability of infrastructure of public expenditure at the local level.

Fiscal federalism is affected by the relationship between levels of government and thus by the historical events that shape this relationship. For instance, in the early years of American federalism, geographic separation, slow communication, and clear division of labour made it possible for each level of government to function without significant interactions with other levels. Several developments resulted in more interactions and central planning among the levels of government: improvement in transportation and communication technologies; the New Deal of the 1930s; the World Wars and the Cold War; and the war against poverty from the 1960s. These developments increased the interactions among levels of government and helped the development of national policy making and state and local policy implementation. It also changed traditional intergovernmental relations. National fiscal policies and financial decisions have been the predominant vehicle forming intergovernmental relations. Fiscal federalism operates through the various federal taxes, grants, and transfers that occur in addition to states and localities. The federal government regulates, subsidizes taxes, provides goods and services, and redistributes income. In federal systems like that of Nigeria, fiscal policies have also sought to empower the states through deregulation.

Local governments in Nigeria, Ibi and Wukari inclusive seem to have been faced with issues of financial autonomy deficit. In

this regards, they have been unable to render effective services to rural populace as a result of paucity of funds. The fiscal federalism theory postulates that government can be efficient and effective at solving problems governments face today, such as just distribution of income, efficient and effective allocation of resources, and economic stability. In relation to the current study, it therefore means that, for Ibi and Wukari local government areas to be effective and efficient in providing essential services to the rural dwellers, the state government must allocate resources and grant them the needed financial freedom to function as an independent tier of government in a federal system as practiced by Nigeria.

Methodology

A survey research design was employed in the conduct of this research. This involves the utilization of both primary and secondary data. The primary data were collected through questionnaire. The respondents were selected using simply random. The study employed both descriptive and inferential statistics using frequency count and simple percentage while chi-square was used to analyze the hypothesis in order to achieve the objectives of the study. Content analysis of secondary research documents was also utilized. This includes the review of journal articles, books, government publications, and newspapers.

Data Presentation and Analysis

Research Question 1: What is the effect of the financial relationship between Taraba State Government and service delivery in Wukari and Ibi Local Government Areas?

Table 1: Effects of the financial relationship between Taraba State Government and service delivery in Ibi and Wukari Local Government Areas

S/n	Questions	SA	A	SD	D
1	State Government interference in the finance of your Local Government deprived them the ability to provide quality primary education at the rural areas	89(23.9%)	168(45.2%)	59(15.8%)	56(15.1%)
2	The absence of financial autonomy as a result of local government and	111(29.9%)	169(45.5%)	33(8.8%)	59(15.8%)

	state government joint accounts serves as an impediment to providing primary health care				
3	Are the finances available to the local government enough for embarking on rural electrification programmes in your community?	81(21.8%)	186(49.9%)	54(14.5%)	51(13.8%)
4	Absolute control of local government allocations by the state government affects the provision of pipe borne water in your local government	87(23.4%)	166(44.7%)	76(20.5%)	43(11.4%)
5	The absence of financial freedom is an impediment to rural infrastructural development in your local government area	100(26.9%)	193(51.9%)	20(5.5%)	66(17.7%)
6	The absence of state government interference in local government finance will make local councils to improve their pace of service delivery	188(50.5%)	89(24%)	34(9.1%)	60(16.2%)
7	Without local government as an interventionist, rural development would suffer a setback due to its inadequate funding	97(26%)	225(60.5%)	8(2.1%)	42(11.4%)

Sources: Field Survey, 2023

The table above shows respondents opinion on the effects of financial relationship between Taraba State Government and service delivery in Wukari and Ibi Local Government Areas. Respondents were requested to indicate whether State

Government interference in the finance of their Local Government deprived them the ability to provide quality primary education at the rural areas; 89 respondents representing 23.9% strongly agreed, 168 respondents representing 45.2% agreed, 59 respondents representing 15.8% strongly disagreed, 56

respondents representing 15.1% disagreed. This shows that majority of the respondents agreed that State Government interference in the finance of Local Government deprived them the ability to provide quality primary education at the rural areas.

Respondents were also requested to indicate whether the absence of financial autonomy as a result of local government and state government joint accounts serves as an impediment to providing primary health care; 111 respondents representing 29.9% strongly agreed, 169 respondents representing 45.5% agreed, 33 respondents representing 8.8% strongly disagreed, 59 respondents representing 15.8% disagreed. This shows that majority of the respondents affirmed that the absence of financial autonomy as a result of local government and state government joint accounts serves as an impediment to providing primary health care. The implication of this is that, there will be high infant and adult mortality rate within the two local government areas as health workers will not be able to render effective services due to inadequate funds.

Equally, respondents were requested to indicate whether the finances available to the local government enough for embarking on rural electrification programmes in their community; 51 respondents representing 13.8% strongly agreed, 54 respondents representing 14.5% agreed, 81 respondents representing 21.8% strongly disagreed, 186

respondents representing 49.9% disagreed. This shows a high level of disagreement among respondents that the finances available to the local government will not be enough to embark on rural electrification programmes in their community.

Again, respondents were requested to indicate whether absolute control of local government allocations by the state government affects the provision of pipe borne water in their local government; 87 respondents representing 23.4% strongly agreed, 166 respondents representing 44.7% agreed, 76 respondents representing 20.5% strongly agreed, 43 respondents representing 11.4% disagreed. This shows that majority of the respondents agreed that absolute control of local government allocations by the state government affects the provision of pipe borne water in their local government.

Additionally, respondents were requested to indicate whether the absence of financial freedom is an impediment to rural infrastructural development in their local government area; 100 respondents representing 26.9% strongly agreed, 193 respondents representing 51.9% agreed, 20 respondents representing 5.5% strongly disagreed, 66 respondents representing 17.7% disagreed. This shows that majority of the respondents agreed that the absence of financial freedom is an impediment to rural infrastructural development in local government area.

Furthermore, respondents were requested to indicate whether absence of state government interference in local government finance will make local councils to improve their pace of service delivery; 188 respondents representing 50.5% strongly agreed, 89 respondents representing 24% agreed, 34 respondents representing 9.1% strongly disagreed, 60 respondents representing 16.2% disagreed. This show that majority of the respondents agreed that absence of state government interference in local government finance will make local councils to improve their pace of service delivery.

Respondents were requested to indicate whether without local government as an interventionist, rural development would suffer a setback due to its inadequate funding;

97 respondents representing 26% strongly agreed, 225 respondents representing 60.5% agreed, 8 respondents representing 2.1% strongly disagreed, 42 respondents representing 11.4% disagreed. This show that majority of the respondents agreed that without local government as an interventionist, rural development would suffer a setback due to its inadequate funding. This implies that local government is a veritable agent of development in rural areas if they will be given financial autonomy to operate. The entire table above has therefore, achieved the second research objective.

The above point was further buttress with the details of revenue profile and revenue allocation for service delivery in Wukari and Ibi Local Government Areas.

Table 2: Revenue Profile of Wukari and Ibi Local Government Areas from 2015-2021

Year	Statutory allocation of Wukari	Internally Generated Revenue	Capital Receipt	Total Revenue Accruable	Year	Statutory allocation of Ibi	Internally Generated Revenue	Capital Receipt	Total Revenue Accruable
2015	1,889,203,395.88	36,660,570.76	-	1,925,863,966.64	2015	160,822,886.4	31,161,485.15	-	1,636,984,371
2016	1,911,407,269.50	37,642,706.07	-	1,949,049,975.57	2016	1,624,696,179	32,749,154.28	-	1,676,182,979
2017	2,025,958,525.01	37,500,000.00	-	2,063,458,525.01	2017	1,722,064,746	31,875,000	-	1,795,208,917
2018	2,614,615,269.91	42,268,300.00	-	2,656,883,569.91	2018	2,248,569,131	35,928,055	-	2,258,351,034
2019	2,577,983,399.51	46,001,492.50	-	2,623,984,892.01	2019	2,191,285,889	39,101,268.63	-	2,230,387,158
2020	2,437,513,706.48	43,548,345.41	692,766,415.33	2,481,062,051.89	2020	2,071,886,650	38,322,543.96	595,779,117.2	2,158,523,984
2021	2,569,955,473.54	46,596,700.00	268,128,284	2,616,552,173.54	2021	2,184,462,152	39,607,195	-	2,224,069,347

Source: Extracted from Treasurer's Report, 2015-2021

The above table shows details of revenue sources and revenue allocation for service delivery in Wukari and Ibi Local Government Areas over the period under review (2015-2021). The table shows the statutory allocation, internally generated revenue, and capital receipts within the two local government areas. As shown above, in 2015 the total revenue accruable to Wukari local government was 1,925,863,966.64 while Ibi has a total of 1,636,984,371. This continues to increase to 1,949,049,975.57, 2,063,458,525.01, and 2,656,883,569.91 in 2016, 2017 and 2018 respectively. In the same vein, there was also an increase in revenue to 1,676,182,979, 1,795,208,917 and 2,258,351,034 respectively in Ibi. However, there was slight drop in the revenue of both local government areas. While Wukari's allocation dropped from 2,656,883,569.91 in 2018 to 2,623,984,892.01; Ibi's revenue dropped from 2,230,387,158 to 2,158,523,984 in 2019. Furthermore, there was also a rise in the revenue to 2,481,062,051.89 and 2,616,552,173.54 in 2020 and 2021 in Wukari whereas in the same period it rises from 2,158,523,984 to 2,224,669,347 respectively. It was seen that the capital receipt of 692,766,415.33 and 595,779,117.2 was only recorded in the year 2020 in Wukari and Ibi local government areas respectively.

Research Question 2: What are the challenges militating against financial autonomy and effective service delivery in Wukari and Ibi Local Government Areas?

Table 3: The inability of the constitution to clarify the position of local government encourages encroachment of local government funds by State government

S/n	Response	Frequency	Percentage
1	Strongly Agree	97	26.2
2	Agree	230	61.8
3	Strongly Disagree	16	4.2
4	Disagree	29	7.8
5	Total	372	100

Source: Field Survey, 2023

The table above shows respondents opinion whether the inability of the constitution to clarify the position of local government encourages encroachment of local government funds by State government; 97 respondents representing 26.2% strongly agreed, 230 respondents representing 61.8% agreed, 16 respondents representing 4.2% strongly disagreed, 29 respondents representing 7.8% disagreed. This show that majority of the respondents agreed that inability of the constitution to clarify the position of local government encourages encroachment of local government funds by State government.

Table 4: Unhealthy financial relationship between local government and other tiers leads to interference on their finances

S/n	Responses	Frequency	Percentage
1	Strongly Agree	83	22.3

2	Agree	186	49.9
3	Strongly Disagree	38	10.1
4	Disagree	66	17.7
5	Total	372	100

Source: Field Survey, 2023

The table above requested from respondents whether unhealthy financial relationship between local government and other tiers leads to interference on their finances; 83 respondents representing 22.3% strongly agreed, 186 respondents representing 49.9% agreed, 38 respondents representing 10.1% strongly disagreed, 66 respondents representing 17.7% disagreed. This show that majority of the respondents agreed that unhealthy financial relationship between local government and other tiers leads to interference on their finances.

Table 5: Inability of local government to recruit and discipline its staff affects her Financial autonomy

S/n	Responses	Frequency	Percentage
1	Strongly Agree	89	23.9
2	Agree	180	48.3
3	Strongly Disagree	47	12.7
4	Disagree	56	15.1
5	Total	372	100

Source: Field Survey, 2023

The table shows respondents opinion whether inability of local government to recruit and discipline its staff affects her

Financial autonomy; 89 respondents representing 23.9% strongly agreed, 180 respondents representing 48.3% agreed, 47 respondents representing 12.7% strongly disagreed, 56 respondents representing 15.1% disagreed. This show that majority of the respondents agreed that inability of local government to recruit and discipline its staff affects her financial autonomy.

Table 6: Do you think the concern of other tiers of government on the inability of local government to be prudent and accountable affects their level of financial autonomy?

S/n	Responses	Frequency	Percentage
1	Strongly Agree	81	21.8
2	Agree	191	51.4
3	Strongly Disagree	61	16.4
4	Disagree	39	10.4
5	Total	372	100

Source: Field Survey, 2023

The table above shows respondents' opinion whether if they think that the concern of Federal and State government on the inability of local government to be prudent and accountable affects their level of financial autonomy; 81 respondents representing 21.8% strongly agreed, 191 respondents representing 51.4% agreed, 61 respondents representing 16.4% strongly disagreed, 39 respondents representing 10.4% disagreed. This show that majority of the respondents agreed that they think that the concern of Federal and State

government on the inability of local government to be prudent and accountable affects their level of financial autonomy.

Table 7: Inability of local government to elect their representatives encourages absence of financial autonomy

S/n	Responses	Frequency	Percentage
1	Strongly Agree	77	20.8
2	Agree	182	48.8
3	Strongly Disagree	22	6
4	Disagree	91	24.4
5	Total	372	100

Source: Field Survey, 2023

The table above shows respondents opinion whether inability of local government to elect their representatives encourages absence of financial autonomy; 77 respondents representing 20.8% strongly agreed, 182 respondents representing 48.8% agreed, 22 respondents representing 6% strongly disagreed, 91 respondents representing 24.4% disagreed. This show that majority of the respondents agreed that inability of local government to elect their representatives encourages absence of financial autonomy.

Table 8: State-Local Government Joint Account serves as a means of interface

between Taraba state government and your Local government

S/n	Responses	Frequency	Percentage
1	Strongly Agree	89	23.9
2	Agree	177	47.5
3	Strongly Disagree	43	11.5
4	Disagree	63	16.6
5	Total	372	100

Source: Field Survey, 2023

The table above shows respondents distribution on whether State-Local Government Joint Account serves as a means of interface between Taraba state government and their Local government; 89 respondents representing 23.9% strongly agreed, 177 respondents representing 47.5% agreed, 43 respondents representing 11.5% strongly disagreed, 63 respondents representing 16.6% disagreed. This indicate that majority of the respondents agreed that State-Local Government Joint Account serves as a means of interface between Taraba state government and your Local government. The above tables have achieved the third research objective.

In the same vein, this was corroborated with details of expenditure and projects embarked upon by the Taraba State Government on behalf of Wukari and Ibi Local Government Areas. The table shows the consequences of inadequate finance on the provision of various services like education, health, agriculture and works among others.

Table 9: Expenditure and projects embarked upon over the period (2015-2021) in Wukari and Ibi LGAs

Year	Education	Health	Agriculture	Works	Total expenditure	Year	Education	Health	Agriculture	Works	Total Expenditure
2015	32,690,443	36,261,961	41,136,331	37,552,172	147,640,907	2015	27,786,876.55	30,822,666.85	34,965,881.35	31,919,346.2	125,494,771
2016	44,832,196	41,312,314	39,121,171	45,372,562	170,638,243	2016	38,107,366.6	35,115,466.9	33,252,995.35	38,566,677.7	145,042,506.6
2017	49,992,315	37,146,164	38,331,439	51,410,312	176,880,230	2017	42,493,467.75	31,574,239.4	32,581,723.15	43,698,765.2	150,348,195.5
2018	58,413,122	38,060,138	35,321,679	43,086,729	174,881,668	2018	49,651,153.7	32,351,117.3	30,023,427.15	36,623,719.65	148,649,417.8
2019	65,111,320	43,631,821	37,221,633	49,331,832	195,296,606	2019	55,344,622	37,087,047.85	31,638,388.05	41,932,057.2	166,002,115.1
2020	61,223,241	54,121,177	45,314,353	78,523,260	239,182,031	2020	52,039,754.85	46,003,000.45	38,517,200.05	66,744,771	203,304,726.4
2021	62,822,267	69,891,318	65,317,155	70,097,544	268,128,284	2021	53,398,926.95	59,407,620.3	55,519,581.75	59,582,912.4	227,909,041.4

Source: Extracted from Treasurer's Report, 2015-2021

The table above shows the total amount expended on the following services; education, health, agriculture, and works between the period of 2015-2020 in Wukari and Ibi Local Government Areas. In 2015, the total amount spent on various services involving education, health, and Agriculture and works in Wukari amount to 147,640,907. However, the expenditure on the various services rendered increases from 170,638,243 to 176,880,230 in 2016 and 2017 respectively. Furthermore, there was a drop in level of services rendered to the local in 2018 as the

amount expended dropped to 174,881,668. It then continued to rise to 195,296,606, 239,182,031, and 268,128,284 in 2019, 2020 and 2021 respectively.

In the same vein, the amount spent on these services in 2015 in Ibi amount to 125,494,771. The expenditure on these services further increased in 2016 and 2017 from 145,042,506.6 to 150,348,195.5. However, there was a drop in the level of expenditure accruable for services delivery in Ibi in 2018 to 148,649,417.8 and further increases to 166,002,115.1, 203,304,726.4 and

227,909,041.4 in 2019, 2020 and 2021 respectively. Comparatively, the level of services provided in both local government areas varies, as much allocation and revenue base of Wukari local government area is seen to be more than that of Ibi local government area.

4.3 Test of Hypothesis

In this section, an attempt was made to test the hypothesis postulated. The data gathered formed the basis for the testing of the research hypothesis. The hypothesis testing was done at 0.5 confidence level. The decision rule given below was used to adjudge whether to retain or reject the hypothesis being tested.

Table 10: Chi-square Tests of Hypothesis Two (2)

	f-value	DF	Asmp. Sig. (2 sided)
Pearson chi-square	110.21	8	.000
Like hood Ratio	233.01	8	.000
Linear-by-linear Association	63.101	1	.000
N of valid cases	400		

Source: SPSS (23)

Research Result: From the computation above, Pearson chi-square (calculated value i.e x^2_{cal} is 110.21 and the tabulated value (x^2_{tab}) is 16.70 at 8 degree of freedom (df) and 0.05 alpha level i.e. $x^2_{cal} = 110.21$, $P > 0.05$. This shows that the Pearson calculated value is greater than the chi-square tabulated value. On this ground, we reject the null hypothesis and accept alternate hypothesis and concludes that

Decision rule

Accept null hypothesis if calculated value is less than tabulated value (at a specified level of significance and a determined degree of freedom) otherwise reject.

H₀: Local Government Financial relationship does not have effect on effective service delivery as a result of state interference and state local government joint account

H₁: Local Government Financial relationship has effect on effective service delivery as a result of state interference and state local government joint account.

Local Government Financial relationship has effect on effective service delivery as a result of state interference and state local government joint account. In other words, the rejection of null hypothesis implies the agreement amongst the respondents that Local Government financial relationship has effect on effective service delivery as a result of state interference and state local government joint account.

Discussion of Findings

From the data that were presented in the study, both qualitative and quantitative, the study came up with the following findings. In addressing research objective one which seeks

to seeks to examine the effect of these financial relationships on effective service delivery in Wukari and Ibi local government areas. The study revealed that State Government interference in the finance of the local government areas deprived them the ability to provide quality primary education at the rural areas. It was also revealed that absence of financial and economic autonomy as a result of local government and state government joint accounts serves as an impediment to providing primary health care. The study further show that the financial resources available to the local government areas are not enough for embarking on rural electrification programmes in communities around the local government areas and also that absolute control of local government allocations by the state government affects the provision of pipe borne water in the local government areas. It was equally revealed that absence of financial freedom is an impediment to rural infrastructural development in the local government areas and that absence of state government interference in local government finance will make local councils to improve their pace of service delivery.

In addressing research question two which seeks to seeks to find out the challenges militating against financial autonomy and effective service delivery in Wukari and Ibi Local Government Areas, the study find out that the inability of the constitution to clarify the position of local government encourages encroachment of the local government funds

by the State government over time and also the unhealthy financial relationship between the two tiers leads to unhealthy interference. The study revealed that the concern of the State Government on the inability of local government to be prudent and accountable affects its level of financial autonomy. It was also revealed that State-Local Government Joint Account serves as a means of interface between Taraba State Government and Wukari and Ibi Local government Areas. As part of the challenges that encourages the encroachment into local government finance is the inability of local government to elect its representatives and also its inability to recruit and discipline its staff affects her autonomy.

Therefore, the study hypothetically revealed that Local Government Financial relationship has effect on effective service delivery as a result of state interference and state local government joint account. The outcome of this study is consistent with findings of scholars such as Nwankwo et al (2021); Eyitayo and Alani (2019); Eze and Nnaemeka (2019); Osakede et al (2016); and Okafor (2010). For instance, Nwankwo et al (2021) attributed this to the fact that the Governors, through the instrumentalities of the state government have devised means and strategies to enforce all kinds of administrative, Judicial, Legislative and financial controls over the local government councils in their domain.

Conclusions

Local governments were created essentially to fulfill the provision of basic services to the people at the grassroots. However, this constitutional responsibility has been frustrated and made nearly impossible because of a number of factors. Chief among these factors is the absence of financial autonomy to access or generate as well as to spend resources supposedly at their disposal. This study has assessed the effect of local government financial autonomy and effective service delivery between Taraba State Government and Wukari and Ibi Local Government areas.

From the analysis made, the local governments were expected to provide effective social services to the local people. However, it has not been able to fulfill this constitutional function satisfactorily over the years due to fiscal autonomy deficit, state government interference on the revenue sources of the local government, and the constitutional provision on the operation of State-Joint-Local-Government-Account, among others.

Recommendations

Arising from the study findings, the following recommendations were made:

1. The study recommends direct payment of allocation from the federation account to the local government. This will eliminate the

tendency of the State to withhold and abuse funds transferred through it to the local government. Progressively, the statutory allocation of the local government should be determined by certain percentage of what was internally generated in the area and as well, be tied to programmes and projects to be executed by the Local Government Council.

2. Some level of supervision should be instituted and superintended by the state and central government over local government spending, since it was revealed in the study that the federal and the state governments are concerned with the question of prudence and accountability in the management of funds by the local government. This will enhance prudence and accountability in the management of funds for effective service delivery.
3. It was equally revealed in the study that the current level of financing available to local government will not be able to facilitate effective service delivery. Therefore, the study recommends that the State Government should respond by adjusting the statutory allocation to the local government to about 10%.
4. A review of the 1999 constitution in order to guarantee local government financial autonomy is recommended. Additionally, the study wishes to add that at least one or more lucrative

revenue sources should be designated to the local government so that it can mobilize revenue internally for effective service delivery.

5. The study also discovered that the existence of State-Local Government Joint Account impedes service delivery at the local government level; therefore, the operation of the State-Joint- Local- Government- Account should be modified to make local government a signatory to the account.

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