

Impact of State-Local Government Fiscal Relations on Primary Education Services in Abia State (1999-2014)

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Abstract

This study examined the fiscal relationship between the Abia State Government and the local government councils existing within its jurisdiction. The aim was to establish whether the inability of local government councils in Abia State to provide effective primary education is associated with the structure of state-local government fiscal relations. The study adopted the coordinate authority model of intergovernmental relations in explaining the nature of relationship between the Abia State government and its local councils. A descriptive survey research design was used to acquire primary data through questionnaire, interviews, personal observation and focus group discussions. Secondary data was generated from published works and organizational annals. Data was analyzed using simple percentage, frequency tables and chi-square. Findings revealed that the Abia State Government has shifted from its role to monitor the finances of local government, and have taken total control of local government funds and thus, making it hard for local governments in Abia State to carry out its role with respect to efficient primary education delivery. The study concludes that the local government was basically instituted to expand development to the grassroots. Nevertheless, the current status of state local government relation in Abia State cannot lay the framework for and meaningful development unless the importunate issues identified in this work are tackled.

Keywords: State-Local Government Fiscal Relations, Local Government, Primary Education

Introduction

The federal system of government shares the responsibilities of governance among the various levels that form the federation. In the same way the finances of the federation are distributed among the federating units such that each level receives adequate funds to perform its functions without undue influence from another level. This is done through the process of fund transfer in which the higher level government transfers funds to the peripheral units to enable them develop rural communities where the majority of the citizens live. Contrary to expectation, the fiscal arrangement between the Abia State government and the local governments existing within its jurisdiction has come short of this basic tenet of a federal structure, as the state government has used its position to usurp the major sources of revenue of local governments. At the same time, the core functions of local government have suffered neglect over a long period of time. It is understood that federalism distributes functions and finances in a manner that guarantees series of interactions among these levels, this relationship exists at different levels depending on states, yet the basic tenet of federalism supports the idea of cooperation among the various levels while de-emphasizing the notion of hierarchy in their relationship.

Inherent in the idea of federalism is the value of mutual exclusiveness among the federating units. This feature is supported by the definition of federalism given by the most widely recognized scholar in the literature of federalism, Wheare, in Williams and Ogbole (2014), who conceived federalism as the means of sharing powers so that each level of government, within its area of jurisdiction is independent, but co-operates with other levels. By this definition, federalism implies both exclusivity and inter-dependence among the different units in a constitutional federal structure. It is this inter-dependence that gives rise to inter-governmental relations.

However, unitary and federal governments provide different forms of intergovernmental relations, especially in fiscal issues. In unitary states the constitution does not allow the lower levels of government to determine their decisions and actions. Instead, the central government establishes different subordinate levels as administrative units outside the centre to implement policies and programmes determined at the centre. On the other hand, under federal constitutions, sub-national

governments are empowered to make independent decisions and determine their actions. However, local governments may not always be disposed to a wide range of autonomy and discretion in federal systems, because the essence of these political sub-divisions is to achieve national development goals. It is therefore not out of place for higher level government to monitor or oversee the activities and programmes of lower units, so long as the essence of such monitoring is to enhance integrated national development in line with the federal principle of co-operation. Nevertheless, the discretion and autonomy available to lower tiers of government differ among countries irrespective of system of government (Ladipo, 2011).

Intergovernmental relations are therefore determined by two major factors: the constitutional allocation of powers to the various levels, and the amount of fund disposed to each unit to execute its tasks. It was in consideration of the role of finance in any organization, that Imam-Bello (2004) generally described finance as the “sinews of war”. Local governments therefore need sufficient fund and decision power to execute their obligations especially the primary education function. Under primary education function, local governments are expected to have the ability to provide conducive classroom blocks; engage qualified teachers pay their salaries as at when due, as well as provide relevant instructional materials, etc.

An important factor in fund transfer is the degree to which the peripheral units are allowed to decide the direction of their spending, as well as their ability to raise revenue. These features are however largely dependent on the structure of different federations. In the Nigerian federal structure, local government allocations are transferred through the states in which the local governments domicile, thus, resting the ability of local governments to perform their duties on the financial relationship with the states in which they operate. Against this background, this chapter examined the management of 10% of the internally generated revenue of the state government supposedly belonging to local government vis-à-vis the provision of primary education services by local governments.

It is however important to note here that the research was carried out in three phases focusing on the state local government fiscal relations in Abia State and its impact on local government performance. The three sources of local government revenue were considered:- allocation from federation account, 10% of state governments internally generated revenue and local government internally generated revenue. The first part viewed the impact of the state control of local government federal allocation on primary healthcare delivery. This second part considered the impact of the refusal of the Abia State government to release to local government the 10% of her internally generated revenue on primary education services of local governments, while the 3rd part examined the effect of state government takeover of the internal revenue points of local government on the delivery of social welfare programs by local governments in Abia State. The first and third parts of this work will each appear as another publication.

Theoretical Background

The theoretical framework that supports this work shall be located within the existing theories of intergovernmental relations. The most informing idea on intergovernmental relations is provided by Wright in Usman & Erunke (2013) who propounded three simple theories of Intergovernmental Relations, focusing on power relationship among jurisdictional scope of federating units which is determined by the income and expenditure capacity of each level. Two of the models were examined for this studies. The assumptions are made clear in table 1 below:

Table 1: Models of Intergovernmental Relations

	1	2
Designation	Coordinate	Overlapping
Relationship	Independent	Interdependent
Authority Pattern	Autonomy	Bargain

Source: Usman A.T., & Erunke C. E. (2013)

Overlapping: Authority model

In the overlapping model, intergovernmental relations occur in form of correlation among national and peripheral levels of government concurrently, with an overlay of circles that focus on three characteristics: (a) Important aspects of government functions are performed jointly by all the units of government; (b) scope of autonomy of single jurisdiction is modest; (c) authority at the disposal of one jurisdiction is quite small. The authority model presents the character of collaboration. Agranoff and Radin (2014) noted that the overlapping model created the environment for a new wave in intergovernmental relations. They view the overlapping model as being consistent with the dynamics of the United States model where power is shared with respect to the virtues of interdependence. However, as good as the overlapping model looks, it does not capture the violent political process that characterizes backward societies especially in the distribution of values. Therefore, within the context of this study where focus is on usurpation and control of the finances of one level of government by another level, the ingredients of the overlapping model are clearly absent, for which the model is considered inadequate in explaining the thesis of this study.

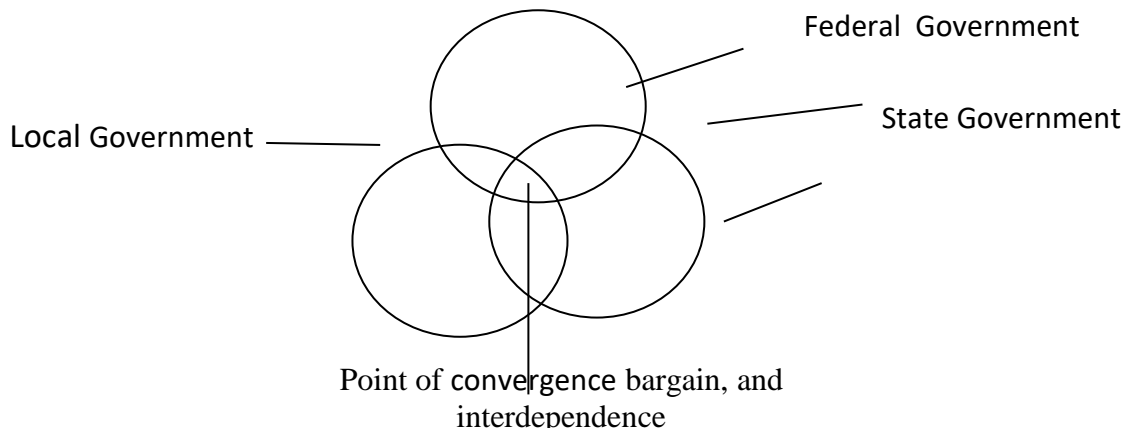


Fig.1: The overlapping Model of Intergovernmental Relations

Source: Fieldwork (2015)

Coordinate Authority Model

In view of the inadequacy of the overlapping model, the use of the 'coordinate' or 'separate' authority model has become imperative for this study. In the coordinate model of intergovernmental relations, national and state governments are created and recognised by the constitution, and they operation under the ambit of the legal system; while the local governments are established by the states. The coordinate model in table 1 above depicts an obvious distinction between national and state government in responsibilities and authority, this model focuses on how the entities are independent and autonomous. Ayoade (2005) noted that this model describes a peripheralized, weak and decentralized federal structure which reflects the state-centred variant of federalism, which according to Obianyo (2005) conforms to dual model of federalism. This model was made explicit in Nigeria in the tripod nature of intergovernmental relations introduced by 1976 and 1999 constitutions where local government was subordinated, dependent and mere agent to state government. This pattern of relationship was made clearer by Akinsanya (2005) when he noted that federal and state relationship in a coordinate authority model implies that federal and state government are sovereign and distinct. The authority and powers of the two separate levels are exercised as independent and autonomous entities. Their authority patterns lives little or no room for autonomy for local government.

Within the context of this study, the coordinate model in figure 2 below has showcased the actual practice of intergovernmental fiscal relations in the Nigerian federal structure, where local governments are constitutionally subordinated to state governments. Although the constitution in section seven (1) provides for democratically elected local government system, the same constitution in section 162 (2) subjects local government finance under the authority of states through the operation of the state-joint-

local government account, and further permits state government in (8) to distribute revenue to local governments according to the prescription of the State House of Assembly.

Thus, the operation of State-Joint-Local Government Account has been abused and reduced to the level of 'master-servant' relationship as state governments swindle local government funds and undermine the financial fortunes of local governments. This control further encapsulates in the refusal of Abia State government to neither release the federal allocation nor remit the 10 percent of its internal income to the local governments under it. It is the same reason that the major revenue points of local governments in Abia State such as market levy, advertisement charges (bill boards and sign post), quarry site charges, motor park levy, cattle market, etc. have been high-jacked by the state government. Thus, the issue of local government autonomy is completely eroded in the existing state-local government fiscal relationship in Abia State.

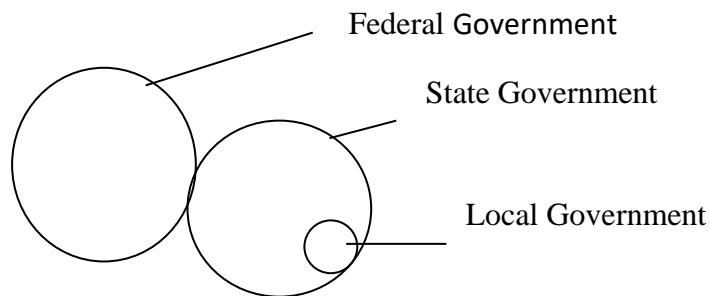


Fig. 2: Coordinate Model of Intergovernmental Relations
Source: Fieldwork (2015)

The following section considers the revenue structure in respect of sources of revenue as well as the operations of the state joint local government account as the major determinant of the revenue status of the local governments in Abia State.

Sources of Abia State Local Governments Revenue

Local governments in Abia State generate their funds through two major sources: the internal and external sources. The external sources include allocation from the federal accounts and 10percent of the internally generated revenue of each state. The local government federal allocation and the 10 percent from the state's internal revenue are deposited into the State-Local Government Joint Account from where funds are disbursed to local governments by the state government. The internal sources of local government revenue include: daily market toll, daily Motor Park charges on commercial vehicles, motor bikes, tricycle, wheel barrow, rents on business premises charge to shop owners, charges for sign post and bill boards, tenement rates. Others include birth and death registration, issuance of marriage certificates, capitalisation (tax paid by every male adult whether employed or unemployed), sale of government property such as used vehicles and furniture; proceeds from agricultural programs such as fish farms, piggery, cassava farms, poultry farms, leasing of land to farmers, etc. In Abia State however, the state government has deliberately excluded tolls from major markets and motor parks which were parts of local government revenue sources, but have been hijacked by the Abia State government. Examples is the Ariara market and Aba main motor park (all in Aba), and Umuahia main market.

Operation of the State-Joint-Local Government Account in Abia State

The State-Joint Local Government Account was initiated into the Nigerian federal structure in 1981 under the civilian regime of Shehu Shagari, by an act of the National Assembly called "Allocation of Revenue Act". The essence of its introduction was to establish a framework for state and federal government to jointly fund local governments and monitor their expenditure (Onuigbo, 2015). Thus, Section 162 (6) of the 1999 constitution orders every state to keep an account to be called State Joint Local Government Account into which all local government external funds are to be paid. However, the same section of the constitution subordinates local governments to state using the State-Joint Local Government Account as a strategy, thus, provided a constitutional backing to the Abia State government

as basis for excessive control of the finances of local governments in the state. Hence, the application of the State-Joint Local Government Account in Abia State is a far cry from the desired objective of establishing it.

For a fair distribution of the federal revenue to the federating units, the military government of Ibrahim Babangida established the Revenue Mobilization Allocation and Fiscal Commission (RMAFC) under decree 49 of 1989, with authority to watch the generation and distribution of revenue from the federation account in line with the provision in section 153N subsection 32(a-e) of the 1999 constitution (Onuigbo, 2015). In distributing the national revenue, the Commissioner for finance of each state collects the revenue share of each state and that of the local governments within the states. At the level of the state, it is the duty of the treasurer of each local government to collect allocation to their respective local governments from the state House of Assembly. This applies to both the federation account and the 10% of state government revenue constitutionally allocated to local governments.

However, this is not the case in Abia State. Under the ruler-ship of Governor T.A.Orji, the Abia State government established what it called Revenue Allocation Committee made up of the Chairman of each local government, Commissioner for Local Government and Chieftaincy Affairs, Auditor General for Local Government, Commissioner for Finance, and Permanent Secretary, Ministry of Finance. No other local government staff is a member of this Commission where critical decisions on the distribution of local governments' revenue are made. This commission takes decisions on who gets what, when and how and distributes fund to local governments in accordance with the whims and caprices of the state governor. In the days when local government chairmen were elected, the duly elected Chairmen could raise arguments or challenge any aspect of the decision of the Commission that was not in favour of local governments. This could not happen again because of the caretaker status of Local Government Chairmen who are not expected to challenge the administration that appointed them, else they suffer replacement (Researcher's Interview with Senior Account officer, Isiala Ngwa South Local Government, 2015).

Revenue Status of Selected Local Governments in Abia State (1999-2014)

This section gives awareness into the revenue status of local governments in Abia State as represented on the two tables representing each of the two local governments areas studied. Local governments in Abia State enjoyed direct federal allocation during the regime of Ibrahim Babangida who felt that the best antidote for local governments to perform their responsibilities of rural development was to allow them direct access to their allocation. This continued till 1999 when the State-Joint-Local Government Account was re-introduced. However, local governments continued to receive direct allocation until somewhere around 2006 - the second tenure of the then Abia State governor: Governor Orji Uzor Kalu when the State-Joint-Local Government Account became fully operational, and local governments began to receive their allocation through the state. Nevertheless, local governments could still boast of reasonably adequate revenue to function as much as the available fund permitted.

The research gathered that the dilemma of Abia State local governments began in 2007 under the leadership of former Governor T.A. Orji who came up with a new law for the Abia State House of Assembly, establishing the Joint Allocation Committee (JAC) for Abia State. The major term of reference of this Committee being to determine what amount goes to each local government, when and how. This law gave the state government an overwhelming power and control over local government allocation, functions and sources of revenue. This control of local governments climaxed with the stoppage of federal allocation to local governments. Some of the constitutionally assigned functions of local governments like the management of primary education was taken over by the state and managed through the Abia State Universal Primary Education Board (ASUPEB). Within the same period, the 10 percent of state's internal revenue constitutionally allocated to local government disappeared and was never received by most local governments.

Subsequently, local governments receive only fund for recurrent expenditure (salaries and overhead) released at the disposal of the state government. Thus, to say that local governments in Abia State paid their staff salaries is rather an overstatement. The functions of preparation and payment of salaries were taken over by the state through the Ministry of Local Government and Chieftaincy Affairs

where all the deductions, subtractions and mutilations are completed on employees' salaries. Salaries are prepared outside the approved salary scales and minimum wage. At the end of this unpatriotic exercise, local governments are handed over schedule of prepared salaries just for them to disburse to workers.

During the same period, election to local government council was abolished and replaced with the appointment of Caretaker Committee Chairmen who were appointed on political patronage, just like the name implies 'caretakers' working according to the dictates of their master without any voice of their own in the management of local government affairs (Interview with a senior accountant of Ukwu-West Local Government, 2015). This significantly reduced the revenue availability and spending power of local governments. The federal and state revenue that accrued to local governments in Abia State between 1999 and 2014 are represented on the tables 2-3 below from a survey of two local governments.

Table 2: Revenue Status of Ohafia Local Government (1999-2014)

Year	Estimated Fed. allocation	Actual fed. allocation	Actual from 10 percent State IGR	LG internally IGR	Health	Educa tion	Social welfare	Health	Education	social welfare
1999	104,229,788.00	82,681,200.95	1,000,000.00	2,081,399.54	8,142,380.00	-	512,810.00	6,854,556.00	560,370.00	34,278.00
2000	248,645,060.00	178,968,543.93	-	3,200,596.00	27,798,436.00	-	903,220.00	9,586,307.00	1,797,000.00	4,793,153.00
2001	245,158,169.00	228,406,931.99	-	2,962,812.72	18,102,535.19	-	1,404,541.49	10,433,980.00	2,730,370.00	5,216,990.00
2002	253,582,485.00	200,306,931.99	-	2,662,812.72	-	-	-	13,485,955.00	4,424,180.00	5,628,930.00
2003	275,463,930.00	121,151,931.00	-	2,301,210.07	20,758,609.26	-	486,000.00	25,974,100.00	4,471,220.00	4,471,220.00
2004	276,563,620.00	297,231,285.00	-	3,039,354.00	27,151,917.00	-	1,742,620.00	27,441,590.00	4,546,540.00	4,546,540.00
2005	420,374,370.00	461,413,852.00	-	3,546,717.14	25,553,927.08	-	7,047,780.95	3,931,710.00	2,231,570.00	7,231,570.00
2006	637,209,218.00	393,456,406.56	-	5,019,420.80	33,231,902.39	-	12,888,931.73	34,924,160.00	6,000,000.00	13,445,270.00
2007	747,475,120.00	477,079,413.18	-	4,645,985.13	43,165,744.25	-	14,049,929.26	48,159,670.00	16,349,090.00	16,349,090.00
2008	381,697,890.00	1,004,652,119.17	-	9,290,345.15	61,919,464.22	-	23,467,259.27	81,706,920.00	39,363,270.00	38,508,390.00
2009	744,662,080.00	613,909,113.72	-	7,652,541.14	5,991,821.52	-	7,678,368.56	6,325,500.00	9,000,000.00	6,719,000.00

2010	1,237,166,050.00	562,084,372.59	-	8,038,182.62	72,138,098.24	-	33,399,501.92	118,061,680.00	4,500,000.00	5,500,000.00
2011	1,301,836,050.00	461,021,080.96	-	8,246,856.45	71,891,747.37	-	28,682,913.49	82,006,230.00	21,525,160.00	47,000,780.00
2012	1,520,129,340.00	700,782,564.27	-	6,203,535.00	97,546,638.53	-	50,325,518.84	21,868,000.00	56,103,350.00	69,697,820.00
2013	1,156,398,542.00	683,637,355.39	-	6,802,389.58	140,926,846.53	-	68,205,543.00	155,203,000.00	91,153,350.00	21,500,000.00
2014	1,532,749,020.00	554,731,678.81	-	8,091,741.70	129,642,806.77	-	55,976,100.37	98,854,960.00	61,153,350.00	26,500,000.00

Source: Field report, (2015)

Table 3: Revenue Status of Isiala-Ngwa South Local Government (1999-2014)

Year	Estimated Fed. Allocation	Actual Fed. Allocation	Actual from 10	LG Internally IGR	Health	Education	Social Welfare	Health	Education	Social Welfare
1999	73,386,575.00	68,075,989.74	-	2,227,843.16	16,943,990.00	-	2,960,547.60	-	-	-
2000	149,762,898.00	129,845,334.00	-	3,505,441.00	16,721,441.00	-	2,781,251.00	-	-	-
2001	238,375,010.00	217,816,535.00	-	4,763,322.00	15,361,570.00	-	1,005,870.00	-	-	-
2002	251,375,010.00	-	-	-	-	-	-	-	-	-
2003	238,861,010.00	239,716,480.00	-	2,138,370.00	18,930,932.00	-	1,098,500.00	-	-	-
2004	328,185,210.00	278,174,170.00	-	4,627,565.00	31,982,581.00	-	2,807,098.00	-	-	-
2005	361,284,160.00	298,556,021.00	-	4,594,213.00	31,081,523.00	-	2,745,189.00	-	-	-

2006	503,984,160.00	348,553,802.00	-	5,585,316.00	51,621,196.00	-	13,006,667.00	-	-	-
2007	612,362,290.00	-	-	-	-	-	-	-	-	-
2008	983,764,930.00	872,995,989.00	-	5,649,130.00	51,507,721.00	-	18,542,056.00	-	-	-
2009	1,011,833,517.00	563,482,569.00	-	3,263,707.94	51,569,823.00	-	19,045,687.00	-	-	-
2010	1,083,659,790.00	560,232,362.00	-	3,263,707.94	51,397,084.00	-	19,419,370.00	-	-	-
2011	1,083,659,860.00	273,946,280.09	-	6,389,514.82	67,585,232.50	-	16,893,204.00	4,783,000.00	-	10,165,928.00
2012	1,291,830,426.00	706,338,740.00	-	4,929,310.00	161,681,723.13	-	57,785,243.00	5,000,000.00	-	-
2013	1,318,000,000.00	-	-	-	-	-	-	-	-	-
2014			-			-			-	

Source: Field report, (2015)

The two tables above clearly showed the non existence of the 10% of state's internal revenue to local governments within the period covered in this study.

Impact of the above Financial Arrangement in Abia State on the Provision of Primary Education Service by the Local Governments

Educational Services Provided by Local Governments in Abia State, 1999-2014

During the period of this study, the educational function of local governments had already been taken over by the state government. The state funded primary education through the Abia State Universal Primary Education Board (ASUPEB). That was why none of the local governments studied had any record of recurrent expenditure (salaries and overhead) on education. However, local governments in Abia State sometimes received record showing the amount claimed to have been deducted and spent as capital expenditure on education just as in health and social welfare, by the state government, just for local governments to update their records. Expenditure recorded on education were actually made on social welfare when it was hitherto on the same budget with education especially under the Adult Education Program, before education and social welfare were split and given separate budgets. Just like for health services, most of the structures built within the period of this study were provided by either the Niger Delta Development Commission (NDDC), the Universal Basic Education (UBE) program of the federal government or the United Nations (UN).

The irony of it all is that these structures were eventually handed over to the state via the ASUPEB through which the state claimed to manage primary schools for local governments. Local governments never built any school structures within the period under study. The problem was compounded by the fact that most of the primary school teachers interviewed decried non payment of salaries which sometimes built up to over five months of indebtedness, while the observed condition of physical infrastructure was tale of woes. Thus, the performance profile of local governments in Abia State in respect of the issues related to education services was obviously below minimum expectation.

A questionnaire was drafted and distributed among 572 persons comprising local government functionaries, state government personnel, local government administrative officers and some indigenes of the local communities studied, on the assumption that the state government control of the 10 percent of her internal revenue which belongs to local governments has not made any significant impact on the ability of local government to provide primary education services. The table below shows the analysis of responses obtained.

Table 4: Responses on the Impact of Non- remittance of 10 Percent to Local Governments between 1999 and 2014

Respondents	Agree	Disagree	Total
LG functionaries	13	89	102
State government personnel	12	33	45
LG admin Officers	44	70	114
Local communities	102	209	311
Total	171 (30percent)	401 (70percent)	572

Source: Fieldwork 2015

Table 5: Frequency Table on the Provision of Educational Services

Respondents	Agree	Disagree	Total
LG functionaries	13(30.5)	89(71.5)	102
State government personnel	12(13.5)	33(31.5)	45
LG admin Officers	44(34.1)	70(80)	114
Local communities	102(93)	209(218)	311
Total	171 (30percent)	401 (70percent)	572

Degree of freedom (df)

$$df = (r-1)(c-1)$$

$$(4-1) (2-1)$$

$$3 \times 1 = 3$$

$$df = 3$$

Significant level is .05

Critical or table value calculated at df of 3 on the significant level of .05 is 7.81

Source: Field work (2015)

Table 6: Contingency Table for Test of Hypothesis

Fo	Fe	Fo-fe	(Fo-fe) ²	$\frac{(Fo-fe)^2}{Fe}$
13	30.5	-17.5	306.25	10
89	71.5	17.5	306.25	4.2
12	13.5	-1.5	2.25	0.17
33	31.5	1.5	2.25	0.07
44	34	10	100	2.9
70	80	-10	100	1.25
102	93	9	81	0.87
209	218	-9	81	0.37
X ² Calculated				19.93

Source: Fieldwork (2015)

Decision Rule

Where the calculated Chi-square X^2 value is greater than the critical value, the null (H_0) is rejected. However, if the calculated Chi-square value is less than the tabulated value, the null hypothesis is accepted and the alternate rejected. From table 6 above, calculated Chi-square value is 19.93, while the critical or table value at degree of freedom (df) of 3 calculated at .05 level of significance is 7.81. Therefore, $X^2: 19.93 > \text{table value} : 7.81$, the assumption that The Abia State government control of 10% of her internal revenue belonging to local government is not likely to be significantly responsible for the inability of local governments to provide primary education services is hereby rejected. This means that within the period covered in this study, the poor performance of the local governments in Abia State in the area of primary

education is attributed to the control of the local government's share of the internally generated revenue of state government.

Findings

1. The findings of this study shows that the non-remittance of the 10 percent of internally generated revenue of the state government to local government has hindered local governments from providing a conducive environment to achieve the objective of primary education as contained in the definition of primary education given above.
2. Many children have dropped out of school because of the inability of some less privileged parents to provide the basic requirements for enrolment charged by these schools such as school uniforms, books, payment for exam fees etc. These charges would not have been there if there was adequate funding of primary education.
3. Most of what looked like modern classroom blocks were provided by interventionist agencies like the Niger Delta Development Commission (NDDC), Universal Basic Education Program of the Federal government, United Nations, etc.

Policy Implication

As noted above, allocation of financial resources to the different units of government is a basic feature of federalism. The essence is to positively impact on lives of the citizens living in the rural communities through the provision of basic welfare programs, to promote grass-root transformation in line with the Millennium Development Goal of 'development from below'. These objectives therefore require local governments to have access to their funds as well as determine their expenditure direction as constitutional unit of government in the Nigerian federal structure. On the other hand, the state government is expected to monitor the expenditure pattern of local governments to ensure that funds are spent according to the objective for which they were provided, through the operation of the State-Local government Joint Account. The essence is to promote a healthy structure of intergovernmental relations which is expected to promote development through collaboration and cooperation among the various levels. It therefore becomes imperative that the state-local government fiscal relationship in Abia State is strengthened to promote this lofty ideal of federalism.

Conclusion

From the legal perspective of every political system, the major reason for establishing local governments/administration is to extend governance and development to the grassroots. In the constitution of the federal republic of Nigeria (1999, amended 2011), the state-joint-local government account is justified by the expected supervisory role of state government to basically ensure prudent management of resources by the local government managers. The essence is not to empower state governors and the House of Assembly of any state to manipulate the local governments like their personal assets.

The situation of state government dominance of local governments in Abia State has reached an alarming stage. Between 2007 and 2014, no election was held in Abia State to usher in local government political officers on a democratic platform. Within the period covered in this study, the national political leadership displayed some apathy in ensuring that local governments operate within the legal framework of the constitution. Sad enough, the Abia State government and the House of Assembly of some state capitalized on this oversight to contravene the rules, and intimidated local governments to the point of not being able to perform their constitutionally assigned basic duties. Thus, local government cannot play any strategic role in promoting national development until these lingering issues have been addressed, and not until that is done, the national development plans and policies will remain a far cry from the fundamental requirements for meaningful development.

Although local government election was conducted in Abia State in December 2016 to usher in local government political office holders, these councils are yet to assume the status of an autonomous entity. Also, the debate on local government autonomy resurfaced in 2016. There was an proposal to liberate local government from the shackles of the state governments with the passage of a bill named 'a bill to alter section 162 of the constitution, 1999 and other related matters'. The purpose of the bill sponsored by Nkeiruka Onyejeocha (Abia PDP) was to abolish the joint state local government account so that local government can receive directly from the federation account just as the state does. This was to be done by replacing subsection 5 and (6) of section 162 of the 1999 constitution. While subsection 5 provides that any amount standing to the credit of local government councils in the federation account shall be allocated to the states for the benefit of their local governments according to the prescription of the National Assembly, subsection 6 further authorises each state to maintain an account called the 'state joint local government account' into which all allocations accruing to the local government from the state and federal allocation shall be paid.

According to the new bill, subsection (5) and (6) are to be replaced with "Each local council shall maintain a special account to be called Local Council Allocation Account, into which such allocations to the local councils from the federation account and state government account shall be paid directly, provided that there shall be no disbursement of any fund of the local government except by a bye-law passed by the Local Government Legislative Council. However, the bill needed to be approved by a 2/3 of the 36 states of the federation. Unfortunately, the approval was not secured. The inability to get approval of 2/3 of the 36 states was attributed to the influence of the state governors who would not willingly relinquish their control of the finances of local government councils (THISDAY Newspapers, November 19 2016).

Recommendations

From the findings of this study, the following recommendations are made:

The first approach at reviving local government is to establish a structure that makes it obligatory for all local government political functionaries to occupy office through proper election to guarantee them adequate influence over the finances of local government.

There is need to re-examine the existing constitution to introduce enhanced local government reforms such as: granting financial autonomy to local government and eradicating the State-Joint-Local Government account

The supervising role of the Revenue Mobilization, Allocation and Fiscal Commission (RMAFC) on the income and expenditure of revenue allocations from the federation account, should be extensive to cover state-local government fiscal allocations. It is hoped that this will reduce existing financial stress from one level of government to another.

Tax authority should be reviewed to empower local government over property tax and rating. This will require granting local government statutorily right to assess the tax, fix rate and collect the tax.

Federal government should partner with state governments to establish autonomous monitoring organizations to oversee the spending pattern of local governments; and to effect fiscal discipline, as well as increasing efforts to discover other avenues to generate income internally. Target setting and periodic performance evaluation on local governments can support this strategy.

The local government public service commission requires some major reforms. This measure is necessary to revitalize the commission, which at the moment appears superfluous and displays a disturbing magnitude of lack of direction.

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