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CONTENT

	Page
Editorial	ii
Editorial Board	iii
Contents	iv
Effect of Corporate Governance Mechanisms on Real Earnings Management of Listed Oil and Gas Firms in Nigeria **J. AyoorIvungu, O. Ugwoke, M. C. Agor, A. Abu**	1
State Joint Local Government Account And Social Service Provision In Nigeria: A Study Of Igabi And Zaria Local Government Areas **R. A. Oyoru**	18
Assessment Of Reliability And Validity Of Research Instrument: A Precondition For Primary Data Analysis **G. A. Akeem, K. J. Sunday, A. Mudashiru, A**	30
The Impact of the Criteria for Recognizing Environmental Liability on the Financial Performance of Oil and Gas Companies in Nigeria **F. N Belonwu**	48
Impact of Automation and Artificial Intelligence on Employment in Nigeria: A Comprehensive Analysis of Labor Market Dynamics and Socioeconomic Implication **D. Dauda, H. Muhammad, I. Shamsudeen**	79

STATE JOINT LOCAL GOVERNMENT ACCOUNT AND SOCIAL SERVICE PROVISION IN NIGERIA: A STUDY OF IGABI AND ZARIA LOCAL GOVERNMENT AREAS

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Abstract
This study assessed the impact of state joint local government account on service delivery in Kaduna State. The study focuses on indicators such as the successful completion of major projects and the role played by local governments in community development. The theoretical foundation of the investigation was efficiency theory. The study used a survey research design. Questionnaire was used as an instrument of data collection. 400 questionnaires were duly completed and returned as valid questionnaires which were used for the analysis. The sampling technique is simple random. The inferential statistics used to test the hypotheses was regression analysis. The study's data analysis showed that the delay in release of funding had an influence on provision of service delivery. The productivity of the LGAs has generally been hampered by delay in release of funding. In light of the study's findings, it is suggested that the state joint local government account system be discontinued. The abrogation is crucial because of the problem it raised concerning how state governments usually starve the local governments of their allocation. The concerns at hand are reduction, diversion, and delay in the local governments' statutory allocations.

Keywords: Local government, service provision, delay in funding, non-interference and efficiency theory.

1. Introduction

The essence of creating local government systems is to bring governance closer to the people. Local government is essential in providing services to the populace at large using the resources at its disposal. The introduction of indirect control by Lord Lugard in 1914 coincided with the beginning of the colonial era, which is when the local government system first emerged (Uhunmwuangho&Aibieyi, 2013). As was and is still the case in the Northern and Western parts of the country, this indirect control utilized traditional institutions to rule the local populace through Traditional Chiefs, Emirs, and Obas. Warrant Chiefs in the Eastern region were chosen by British colonial commanders (Chinedu & Emmanuel, 2016). In 1955, local government

regulations from the 1950s were replaced. Agbakoba (2004), claims that citizens of rural areas may easily access local government councils, which are the leading proponents of grassroots activism, rural development, and rural transformation. By enhancing the standard of life, providing rural health care, education, employment opportunities, and infrastructure, local government serves as a tool to mobilize the people and material resources under its control to support sustainable grassroots development (Odalonu, 2015).

Local government has been conscripted and reduced to the status of a mere appendage to the state government as a result of the phenomena of joint account exercise between the tiers of government. Lack of local government financial autonomy is a quick way to make the establishment of a third-tier system impractical (Hezekiah & Micheal, 2021). Nwabueze contends that local government is merely a result of the state government if the state has locus standi and constitutional jurisdiction to establish local government and determine its form and activities (as cited in Hezekiah & Micheal, 2021). Local governance is now more of a myth than reality (Ijimakinwa, Zinsu&Osakede, 2015). The Nigerian Local Government Reforms of 1976, according to Imam (1996), were the nation's first sincere effort to comprehensively examine local government finances. The sources of funding for local governments are specified in the constitution and the 1979 amendments, and they are, at the very least, adequate. According to Oguona (2004), the federal government is required to periodically review the income grant it provides to this third tier of government due to the ongoing issue of inadequate funding for the local government system. As a result, between 1973 and 1975, the Federal Government provided loans and subsidies to Local Governments during the oil revolution of the 1970s.Then, starting in 1976, the Local Government was given allocation of varying amounts by a statute.

Following the allocations, the local governments in Kaduna State, for instance, received N2.7 billion in allocations for the month of December 2016. Igabi LGA barely made N107.5 million compared to Zaria LGA's N144.8 million. For the same month, Zaria Local Government collected N220.3 million, the highest value for the Kaduna North senatorial district, while Igabi received N237.9 million, the highest amount among all LGAs. N4.1 billion was given to the local government council (FAAC, 2016 & 2021). Joint local government accounts are expected to improve the lives of those who reside in local government areas, but it is unclear in Nigeria, and Kaduna State in particular, how much has been accomplished in terms of bettering the provision of health care, education, and maintenance services for rural roads, as well as raising the general standard of living for those affected. In light of this lack of clarity regarding how the joint account will operate, Ukiwo (2006) critiques and asserts that 31 of the 36 Governors have stolen

money from local government councils while pretending to manage the joint account. The State-Local Government Joint Account is a unique account established and maintained by each state government for the payment of their own 10% internally generated money in addition to the legal distribution to local government from the federation account. The state is in charge of this account for the benefit of the local governments. Here, local administrations in a state receive two separate types of payments that they can either spend or credit. The first is the amount of money transferred to local governments from the federation account. This account was funded by a mandated allocation from the federation account.

The second payment is made from the state's 10% internal revenue. The entire amount of money a state generates domestically will be deposited into this account, of which 10% will be transferred to local governments inside the state. To avoid financial fraud and theft involving council finances, the Joint Account System was developed. Despite the policy's architects' good intentions, it was not executed well. A substantial part of the Joint Account System's problems derives from incorrect implementation. The joint account system has several drawbacks, including unauthorized deductions from local government statutory allocation, a delay in payment, and diversion of local government statutory allocation. Local governments in Nigeria, especially those in Kaduna State, have not been able to get the necessary support from the state government considering the level of development at the local government level. There are serious concerns that the timely distribution of funds to local government councils from the State joint local government account, the level of interference by the State government with the funds at the credit of the State joint local government account, and the distribution method of the funds at the balance of the State joint local government account could all have a negative impact on the performance of the local government councils in Kaduna State. In light of the aforementioned issues, this study investigates the influence that joint account procedures have on the performance of local government councils in Kaduna State.

On the delivery of services in different local government areas in Nigeria, studies on the State Local Government Joint Account have been conducted. Kurfi and Danrimi (2020) studied the barriers to local government revitalization and sustainable development in Nigeria; Hezekiah and Micheal (2021) evaluated the Joint Account of Local and State Governments in Nigeria; Ayogu, Okagu, and Ogbe (2018) studied the State/Local Government Joint Account and Local Government. Kawi (2021) researched the impact of State/Local Government Joint Account on the performance of selected local government councils in Borno State. There is a gap in the literature that has to be addressed by the current study because none of the aforementioned

studies focused on the two independent variables (delay and interference) covered in this investigation, and their studies were also not conducted in Kaduna State. However, Chinedu and Emmanuel (2016) made an effort to address those factors, the study lacked detail regarding the type of service delivery that might have an impact on the findings. Additionally, the majority of past studies on the state joint account focused on the state as a whole, and to be more focused, it is necessary to focus only on selected local governments. Therefore, the aim of the study is to examine state-joint local government account on provision of social service in Igabi and Zaria Local Government Area of Kaduna State. The specific objectives are:

i. To determine the impact of service delivery of the timely transfer of funds from the State joint local government account in Kaduna State's Igabi and Zaria Local Government Areas.
ii. To determine the impact of the state government's non-interference on the funds to the credit of the state joint local government account on service delivery in Kaduna State's Igabi and Zaria Local Government Areas.

2. Literature Review and Hypotheses Development

2.1Conceptual Review

2.1.1 State Joint Local Government Account

Joint State-Local Account means a dedicated account for the payment of the statutory allocation to local government from the federation account as well as the payment of the state's own10% internally generated revenue. The state is in charge of this account for the benefit of the local governments. Here, local administrations in a state receive two separate types of payments that they can either spend or credit. According to section 162(6) of the 1999 constitution of the federal republic of Nigeria, "each state shall establish a separate account, to be known as 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 the State Government." The state is acknowledged in this section as the supervising agent that monitors the local government's distribution and use of the funds, even though the constitution does not permit the direct payment of statutory allocation to local governments. Ojugbeli and Ojoh (2014) asserted that the technical committee established by the Federal Government on income allocation in 1976 explicitly raised the topic of Joint accounts initially. The aforementioned demonstrates that the Joint Account System's main goals were to improve state-local and federal-local relations, enforce strict monitoring and supervision of local government finances, increase the amount of money readily available to local governments, and speed up the delivery of social services at the

local level.

2.1.2 Service Provision

According to Angahar (2013), service delivery is the provision of social goods that would enhance the socio-economic well-being of the populace. Public utilities, security, plans for economic growth, and local or grassroots law enforcement are just a few of the many services that the government provides to the people to raise their standard of living. The local government is the branch of the government most qualified to address local issues. Service delivery refers to the supply of social or public goods that will improve the socioeconomic well-being of the population. The government provides a wide range of services, such as the management of public utilities, security, and programs for economic growth. Raising the average living standard of the population is the goal of the grassroots or local government supply of public goods and services (Angahar,2013). The three tiers of government in Nigeria are given responsibility for service delivery under the country's constitution, with states and local governments having the most influence on the provision of fundamental services. Services including education, health care, housing, water, rural power, garbage management, roads, transportation, and others are expected to be provided by local government authorities (Adeyemi, 2013; Agba, Akwara, &Idu, 2013).

Therefore, while building roads, public markets, healthcare facilities, drainage systems, transportation systems, motor parks, and other infrastructure, local government councils are expected to operate in the public interest (Bolatito& Ibrahim, 2014). According to Agba, Akwara, and Idu (2013), local governments should act as agents of rural development by initiating and luring development projects to the local government, such as the provision of access roads, water, and rural electricity, to better the lives of the citizens residing in their areas of operation. The maintenance of sewage and garbage disposal, markets, roads, streets, street lighting, drains, and other public infrastructure, as well as cemeteries, burial grounds, and houses for the underprivileged and the crippled, is required under the constitution. They take part in economic planning and rural area development. To promote growth, state and local governments should have access to the resources they require to provide fundamental social services (Samihah & Adelabu, 2010). Growth remains unimportant if it has no positive effect on how people live in society. According to the constitution, the three levels of government are responsible for providing services, with states and local governments having the biggest influence on the provision of basic services like water, garbage removal, housing, and health care.

2.2 Review of Empirical Literature

Kawi (2021) looked at how the state/local government joint account affected the performance of a few selected local government councils in Borno state. It emphasizes on indicators including the successful completion of capital projects, prompt payment of employees, and local governmentinvolvement in community development. The theoretical foundation of the inquiry was the efficiency aggression theory. The investigation revealed that local government councils struggle to complete important projects, foster neighborhood growth, and make timely employee payments. Based on the results, the study advised that more internal revenue sources be developed and generated by local government councils for them to become financially independent, especially regarding the payment of salaries, and that the account be closed to ensure the sovereignty and financial structure of local government in Nigeria.

Dibla et al. (2020) examined how the state Joint Local Government Account (SJLGA) in Borno state influenced a small number of local government councils' capacity to execute capital projects. Survey research was used and information was generated from both primary and secondary data sources. Data tables were presented using fundamental percentages and frequency counts. An inferential statistical technique called Spearman Rank order was used to analyse the data. The result showed that the joint account's actions have not significantly enhanced local governments' ability to implement capital projects in the vital sectors of basic healthcare, primary education, agriculture, and rural infrastructure. The study concluded that service delivery by a few chosen local government councils in Borno state has not been considerably enhanced by the State Joint Local Government Account. To ensure the financial independence of local governments in Borno state, the study suggested, among other things, that the State Joint Local Government Account be abolished.

Okafor (2010) focused on the state joint local government account in Borno State to analyze the financial autonomy of local governments in Nigeria. According to the study, the State Joint Local Government Account's functioning, as stipulated by the constitution, should contribute to cooperative administration, accountability, and openness in local governance within the principle of separation of powers and the rule of law. Furthermore, the study pointed out that the State Joint Local Government Account operates opposite to its function, and that the government of Borno State interferes with local governments' financial independence by using the State Joint Local Government Account mechanism, which retards growth. The study supported the creation of an independent audit body to examine statutory funds and a direct allocation to the LGA.

Agbani and Ugwoke (2014), study concluded that State Joint Local Government Account was created to achieve development at the local level through adequate supervision and effective management of local government revenue, but instead of achieving development, it has led to underdevelopment at the local level due to excessive deductions by the state government. They added that the Joint Account Allocation Committee (JAAC) system's technique allows for excessive financial autonomy to be taken away from the state government through constitution amendments and the creation of anti-graft organizations. Thus, this study postulates the following:

$H0_1$: Timely fund transfers from the State Joint Local Government Account to local government councils has no significant effect on the provision of services in Igabi and Zaria Local Government Areas of Kaduna State.

$H0_2$: Non-interference of the state government on the monies at the credit of the state/local government joint account has no significant effect on the provision of services in Igabi and Zaria Local Government Areas of Kaduna State.

2.3 Theoretical Framework

2.3.1 Efficiency Theory

Sengupta introduced the efficiency theory in his 2003 book, *New Efficiency Theory: With Applications of Data Envelopment Analysis*. According to the efficiency hypothesis, providing residents with high-quality services is what is fundamental and crucial for any organization. The core tenet of the theory is that serving the population is the primary motivation behind the creation of any organization (Fatile, Majekodunmi, Oni, &Adejuwon 2013, as referenced in Dibla et al., 2020). According to proponents of the efficient-service theory, the local government is in the best position to fulfill some tasks effectively. This is because they serve a smaller population than the state or federal governments and are therefore the government that is closest to the people. The local government is the most effective agent for the provision of those local services that they are responsible for providing, according to Sharpe Ola and Tonwe's (2009) argument, which was mentioned by Dibla et al. (2020). This implies that if local governments didn't exist, another government agency would have been founded to carry out those duties because those demands are so pressing. He claimed that to take over the duties of the local government, a specific government agency would have needed to be decentralized at the national level. But in practice, a department would not be able to coordinate at the same level as a local government does (Fatile, Majekodunmi, Oni &Adejuwon, 2013 as cited in Dibla et al., 2020).

The core idea behind the efficiency-service model is that local government systems exist primarily to efficiently deliver social services like law and order, local roads, primary education, sanitation, and others. The central claim of the efficient-service-delivery school, according to Kafle and Karkee (2003), is that local government exists to support efficient-service delivery. According to Adeyemo (2010), who cites Machenzie (1954), the foremost proponent of the efficiency service school, providing residents with services should take up most of the resources, time, and energy of the local government. As long as the local or grassroots population obtains efficient services from the local government, according to the efficient service school's proponents, everything will be fine, even if there is less democratic participation in the governance process. This implies that due to its proximity to a region, the local government may provide specific services much more successfully than the state or the federal government.

3. Methodology

The technique of research for this study is survey. A questionnaire that was self-administered was used to collect the data. The design of the questionnaire made use of a five-point Likert scale. The study's scope included Kaduna North and Kaduna Central's two senatorial districts. A single local government is chosen from each senatorial district. Igabi and Zaria Local Government Areas in Kaduna State were picked because, in January 2021, they each received the greatest allocation from the Federation Account, and this tendency has persisted. These local governments share the same developmental characteristics and have a reputation for producing high Internally Generated Revenue (IGR) from each senatorial district chosen. Even though local governments play more active and visible roles in the grassroots development process, the study covers service delivery in local government regions, and the decision is not unconnected to poor service performance at the local government level. The target populations for the study are local government employees and residents of the local government areas. The target population is the residence of the two local governments. The sample size for this study is 400 respondents that were selected from the local government areas.

The study's data analysis method of choice is multiple regression. The Statistical Package for Social Sciences (SPSS) version 23 was employed. A five-point Likert scale was utilized to design the questionnaire that was used to evaluate the relationship between the dependent variable and the independent variables. The results of the preliminary test showed that the data are normally distributed and do not exhibit multicollinearity, demonstrating that the fundamental assumptions of regression are satisfied. This information guides the application of this technique.

4. Results and Discussion

The data for the study was analysed using SPSS to test the hypotheses postulated in the study. The multiple regression analysis is presented as follows:

Table 1 Regressions results

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	3.347	.256		13.096	.000
	Timely release	[illegible]	[illegible]	.439	8.107	[illegible]
	Non-interference	.376	.073	.593	5.160	.000

a. Dependent Variable: service delivery

Source: Field survey 2022

The multiple regression analysis was used to test the study's hypotheses. The results showed that the timely release of funds was beneficial and statistically significant in explaining service delivery ($t = 8.107$, $p < 0.05$); the second hypothesis also revealed a favorable and statistically significant finding, indicating that non-interference ($t = 5.160$, $p < 0.05$) explains service delivery. The P-value is less than 0.05, indicating that the model is suitable for the study. The study consequently rejects $H0_1$ and $H0_2$, and the study's conclusion that timely funding releases from the state government to the local government chairman had a major impact on the quality of service provided by the local government used in the study. The study also shows that the state government's non-interference greatly aids in the provision of services in the study area. Zaria and IgabiLGAlocal governments' effectiveness and output are negatively impacted by the delay in the receipt of cash. The performance of local governments is impacted by the delay in funding. The planning and execution of projects that have an impact on service delivery are impacted by delays in the local government funding distribution since efficient planning is impossible without funds.

The second finding shows that the joint account system in Nigeria has caused state governments to interfere with local government allocation. The ability of local governments to fulfill their statutory commitments is negatively impacted by the state governments' perception of the State-Local Government Joint Account as a way of milking the local governments. Local government councils in Nigeria thus lack the tools required to complete their legal

responsibilities. Some people find it difficult to simply pay for staff salaries, let alone support philanthropic endeavors. The majority of local government chairmen vehemently object to the state government's swift reduction of the amount of money from the federation account that they are legally entitled to receive, but they are unable to do anything about it because of how and why they were elected. They are unable to contest the choice since many, but not all, of the local government councils' chief executives were selected using state government cash. It is challenging to imagine how federation account allocations will continue to increase annually without a corresponding improvement in social and infrastructure development in local government regions, given the state's intervention with the funds provided to LGAs through the joint account system. The findings of this study are in line with those of Agbani and Ugwoke (2014), Okafor (2010), and Dibla et al. (2020), who discovered that the state joint account's management affected the local governments of Nigeria's level of productivity and service delivery.

Therefore, the current study discovered that local government council is ineffective at completing significant projects, encouraging community growth, and making timely salary payments. The findings of this study will be helpful to academics and stakeholders alike, especially in terms of better practices that could improve service delivery and assist in achieving its core objectives. The study contributes to the body of knowledge and practice by showing how state local government joint accounting and service delivery are related. The efficiency-service model's fundamental tenet is that local governments exist primarily to efficiently provide social services including public safety, local roads, early childhood education, sanitation, and other necessities. As long as the local or grassroots population obtains efficient services from the local government, according to the efficient service school's proponents, there will be proper management of funds for the local government even if there is less democratic participation in the governance process. This implies that due to its proximity to the people, the local government may provide specific services much more successfully than the state or the federal government.

5. Conclusion

This study holds that local governments in Nigeria are negatively impacted by the state/local government joint account in carrying out their duties. It is also significant that the local government system's inability to deliver adequate services is not just due to the state/joint account system. Given that the state/local government joint account was unable to accomplish its goals, it is clear that its purpose for being had been defeated. The state government has used it against the interests of the local councils and for their gain. In light of the aforementioned stance,

the following suggestions are presented as recommendations:

i. The governmental joint account system has to be abolished. The abrogation is crucial because of the problem it poses to the efficiency of local government in terms of service delivery. The concerns at hand is delay in the release of local governments' statutory allocations which has slowed down service delivery at the local government level for the period covered in the current study.

ii. To oversee, monitor, and audit how local government councils use their statutory allotments, it is important to establish an impartial auditing organization with representatives from the public and private sectors. Members of this agency must have a track record of sound financial management. This would create checks and balances on how local government officials handle financial matters in order to promote accountability and transparency in the utilization of local government funds.

iii. The National Assembly should amend the constitution to clearly implement the separation of the state and local government account to give the local government direct access to funds from the federation account. The poor financial situation of the municipalities will be significantly improved by this strategy. Additionally, it will free local governments from state government control.

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