

Intergovernmental Fiscal Relations and Performance of Selected Local Government Councils in Anambra State, Nigeria

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Abstract

The study examined the effect of intergovernmental fiscal relations and performance of local government councils in Anambra State, Nigeria. The research laid emphasis on the state experience between the periods of 2002 to 2017. The three senatorial zones of the state were carefully selected generalizations were made based on the nexus between the intergovernmental fiscal relations and local government performance. Information for the study was obtained via a structured questionnaire distributed to some senior staff of the local governments selected. In addition, secondary data from documentaries, textual and other library sources were extensively consulted and utilized for the study. The study was anchored on Whaere's theory of federalism (1953). The study revealed that local governments in Anambra State despite their constitutional provision they remain a mere appendages of the state and federal government. The operations of the State-Local Government Joint Account System gave room for encroachment, diversions, deductions, delay and non-remittance of statutory allocations and internal revenue source of the local government councils by the state government. This scenario has resulted in poor revenue base and ultimately poor performance of local governments. The study recommends a constitutional amendment that will guarantee financial autonomy to local government councils in Nigeria.

Keywords: Intergovernmental relations, Intergovernmental fiscal relations, Local government, Autonomy, Federalism

DOI: 10.7176/PPAR/10-8-05

Publication date: August 31st 2020

1. Introduction

The fundamental existence of the government is to ensure that lives and properties are secured and that basic amenities necessary for human existence are in place. The quest to realise development and ensure governmental presence at the grassroots level precipitated the viability of the local government in Nigeria. This implies that the existence of local governments is very important to the much needed development of Nigeria's diverse localities due to their nearness to the people.

The federal government of Nigeria in an effort to create a more representative, and responsive local government administration in Nigeria saw the local government through four developmental stages (Olusupo & Fayomi, 2012). It also guaranteed their statutory nature by embodying the local government in the 1979 and 1999 constitutions (Agalamanyi, 2005 and Obiora 2012 in Eze & Muaya, 2013). Furthermore, the military administration of Gen. Ibrahim Babangida from 1986 took bold steps to strengthen the autonomy of the local government. By January 1988, good measures of autonomy were seen in the local government with the abolition of the state ministries of the local government throughout the country, thus scrapping the political control and bureaucratic red-tapism perpetuated by these state ministries (Onuigbo, 2015). Therefore, some success was recorded through the 1976 reforms that made the federal government to upgrade the local government to a third tier of government through the 1979 and 1999 constitutions (Agalamanyi, 2005 and Obiora 2012 in Eze and Muanya, 2013).

Currently, Nigeria is practising the federal system of government which comprises of the central government with the exclusive powers, the state government with the concurrent powers to be shared unequally by both the federal and state government and finally the local government. The nature of the federal government is such that it is centralized and overbearing. This is mostly significant on the executive angle of government and has completely shifted and exacerbated both the intra and inter-governmental relation function in Nigeria.

Federalism works hand in hand with intergovernmental relations because it paves way for governance of multiple levels (Abidaye, 2015). Federalism entails the allocation of powers, distribution of functions, apportioning of responsibilities and sharing of resources amongst different levels of government. Broadway and Shah (2009) posited that Nigerian federalism like most other federal systems of government is characterized by diverse ethnic groups, languages, cultures, political affiliations as well as struggle for political power. It was the dire need to cater for these diverse elements and ensure service delivery at the grassroots level that necessitated the creation of the local government. As the third tier of government, local government was made to possess some level of autonomy as well as enjoy interaction with the federal and state government.

Some of the beauties of the federal system of government include separateness and independence of levels of government, mutual non-interference of the distribution of power, Supreme Court existence and a court of law to

preside over non-governmental dispute (Abia, 2010). In spite of these constitutional provisions, as regards to the status, power and autonomy in financial and others, it is worth to note that these reforms, status and autonomy of the local government have not been fully implemented in the sense that complete autonomy of the local government in Anambra State is still a mirage. Local governments are enslaved under the shackles of the state governments thereby lacking elective and fiscal autonomy. It is the caretaker committee arrangement that manages the affairs of the local government in Anambra State (Eze & Muanya, 2013). Chukwuemeka (2012) argued that local governments in Anambra State have not enjoyed any administrative and financial autonomy since June 2002, even when the first caretaker committee was introduced by Chinwoke Mbadinuju Administration. The situation continued with Chris Ngige's Administration of 2003 to 2006.

Anambra State since 2002 has a long history of non-conduct of local government election. This action is a fundamental breach of Section 7 of the 1999 constitution amended. The interference of the State governments in local government administration, particularly as it borders on the utilization of funds and the exercise of political power presupposes that the so called local government officials in Anambra State cannot be trusted with the running of the respective local governments. It is against this backdrop that this paper aimed at x-raying the intergovernmental relations as regards to fiscal issues and how it has affected the performance of local governments in Anambra State.

Statement of the Problem

Intergovernmental fiscal relations may be regarded as comprising of all types of financial relations among the units of government in a federal system. In Nigeria, the three layers of federating units are the federal, state and local governments. The local government being the third tier is expected to provide basic services to the people at the grassroots. Their functions which may be exclusive, concurrent or residual with the state cover such areas such as economic, agricultural, and infrastructural development.

The mechanisms of intergovernmental relations are consensual tools employed for the mutual benefit of the constituent units of the federation. The relationships among these units are supposed to be formally spelt out in the constitution so that peaceful co-operation as well as even and rapid socio-economic development is enhanced. However, under Nigerian federalism, the local government councils find it seemingly impossible to fulfil the fundamental need for their existence because some ambiguous and contradictory sections of the 1999 constitution do not guarantee their constitutional status. The existing mechanisms and institutions for intergovernmental relations therefore seem to be weak. There are also issues with the state-local government joint account system coupled with non-direct remittance of the federal allocation to the local governments which seemed to have effect on councils' performance.

Consequently, most local government councils in Anambra State cannot pay salaries of workers nor successfully undertake any meaningfully infrastructural or socio-economic project for their citizens. The autonomy required of them to carry out their constitutional responsibilities is definitely lacking. The researcher haven noted these problems intend to examine intergovernmental fiscal relations on the performance of selected local government councils in Anambra State with a desire to finding lasting solutions to the problems.

Research Questions

The following research questions were formulated to guide the study:

1. To what extent has the application of 1999 constitution of Nigeria weakened the financial autonomy of the local government councils in Anambra State?
2. How has the operation of the state-local government joint account system undermined the provision of infrastructure in the communities by the council?

2. Literature Review

Intergovernmental Relations: This comprises of all the permutations and combinations of interactions among the units of government in a federal system. The relationship is formally spelt out in the constitution and is supposed to enhance the emergence of co-operation rather than competition and should promote peace and harmony as well as solve problems of rural and urban poverty. Adewale (1995) viewed intergovernmental relations (IGR) as covering political, economic and social efforts of the government and other various bodies of the state that are geared towards goals and objectives enhancement. He added that IGR does not only mean the transfer or distribution of grants or an inter-jurisdiction conflicts resolving unit, but a complex network of transactions among the constituents and various borders of the state. Nigeria's intergovernmental relations history during the colonial and first republic showcased a scenario whereby the local government takes directives and commands from the federal and the state, that is, they are at the receiving ends and at the mercy of the state government only exercising those powers as stated by the state government (Ayoade, 1992). Regrettably, the situation has not totally changed.

Intergovernmental Fiscal Relations: This specifically refers to all types of financial interactions either cooperative or conflictual among the three tiers of government in Nigeria. It constitutes mechanisms or modalities for sharing of national income popularly referred to as the "national cake". The survival of the federal state of the world according to Akindele & Olaopa (2002) is dependent on the intergovernmental fiscal relation. To them the

nitty-gritty of intergovernmental fiscal relations is moulded around the understanding of the concept of federalism but with a blend of economic input.

Fiscal federalism should guarantee fiscal autonomy of the component units and provide an allocation mechanism that is just, equitable and acceptable to all (Obuagwu, 2013). It is therefore imperative that a fiscal federalism should ensure that a clear correspondence between the assigned duties and responsibilities of each tier of government and their fiscal rights and jurisdictions exist. No wonder K.C.Whaere's classical dictum of federalism advocated that the component units are equal but coordination can only be realised if the fiscal federalism produces an equitable and acceptable format practically. Fiscal federalism thus determines the nature of the intergovernmental relations in a federation while the characteristics and nature of the intergovernmental relations determine the performance of the local government councils.

The Local Government and Autonomy: Local Government is a political authority set up by a nation or state as a subordinate authority for the purpose of dispersing or decentralising political powers but with legal rights and the necessary organization to regulate its own affairs. In Nigeria's federal system, it becomes that form of public administration which legally exists at the lowest level to exercise political authority through a representative council with a defined geographical location and meant to maintain law and order and provide limited range of social amenities to the citizens as well as encourage co-operation and participation of inhabitants towards improvement of their standard of living (Anikeze, 2010; Emezi (1981); Ezeani (2012); Maddick (1963) & Ugwuanyi (2014). It is for these reasons that the autonomy of local government is imperative. This implies the freedom of the local government to recruit and manage its own staff, raise and manage its own finances, make policies, laws and provide services within the limits of its resources and function without interference from the higher levels of government.

The Constitutional Structures and Roles of the Local Government in Nigeria

The federal system of government as postulated by Whaere (1953) appeals for a constitutional division of powers among the different levels of government. The federal, state and local government in Nigeria derive their powers from the constitution. Before the 1976 reforms, local government was one of the subjects on the residual list which was entirely the responsibility of the regional government but the reform legalised and promoted the local government to the third tier of administration. Section 4 and 5 of the 1999 Nigerian constitution spelt out the powers of the three levels of government embedded in the exclusive, concurrent and residual lists (Adedire, 2014). The main issue here is on the constitutional provisions of the local government in Nigeria. The residual list in the 1999 constitution has the powers (which are of local interest) that are accrued to the local government to exercise namely:

1. Construction and maintenance of rural roads and rural electrification.
2. Matters on chieftaincy affairs.
3. Provision and maintenance of local health centre and primary education (Adedire, 2014).

The same 1999 constitution that guaranteed the existence of local government equally placed it at the whims and caprices of both federal and state government (Avosetinyeni, 2011). As seen in Section 7(6):

- a. "The National Assembly shall make provision for statutory allocation of the public revenue to local government councils in the federation; and"
- b. "The House of Assembly of a state shall make provisions for statutory allocation of public revenue to local government councils within the state."

Automatically, from the above submissions, the local government is dependent on the central and state governments for finance. Furthermore, Section 12, subsection 5, 6 and 8 clearly stated that:

- i. "The amount standing to the credit of local government council in the Federation Account shall be allocated to the state for the benefit of their local government councils on such terms and in such manner as may be presented by the National Assembly."
- ii. "Each state shall maintain a special account to be called "State-Joint Local Government" into which shall be paid allocations to the local governments of the state from the Federation Account and from the government of the state."
- iii. "The amount standing to the credit of local government councils of a state shall be distributed among the local government councils of that state on such terms and in such manner as may be presented by the House of Assembly of the state."

In addition, Section 8 subsection 3, 5, and 6 of the constitution empowered each state to create local government if it so desires and vested the final approval of such newly created local government on the National Assembly. In the same manner, Section 7, subsection 1 of the 1999 constitution clearly stated that: "the system of local government by democratically elected local government system under this constitution is guaranteed; and accordingly, the government of every state shall, subject to Section 8 of this constitution, ensure their existence under a law which provides for the establishment, structure, composition finance and function of such council" (FRN, 1999).

Eliagwu (2011) added that the fiscal and monetary powers of each tier of government have been delineated

by Decree No 21 of 1998, which has become the Act of National Assembly. The constitution by this expects local government councils to generate their own revenues. Furthermore, Section 162 (1) provided that all revenues from the federation shall go into the federation account and that Revenue Mobilization Allocation and Fiscal Commission (RMAFC) shall present a revenue formula to the President to be placed before the National Assembly for the purpose of distribution. Thus, we have both vertical (Federal-State-local) and horizontal (allocation among states) distribution (Adedire, 2014). Moreover, the maintenance of special account known as Joint-State-Local government by the state through which local government funds are paid allows for interaction between the two levels of government.

Intergovernmental Fiscal Relations and Anambra State Local Government Experience

Just like in most states in Nigeria, Anambra State has been witnessing a scenario where there is a presence of elected governors and an absence of elected local government chairmen. The people of Anambra State no longer elect local government chairmen and councillors as stipulated in the constitution to manage the local government affairs. Respective Anambra State governors (Chinwoke Mbadinuju, Chris Ngige and Peter Obi) continued to appoint and impose local government chairmen and care-taker committee members on the people. From 2002 when the last elected local government chairmen's tenure expired, the situation has remained on an appointment basis. These appointees are directly responsible and accountable to the state governors who got them into office. Automatically, the state governors run the affairs of the local government that is expected to be an independent tier of government in a federating system.

The present governor of Anambra State, Chief Willie Obiano, devised another means of appointing local government chairmen in Anambra State by giving it a different nomenclature "Transitional Chairmen". Whether appointed, transition or caretaker committee chairman, the carnal of the whole point is that they are under the whims and caprices of the power that brought them into the office the State Government.

The inter-governmental fiscal relations have not been beneficial to the sustenance of the local government councils. Local government councils are saddled in the numerous financial responsibilities which stem from the need to satisfy the numerous demands and yearnings of people in their environment. It is very saddening to note that the Anambra local government councils do not have a fair share of the national resources of revenue coupled with their poor internal revenue base. This is equally as a result of the little tax jurisdictions of the local government councils (Osugwu, 2013).

Implicitly, this affects the performance of the local government councils which is manifested in the areas of administrative efficiency and the fiscal capacities of the council. Local government roles ranging from promotion of economic development, provision of services, promotion of political integration and national unity, promotion of local freedom/autonomy, enhancement of grassroots democracy to mention but a few have all been relegated to the background due to the fact that the council bids autonomy and independence both administratively, politically and financially.

Onuigbo (2015) opined that state governors refused to grant local governments' rightful independence irrespective of the fact that local government ought to be an independent third tier of government. These governors have done all in their power to ensure the emasculations of the councils so that they can utilize their federal allocations anyway they deem fit. This umbilical cord holding the local governments under the shackles of state government dictates is the State-Local Government Joint Accounts. Thus, the local government councils cannot make any meaningful development without financial backings.

Onuigbo (2015) added that under the umbrella of uniform account system, states have dictated projects for councils and disbursed council funds as they like. This clearly explains why elections do not hold in the local government councils like Anambra State. Where we experienced an occasion that looks like local government election, the APGA political party that is in power ensured that its candidates won all the seats. This is done in convenience with electoral officers of the State Independent Electoral Commission (SIEC). Such scenario is seen because the governor appoints SIEC officials and expects loyalty from the appointees; thus, making the outcome of council polls very predictable. Local governments need to be granted good measures of fiscal autonomy to ensure they carry out effectively the task of rural development and unless this is done, their performance will be so abysmal. There is no useful development without adequate funding.

Laws made by the state houses of assembly to bring the State Joint Local Government Account (SJLGA) into force are usually titled to favour ends thereby compounding the already distressed financial positions of the councils. Further analysis has proven that the key officers of the Joint Account Committee set up by the state governors are state government representatives who function on the directive of the state Chief Executives with little or no control from the council chairmen who are the statutory owners of the fund as the chief accounting officers of their local governments. Most of the local government councils were not even represented in the Joint Account Allocation Committee (JAAC) (Osakwe, 1999). The council who are the chief accounting officers of their representative local governments were never briefed as to how much that is accrued to their councils monthly from the Federation Account before sharing.

Shaibu (2005) posit that substantial amounts of the allocations from FAAC to each of the local government

councils were deducted at source in the name of joint projects or any other contrived reasons. He further lamented that the council chairmen who picked up the courage to protest over the unwarranted deductions from their councils' statutory allocation were threatened and some were even sacked from their positions for daring to query the activities of the Joint Account Allocation Committee (JAAC) by the state governors. The scenario is so pathetic that state governments that are constitutionally required to fund local government councils have instead used the SJLGA provisions to hold local governments' hostage and make them mere appendages of the state thereby practically denying the local government councils their financial autonomy (Okafor, 2010).

Consequently, one can easily deduce that the success or failure and the effectiveness of local government depend on the financial resources available to the individual local authorities and the way it is being utilized. Statutory allocations from the federation account accruing to the local governments are shared based on these criteria: Equity (40%), Population (30%), Land mass /terrain (10%), internal revenue effort (10%), and social development factor (10%).

Furthermore, grant-in-aid is also another means of financing the local government. This simply means the sum of money given by the federal government for use by the lower layers of government such as the state and local governments in the provision of goods and services (Ezeani, 2004). These grants can be given based on equalization, block, and percentage, units or special and emergency basis. Indeed, Eze & Muanya (2013) posited that local governments in Anambra in particular and Nigeria in general could be regarded as not being autonomous as a result of the poor inter-governmental and fiscal relations that paved way for the formation of caretaker committee in replacement of democratically elected representatives.

Dalhatu (2007) averred that local governments are used as tools for realizing political desires and aggrandizement. They are often misconstrued with field administrations which consequently act as agents of state government. They are nothing but mere pawns on the chess-board of the chief executives of the state. Abada (2007) asserts that the erosion of financial autonomy of the local governments by the state has gotten to the level that local governments are on daily basis being intimidated to sign and handover their statutory allocations to the states. Thus, the caretaker committee system automatically reduces the autonomy of local governments in Nigeria and generally retards the socio-economic and political development as well as performs optimally for the benefit of the people in the rural areas.

However, it is worth noting that the 1999 constitution that programmed the tenure of local government council to be just three years while those of the federal and state levels to be four years even paved way for continual subjugation of the local government council. Such situation has automatically empowered the state chief executives (governors) to consolidate their plan for return to power on expiration of their tenure. The regime of those crops of appointed officers usually goes with all manner of unwholesome financial practices and outright embezzlement of council's funds (Ifeaka, 2006). There is always a standing order given to the appointees not to engage in any form of project exceeding ₦100, 000 which literally implies not to undertake any form of developmental project in their localities. The appointed council members in Anambra State Local Government Area pay their allegiance to the powers that brought them to office.

Summarily, Nigeria is a federation with a central (federal) government, 36 states, a federal capital territory and 774 local government areas. Intergovernmental fiscal relations require that revenue and expenditure functions should be divided among the tiers/levels of government such that effective provision of public goods and services is maintained. The constitution of the Federal Republic of Nigeria delineates the powers and functions of each level of government especially as regards financial matters.

The constitution masks the subtle contest for control of local government system by the federal and state governments. The ambiguous and contradictory sections of the present (1999) constitution jeopardize the constitutional status of the local governments and therefore subject them to the control of the higher levels of government. Furthermore, the constitution gave the state government power over the financial autonomy of the local government through the State-Local Government Joint Account System leading to tampering and sometimes delays in the release of allocations. These actions consequently lead to underdevelopment of most communities as infrastructure and social amenities are not adequately provided.

Theoretical Framework

For the purpose of this study, the framework of analysis on which this study is based is Whaere (1953)'s theory of federalism. Being the father of modern federalism/father of contemporary federal theories, he defined federalism in his famous book "Federal Government", as the method of dividing power so that central and regional governments are each within a sphere coordinate and independent. Federalism according to Whaere is an appropriate form of government to offer to communities or states of distinct, differing nationalities that wish to form a common government but wish to remain independent and in particular, to retain their nationality in all other aspects. Whaere's doctrine of federalism while recognizing the mentality of conflicts among the component units advocates for mechanisms for constitutionally dealing with such conflicts:

1. Division of governmental responsibilities between levels of government.
2. A written constitution detailing this division from which federal and other units derive their powers.

3. A judiciary independent of both levels of government acting as an arbiter in case of any conflicts over their jurisdictions.
4. A federal arrangement with co-equal supremacy of the various levels.

He advocates for the sharing of governmental powers between central and component units in the polity with each of them having a separate and independent will of its own and a defined apparatus within a specific territory to conduct affairs authoritatively on some matters exclusive of all others. He thus craved for an inter-governmental relation where each level of government maintains some level of autonomy and at the same time cooperates and provides services for the citizens. With over 250 ethnic groups, diverse languages, religions and cultures and united under the authority of more than one government, federalism appears to be the best option for Nigeria.

In applying this theory to the study, federal system creates both desires for overall unity and local or regional autonomy. Nigeria in all her diversity and in her quest to maintain stability must embrace diversity in her day-to-day administration of each sphere of government. That is why we hear of unity in diversity. Ramphal (1979) believed that federalism fundamentally satisfies the need for co-operation and fulfils the desire for unity without being parasitic to local identity and power and without any component units being subservient to others or the central government. It calls for a level of separateness, desirable level of autonomy for all spheres so as to execute their constitutional responsibilities and realize the basic needs of the citizens for which government is formed at the first instance. With federalism, the local government exercises a level of autonomy in her area of jurisdiction without being at the receiving end or at the mercy of the state or central government.

3. Research Methodology

The design adopted for this study was a descriptive survey research design. Extensive use was made from information generated from documentaries, textual and library materials including journals, newspapers, magazines and local government handbooks and manuals. This source provided the researcher with baseline information on issues of intergovernmental relations and local government administration in Anambra State.

First hand information was also obtained from a designed questionnaire administered to some senior officers of the selected local governments. These categories of workers were chosen as they were better positioned to provide information on the operations and mechanisms of intergovernmental fiscal relations in the councils. The questionnaires were designed to address the three research questions earlier raised and most of them were administered on a face to face basis.

The research instrument was administered to the chairmen and the heads of local government administration (HLGA) of the six selected local government councils. Inclusive were the heads of the seven major units (Administration, Finance, Agriculture, Works/Transport, Health/Veterinary, Education/Social Development and Planning/Research/Statistics) of the local governments under study. A total of fifty-four senior officials were therefore sampled. These categories of workers were chosen because they are in a better position to understand the mechanisms of intergovernmental fiscal relations in their councils.

For data analysis, frequency tables, percentages and the researcher employed the 5-point Likert scale of rankings where 1 to 5 points were duly assigned as: 1.Strongly Agree (SA) =5, 2. Agree (A) =4, 3. Undecided (U) =3, 4.Disagree (D) =2, 5.Strongly Disagree (SD) =1. A mean score of 3.0 or more were considered accepted while 3.0 or less were considered rejected.

4. Data Presentation and Analysis

Table 1: Mean Scores (Responses) and Decision (Remarks) on the Extent the Application of the 1999 Constitution of Nigeria weakened Autonomy of Local Government Councils in Anambra State

S.N	Options	SA (5)	A (4)	U (3)	D (2)	SD (1)	N	X	Remarks
1	The provisions of Section 162 (1 and 2) of the 1999 constitution over the issue of Federation account and revenue allocation has affected the autonomy of local government councils in Anambra State	21	23	0	2	2	48	4.2	Accepted
2	Overconcentration of the power at the centre in Nigerian federalism have negative effect on financial autonomy of the local government councils	26	20	0	0	2	48	4.4	Accepted
3	The absence of the inclusion of tenure of office of elected local government officials in Section 7 of the constitution has affected IGR in the state	19	24	1	0	4	48	4	Accepted
4	The provision of Section 7(6) of the constitution subjects the local government to depend on the central and state government for finance	20	28	0	0	0	48	4.4	Accepted
5	The leadership of the local government is capable of guaranteeing sustainable development of rural communities	2	5	0	20	21	48	1.9	Rejected

Table 2: Mean Scores (Responses) and Decisions (Remarks) on Whether the Operation of the State-Local Government Joint Account System Undermined the Provision of Infrastructure to the Communities by Local Governments in Anambra State

S.N	Options	SA (5)	A (4)	U (3)	D (2)	SD (1)	N	X	Remarks
6	The operations of the state – local government joint account system has reduced the local government to mere appendages of the state and federal government	20	22	2	2	2	48	4.2	Accepted
7	Local government allocation funds has over the years been siphoned and managed by the state government	18	23	1	4	2	48	4	Accepted
8	State has undue control over the over the local government budgets.	10	35	0	3	0	48	4	Accepted
9	State government encroach on the internally generated revenue source of the local governments	16	31	0	1	0	48	4.3	Accepted
10	The local government council has successfully executed some capital projects like roads, rural water scheme and drainages for the rural communities	2	6	1	22	17	48	2	Rejected

5. Findings of the Study

From all the data, primary (questionnaires) and secondary (local government manuals, handbooks, journals, conference papers and other texts) collected, the followings are deduced in research:

1. In spite of the provision of Section 7(1) of the 1999 constitution of Federal Republic of Nigeria, the status of local governments is rather contradictory than clear. The constitution made them the third tier of government thus establishing their existence in the system yet the state government wield uncontrollable amount of power on them. This has become rather problematic. Constitutionally, the three levels of government have allocated powers but the State House of Assembly determines the functions of the local government. The autonomy of the local government is highly questionable while that of the state and federal are not so. All these boil down to the defects and ambiguity of the constitution. Further still, the constitution did not state categorically what will happen to the money paid into the State Joint Local Government Account (SJLGA) thus, giving the state overriding position to suppress and control the local government. The level of relationship between local government and the federal cum state government places the former on a receiving end thereby creating over dependence on the later. It is from this level of dependence that the state government derived the impetus to

- appoint caretakers instead of conducting elections for the local government council.
2. Local government allocation funds over the years has been siphoned and managed by the state government. Budgets and internally generated revenue of the councils are unduly tampered with by the state government. These have resulted in the inability of the various local government councils in the state to execute some projects like roads, drainages, primary health care and education.

6. Conclusion

This study observed that inter-governmental fiscal relation in Nigeria in general, and Anambra State in particular is very deficient because of the skewed level of relations among the levels of government. What is obtainable is a master-servant relationship as regards to federal government/state government. The local governments are at the receiving end and a mere appendage to their levels of government especially the state government. Such level of intimidation has robbed the local government councils of their main purpose of existence, which is, bringing government and development to the grassroots. Local government council authorities are not to be allowed to continue being mere agents and watchdogs for the state governors; hence they should be constitutionally restructured so as to provide the basic needs of the poor masses living in the rural areas.

7. Recommendations

This study examined intergovernmental fiscal relations and performance of selected of local government councils in Anambra State, Nigeria. Nigeria being a federal state that regarded local governments as a separate tier/arm of government should be made to remain effective, functional, operative and productive. For this to be realisable, these are recommended:

1. Autonomy of the local government system should be granted. Being tagged as the third tier of government, it should be totally independent from other levels of government. Autonomy here should cover financial autonomy, administrative autonomy and political autonomy. Their staff should be drawn from the unified local government system and not influenced by the state government. As regards financial autonomy, local government chairmen should be allowed to receive the statutory allocation directly from the federal government. State Joint Local Government Account should be eradicated because it is on that basis that local governments are grossly subjugated and over powered by their state counterpart.
2. The federal and state governments should desist from unilateral / illegal deductions from local government share of revenue. If at all any form of deduction must be made, there should be a discussion, deliberation and unanimous agreement of the parties involved. The intergovernmental fiscal relations arrangement should be critically assessed on regular basis to conform to changes in the local and global environment. More tax raising powers should be given to local governments to enable them remain relevant in the developmental process in the country.
3. The spirit of equal partnership between the tiers of government and among the state should be imbibed in the interplay of governmental relation in Nigeria. The constitution should be revisited and governmental relations provisions such as power redistribution, resource allocation formula and local autonomy should be reviewed to enhance cooperation and harmonious relationship among levels of government. Corrupt officials both at the state and local government levels should be punished appropriately to serve as deterrent to others. Workshops and seminars should also be organised regularly for local government officials.

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