

## Local Government Reforms and Effective Governance in Nigeria

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### Abstract

*The study examines the local government reforms and effective governance in Nigeria. The study began with the premise that local government as a tier of government in the country is the most important institution that could guarantee sustainable development at the grass root level. This could be seen from the functions and roles vested in the institution as contained in amended Nigeria's 1999 constitution. However, the study reviews that the performance of the local government as it relates to grass root development in the country is quite dismal largely due to poor management of resources, lack of autonomy, inadequate local leadership, and poor governance. With the aid of qualitative instruments, the study shows that institutionalization of good governance is one of the best strategy for sustainable development at the local level. This could be achieved through constructive engagement in policy design and implementation, the institutionalization of accountability standards in local government procurement, the acquisition of competent professional civil servants, and compliance with public service ethical code as major ways through which sustainable development could be guaranteed at the local level. The study further concluded that enforcement of local government autonomy, improving the collection and utilization of local internally generated revenue as well as close collaboration between local government and relevant government agencies as ways for the institutionalization of good governance and by extension sustainable development at the local government level.*

**Keywords:** Local government, reform, effective governance, good governance, sustainable development

### Introduction

It is believed that this third tier of government is strategically placed to fulfill this condition as a result of its proximity to the rural people, which enhances its ability to easily articulate and aggregate the demands of the people (Ugwu, 2018). Generally, sustainable development is one of the topical

paradigms introduced in developing countries as a holistic approach to dealing with the development issues confronting the countries. It is a framework initiated as a response to combine and complex development challenges faced by developing countries. It could be described as an idea that views economic growth, poverty reduction, social development, equity, and sustainability not as competing goals to be traded off against each other, but as interconnected objectives which are most effectively pursued together (Cheema, 2017).

Local Government has enjoyed several reforms in Nigeria with the view of repositioning the local government for effective grass root democracy and political participation of the rural people in the political activities of the state. The reform dates back to the colonial period, during which the British Government brought a formal administrative structure to the rural areas. Although, the pre-colonial period witnessed different traditional administrative arrangements, as autonomous political units existed in different communities and ethnic groups in Nigeria (Onor, 2015). As countries became engraved with development challenges, the ideals of sustainable development and the gospel of democracy are also spreading like bushfire across developing countries. It has often been argued that sustainable development is an accompanying framework for building and consolidating democracy. However, for democracy to thrive and get consolidated to the extent of bringing about sustainable development, the culture of good governance and accountability has to be promoted, entrenched, and institutionalized in policy-making and implementation. This has led to the investigation of the study into Local government reforms and effective governance in Nigeria.

## **Literature Review**

### **Local Government**

Emezi (2019) on the other hand perceived local government as a “system of local administration under local communities that are organized to maintain law and order, provide some limited range of social amenities, and encourage cooperation and participation of inhabitants towards the improvement of their conditions of living. It provides the community with a formal organizational framework that enables them to conduct their affairs effectively for the general good. There is a need to explore what exactly is meant by local government. It is difficult to find a single and comprehensive conceptualization of local government acceptable to both the developing and developed countries of the world. Local government is a government at the grassroots level. According to Ojofeitimi (2020), the word “local” connotes that councils are meant for small communities and the word “government” means that they have certain attributes of government. The concept of Local Government may be seen as a segment of a constituent state or region of a nation-state, established by law to provide public services and regulate public affairs within its area of jurisdiction (Ikelegbe, 2015). As Alexander (2019) observes, the local government is universally found in modern politics, although it goes by various appellations. Its legitimacy lies in its official tasks to represent the interests or wishes of the local inhabitants and to administer to their needs. Founded on democratic ideals, it is required that they be allowed to control their affairs at this level, especially since this is the point at which their interests and welfare are most likely to be directly affected.

Local government is a politico-administrative arrangement that entails the devolution of authority to plan, make decisions and manage public functions from the central government to subordinate organizations, agencies, or units of government, either geographically or structurally. From the above definitions, the following basic characteristics of local government can be identified; it is a tier of government that is subordinate to the central or regional government. It involves both the administrative and political processes of governmental power. Its area of authority is delimited by the statute establishing it. It has constitutional or statutorily mandated power to perform certain

legislative, administrative, and judicial functions. Its council is made up of elected representatives who are responsible to the electorate in the discharge of the functions assigned to them. Within the limit of its power, it has legal autonomy to make policies, prepare its budget, hire its staff, and execute its policies; and it has a corporate personality.

### **Local Government Reforms**

Local government is one of man's oldest institutions. The earliest form of local government existed in the form of clan and village meetings. Democracy itself originated and developed along the lines of local government initiatives in the ancient Greek city-states (Agbakoba & Ogbonna, 2014). In pre-colonial times, the antecedent of local government was the native administration established by the colonial administration. It was meant to adapt to the purposes of local government structures already present in the institutions of the various ethnic groups. The idea was for these existing structures to develop into effective tools of government ready for use (after pertinent modifications) by the colonialists. The Native Administration was charged with the collection of taxes, maintenance of law and order, road construction and maintenance, and sanitary inspection, especially in township areas (Diejomaoh & Eboh, 2020). The local government system has been a major feature of the Nigerian government and politics since colonial rule; though over the years, there have been changes in name, structure, and composition, while the system was operated differently all over the country (Agagu, 2014).

The available record shows that the first local administration ordinance N<sup>o</sup> 4 of 1916 was designed to evolve from Nigeria's old institutions and best-suited form of rule based on the people's habits of thought, prestige, and custom (Bello-Imam, 2019). Ayo (2019) observes that the Nigerian local government system had undergone a series of metamorphoses. He noted that the system has been restructured, reorganized, and revitalized depending on the regime in power as well as the nature and level of interest of such regime in local government administration. Administration systems at the grassroots level in Nigeria had always been in operation since time immemorial among the various people now christened Nigeria, even before the colonial masters set their feet on the soil of Nigeria (Awofeso, 2014). Put differently, it is not debatable that the history of the local government system in Nigeria is older than the advent of the erstwhile colonial masters. Colonialism, however, helped to widen the course of the history of Nigerian administration systems as it contributed significantly to the evolution of local government in the country. This explains why many scholars are of the view that the local government in Nigeria emerged from the British colonial administration in the country. The 1976 local government reform, carried out by the military administration of General Obasanjo, brought about uniformity in the administrative structure of the system. The reform introduced a multi-purpose, single-tier local government system for the whole country (Ajayi, 2020).

The local government is essentially created as a viable political and administrative organ for the transformation of all communities and the delivery of essential services to the citizens. The primary purpose of the local government and the basis for its existence is to create a mass development impetus for grassroots transformation (Adeyemo, 2019). The current platform for local government practice in Nigeria came into existence in 1976. It created a uniform structure of an elected council with specific functions and a financial base that drew directly from the federation account. The new platform represented a departure from the myriad of practices, often with regional flavors, which had evolved under colonial rule from the Native Authority system.

The Local Governments underwent their first major reform in 1976 during the military administration of General Olusegun Obasanjo. These reforms formed the foundation of the present-day local government system and were attempts to restructure the Local Government administration to a form fitting for modern society. The fundamental result of the 1976 reforms was to introduce a uniform system of local government administration throughout the country. It was based on a

conviction that a strong local authority with clearly defined roles and responsibilities in a power-sharing relationship with the states is an institutional imperative. Based on the 1976 reforms, local government became recognized as a tier of government entitled to a share of national revenue consequent on its constitutionally allocated functions (Imuetinyan, 2022).

Since these reforms, successive governments have tinkered with the local government structure with a view of enhancing its capacity for good governance. Fundamentally, the local government is created to serve rural communities. The local government is expected to mobilize and harness local resources and ensure their effective utilization, with the support of the state and federal governments.

### **Good Governance**

Good governance could be seen as a system of values, policies, and institutions by which a society manages its economic, social, and political affairs through interactions within and among the state, civil society, and the private sector (Cheema, 2017). Thus, the institutionalization of good governance in state administration requires mechanisms, institutions, and processes, through which people inject and mediate their interests as well as exercise their constitutional rights and obligations. However, injecting and mediating citizens' interests is only possible where the citizens are involved in the conception, formulation, and implementation of sustainable development programs. In this regard, good governance could only be guaranteed if public officials put in place an integrative policy-making device that appreciates citizens' opinions in development programs. More so, governance could only be good when public officials employ the principles of accountability and transparency in the formulation of sustainable development programs. In this regard, Noor (2018) maintained that where the term governance is collapsed with "good" it means an expression of itself through attributes such as efficiency, accountability, transparency, due process, rule of law, participation, justice, and control of corruption. In this regard, participation, pluralism, subsidiarity, accountability, transparency, equity, access, partnership, and efficiency in service provisioning are instrumental to ensuring good governance.

### **Effective Government and Local Government Reforms**

From the foregoing discussion, it could be seen that the capacity of local government to deliver their service, and functions and remain important instruments for sustainable development requires effective institutionalization of those instruments that could guarantee good and quality governance. Hence, there is a strong relationship between good governance and sustainable development in that one cannot be achieved without the other.

Closely connected to the foregoing is the desire to engage the private sector in sustainable development programs. In recent times, good governance efforts are increasingly becoming a cooperative endeavor, therefore there is a need to bring to the fore workable private-sector participation arrangements in the delivery of services (Abdullahi, 2014).

Also, for effective government efforts the institutionalization of a due process mechanism in the local government procurement process is required. Due process refers to a policy framework in which governmental activities and business is conducted openly, economically, and transparently without favoritism and corruptible tendencies (Kura, 2012). It implies a mechanism for ensuring strict compliance with openness, competition, and cost-accuracy rules and procedures in the procurement of goods and services by local government councils. Essentially, the due process mechanism is expected to promote openness and competition in the award of contracts and supply of services. Openness and competition encouraged the participation of the widest pool of supplies and allow government agencies to select among the participants the best bid that could offer value for money. More importantly, openness and competition reduce the cost of the contract and eliminate corruption in the procurement process (Abdullahi, 2014). But due process as a strategy for good

governance cannot achieve its desired objectives where procurement lacks transparency in terms of providing adequate and timely information regarding local government operations and conduct.

Similarly, the institutionalization of good governance in sustainable development programs cannot be possible without the use of competent and professional civil servants such as procurement experts, engineers, accountants, administrators, surveyors, etc. In recent times, the responsibilities of these professionals have shifted, and are directly more involved in development efforts in close collaboration with the private sector. Against the foregoing, three major roles of the professional civil service are easily discernible. First, civil service has the major task of translating into concrete actions the policies of political bodies for the common good of the citizens. It is equally the main instrument that government uses to regulate and manage all aspects of the economy of a society. In addition, it is the main medium through which all institutions obtain various types of approvals, licenses, permits, etc. Indeed, all institutions have to deal with the civil service at one point or the other in their existence and operations. The degree to which sustainable socio-economic and political progress is attained is largely dependent or linked to the utilization and performance of the civil service (Yayale, 2012).

Because of the expertise, competence, information, and knowledge at their disposal, professional civil servants have a greater role in the conceptualization, formulation, and implementation of sustainable development programs at the local level. In addition, there is the need to initiate the development of accountability systems for public service entailing the development of measurable indices of performance, by which every player in the local government will be held accountable for his/her performance. This would help foster a culture of accountability and guarantee sustainable development. More important, is the enforcement of audits of local government accounts through timely and accurate financial reporting as well as strengthening existing organs for enforcing financial discipline including legislative provisions.

Closely connected to the above is the urgent desire for constitutional review to among other things settle the lingering question of local government autonomy. There is a strong connection between local government autonomy, the institutionalization of good governance, and sustainable development. The capacity of local government to mobilize and effectively manage local resources and be held accountable is directly connected to the autonomy in terms of their ability to initiate development projects and design ways of implementing them. Therefore, where there is the absence of local government autonomy, it is impossible if not difficult for good governance to be institutionalized let alone ensure sustainable development. It is important to add that the constitutional trajectories surrounding local government autonomy have gradually transformed the local government into toothless bulldogs that could neither bite nor bark. The problems of incapacity associated with local government in Nigeria could be explained by the way local government powers and responsibilities are thwarted or sabotaged by the political leadership. For instance, the lingering crisis of poor service delivery and the culture of impunity that bedeviled local government areas could be linked to the constitutional problems associated with the powers, funding, and relationship between local councils and their state governments. State governors hijacked local government allocation and denied them the constitutional 10 percent of the state internally generated revenue under the pretext of state-local government joint account. State governments release the money to local governments only to pay staff salaries and in some instances, their staff is owed for months (Agbodike et al., 2014). This transformed local government areas into mere administrative units or personal estates of the state governors who often used local government funds to finance their political campaigns and rallies. This transformation created patronage relationships and denied local governments from carrying out their constitutional responsibilities of grass root development with serious implications on governance.

### **Factors militating against effective governance on Local Governments in Nigeria**

The problems militating against effective governance of local government are multifaceted and include:

**Lack of fiscal sustainability, budgeting expertise, and economic mismanagement:** Despite the increase in the total amount of funds available to local government in Nigeria in recent years, its economic and financial profile is still very poor, relative to the development program it is expected to carry out. More importantly, local governments depend too heavily on sources of income beyond their control and have low internal revenue-generating capacity. Local governments obtained almost 50% of their revenue from the federation account with an additional 31% coming from various grants and funds. They only generated 2.5% internally. The local governments also suffer from a lack of sufficient technical expertise and ignorance of the budgeting process. More importantly, economic decisions seem to lack the input of evidence. Furthermore, local governments depend to a large extent on funds outside their control. The release of these funds, (especially the grants), is often erratic and irregular, seriously hampering proper planning.

**Low technical and managerial capacities and skills:** In 1992, as a decentralization reform, all employees under the former "local government service commission" were reassigned under political officers in the local governments. Though nominally retaining their conditions of remuneration, their actual pay packages and conditions of service were largely at the disposal of the local government authorities. With a few notable exceptions, local governments have largely experienced and still experience a shortfall of skilled, technical, and professional staff across various sectors (health, works and maintenance, and infrastructural development). They often lack even basic managerial capacity. A good part of this problem can be attributable to the low-profile local government councils have on the radar of good professionals. Often, they can only afford to attract mediocre staff. The recruitment process of some local governments in Nigeria has also been called to question with claims of it being influenced by favoritism, nepotism, ethnic and political consideration, and other factors that unseat qualification, experience, and performance.

**Problem of participation, coordination, and planning:** The principle that should underlie the structure of Local Government is that those most affected by Council decisions must have the capacity to voice their opinion. Local governments often prepare estimates for revenue and expenditure without proper recourse to, and due consultation with, the people for whom the exercise is being carried out to know their needs, their problems, and potential. Hard-earned and limited resources accrued to and raised by the local government are always mismanaged.

**Corruption and lack of monitoring and evaluation:** Arguably the bane of development in the Nigerian public service in general and local government in particular, corruption remains a major constraint on the effectiveness of local government service delivery. Too often public funds meant for developmental purposes are mismanaged and cannot be accounted for. Generally, wide-scale embezzlement by officials of the grassroots has made the needed development of the grassroots a tall dream and has rendered them financially incapable to discharge their constitutionally assigned responsibilities. This can be largely attributed to a noticeable absence of a workable M & E framework.

**Lack of autonomy and undue interference by higher political authorities:** The Nigerian Constitution 1999 is rather equivocal on the autonomy and powers of local governments concerning the state government. Article 7 empowers the state government to enact legislation

concerning the establishment, structure, composition, finance, and functions of democratically elected local government councils. Also, the Fourth Schedule of the Nigerian Constitution 1999 assigns some roles to local governments in the provision of critical basic services including primary education, health services, and the development of agriculture. However, in practice, state governments exercise virtually unlimited jurisdiction in these same arenas. In many cases, the role of local governments is largely relegated to mere participation in the execution of functions. The lesson for Nigeria is that good governance or local self-governance for that matter, requires both knowledge's and will on the one hand and supporting and consistent institutional arrangements on the other hand. Those matters concerning knowledge and institutional arrangements are not independent and additive but are related to each other. Therefore, good governance at the local level can only be accomplished through institutional arrangements that are radically and consistently polycentric. To try to mix hierarchical ordering processes (as we are currently experiencing in Nigeria) into such a polycentric setting is a recipe for the generation of societal conflict.

- i) Lack of clear policy and institutional framework of inter-governmental relations that can ensure that resources allocated to local governments achieve their socio-economic objectives.
- ii) The system of local government revenue which makes them heavily dependent for up to 94% of total revenue on external sources practically excludes the citizens from the budgetary and governance process.
- iii) The present mechanisms for ensuring accountability and transparency at the local government leave too much power in the hands of the executive mayor and less in the council, the community, and the citizenry. To optimize the contributions of local governments to poverty reduction and sustainable economic development, certain fundamental requirements need to be addressed.

## **Conclusion**

In 2005, another provision was passed into law by the National Assembly, which empowered Local Government Allocation to be paid directly to them, instead of the previous arrangement of having a State-Local Joint Account. Statutory allocation meant for local government was increased to 23 percent. The idea of paying the statutory allocation direct to local government is to forestall the possibility of State Governments' manipulation of the joint account in their favor. This provision received criticism from the Conference of Assembly of Speakers, who looked at such provision as unconstitutional and encouraging corruption in Local Government Administration. Though the Assembly of Speakers criticized this provision, the majority of Nigerians welcomed this development, because of clever manipulations of State Governments to State-Local Government Joint Accounts. It was believed that the reform would enable the Local Government Councils to fulfill their primary functions of grass-root development. Another important innovation arising from the reform was the policy decision to provide training at all levels for all categories of local government officials. These reforms led to a considerable change in Nigerian administrative and political institutions. It has become a primary level of grassroots democracy and the distribution of socio-economic programs in Nigeria.

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