

Policyweekly

Repositioning Local Government Administration for Improved Social Service Delivery in Nigeria.



Policy Recommendations

- 1** The federal government should review constitutional changes that give local governments more authority in local government administration and statutory allocation.
- 2** NGOs and CSOs should increase efforts towards advocacy for LGAs' revival.
- 3** There is a need for relevant government agencies and stakeholders to introduce and implement extensive anti-corruption measures within municipal administrations.
- 4** Government agencies and stakeholders should invest in training and capacity-building programmes for local government leaders and personnel.
- 5** There is a need to review the procedure for conducting elections in order to stop electoral fraud.

Introduction

The history of Nigeria's local government system can be traced to the [1916 Native Authority Ordinance](#). This system was introduced by the British colonial authority to leverage existing traditional administrative systems to provide leadership in Nigeria. Despite opposition from the Eastern and Western regions, the Native Authority Ordinance remained in place until it became [obsolete](#) and [slow](#) in driving development. A [more liberal and participatory approach](#) to local governance was introduced in 1950 with the [Local Government Ordinance](#).

The current local government system began with the 1976 reforms, marking a turning point in the country's administrative history. The reform was propelled by the need to [decentralise governance and improve grassroots development](#). Several measures were introduced during this reform to bridge the gap in governance at the grassroots level. As a result, Local Government Areas (LGAs) were created nationwide, with the federal government funding them with a statutory percentage share of the federation account. The local government became Nigeria's [third tier of](#)

[government](#). The leadership positions of a chairman and supervisory councillors were introduced to steer the affairs of these councils. Traditional leaders assumed a supporting but non-partisan position in local governance.

Today, Nigeria has 774 Local Government Areas (LGAs) designed to drive rural development. The local government authorities ensure that rural communities receive measured and effective social services. These social services include healthcare, water, education, roads and social amenities. Local government authorities are required to identify and prioritise the community needs, introduce procedures to track project expenses and assess if the resource allocation

has had an effect.

Nigerian local governments have fallen short of fulfilling their mandates by failing to provide essential services effectively. This position aligns with many [experts' belief](#) that local governments in Nigeria have failed to justify their existence by providing revolutionary services to rural residents. Local governments do not always [serve the local populace's needs](#). As a result, households function as their local government, securing basics like electricity, water, security, and healthcare. Despite receiving around 16.4 trillion Naira (\$76 billion) between 2011 and 2021, local governments in Nigeria have provided essentially [no public goods and services](#).

Table 1: Total Allocation to Local Government from Federation Account (2011 - 2021)

SN	Year	Total Allocation to All LGs	Average LG Allocation	Exchange Rate (Per US Dollar)
1.	2021	₦ 1.772 trillion/\$4.65 billion	\$ 6 million	₦ 381
2.	2020	₦ 1.586 trillion/\$5.17 billion	\$ 6.7 million	₦ 307
3.	2019	₦ 1.651 trillion/\$5.38 billion	\$ 6.9 million	₦ 307
4.	2018	₦ 1.667 trillion/\$5.45 billion	\$ 7 million	₦ 306
5.	2017	₦ 1.263 trillion/\$4.14 billion	\$ 5.4 million	₦ 305
6.	2016	₦ 1.011 trillion/\$5.13 billion	\$ 6.6 million	₦ 197
7.	2015	₦ 1.205 trillion/\$6.62 billion	\$ 8.6 million	₦ 182
8.	2014	₦ 1.521 trillion/\$9.5 billion	\$ 12.3 million	₦ 160
9.	2013	₦ 1.709 trillion/\$10.88 billion	\$ 14.1 million	₦ 157
10.	2012	₦ 1.583 trillion/\$9.83 billion	\$ 12.7 million	₦ 161
11.	2011	₦ 1.459 trillion/\$9.54 billion	\$ 12.3 million	₦ 153
Total		₦16.43 trillion/ \$76.3 billion		

Source: [Carnegie Endowment for International Peace](#) Table: Charles Asiegbu

In this Policy Weekly, Nextier examines the history of Nigeria's local government system, focusing on its administrative origins and subsequent modifications aimed at decentralising governance and improving grassroots development. The Weekly observes that the current local government system has not successfully provided necessary services to rural populations despite establishing Local Government Areas (LGAs) and allocating substantial funding. The text emphasises the urgent need for reform for local governments to successfully recognise, prioritise, and respond to community needs, justifying their existence and providing meaningful social services to the public.

Challenges in LGA Administration in Nigeria

State Government Interference: Many state governments have assumed [the role of directly administering local governance](#), including revenue generation and resource allocation. This undue interference stifles the performance of local governments. They are mostly in perpetual poverty, which limits their ability to fulfil statutory obligations like paying salaries and tending to grassroots demands. Ideally, the federal government receives 52% of the statutory allocation from the federation account; the 36 states receive 27%, and the 774 local government

areas receive 21%. However, most state governments use the State Joint Local Government Account (SJLGA) provision in Section 162 of the 1999 Constitution to [usurp and seize the 21% accrued to the local government](#).

To address the challenge, the Nigerian Financial Intelligence Unit (NFIU) decided to uphold the full provisions of Section 162 (6) (8) of the 1999 Nigerian Constitution as amended. The constitution stipulates that "State Joint Local Government Account into which shall be paid allocations to the local government councils of the state from the federation account and from the government of the state." The NFIU made it [compulsory for all LGA allocations to go straight to their respective bank accounts](#). While there appears to be some ambiguity in the constitutional distribution process from federal to state to local government, NFIU [argued that local government accounts are collection accounts that must be completely activated](#). Yet, records show that some state governments are [flouting](#) the Nigeria Finance Intelligence Unit order for federal allocation remittance to local government accounts. For example, in August 2023, the chairman of Ijebu East Local Government Area of Ogun State accused the state governor of [diverting 17 billion Naira](#) belonging to local governments over the last two years. This accusation has generated much controversy, reinforcing state

governments' interference and suppression of local government.

Corruption and Poor Leadership: Although corruption plagues Nigeria from top to bottom, it is particularly [severe at the local government level](#). The prebendalism theory's analytical framework offers the clearest understanding of corruption in Nigeria's local government system. Prebendalism refers to political systems where [elected officials and government workers feel they have the right to a share of government revenues](#) and use them to benefit their supporters, co-religionists and members of their ethnic group. According to the theory, state offices are regarded as prebenders that can be appropriated by officeholders who use them to generate material benefits for themselves, their constituents, and kin groups.

The match between corruption and inadequate leadership is a proven challenge in Nigeria's local government system. Many local government leaders lack the necessary leadership skills and qualifications. [Most of them were handed leadership positions as a reward for loyalty to a political leader](#). As a result of this seeming installation, their allegiance is to the source of their authority rather than to the people at the local level. They spend most of their time in the capitals of their respective states, neglecting their operational bases.

Decline in Governance and Democracy: The crisis of governance, which shows in Nigeria's inability to [deal with internal political and social upheavals](#), is at the root of systemic local government failure. The lack of political knowledge needed to overcome Nigeria's difficulties has sparked discontent and heightened tensions. While national institutional frameworks for decentralised governance and anti-corruption initiatives are [embedded](#) in local governments' civil service rules, these initiatives operate in a challenging political context that hampers democratisation. In some cases, successive governors [fail to conduct local government elections](#), eroding democratic governance. Some [governors impose caretaker committees instead of elected officials](#), mainly comprising carefully selected cronies. These cronies are tasked with carrying out the governors' wishes and directives.

Consequences of the Failing LGAs

Heightened Insecurity: The insecurity across Nigeria today stems from the [failure of local governments](#) to provide basic services and maintain existing ones. A general lack of government presence in many local areas has exacerbated insecurity. This dire situation has created a vacuum where criminals and violent groups find fertile ground to operate with relative impunity. Without the basic services and infrastructure that citizens depend on for their daily lives, citizens, especially the youth, become easy targets for recruitment by these criminal groups. For instance, according to an August 2023 report, bandits control [23 local government areas in Sokoto, Zamfara, and Kebbi States](#). Consequently, many farmers and residents in the impacted areas have abandoned their farms and communities due to the escalating violence. The

continued failure of the local government creates and sustains a breeding ground for criminality and violence.

Deteriorating Amenities: The absence of effective local governments further deteriorates basic amenities like healthcare centres, rural roads, schools and WASH facilities. For instance, Local Education Area (LEA) schools are constantly in [poor conditions](#), with underpaid and unqualified teachers and dilapidated infrastructure. In most of these areas, [39 per cent of the households lack access to water](#), while only half have access to improved sanitation and almost 29 per cent practice open defecation.

The Burden of Rural-Urban Migration: Most Nigerian cities have continued to record an [exponential population](#) increase due to uncontrollable movements from the rural areas. Rural dwellers who could run and operate small and medium-sized businesses are compelled to migrate due to poor local administration, insecurity and a lack of basic infrastructure. Given the bleak promise of the local governments and the potential that major cities hold, rural dwellers are compelled to relocate to the cities. Either [voluntary or involuntary](#) circumstances can cause rural-urban migration. Involuntary or forced migration happens when a migrant has no choice but to relocate. Ethno-religious crises, conflicts, political struggles, family and land disputes, and violent conflicts are all examples. Some factors driving voluntary rural-urban migration include employment opportunities, better living conditions, and better education and health facilities.

The Way Forward

The provision of social services by local governments must be rebuilt in Nigeria if development and citizen well-being are to be promoted. Some pathways to achieving this include:

1. Constitutional Reform: Through the NFIU, the federal government should maintain its position on ensuring that state governments do not hijack local government funds. Efforts should be made to review constitutional changes that give local governments more authority in local government administration and statutory allocation.

2. Increased Advocacy for LGAs' revival: Governance-focused local and international non-governmental organisations (NGOs) and civil society organisations (CSOs) should work with the Ministry of Special Duties to raise awareness of Nigeria's appalling state of local government administration. Efforts should be directed towards rallying state governments to take action to resuscitate the system. NGOs and CSOs should serve as watchdogs and rein in the state government's seeming intimidation of local governments. Advocate for a more decentralised governance system that gives local governments control over education, healthcare, infrastructure, and other critical social services. Create intergovernmental cooperation and coordination structures to handle common challenges and ensure efficient service delivery.

3. Transparency and Accountability: The relevant government agencies and stakeholders should

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Nextier SPD (www.thenextier.com/spd) is an international development consulting firm that uses evidence-based research to develop and build knowledge and skills to enhance human security, peace, and sustainable development as means to achieving stability and prosperity in Nigeria, and in the African region.

introduce and implement extensive anti-corruption measures within municipal administrations, including establishing independent sub-agencies. One way can be posting financial accounts, budgets, and expenditure reports on accessible public forums. An accountability culture may include frequent public hearings and town hall meetings and involving citizens in monitoring and evaluating social service delivery programs.

4. Capacity Building and Leadership Development: Government agencies and stakeholders should invest in training and capacity-building programmes for local government leaders and personnel to strengthen their public administration, financial management, and service delivery skills. Stakeholders such as non-governmental organisations (NGOs) can advocate for the legislative application of credible qualifying standards for positions in local government leadership, prioritising honesty, competence, and dedication to public service.

5. Elections in Local Councils: The procedure for conducting elections for political positions in the councils should be reviewed or assigned to INEC for sole administration. By doing this, electoral fraud would be stopped, and the state governor's hand-picking of council members in place of a fair election would end.

Conclusion

Improving and repositioning Nigeria's Local Government Administration (LGA) is critical. Local government authorities (LGAs) are the most reachable to the average citizen and play a significant role in local governance. They offer fundamental services, promote economic development, mediate conflicts, and manage local resources. Strong local government administration encourages community engagement, accountability, and transparency, empowering residents and enhancing democracy at the grassroots level.

Effective LGAs lessen the load on the upper tiers of government and enable better resource distribution. They also act as centres for data gathering and planning, which supports the creation of policies and development efforts. Improved LGA administration promotes national stability and growth by guaranteeing effective resource management and equitable funding allocation. Repositioning the LGA administration in Nigeria aims to improve national progress and well-being and local government, making it an essential part of the country's governance framework.

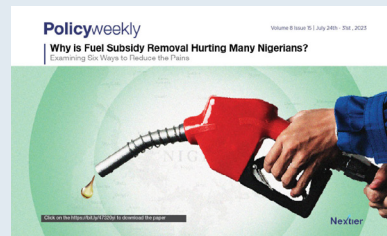
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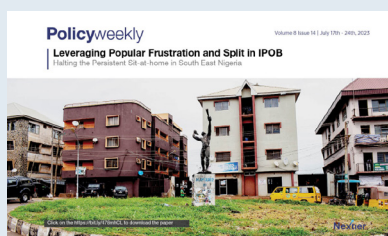
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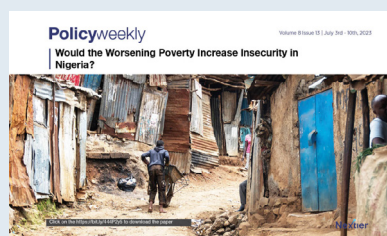
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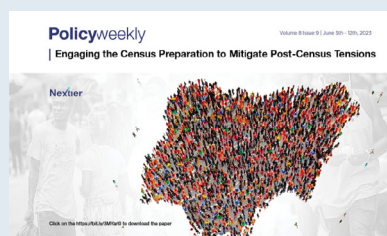
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