

## STATE-LOCAL GOVERNMENT JOINT ACCOUNT AND SERVICE DELIVERY AT THE GRASSROOTS IN NIGERIA: AN INSIGHT FROM IFE-EAST LOCAL GOVERNMENT

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### ABSTRACT

*The constitution requires every state to maintain a special account where local government revenue from federation account are paid including the 10% state's internally generated revenue. The state is expected to share the revenue among the local governments while the local governments in turn are expected to utilize the funds for social services delivery at the grassroots. The paper notes that while monies meant for local governments from federation accounts are paid promptly, the state governments had devised strategies of delay, divert and non-remittance of funds belonging to local governments and this partly contributes to poor service delivery in local areas. In light of this, the paper examines how diversion of these funds affect service delivery in Ife-East local government and concludes that Ife-East Local Government is largely incapable of meeting its responsibility of service provision due to illicit state deductions and diversion of its funds.*

**Keywords:** *Grassroots, Joint account, Local government, State, Service delivery*

### Introduction

Evidence from literature shows that academic discourse and research in state-local fiscal relations, particularly in respect of state-local joint account, is engendered mainly by the diversion of funds in the special account by the state, delay in remittance of funds to local governments and sometimes deliberate withholding of local government funds and gross mismanagement of local government funds by the state. The inability of the local government to provide essential services at the grassroots and the failure of the state to remit local government funds from the joint account have thus provoked studies (Sobechi 2009; Agbani

and Ugwoke 2014; Ojugbeli and Ojoh 2014; Otinche 2014; Tonwe, 2014; Fatile and Ejalonibu 2015) aimed at reversing the overbearing influence of the state given the immense role that can be played in grassroots development by local governments. In Nigeria, there have been calls from the academics, concerned citizens, media and political leaders (both Obasanjo and Buhari) for an amendment of section 162 (6) of the 1999 constitution The Nation (2016) in a bid to correct certain perceived mismanagement of local government funds in the joint account. This is because this special joint account has been grossly abused by the state government and sometimes by greedy Local Government Chairmen who divert monies from the joint account for private benefits at the expense of service delivery to people in rural/local areas. The malefic use of these powers has been generally identified as the principal retarding factor in the development of local government (Tonwe, 2014). In a similar vein, President Buhari in the Nation (2016) observes that the relationship between the states and local governments is not a very nice one. He further reveals that:

The states feel that they own local government, if they are of the same party. It is worse if they are not. This is a very serious constitutional problem and unless there is absolute clarity and transparency, the relationship will continue to be exploited against the interest of the ordinary people of the country (The Nation, 2016: 32).

The creation of this special account by the constitution was borne out of the need to enhance rapid grassroots development through prompt provision of adequate social services by ensuring effective supervision of the distribution and allocation of revenue to local government from the federation account. The constitution stipulated the establishment of the special state-local joint account in a bid to entrust the state with powers to distribute revenue due to local governments from federation account and their own (state's) 10% internally generated revenue so as to ensure effective supervision of the spending of the funds towards rural development. The intention of this account was to ensure that the statutory allocation to the local government from the federation account is rightly expended on the implementation of the statutory duties (social services) of the local government. Local government is closer to the people, the constitution had envisaged more monies into the coffers of the local governments to enable it meet service delivery to the people. This view was aptly supported by Tonwe (2014) who avers that constitutional provisions and efforts were anticipated to bring a reasonable proportion of national and state government's revenue to the coffers of local

governments to aid them in the provision of adequate social services and essential capital projects.

The state is to only act in the capacity of distributing and supervising the use of the funds by the local governments and not hijacking or diverting the funds for the state's purpose. Section 162 (6), (7) and (8) of the 1999 constitution establishes the special joint account, instructs the state to pay its 10% internally generated revenue into this account and distributes the amount standing to the credit of local governments in the state on such terms and in such manner as may be prescribed by the State House of Assembly. From the foregoing, the constitution is very clear and straightforward on how the state-local joint special account should be operated. The Constitution clearly states that all monies standing to the credit of the local governments should be distributed to them on terms and prescription of the state's legislature. But this law has always been violated by the state government. In fact, they have repeatedly refused to remit 10% of revenue generated internally to local governments. It is important to note that several factors have been responsible for this action by the state government.

The first, is based on the nature of party politics and election at the state level. For instance, after the emergence of state governors, they will crudely work to see that State Assembly election is won by candidates from their party. In Osun State House of Assembly, only two people are from the opposition party (People Democratic Party), while others are from the ruling party (All Progressive Congress). This accords the State Governor the undue influence over the affairs and decisions of the State Assembly.

The second, is the greedy nature of the governors, state parliamentarians and lack of constructive opposition. There is no body to oppose the governor's decision of not remitting the 10% internally generated revenue or statutory allocation to the local governments from the special joint account. The State House of Assembly are rather too passive and unassuming in challenging some of the actions of the state government that are detrimental to grassroots development.

Other factors are connected with the constitution that places the creation, finance and control of local governments under the state. Although, the constitution recognises the system of Local Government by democratically elected Local Government Council, Federal Consitution (section 7 (1), 1999). But the section 8 of the Constitution ensure their existence

under a law which provides for the establishment, structure, composition, and finance of such councils by the state government. The governors have continually exploited this provision to justify their wilful manipulation of local government funds in the joint account. Also the use of care-taker committee system to run the local governments by the state government has given the state more opportunity to abuse the purpose for the establishment the state-local joint account. And this has generated serious criticism of the state-local joint account such that some scholars in fields of federalism and intergovernmental relations have recommended for its cancellation, amendment or direct payment of local government funds from the federation account.

Regardless of the nature and extent of defects that may characterise the state-local government joint account in theory and practice in Nigeria, it has, for quite some time, come to represent an important element in the country's intergovernmental fiscal relations. Not unexpectedly, the special joint account has been subjected to various critical analysis. The foregoing notwithstanding, not much intellectual resources have been deployed in examining how local government chairmen can judiciously manage or use the funds allocated to them from the special joint account by the state as a vehicle for service delivery at the grassroots. Much of the academic studies have always placed the blame on the state government and not the local governments.

The fact that state governors who are supposed to supervise the spending of funds allocated to local governments from the joint account are the ones who divert, deduct illicitly and sometimes loot the funds is not lost on this paper. To provide essential services by local governments from the money remitted to them, from the joint account makes this paper relevant as it intends to unravel how local governments can judiciously use remitted funds no matter how little in providing some service that will in the long run transform the rural areas. Effective use of the remitted funds for service delivery over personal interests at the grassroots by local government chairmen in itself is not necessarily bad. The provision of service by local governments may justify their existence as agent of grassroots development.

The basic issue to which this paper addresses itself is to, in an exploratory manner, examine the state-local joint account within the context of service delivery in Ife-East Local Government. We are interested in knowing if the government in Ife-East Local Government area has been able to provide service to people in the area from the monies received from the

state-local government joint account. If yes, to what extent, if at all, has it been properly utilised? If not, what options are available? To ensure a systematic approach to tackling these issues, they are discussed under several headings. Conceptual clarifications and constitutional roles of local governments in terms of the kind of services to be provided are discussed in the next section. In the subsequent sections we examine the operation of the state-local joint account in Nigeria, challenges of the state-local joint account, redressing poor service delivery in Ife-East Local Government through the remitted funds from the joint accounts and lastly conclusion.

### **Conceptual Framework**

#### **State-Local Joint Account**

This an account specially opened and maintained by every state government for the payment of statutory allocation to local government from federation account and for the payment of their own (state's) 10% internally generated revenue. This account is maintained on behalf of the local governments by the state. Two kinds of money are paid into this account for the use/credit of local governments of a state. The first is the share of local governments from the federation account. That is statutory allocation from federation account is paid into this account. While the second payment is the state's 10% internally generated revenue. That is all the monies generated internally in a state, its 10% will be paid into this account to be distributed among local governments within the state. Specifically, section 162 (6) stipulates that every state shall maintain a specific account to be called "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 from the Government of the State". This section though does not allow the direct payment of statutory allocation to the local governments but recognises the state as the supervising agent that oversees the distribution and the spending of the funds by the local government.

This paper, noted that the 1976 local government reform advocated for state-local government joint account to enable the state maintain fiscal relations with its local governments. In a similar vein, Ojugbeli and Ojoh (2014) averred that the issue of Joint Account was clearly mentioned first by the technical committee set up by the Federal Government on revenue allocation in 1976. The technical committee however discovered that local governments are not well funded and that the state governments are not initially

providing any funds to local governments. It is in the light of these problems that the committee recommend that special joint account be opened so that statutory allocation from federation account and that of the state's (10%) internally generated revenue can be paid for the benefit of the local governments while the state distributes and supervises the spending of the funds by local governments. The articulation of all the financial problems of the Local Government precipitated the idea of having a Joint Account System for the Unified Local Government system in Nigeria under the supervision of the State Government (Ojugbeli and Ojoh, 2014). Corroborating this view, Omoruyi (1985) avers that Joint Account System and its subsequent inclusion in the 1979 constitution was to enable the state government oversee, monitors and guides local government finances. A critical analysis of the foregoing show that the Joint Account System was established because of the following reasons:

- i. To make funds available to the coffers of the local governments, that is, local governments will be able to have access to funds from both the federal and state government. The funds from the federal government represents the statutory allocation from federation account, while that of state funds represents the 10% internally generated revenue of the state. Evidence from literature shows that state governments don't always remit their 10% IGR to local governments (Ibietan and Ndukwe, 2014).
- ii. To enhance state-local fiscal relations i.e. before the Joint Account System, the state government did not have any financial relations with their local governments. For instance in 1973/74, when the federal government provided the state with 1,000,000 to be distributed to local governments as capital loan funds, the states were required to match the contribution from the federal government, but failed to do that. In a bid to clearly show the poor level of state-local fiscal relations, before the state-local joint account was established, Tonwe (2014) avers that the State Governments were expected to match the contribution from the Federal Government. Many state governments did not provide matching funds as required by the Federal Government as the administration of Local Government Loans Fund left much to be desired (Tonwe, 2014).
- iii. To encourage effective supervision of local governments spending by the state. This special account was established to block all forms of misappropriation, mis-management and

looting of local government finances by local government chairmen and other politicians at the grassroots. That is, it will enhance accountability and probity. This reason was aptly supported by Agbani and Ugwuoke (2014) when they contended that the constitutional provisions concerning the Joint Account System is to ensure probity and accountability in the management of Local Government revenue for effective rural development and transformation.

- iv. This account was established to see that funds in this account were judiciously expended on service delivery which in turn promotes grassroots development. This, if effectively done is expected to drive Nigeria economy towards the achievements of her Vision 2020 (Agbani and Ugwuoke, 2014).
- v. It was also established to strengthened federal-local fiscal relations. Prior to 1976 reform the commitment of the federal government to local governments in terms of finance was very poor. But with this account, the federal government promptly remits or pays statutory allocation standing to the credit of local governments of a state. Section 162 of the Constitution of 1999 provides that the amount standing to the credit of local government councils in the Federation Account shall also be allocated to the States for the benefit of their local government councils on such terms and in such manners as may be prescribed by the National Assembly. Tonwe (2014) submits that the increasing local-federal nexus resulted from the push and pull factors at the macro level of the political system.

The foregoing shows that the rationale for the Joint Account System was to strengthened both state-local relations, federal-local relations, to enforce strict monitoring and supervision of the local government finance, to make more monies readily available to the coffers of local governments and to enhance prompt implementation of social services at the grassroots.

### **Social Service Delivery**

This implies tangible and intangible goods and services partly provided through the taxes paid by the citizens to the government in order to improve the well-being of the citizenry. It refers to the provision of social services, such as potable water supply, repair of local roads, primary healthcare delivery and cemeteries, intended to alleviate human suffering and by extension, enhance the quality of life of the citizens. Continually, local government is

saddled with the responsibilities of providing services relating to maintainance of cemeteries, burial grounds; homes for the destitute and infirm; markets; sewage and refuse disposal; roads, streets, street lighting, drains, other public facilities.They also engage in economic planning and development of the rural areas.

### **Rural Development**

This is the transformation of the rural communities from their primitive state or level to a more desirable state through effective economic planning and programmes. It is a process of making the rural areas free of absolute poverty, wide-gap inequalities and high rate of unemployment. This is better achieved when government at the grassroots is able to live to its responsibilities in terms of prompt and adequate provision of services (like provision of small scale jobs, empowerment programmes and equity in the distribution of the services). In a similar vein, Ugwu in Agbani and Ugwuoke (2014) sees it as the articulation, provision and stimulation of economic activities, health and educational advancement facilities, and utilities for rural dwellers. Rural development according to Agbani and Ugwuoke (2014) is a proactive measure put in place to enhance the well-being of the local people. Rural development can only be achieved if local governments are effectively and efficiently carrying out their duties of service delivery. They are the only tier of government closer to the people in the rural area and if they are efficient in delivering local content services as advocated for by the efficieny theory of local government, then development will not be far from the grassroots.

### **Local Government**

This connotes the government at the grassroots or pheri-pheri government saddled with the responsibilities to make bye-laws, provide social services to people in local areas.It is the government that governs the affairs of people who live in the local or rural area. This view was aptly supported by Awofeso (2006) who avers that local government represents the governing body or administrative units empowered to govern the affairs of people in certain locality. Awofeso (2006) further reveals that the governing body can either be elected or appointed. It is important to note that the elected ones are duly recognised by the constitution while the ones appointed (care-taker committee) are only known to the state government. Similarly, the Guideline for Local Government Reform, FGN, (1976) defines local government as government at local level exercised through representative councils established by law to exercise specific powers in defined areas and provide social services to

local areas. This definition is in line with that of the United Nations Office for Public Administration that sees Local Government as a political subdivision of a nation (in a federal system) state, which is constituted by law and has substantial control of local affairs including the powers to impose taxes or to exact labour for prescribed purposes.

### **Constitutional Functions of the Local Government**

The functions of local government are entrenched in the Fourth Schedule of the 1999 constitution. Quoting from the Constitution: “The functions of a local government council shall include participation of such council in the Government of a State as respects the following matters:

- (a) the provision and maintenance of primary, adult and vocational education;
- (b) the development of agriculture and natural resources, other than the exploitation of minerals;
- (c) the provision and maintenance of health services; and
- (d) such other functions as may be conferred on a local government council by the House of Assembly of the State.”
- (e.) establishment and maintenance of cemeteries, burial grounds and home for destitute and disabled persons.
- (f) assist in the implementation of National Agricultural development programmes that will enhance massive food production in their localities.
- (g) embark on infrastructural development such as construction (repairs) of roads, street, drainages, motor parks and recreational centres in their localities.
- (h.) collect taxes and rates for the running of their councils, subject to the taxes approved by State House of Assembly.
- (i). make by-laws that will enhance peace and tranquillity in their localities or domains.

It is imperative to state that if local governments in any state in Nigeria sincerely pursue the implementation of these functions, then our rural communities will be on the verge of rapid development. But observations and evidence from the literature (Alao, Osakede and Owolabi 2015; Aluko 2006; Dalhatu 2006; Gboyega 1987) show that most local governments in

Nigeria are grossly underdeveloped because of poor service delivery at the grassroots. This ugly scenario has been attributed to the domineering status of the state in the operation of the Joint Account System. Many scholars do not see that local government can really be the problem or see the need to examine how local governments utilised or spend the funds they receive from the special account. For these scholars, the state has always been the one mismanaging monies in the Joint Account System. While the illicit activities of the state in the operation of the Joint Account System is not lost on us, to examine or ask question on how effectively and efficiently local governments in most states have judiciously used the remitted funds from the special account is not necessarily evil. In the light of this, the paper examines the operation of the state-local joint account in the preceding section.

### **Operation of State-Local Joint Account System in Ife-East Local Government**

Evidence from the literature shows that the state is always blamed and accused over issues concerning monies/funds in the Joint Account System. It is true that the state has proven to be overbearing in the handling of the special joint account. This is partly because the 1999 constitution requires every state to establish, distribute and supervise the spending of funds by local governments from this account. Also, the power to create, finance, control and administer oath of allegiance on elected chairmen of local governments gave the state the authority to be domineering over local governments. The focus of this paper is to investigate how local governments have judiciously used the remitted funds (whether delayed or little) from the special joint account for efficient delivery of services at the grassroots. What is the effect of the remitted funds on service delivery in Ife-East Local Government? Using documentary analysis of the monthly allocation from the joint account system to Ife-East Local government shows that local governments including Ife-East local government have not fared better in the judicious use of the remitted funds.

Developments in Ife-East local government area show that service delivery is at the poor state because of the high level of corruption among the politicians (Chairman, Vice-Chairman, Councillors and Supervisory Councillors) in the local government area. Corroborating this view, Ibietan and Ndukwe (2014) aver that corruption is the greatest bane of local government administration in Nigeria. At the grassroots level, corruption has been canonically accommodated, entertained, and celebrated within the system. In the local government setting, corruption is normally labeled and euphemistically referred to as

“Egunje” (a slogan implying “illegal offer” in Nigeria) (Ibietan and Ndukwe, 2014). The question that need to be asked is that, what have successive local government chairmen/care-taker committee in Ife-East Local Government council done in terms of service provision with the funds remitted to them from the Joint Account System? Cross examination of physical facilities, infrastructure, social services, health centres and other public utilities in the area is at variance with the enormous statutory allocation from joint account. This ugly scenario made Kolawole in Ibietan and Ndukwe (2014) to conclude that lack of funds is no more a constraint on local government performance but mismanagement and misappropriation of funds allocated to it.

Since 2010, local governments in Osun State have been governed by care-taker committee system. These care-taker committees receive monthly allocation from the joint account except for the period of half-salary policy of the state government. In all the ten wards visited, there is deficient service delivery. Refuse are littered and thrown in open places, the Cemeteries are not promptly maintained and cleaned, the Markets (Old Ife and Ilode Markets) are untidy and overcrowded. The local government does not have any planned economic/rural development policies that can transform the rural communities. The roads linking Ilode to Oke-Ogbo were in a very bad shape, pot-holes on the road are left untouched/unrepaired by Ife-East Local Government. The point being made here, is that in spite of the monthly allocation (no matter how little) from this joint account to care-taker committee Chairman in Ife-East Local government, there is no evidence that part of this fund is expended on provision of service in the area. Corruption of leaders (whether elected or appointed) at the local government level is the real reason why efficient service delivery is lacking at the grassroots. Observation of staff, Departments and other activities in Ife-East Local Government shows that monies from the state-local joint account are further mismanaged, diverted and looted by successive leaders who have governed the council. Corroborating this view were Aina (2006), Aluko (2006), Ejike (2014) and Kyenge, (2013) who aver that corruption as one of the greatest impediments of effective service delivery at the local government level. In a similar vein, Ottenberg in (Alao, Osakede and Owolabi, 2015: 71) noted that:

Almost every council position, whether of elected council or appointed staff, has its salary and also its additional income through corrupt activities. Corruption and bribery fit into

internal and external political conflicts in the council. Infact, they form a major political aspect of local government.

Corruption is manifested when the Local Government Chairman having received the remitted funds, managed to pay staff salaries and divert other funds into private use at the expense of service provision. The fear that if local government allocations are paid directly to them, it will be looted diverted and mismanaged. This informed government's decision to stipulate in the Constitution, the provision of State-Local Joint Account where the statutory allocation accruing to local governments can be paid, distributed and supervised by the state government. But it is unfortunate that the good intention of the government has been grossly eroded majorly by the state government and their local governments. The local governments also indulge in diversion of the remitted funds by the state government for their selfish interests This in the long run adversely affects the delivery of social services at the grassroots.

Also, poor financial management, lack of accountability and control is another area Ife-East Local Government is highly deficient. Evidence from the document analysis of the council shows that the funds from the joint account are not managed properly and efficiently. This view was supported by councillors in wards (1,3 and 5) that the appointed care-taker committee do not carry them along in the spending of the remitted funds from the joint account. There is also complete case of non accountability of the appointed chairman of the local government on the spending of the funds remitted by the state government. All these contributes to poor state of service delivery in Ife-East Local Government area. Corroborating this view, Agbani and Ugwuoke (2014: 148) aver that:

It is very clear that the desired rural development and transformation of the economy can only be achieved if funds meant or allocated to the local government councils from the joint account are properly utilized by financial managers in the local government system.

From the foregoing, it can be reasonably inferred that corruption, lack of accountability, poor mismanagement and deliberate diversion of funds from the Joint Account system by the appointed care-taker committee are partly the cause of poor service delivery which in the long run have left most communities in Ife-East Local Government Area largely underdeveloped.

### **Challenges of State-Local Government Joint Account**

As good as the intention of the joint account system, it is continually hampered with challenges such as:

1. Overbearing powers of the state visibly seen in the way and manner the state deducts, diverts and delays the remittance of the money to the local government. In a bid to show the spate of overbearing powers of the state, Aliyu, Afolabi and Akinwande (2013) aver that between 1999 and 2012, there have been accusations against most State Governors that the policy priorities of some of them are sometimes at variance with, and do not always take into consideration the peculiar needs of local governments under them. In a similar vein, Togun (2010) submits that most governors are not always mindful of the policy focus of local governments because they control the 'purse' of the local councils under them.

2. The local governments like the states also follow the pattern of the state by diverting the funds for private use. It is imperative to note that, it is not in all cases that the states do not remit funds to local governments. Though state has been the object of blame and criticism in the operation of the joint account system, but evidence from the documentary analysis of Ife-East local government monthly allocation records shows that local governments sometimes do divert remaining funds after payment of staff salaries, leaving service provision unattended to. This view had earlier been supported by the work of Ibietan and Ndukwe (2014) who submit that leaders at the grassroots primarily seek means to enrich themselves as quickly as they can and ultimately run the budgets of their various localities aground without any visible developmental projects to show for it. In the same vein, Lawal (2001) reveals that Developmental projects, if any, are in place after being thoroughly inflated

3. The half salary policy of the Osun State Government have further aggravated the problem inherent in the State-Local Joint Account. It has left the account empty as staff was not paid full salary let alone financing the delivery of social service.

4. The continual use of the care-taker committee and now council manager have further denied Ife-East Local Government its allocation of funds from the joint account. This system hinders accountability and financial control at the local government level. Analysing the effect of the use of committee system to run local councils, Kunle, (2004), Hickey (1990) contend that the reluctance of State Governors to conduct council polls has been argued elsewhere as a pathway to steal funds. The effect of care-taker committee on state-local joint account is that it prohibits prompt accountability by those in public offices in local government.

5. Lastly, the prevalent economic recession that has made most states including Osun State in Nigeria handicapped in paying their staff has also partly affected the smooth operation of the joint account.

### **Redressing Poor Service Delivery through Joint Account System in Ife-East Local Government**

At the heart of the State-Local Joint Account, as we have pointed out, is the attempt to make monies available in the coffers of local government to implement their duties, supervise the expenditure of local councils and strengthens both federal-local fiscal relations and state-local fiscal relations. The definition of that “joint account” does not mean monies in the account are for only the state both in the conception and implementation. Understandably, there are legal provisions in the constitution which accord the state the power to create, finance and control local governments including their finance. But there is no legally backed affirmative action that supports their illicit deductions, diversion and non-remittance of local governments’ funds in the joint account. Conceptually, the constitution can be amended to include provisions, which allow prompt remittance of local councils funds by the state . This could be by way of a clause stipulating severe punishment (such as the move for impeachment of the governor, frozen of the state’s account or non-remittance of subsequent state’s allocation) for any state that fails to remit monies standing to credit of local councils.

This will make the state remit monies due to local government councils timely. However, some are wont to point to problems that may be associated with this constitutional/legal provisions. The fact of rigidity of constitutional provisions is not lost on us. To constitutionalize a penalty for diversion, delay and illicit deductions of local government monies by state may make such provision rigid. Rigidity in itself is not necessarily evil. The need for strict adherence to certain provisions may justify the rigidisation of such provisions. Furthermore, it may also be argued that this proposed provision (penalty for defaulting states) in the constitution may imply fiscal autonomy of local councils.

These and some other problems are likely to be thrown up. We need to point out emphatically, that the whole idea for suggesting a legally or constitutionally guaranteed prompt payment of local councils funds by the state from the joint account is not to ensure equalization of power between state and local governments. Rather, it is meant to encourage

prompt payment of local government funds. To this end, such a provision could merely provide for thorough supervision of the spending of the remitted funds in, say, every local government council by the state. In this way, even in local governments where chairmen also divert, mismanage and misappropriate the remitted funds from the joint account or who engage in corruption that hindered adequate provision of social services at the grassroots, such provision will ensure the demise of such practices.

In addition, it will promote the acceptance, by the generality of rural people, that state-local government joint account can justifiably be used as tool for service delivery at the grassroots. This provision can easily be applied to elected local government chairmen. In the case of appointed care-taker committee, however, it may be more cumbersome to apply. For instance, the constitution recognised the elected chairmen but the appointed committees are loyalists of the state governor and they are appointed to do the biddings of the state governor. Thus, for elected political leaders, it may be convenient to hold them accountable for their duties by the people. This will prompt them to be mindful of efficient spending of the local government funds in service delivery that can in turn develop the rural communities; difficulties are likely to beset the application of same on appointed political office holders. This is because they seem to be more accountable to the state than the people.

We need to state that while the suggestion for the review of section 162 (6) of the constitution to include severe punishment for any state governor, local government chairman who diverts, delays or deducts illicitly from the joint account at the expense of service delivery at the grassroots remains a valid and feasible option, the delivery of service in a rapid and effective manner demands a multidimensional approach. In addition to the review of the section 162(6) of the Constitution, (greater) emphasis should be laid on discouraging, by a combination of legislation and education, fraudulent and corrupt practices that hinder efficient service delivery at the grassroots. The ultimate implication of these is that it will help check against the greedy nature of public office holders at both the state and local governments levels.

### **Conclusion**

The rural communities or the grassroots were devoid of basic essential services like accessible roads, functioning health centres, clean markets, bore-hole water system, standard

refuse disposal system, well built cemeteries, recreational centres etc. The degree of poor service delivery, however, differed from one community to another. The overbearing influence and sharp practices of some of the state governors and corrupt nature of local government leadership in the operation of the joint account system have had considerable adverse effect on service delivery which in the long run underdevelops rural communities. Against the background of this, we examined the utility of the state-local joint account in stimulating efficient service delivery at the grassroots. It is our contention that if the joint account is enforced according to the purpose for its establishment, it can be very helpful in this direction. Nevertheless, we observed some challenges and proffered solutions to them.

Finally, we have also argued that for an effective and efficient service delivery at the grassroots through monies in the joint account system a multi-pronged approach requiring a combination of factors need to be adopted. To this end, emphasis should be placed more on, creating in the minds of governors and local government chairmen/appointed committee, to sincerely serve the people and not the other way round. And discouraging corrupt practices (diversion, non-remittance of funds, illegal deductions, misappropriation) that are against the purpose of the joint account system, particularly those that are adverse to efficient service delivery and grassroots development.

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