

Money Has Finally
Changed Hands

The Implications of Financial Autonomy for Local Government in Nigeria





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Executive Summary

This brief addresses the history, present and future direction of local government administration in Nigeria, with a view to appraising its foundations and reasons for the contentious nature of its autonomy. Attention is paid to the structure, management and administration of the education sector, as well as the primary healthcare management by local governments and the dynamic between them and the states. For education and health care, the brief considers challenges posed by capacity and funding constraints, as well as prospects for local and state intergovernmental relations. The brief notes the constitutionality of local government as a distinct tier of government, the odds of an emergent 'good governance' and development paradigm (if gubernatorial political dominance will remain significant) and whether local government can escape its chequered past. This brief focuses on explaining how the federal government, via a quasi-oversight function, can ensure that local government is enabled to spur development and growth.

The brief ends by appraising the possible near term future orientation of local government (noting the risk profiles of key stakeholders, power dynamics, weak governance capacity and status quo bias, among other things) and provides recommendations on how the federal government can engage with local government going forward.

Introduction

The recent landmark judgement of the Supreme Court of Nigeria has shifted Nigeria's political and administrative landscape. Before the pronouncement, local government finances were predominantly controlled by the states, which was believed to align with the constitutional provision for the state and local government to maintain a joint account. However, with the apex Court ruling on the illegality of state financial overreach, local governments will-to some degree-now have the final say on how their funds will be spent. Yet other factors require scrutiny. One is the potential quality of local superintendence. Another is the ability of local government to fulfil the yearnings for good governance of local economies and their infrastructure. A third is the sceptre of interference via state agencies that had taken over local government functions.¹

The following sections provide an overview of local government in Nigeria, its newfound autonomy, and its implications for politics, administration, and intergovernmental relations. At the base of this brief, the considerations are of how power ought to be exercised in relation to the delivery of public goods and services, many of which are specific to this level of government. While this brief is not a full political economy analysis, it reiterates that local context is key to understanding how to relate with local government. Political structures and institutions are relevant components of political analysis, and attention ought to be given to the 774 actors that, individually and in the aggregate, have a significant role to play.

1. See the Faculty of Social Sciences, (N.d), Course Title: Nigerian Local Government (PAD 444), National Open University of Nigeria, Federal Ministry of Education, Federal Republic of Nigeria. Available at: <https://nou.edu.ng/coursewarecontent/PAD444%20-%20LOCAL%20GOVERNMENT%20ADMINISTRATION.pdf>



Section A

Subnational Autonomy and Local Governance in Nigeria

Subnational autonomy permits local governments to manage resources and make decisions independently, thereby potentially better responding to local needs. Nigeria's local autonomy has been shaped by different historical developments, the Pre-1999 era² and the Post-1999 era.³ Prior to the 2024 judgement of the Supreme Court, local governments faced numerous challenges. Inadequate funding hindered their ability to provide essential services. Political interference limited local autonomy. Corruption was rampant, worsened by weak accountability mechanisms. Additionally, insecurity, including insurgencies and ethnic conflicts, disrupted local governance. Many local governments struggled with insufficient capacity.

Several actors agitated for local government autonomy, mainly for funding. State Governments, for instance, aimed to maintain control over local finances. The Federal Government provided blanket policies but was often removed from local realities. Civil Society Organisations advocated for local government autonomy, transparency and accountability. Traditional and community leaders played crucial roles in mediating local politics.

Persisting Political and Governance Challenges

Despite the reform, local governments, as semi-autonomous bodies, face significant obstacles. Political interference from state governors (and even the federal government) remains a challenge. This interference undermines autonomy and governance, as local governments receive less than optimal funds, limiting their ability to deliver services and develop infrastructure. In addition, corruption persists, with local officials sometimes mismanaging and embezzling resources, reducing trust and effectiveness. Institutional weaknesses hinder effective local governance, including inadequate capacity, skilled personnel, and other resources. Ethnic and religious tensions further embroil local administration. Limited citizen engagement and participation reduces accountability on the part of the local authority. Inadequate oversight and accountability mechanisms enable corruption and mismanagement.

2. During the pre-colonial period, local communities were ruled by traditional authorities, while experiencing little external interference. The colonial government established the Native Authority system recognizing traditional rulers but imposing a European model of administration on them. Changes were made to these forms of authority upon independence, incorporating elections later on. Post-independence, the military altered the structure and autonomy of local authorities. Local Government Reform was executed in 1976, establishing a new three-tier structure and enhancing local autonomy. This autonomy continued to be modified by subsequent regimes at varying degrees.

3. A new phase in local government administration was signalled by the return to democracy in 1999. The 1999 Constitution acknowledged local governments as the third tier of government with some degree of autonomy. Despite this however, various challenges such as lack of funds for their operations, political interference and corruption plagued them. The objective was to achieve a solid Local Government independence but most attempts were thwarted by state-level influence and limited revenue independence.

Section B

Outline of the Universal Basic Education Commission (UBEC) and State Universal Basic Education Boards (SUBEB)

Education is a critical public good offered by all tiers of government. The Universal Basic Education Commission (UBEC) is tasked with generally overseeing finance, implementation and coordination of free and compulsory universal basic education.⁴ The Federal Government provides support to States and Local Governments to ensure basic education is consistent and qualitative for all children of primary and junior secondary school age. At the state level, the UBE program is overseen by State Universal Basic Education Boards (SUBEB), with input from the local government. Basic education administration in Nigeria is the responsibility of Local Government Education Authorities (LGEAs) under the supervision of State Universal Basic Education Boards (SUBEB).

As far as UBE is concerned, the Nigerian education sector suffers from weak capacity at the institutional, organisational and individual levels. For instance, there are multiple agencies with overlapping roles and responsibilities. While the implementation of the UBE programme is overseen by the UBE Commission (with a range of other institutions responsible for education in the country),⁵ there is no clarity on the management structures and guidelines for the programme's delivery.

The Nature of Local Government Efforts at Education Administration

Local governments in Nigeria have constitutional responsibility over primary, adult and vocational education.⁶ Legally, local governments finance primary education, but states have been paying personnel costs and deducting the same from the local government statutory allocations.⁷ The total personnel spending by states has been held to amount to 80% of total education spending, leaving minimal funds for capital expenditure.⁸ These funds will be stretched in the coming period, as the local government will be expected to bear the responsibility for UBE implementation and addressing the enrolment rate. This enrolment is estimated to cost Nigeria more than twice the size of the entire 2023 federal government Social Sector budget (N8.7 trillion).⁹ In addition, for the administration of vocational education,¹⁰ the purview of local government is shared with the National Board for Technical Education, creating a needless overlap. However, this overlap can be restructured to ensure resources are channelled effectively, as vocational education has the potential to improve the skills and capacity of labour, increase the education rate of the country and boost the economy.¹¹

4. UBE, is designed to last for 10 years (National Policy on Education, 2013; Federal Government of Nigeria): 1 year of Pre-primary education; 6 years of primary education and 3 years of junior secondary school.

5. There are a number of other institutions, including: the National Commission for Nomadic Education (NCNE), the National Commission for Mass Literacy, Adult and Non-formal Education (NMEC), the National Teachers' Institute (NTI), the Nigerian Education and Research Development Council (NERDC) and the Teachers' Registration Council of Nigeria (TRCN). With this array of organisations, the country's institutional framework lacks a clearly defined structure.

6. See Schedule IV to the Constitution of the Federal Republic of Nigeria, 1999 as amended.

7. See the World Bank, (July 9 2020). The Cost of Universalizing Basic Education in Nigeria. Education AFR 3. The International Bank for Reconstruction & Development. Available at: <https://documents1.worldbank.org/curated/en/805171594293483965/pdf/The-Cost-of-Universalizing-Basic-Education-in-Nigeria.pdf>

8. See the World Bank. The Cost of Universalizing Basic Education in Nigeria, op.cit.

9. As of 2020, the World Bank claimed Nigeria will have to spend \$8.7 billion on average per year in 2020-2030 to absorb the total out-of-school children and meet the SDG targets. In 2024 currency, this would amount to N8.7 trillion. For reference purposes, the total Social Sector budget for 2023 (which consists of the Education, Health and Women Affairs budgets), amounted to N4.26 trillion. See the Office of the Accountant General of the Federation. See the World Bank. The Cost of Universalizing Basic Education in Nigeria, op.cit.

10. Vocational Education is described as: "A comprehensive term referring to those aspects of the educational processes including, general education, the study of technology and related sciences, and the acquisition of practical skills, attitudes, understanding and knowledge relating to occupations in various sectors of economic and social life". See Nnamdi, S.E., and Rabi, A.D. (2023). Management of Technical & Vocational Education Curriculum For Youth's Employability in Port Harcourt City Local Government Area, Rivers State, Nigeria. Sapientia Foundation Journal of Education, Sciences and Gender Studies (SFJESGS), Vol. 5 No.1 March, 2023. Available at: <https://www.sfejsgs.com/index.php/SFJESGS/article/view/374/376>

11. See Oyedele, O. (November 15 2021). Nigeria May Need to Consider Improved Technical, Vocational Education to Achieve Better Skilled Labour, Productivity. Dataphyte (Online) Newsletter. Education-Latest Reports. Available at: <https://www.dataphyte.com/latest-reports/education-development/nigeria-may-need-to-consider-improved-technical-vocational-education-to-achieve-better-skilled-labour-productivity/>

Section B

What Are the Potentials (if any) for Improvement?

Inadequate funding is a major problem for basic education administration in Nigeria. Hence, the demand for better funding must go beyond the federal government to the states and Local governments. This is because the UBEC receives 2% of consolidated funds from the federal government, but states often struggle to match the federal grants.¹² Scrutiny should extend to education allocations, the allocation among subheads (personnel, overhead and capital), and the quality of implementation. The Federal Government (in collaboration with Civil Society Organisations) can provide some monitoring of the disbursement of funds and support Local Governments that show commitment to improving education under s.2(3)(c) of the Allocation of Revenue (Federation Account, etc.) Act, 1982. Yet, there are “wicked problems”¹³ in the education sector, including: corruption,¹⁴ inefficiency,¹⁵ and technological integration.¹⁶

The Future of Post-Local Government Election Education Administration

Following elections, local governments will likely aim to maintain stability in their approach to education. With the potential for increased funding due to new fiscal policies, there is a chance to make meaningful improvements in areas like school infrastructure, technology, and educational inequities. While new leaders might bring fresh policies and ideas, their success will depend on carefully evaluating existing programs and active involvement from key stakeholders—teachers, parents, and the community.

Local governments can be supported through capacity building for administrative and executive functions. This support can be linked to the disbursement and operationalisation of funding by the Better Education Service Delivery for All (BESDA) Project, midwifed by the Federal Government. Also, support from the Federal Government (including oversight) can be linked to the implementation of the UBEC grant mechanism. For the 2023 fiscal year, only four states accessed the UBEC funding. The Federal Government can impact the implementation of this grant at the local level by providing technical assistance for states that have matched the grants. This will create a whole-of-government approach and ensure national priorities are cohesive and involve all levels of government.

Financial autonomy may allow local governments to manage their education resources directly. The challenge will then lie in intergovernmental coordination for uniformity in standards and delivery.¹⁷ Without clear guidelines, financial autonomy could strengthen local educational institutions or result in fragmented delivery due to low capacity at the local level.

12. In the 2024 fiscal year, States were offered as much as N3.5 billion in matching grants from the Consolidated Revenue fund. However, the number of states that have accessed this funding is yet to be determined. See Adegbite, A. (August 29 2024). FG approves over N3.5bn for UBEC. In the Punch (Online) Newspapers. Available at: <https://punching.com/fg-approves-over-n3-5bn-for-ubec/>

13. A wicked problem refers to a societal or cultural challenge that is nearly impossible to resolve due to factors like incomplete or contradictory information, the involvement of many stakeholders with differing perspectives, substantial economic costs, and the problem's deep connection to other complex issues.

14. Corruption in Basic education has led to misuse of funds leading to waste of resources. It has been reported that nearly 60% of government education budgets are lost to corruption in Nigeria. Systemic Corruption is commonplace, culminating in an accelerated lack of quality facilities and educational support. The government can encourage the internal audit function at the Local Government level and routine oversight from federal financial investigatory agencies, such as the EFCC and the ICPC.

15. Mismanagement of funds leaves educational projects stuck at the planning stage, delaying vital infrastructure improvements and lowering standards. To combat this, receiving agencies should actively oversee the release of funds, ensuring they are used for their intended purpose, helping prevent misallocation. Local government Councils can provide oversight on the implementation of budgets, in conjunction with the Auditor for the Local Government (who can execute Efficiency and Economy Audits and Value for Money Audits).

16. Integrating technology in education while addressing the digital divide is challenging; addressing this requires providing equal access to digital resources and training for students and teachers in underserved areas. This requires not only massive investments in energy supply and infrastructure, as well as telecommunications infrastructure (such as broadband access) but also tech-enabled educational equipment and facilities (internet-enabled teaching tablets, routers, etc.). However, more than just technological integration is needed, as the motivations for teaching and learning must be addressed, alongside the administrative and behavioural changes required for education at the Local Government level to become truly modern.

17. Uniformity is key for planning but should never be used as a blunt instrument. Local Government should be allowed to be flexible in the application of these standards to ensure they suit their local context. As Deng Xiaoping once said: “It doesn’t matter whether a cat is white or black, as long as it catches mice”.



Section C

Primary Healthcare and Local Government in Nigeria

Low capacity and poor fund administration significantly impact Nigeria's healthcare system, particularly at the local level. One notable outcome is the high rate of preventable deaths,¹⁸ particularly maternal and infant mortality, insufficient healthcare workers with poorly maintained medical facilities and limited access to basic healthcare services. A lack of resources, exacerbated by inefficient fund management, means essential supplies are frequently unavailable, worsening health outcomes. Corruption and weak leadership amplify these issues. Despite initiatives like the National Health Insurance Scheme (NHIS), issues such as low enrolment, lack of trust and mismanagement of funds prevent these reforms from achieving improvements in health outcomes. These systemic challenges highlight the urgency for better governance and financial management to ensure that healthcare resources reach those who need them most.

Potential Pathways to Address Systemic Issues

Despite a drawn-out history of primary healthcare management (with significant growth in infrastructure), Nigeria has 34,076 PHCs, but only 30% meet minimum standards.¹⁹ The Federal Government provides policy, planning, technical assistance, coordination of state-level implementation of the National Health Policy and creates health management information systems.²⁰ This overlap permits collaboration with Local health provision, as itemised below:



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18. One of the outcomes of low capacity and poor fund administration is the emergence of unqualified health workers performing critical tasks, as seen in several tragic incidents across the country. A Sokoto citizen reported being treated by cleaners when professional health staff were unavailable. In Imo, an unqualified practitioner mishandled a tongue operation, leading to the death of a baby. Another incident was reported in Osogbo, where it took five hours to get a bed allocation for a sick woman; by the time the bed was brought, she was already in a coma, and they lost her two weeks later. Such cases highlight the consequences of governance failures, where poor health resource management directly affects patient outcomes and endangers lives. See Okoloze, E. (June 26 2023). Setting Agenda For Healthcare in Northwest Nigeria. The COVID-19 Transparency and Accountability Project (CTAP) Phase II. The Budget Foundation. Available at: <https://budget.org/setting-agenda-for-healthcare-in-northwest-nigeria/>. See also Chris-Ubah, P. (September 1 2023). Charting the Course for Healthcare in Southeast Nigeria. The COVID-19 Transparency and Accountability Project (CTAP) Phase II. The Budget Foundation. Available at: <https://budget.org/charting-the-course-for-healthcare-in-southeast-nigeria/>. Again, see the COVID-19 Transparency and Accountability Project (CTAP), (August 30 2023). CTAP Field Notes From Osogbo: Setting Agenda For Healthcare in Southwest Nigeria. Available at: <https://covidfund.africa/ctap-field-notes-from-osogbo-setting-agenda-for-healthcare-in-southwest-nigeria/>

19. See the National Primary Healthcare Development Agency. (March 2023). Primary Health Care Transformation Agenda. Strategy for PHC Revitalisation in Nigeria. A Collaborative Approach by Government, Donors and Development Partners. Federal Republic of Nigeria. Available at: https://drive.google.com/file/d/1TK4Hp9_4eSR5eYk2GdY1Tx3YFqA/view?usp=sharing

20. This is in addition to the Federal Government overseeing disease surveillance, drug regulation, vaccine management, and health-care professional training. It also manages Teaching, Psychiatric, and Orthopaedic hospitals and medical centres.

Table 1. A Selection of Challenges and Potential Solutions in Primary Healthcare Provision

Problem	Potential Entry Points
Inadequate Infrastructure	Off-grid solar energy solutions offer a cost-effective alternative, as the national grid is unreliable. Community participation through Ward Development Councils (with State PHCDA) has been shown to improve the infrastructure and facilities of PHCs.
Low Human Resource Capacity	Staffing can be addressed by collaborations with the state and federal governments via the operationalisation of the national/state registry of health workers and the provision of additional grants or stipends for the various classes of healthcare workers (according to the NPHCDA strategy, 8 clinical staff and ten non-clinical and community-based staff). ²¹
Poor Fund Management	Local governments can seek support for fiscally responsible fund management from the federal government via the state NPHCDA and the inculcation of strengthened public financial management systems. The federal government can monitor fund use via the Direct Facility Financing process, fully implementing the 'Adopt-a-Facility' mechanism and stronger collaborations with the private sector and development partners.
Limited Access to Essential Drugs and Supplies	PHCs at the Local level can benefit from collaborations with the Federal government to enhance logistic supply chains for the distribution of drugs and supplies. In addition, the adoption of digital drugs and supply management systems will ensure the latter's resources are used effectively, efficiently, and in a timely manner.
Poor Health Data Management	The NPHCDA outlines a process of moving largely paper-based data collection and usage methods to digital formats. This will involve equipping PHCs with digital infrastructure (internet connectivity through local area networks), upskilling PHC staff with M&E capacities, and dedicated health app training through integration with clinical and hospital record management systems.
Weak Governance and Oversight	Transform fragmented decision-making and management processes to structured and community-participatory forms. The creation and mandating of weekly online reporting and Key Performance Indicators for PHC staff, overseen by a Manager domiciled within the State NPHCDA, with input from Local Government Council officials from health units and WDC officials. Decision-making can be streamlined to prevent "top heavy" structures that may create needless bureaucracies.

21. See the National Primary Healthcare Development Agency. Primary Health Care Transformation Agenda. Strategy for PHC Revitalisation in Nigeria, op.cit. This is contained in the "4-point Transformation Agenda", at pages 52 to 55

Section C

With their autonomy, local governments face the challenge of addressing fund administration, human resource management and capital expenditures. Following elections, Local governments can enhance budgeting, reduce bureaucracy and increase transparency. Capacity building and recruitment may address the shortage of skilled healthcare workers and improve healthcare service delivery. Local governments can prioritise strategic investments in healthcare infrastructure, equipment and essential medicines; community participation in healthcare planning and implementation; and appropriate technology to improve healthcare service delivery. An example of successful efforts from the state and Local

governments is the Health/PHC Memorandum of Understanding (MOU),²² an innovative, multi-partner approach to improving integrated PHC programs through a sustainable funding approach.

The federal government has the opportunity to collaborate directly with the Local governments by virtue of the PHCDA and the Basic Health Care Provision Fund. This will ensure that the federal government's medium—and long-term plans can be given optimal room for coordination. Local government autonomy could allow local authorities to manage PHC services directly, potentially improving responsiveness to local health needs.



Local governments can prioritise strategic investments in healthcare infrastructure, equipment and essential medicines; community participation in healthcare planning and implementation; and appropriate technology to improve healthcare service delivery.

22. See the Development, Research & Projects Centre. (April, 2022). The Role of PAS CSOs in the Performance Review Process of the BMGF MOUs in Kano, Kaduna and Niger States. Issue Brief. No.01/dRPC-PAS/IB/April 2022. Available at: <https://drcpcnr.org/wp-content/uploads/2022/07/ISSUE-BRIEF-UPDATE-ON-BMGF-MOU-AND-CSO-ROLE.pdf>



Section D

The ‘Problem’ of Full Autonomy: A Feature or a Bug?

The Local Government system in Nigeria has reached a critical juncture since the reinstatement of civil rule in 1999. This has been the reason for acrimony between federal and state governments, as it can be argued that the source of local government authority (for instance, in budgeting and the creation of additional local government areas) resides in the state and the federal government.²³ Local financial autonomy may allow for swift responses to the needs of constituents, as the potential to foster rapid development at the grassroots level may now emerge.

While the upcoming Local Government elections will determine the future context, the federal government can support them by enhancing their capacity for effective administration. This support can be through collaborations in infrastructure (roads, sewage and waterworks) and service delivery (via oversight by federal agencies with mandates that cover Local services, such as technical and vocational education and primary health care). This can ensure that the federal government retains a level of control over the process and sequencing of development activities within

local contexts. With oversight from the federal government, local governments could elicit grassroots development. The future could likely be a mix, where some local governments thrive in delivering development while others remain susceptible to political manipulation. Be that as it may, the impact of financial autonomy on key local public services, such as education and healthcare, requires careful consideration.

Financial autonomy for local governments in Nigeria presents a promising avenue for enhancing national development and governance. But its success depends on the capacity of local governments to manage their newfound responsibilities. The effects on critical sectors like education and healthcare will largely hinge on how well these local entities can coordinate with state and federal bodies to maintain service quality and equity. As Nigeria continues to evolve its governance structures, ensuring that financial autonomy translates into tangible benefits for all citizens will require ongoing institutional support, capacity building, and a commitment to transparency and accountability at every level of government.

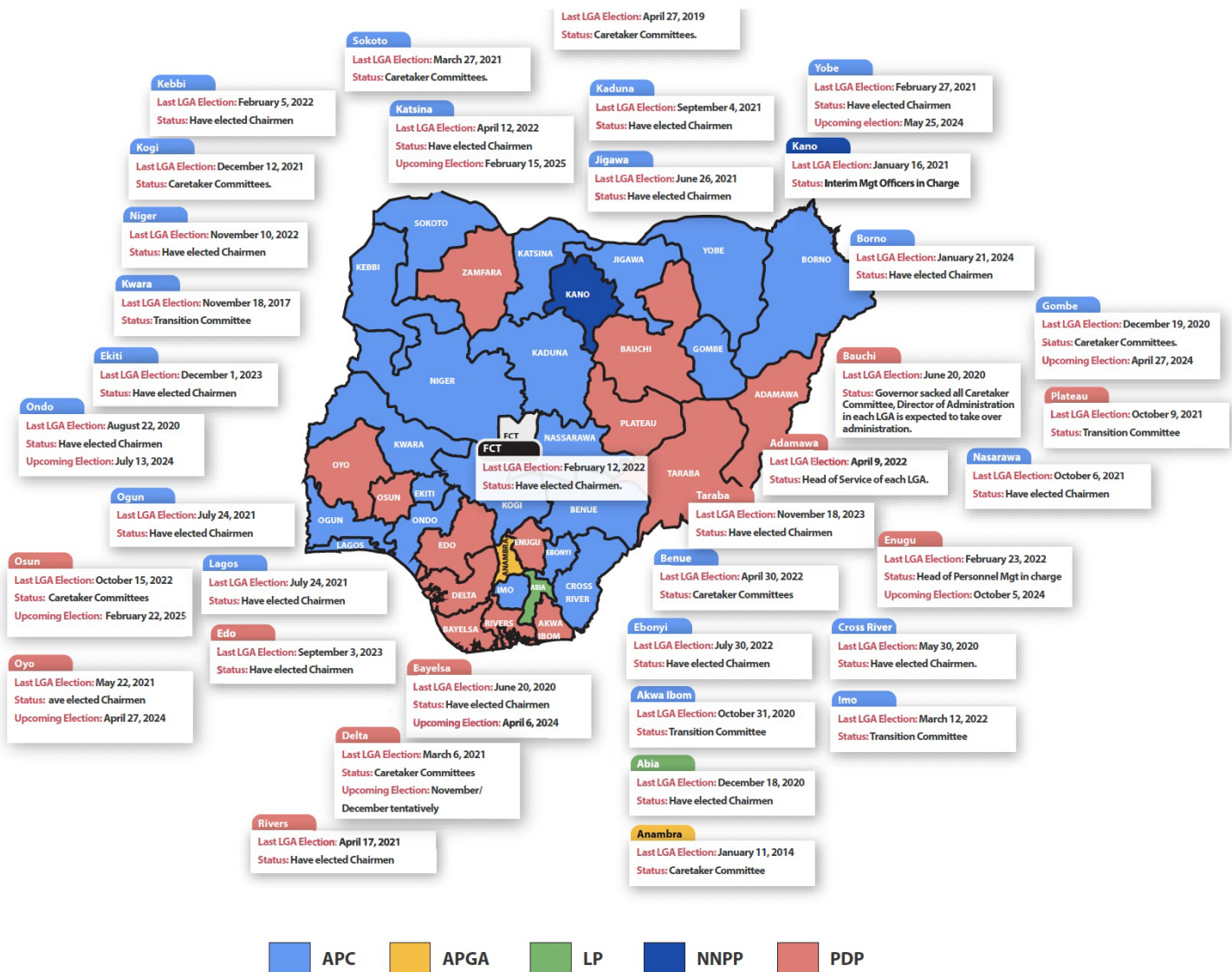
23. See Ojabor, N., Obiakor, N., and Mara, K.N. (2023). Improving Local Government Relations with Other Tiers of Government in Nigeria: The Imo State Experience. *Ceios*. doi:10.32388/3Q8FMV. Available at: <https://www.ceios.com/read/3Q8FMV>. See also, Galadima, H. Federal Republic of Nigeria, at p. 245. In *Local Government and Metropolitan Regions In Federal Systems* (2009) edited by Nico Steytler and John Kincaid. A Global Dialogue on Federalism, Volume VI. Forum of Federations.

Conclusion

As explained previously, political change comes with other forms of change: expected and unexpected. However, for the federal government to ensure constant oversight, it must understand the drivers of potential imbalances at the state level. The *status quo* bias will be significant, as state governors will be cautious in ceding control over their 'territories'. This rises to salience when the political makeup of the states is considered; nearly half of the total states (16) are opposition party states. While this may be concerning, an opportunity exists for the Federal Government to collaborate with local governments and even willing state governments in economic planning (especially at the level of Joint National Planning).

With many states setting dates for Local Government elections, the political terrain will flurry in the short term. While it is likely that state governors will influence Local Government elections, the process will have to follow clear guidelines, as contained in the Electoral Act, 2022. This means the Federal Government can oversee the process (observatory capacity) by deploying security officials to monitor the likely electoral offences that would occur to ensure guidelines are followed. Attention should also be paid to potential amendments to State Electoral Commission Laws by State Houses of Assembly. Civil Society Organisations can be encouraged to participate in the Local Government elections, as this may ensure that the elections have some legitimacy and inclusion.

Figure 1. A Map of the Local Government Election Landscape²⁴



Source: Yiaga Africa

Key stakeholders to monitor in the short to medium term regarding the actualising Local financial autonomy are outlined below. However, the extent of stakeholder preferences can only be predicted with a reasonable level of accuracy. This is because while humans are generally rational (that goals are aimed at with the intention of achievement), the drivers behind the rationale for decisions may not

always be apparent.²⁵ This is, in some cases, referred to as contingency.²⁶ On the other hand, behaviour operates not just within positive rules and laws but also according to unwritten social norms and expectations. For instance, political agents who aim for higher office will provide resources to other agents within that space who can support their goals. This is with the belief that those favours will be reciprocated.²⁷

24. See Yiaga Africa, (March, 2024). State of Local Government Elections in Nigeria: An Overview. A Discussion Paper. Yiaga Africa Initiative, Plot 54, Cadastral Zone, Idu, Karmo 900108, Abuja, Nigeria. Available at: www.yiaga.org

25. See Corduneanu-Huci, C., Hamilton, A., and Ferrer, I.M. (2013). Understanding Policy Change: How to Apply Political Economy Concepts in Practice. International Bank for Reconstruction and Development/The World Bank.

26. See the Developmental Leadership Program, (February, 2018). Inside the Black Box of Political Will: 10 years of Findings from the Developmental Leadership Program.

27. See Fukuyama, F. (2014). Political Order and Political Decay: From the Industrial Revolution to the Globalization of Democracy. Farrar, Straus and Giroux.

Stakeholder Mapping

The subjective determinants used to classify these stakeholders are their relative power and influence. This is defined in more detail by their ability to 'spoil' intended federal government initiatives via legitimate and less-than-legitimate means. This presupposes a distribution of power, with some stakeholders possessing less and others with significantly more. A second determinant is the stakeholder's access to financial resources. A third determinant is the ability of the stakeholder to mobilise other groups (or other stakeholders). However, all of these determinants function within limits and constraints. The nature of the political system imposes some limits, some by the configuration of government and others by the history of dealings amongst the stakeholders. They are assessed for their level of risk and timeframe of relevance in relation to the intention of the Federal Government. They are as follows:

1

Local Government Chairmen (High Risk and Medium Term): Especially those in 'opposition states'. However, depending on how the collaboration of the Federal Government is framed, Local Government Chairmen may not be averse to working with the Federal Government;

2

State Governors (High Risk and Medium Term): Especially those that have expressed public concern with the judgement upholding the financial autonomy of Local Governments and those states that belong to minority parties;

3

The Chairmen of State Electoral Commissions (High Risk and Short Term): Especially Local Government Chairmen that emerged by the influence of State Governors;

4

Senators (Principal Officers and key Senators)/Members of the House of Representatives (Principal Officers and key Members) (High Risk and Medium Term): Especially those belonging to opposition parties or those with the incentive to stymie the intention of the federal government to improve governance.

5

State Houses of Assembly, i.e., the Speaker of the House (High Risk and Medium Term): This is because as the State Houses of Assembly are without full financial autonomy, the likelihood of swift passage of amendments to State electoral legislation will high;

6

Heads of the Primary Health Care Development Agencies (Medium Risk and Medium Term): It is pertinent to note whether or not they have a public or a disclosed political affiliation.

7

Heads of State Universal Basic Education Boards: (Medium Risk and Medium Term): It is pertinent to note whether or not they have a public or a disclosed political affiliation.

8

Senior Leadership of Political Parties (Medium Risk and Long Term):

9

The Auditor-General for Local Government (Medium Risk and Long Term): This is especially as the former is appointed by the Governor;

10

The Association of Local Government of Nigeria (ALGON) (Medium Risk and Long Term): It is unclear if the foremost union of the Local Government will consistently be a collaborator or resist the Federal Government.

The above provide a framework for who to engage regarding the Local Government reform paradigm. In terms of political feasibility, because the foundational elements and institutional environment²⁸ exist with stability and regularity, short to medium term projections are possible. Moreso, it is not uncommon in federal systems for the central government to work closely with the local government.²⁹ This is why it is pertinent that the Federal Government works constructively with Local Government, in what can be described as a 'new dispensation'.

28. See Whaites, A., Piron, L., Menocal, A.R. and Teskey, G. (February, 2023). Understanding Political Economy Analysis and Thinking and Working Politically. Foreign, Commonwealth and Development Office (FCDO) and Thinking and Working Politically Community of Practice (TWP CoP). Available at: <https://twpccommunity.org/wp-content/uploads/2023/02/Understanding-Political-Economy-Analysis-and-Thinking-and-Working-Politically.pdf>

29. See Sansom, G. (2009). Commonwealth of Australia and Grazibord, B. (2009). United Mexican States. In Local Government and Metropolitan Regions In Federal Systems (A Global Dialogue on Federalism, Volume VI), by Nico Steytler and John Kincaid (Eds.). International Association of Centers for Federal Studies and Forum of Federations. McGill-Queen's University Press.

Recommendations

The primary vehicle for implementing the recommendations below can be the 10-Man Inter-Ministerial Committee to Enforce the Supreme Court Judgement on Local Governments Autonomy (inaugurated by the Secretary to the Government of the Federation, Senator George Akume). Consisting of Local, State, and Federal officials, this vehicle will ensure the Federal Government utilises its influence in a fairly transparent manner.

1

The federal government can collaborate with Local Governments (as much as possible and politically feasible) through grant-funded endeavours, to ensure the fundamental drivers of the economy are established. Items such as regular and affordable energy supply, sanitation and waste collection quality, telecommunications and Internet infrastructure, access to Primary healthcare and vocational and technical education. Partnerships with the Local Government on the latter (i.e., Vocational and Technical Education) is critical to the reduction in unemployment, as the rate of unemployment climbed to 5.3% in Q1 of 2024.³⁰

2

The federal government can collaborate with Local Governments (as much as is possible and politically feasible) to ensure the biometric data capture of Nigerians at the grassroots. Nigeria has been unable to carry out a census in nearly 2 decades and while preparations are underway to have one, this can be enhanced. The importance of knowing the identity and general location of Nigerians is critical to planning and economic growth.

3

The Federal Government can elevate the participation of Local Government in Joint National Planning. Joint planning can be harnessed to create the foundation for efficient and effective use of national resources. Where all tiers of government agree on their various areas of focus, it will ensure that efforts are not duplicated and actions are done according to capacity and scope.

30. See the National Bureau of Statistics. (2024). Nigeria Labour Force Statistics Report, Q1 2024. Federal Republic of Nigeria. Available at: <https://nigerianstat.gov.ng/download/1241562>

4

The Federal Government can foster better accountability and fiscal responsibility at the Local Government level. This is because, unlike State Governors, Local Government Chairmen do not have statutory immunity. As such, fiscal and budgetary guidance can be given to Local authorities through the form of Fiscal Responsibility Working Committees. This entity can be made up of Federal, State and Local Government fiscal officials and serve to coordinate public financial management. In addition, the Federal Government can create the environment for CSOs to work with local authorities to enhance accountability mechanisms that are community-driven. Due to the proximity of citizens to Local Government, such community-led entities have the potential of being effective.

5

The Inter-Ministerial Committee should function as a forum for regular feedback and deliberations between and among all tiers of government. This will ensure that ideas are debated and discussed and information is shared. This can encourage the mainstreaming of best practices for all levels of government.

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