

Interim Versus Elected Administration In Local Government Of South Eastern Nigeria: The Financial Management Performance Approach

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Abstract

The study investigates, describes and compares the effect of interim versus and elected administration on the financial management performance of LG in south eastern Nigeria. Cross-sectional survey design was adopted. The researcher made use of secondary data, approved budget which is the official document of the respective local governments in south east Nigeria. The content analysis revealed that elected administration performed better than Interim administration in revenue generation. On average they performed 19.5% better. Enugu, Imo and Ebonyi reflect this improved revenue generating capacity of elected administration over interim administration, performing 5.5%, 13.9% and 19.5% better respectively. More so, elected administration performed better than Interim administration in capital expenditure. On average they performed 2.3% better. Enugu and Ebonyi reflect this higher capital expenditure of elected administration over interim administration, spending 41%, and 104.9% more respectively. Generally, the budget performance for the two administrations revenue and capital expenditure was significantly different, with elected administration performing 37% better when compared to interim administration. This survey provides empirical evidence on why Nigeria government should discontinue the practice of interim administration at the LG level.

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Keywords: Administration, Financial, Interim, Local Government, Management

1.1 Introduction

Nigeria first practiced interim governance in the second republic in all the states of the federation during which local government was run by caretaker committee system consisting of loyalists appointed by state governors (Ogunna, 1996). After its first practice in the second republic, there have been contemporary issues on the continuance of the practice of interim governance in Nigeria especially as it relates to the grassroots administration. Apparently, this agitation to manage the local government through interim governance was as a result of the lacuna that was created by the 1999 constitution of federal republic of Nigeria as amended (Ananti et al. (2015). In other words, the 1999 constitution as amended was not specific on the tenure of elected local government council. The governors of the states then took advantage of these loopholes in the constitution to appoint their loyalists to manage the affairs of the local government. According to (Obidinmma and Obidinmma, 2016) section 7(1) of the 1999 constitution allows for an elected administration in the local government councils but in practice, most of the councils in Nigeria are administered by interim chairmen and caretaker committees, thus, compelling the method of administration of local government to be unconstitutional.

Previously, inadequate funding of local government was majorly attributed to some of the developmental challenges at the grassroots level in Nigeria but evidence from Ojo (2009), reveals that the main problem is with the management of finance and not just inadequate funding. Lack of fund is no more a constraint on the local government performance but mismanagement and misappropriation of funds accruable to it (Kalawale, 2010). Financial management encompasses the mobilization of government revenue, allocation and spending of resources by public entities, and their accounting and reporting on those revenues and expenditures (McClellan, 2014). According to Agbodike and Udunze, (2014), the management of finance constitutes the most crucial and central component in the management process of the local government, this is true because, finance determines the quantity and quality of staff to be hired and retained, the level of their motivation, and the number of services to be provided by the local government. Sound and vigorous financial management is an essential constituent of good governance. Without robust financial management system, governance will be unsustainable and service delivery will not be prolific.

This study therefore, carried out an in-depth investigation on the effect of interim administration on financial management performance

of local governments in south eastern Nigeria against the elected administration. This was done to ascertain whether the practice of interim governance enhances financial management performance of the local government. We studied some local governments in the south eastern Nigeria, because we have a uniform local government system in Nigeria and they all virtually adopt the same financial management practices, and on average, they have all been involved in the practice of this interim governance.

1.2 Statement of the problem

It was observed that the unique problem of local government has been how to account for the services they provided to the citizenry, which was financed by statutory allocation, taxation and other grants, where the responsibility of rendering the account is usually vested on the politicians endowed with interim and or short time span to the next election. Similarly, the problem of local government councils in Nigeria has always been how to account for the services provided to the citizenry during the period of interim governance and this has brought about a regressive type of development at the local level.

1.3 Objective of the study

The main objective of this study is to examine the effect of Interim Versus Elected Administration in Local Government of South Eastern Nigeria: The Financial Management Performance Approach. The specific objective sought to;

- i. Assess the internal revenue generation performance during interim and elected administration of local governments in Nigeria.
- ii. Ascertain the differences, if any, in capital expenditure level during the interim and elected administration of local governments in Nigeria.

1.4 Hypothesis

- i. The internal revenue generated during interim administration is not significantly higher than that of elected administration of local government in Nigeria.
- ii. The anticipated difference in capital expenditure level during interim administration is not higher than the capital expenditure during elected administration of local government in Nigeria.

2. Literature Review

Interim Governance

Interim governance is simply a strategy designed as a “hold brief” in the process of governance while the government gets ready to take over power officially. Riddell and Haddon, (2009) defined it as the type of governance that lasts for a very short period of time to cover the

gap that may have been created due to the death of previous government official or certain government procedures that is in the waiting to be carried out. In the words of Shain and Linz, (1992), interim governments may affect the constitutional structure and the nature of future political system; the degree of political directness in the potential democracy, its respect for human rights, and its enthusiasm to eliminate the relics of old regime; the nature of the economy; the role of certain key institutions, especially the armed forces, in the new society and the country's future international position and coalition, yet all interim administrators lack a democratic mandate until free and contested elections are held and a generally chosen government assumes power.

In South western Nigeria, for instance, Ayodele, (2016), in his paper; appointment of non-elected political functionaries and its implication on Local government administration in Nigeria, examined the factors responsible for the appointment of non-elected political functionaries and its implications to the councils. Survey research design was used for the study; six of the twenty local governments in Ogun State (South West Nigeria) were selected from the three senatorial districts. Sixty three unstructured interviews were conducted and 1,800 copies of a self-constructed questionnaire were administered. Findings revealed that some factors necessitated the appointment of non-elected political functionaries or caretaker committees, and these appointments were more of compensation for political patronage than anything else. Obidinmma and Obidinmma, (2016), examines the legality of caretaker committees appointed to manage local governments in the face of the constitutional provisions on the matter and the further provision of section 1(2) of the Constitution to the effect that the country nor any part of it shall not be governed or its government taken control of by any person or group of persons except in accordance with the provisions of the Constitution. There was a review of the constitution and the states laws alike on the issue, as well as the decisions of the judiciary and opinions of other researchers. The research reveals that this method of managing local government is unconstitutional and has resulted in inefficiency as well as other shortcomings in the management of local governments in Nigeria. Ananti et al, (2015) examines the caretaker committee system and democratic governance in Nigeria's local government system, using Anambra State (South Eastern Nigeria) as a case study from period 2003-2014. Their study reveals that the use of caretaker committees to run the affairs of the local governments between the years under review has been the basic reason for the colossal failures of the grass root development in Anambra state.

Allen et al, (2004) observed that financial management includes all the components of a country's fiscal situation and budget process –

upstream; strategic planning, medium-term expenditure frameworks, annual budgeting and for downstream; cash/ revenue management, control, accountability and transparency, monitoring and evaluation, audit and oversight. We focused on revenue generation and capital expenditure, which are some of the indices of financial management, in order to determine the extent of local government financial management performance during the period of interim and or elected administration. Revenue generation is one of the main functions of local governments. Local government collect funds and or revenue from a variety of sources, including fines, fees, taxes, licenses, permits and special assessments. In South Africa, Maphalla, (2015), cited in Kleynhans et al, (2019), carried out a study to establish the financial performance of South African local municipalities. Using the entire 278 municipalities as a sample, he examined their financial statements of year 2013-2014. The study discovered that there is an existing relationship between the reliance on revenue with the financial performance of the South African municipalities.

In Kenya, Ngaruro, (2013), studied the relationship between the financial planning and the financial performance of public service organization. He used census sampling and sampled the opinions of 47 managers drawn from commercially oriented parastatal organization through the use of questionnaire. He discovered that financial planning facilitates revenue growth. The study concluded that there was a significant positive relationship between financial planning and financial performance. Coggburn and Schneider, (2001) in their study to investigate the relationship between the quality of management and performance of budget for local government in the United States, the study revealed that there exist a significant relationship between financial performance and financial management. Several other studies have been carried out on the effect of this short term governance on the general administration of local governments in Nigeria, researchers like; (Paul and Ozohu-suleiman, 2015; Okafor and Orjinta, 2013).

Some other local and international scholars have also carried out studies on the financial management performance at the Local governments, scholars like; Mu'azu, 2012; Adiogu, 2013; Pere and Buseni, 2013; Asuquo et al, 2014; Boex and Vazquez, 2006; Dollery et al, 2008; Singer, 2004; Ritonga,2014. These scholars provided empirical evidence on the political effect and implication of interim governance on the administration of the local government. Some used population and sample sizes to establish that there is a significant and positive relationship between financial performance and financial management practice at the local government (Boex and Vazquez, 2006; Ritonga, 2014; Maphalla, 2015). However, they failed to look at the effect of this interim administration on the financial management

performance of the local governments as against the elected administration. In other words, this important aspect of local government administration has not been given adequate attention.

3. Methodology

This study was designed to investigate the financial management performance of local governments of the south eastern Nigeria during the period of interim governance in comparison with elected administration. Ex post facto research, often known as the historical research design, was used in this study. It is a quasi-experimental study that looks at how a participant's pre-existing independent variable impacts a dependent variable. Simply put, a quasi-experimental study indicates that the volunteers are not chosen at random. Cross-sectional survey design was then adopted. The researcher made use of secondary data, approved budget which is the official document of the respective local governments in south east Nigeria. The secondary data collected was analyzed using content analysis. In this study, Microsoft excel, version 2019 was employed in the content analysis. The entire local government in south east serve as the population of the study.

4. Data Presentation and Analysis

4.1 Data Presentation

Due to the nature of the data collected for the research work, they use was made of tables, bar charts, and pie charts in their presentation. The choice of these techniques was to have a holistic view of each of the parameters that represent interim versus and elected administration on the financial management performance of LG in south eastern Nigeria.

Hypothesis 1

Ho1: The internal revenue generated during interim administration is significantly higher than that of elected administration of local government in Nigeria.

Ha1: The internal revenue generated during interim administration is not significantly higher than that of elected administration of local government in Nigeria.

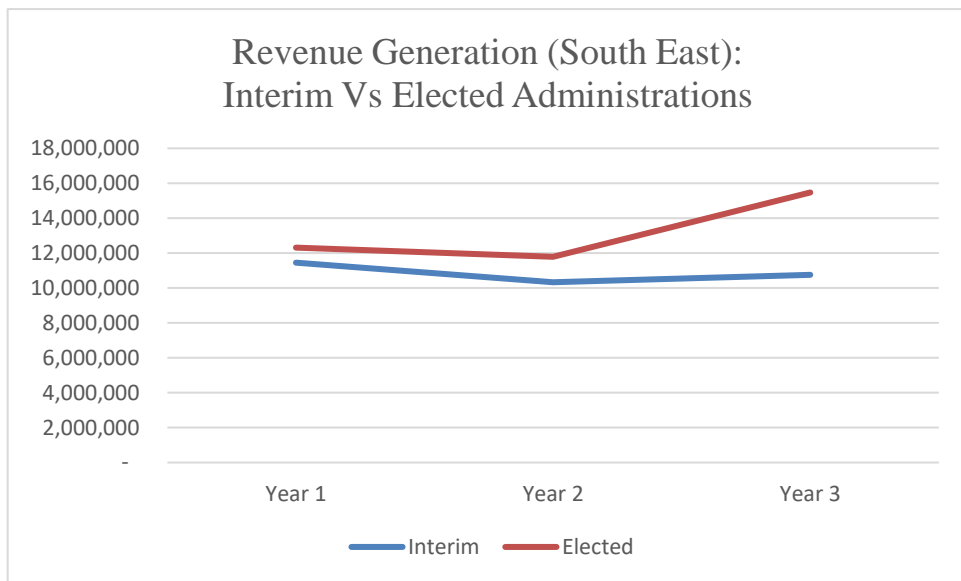
Table 1.1: Analysis of internal revenue generation

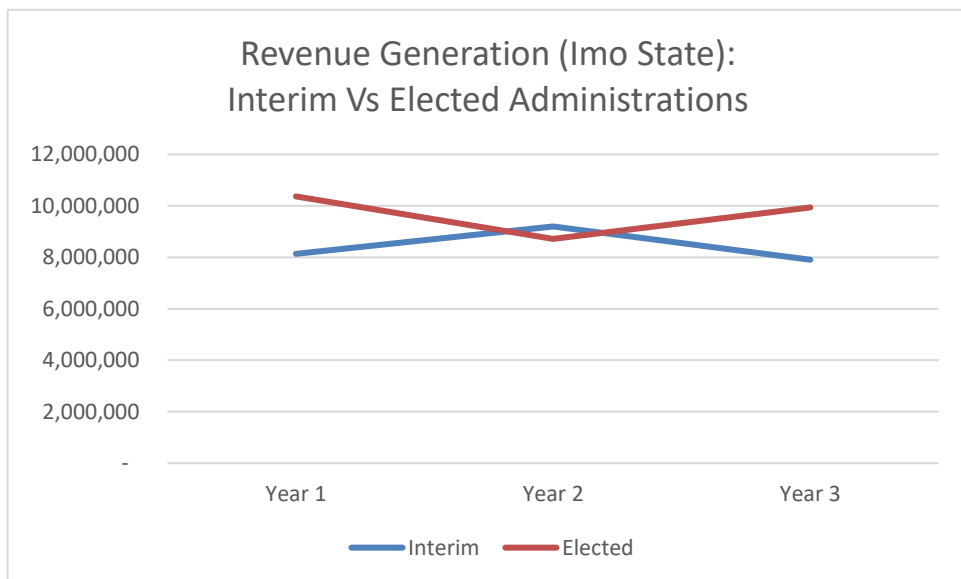
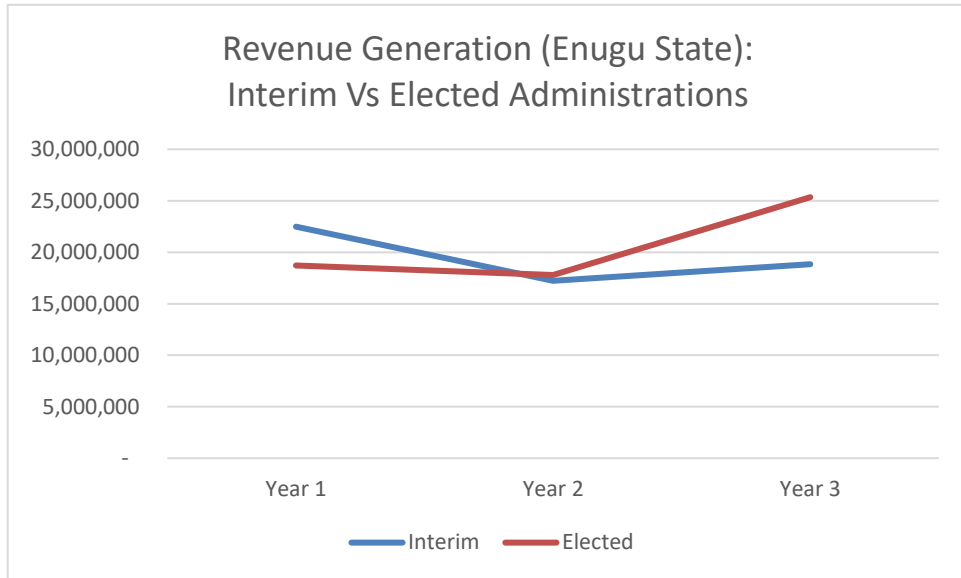
| | | Revenue Generation | | | | | Elected-Interim | % variance |
|--------|---------|--------------------|------------|------------|------------|-----------|-----------------|------------|
| | | Year 1 | Year 2 | Year 3 | Average | | | |
| Enugu | Interim | 22,486,955 | 17,229,253 | 18,836,793 | 19,517,667 | 1,103,186 | 5.5% | |
| | Elected | 18,720,289 | 17,792,513 | 25,349,757 | 20,620,853 | | | |
| Imo | Interim | 8,137,890 | 9,197,240 | 7,905,154 | 8,413,428 | 1,259,888 | 13.9% | |
| | Elected | 10,365,538 | 8,714,447 | 9,939,963 | 9,673,316 | | | |
| Ebonyi | Interim | 3,726,440 | 4,560,777 | 5,517,670 | 4,601,629 | 4,675,879 | 67.4% | |
| | Elected | 7,854,082 | 8,854,977 | 11,123,465 | 9,277,508 | | | |

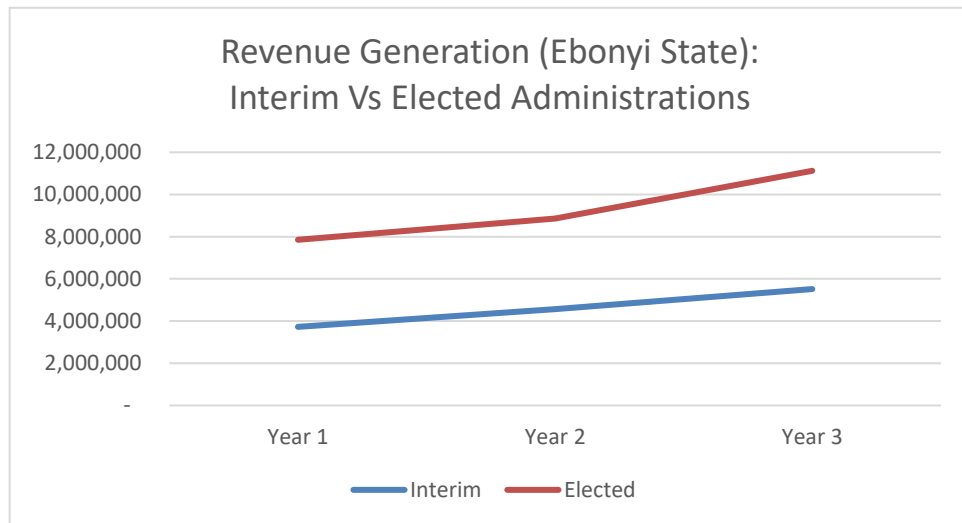
| | | | | | | | |
|------------|---------|------------|------------|------------|------------|-----------|-------|
| South East | Interim | 11,450,429 | 10,329,090 | 10,753,206 | 10,844,241 | 2,346,318 | 19.5% |
| | Elected | 12,313,303 | 11,787,313 | 15,471,062 | 13,190,559 | | |

Source: Researcher’s Analysis (2019)

Elected governments in the South East performed better than Interim Governments in revenue generation. On average they performed 19.5% better. All the states captured in this study (Enugu, Imo and Ebonyi) reflect this improved revenue generating capacity of elected governments over interim governments, performing 5.5%, 13.9% and 19.5% better respectively. Since the elected administration performed better than interim administration in terms of revenue generation, the researcher upholds the null hypothesis.







Hypothesis 2

Ho2: The anticipated difference in capital expenditure level during interim administration is higher than during elected administration of local government in Nigeria.

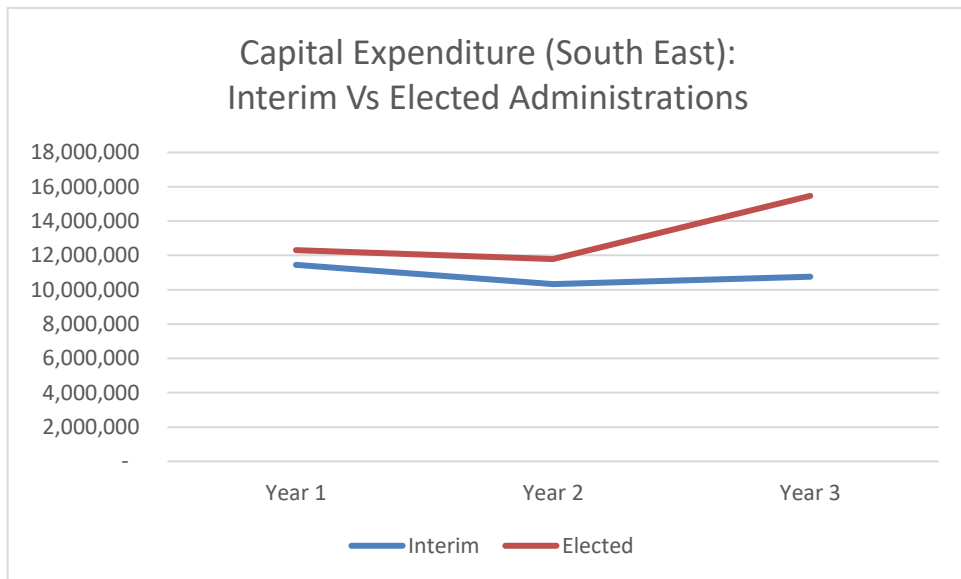
Ha2: The anticipated difference in capital expenditure level during interim administration is not higher than the capital expenditure during elected administration of local government in Nigeria.

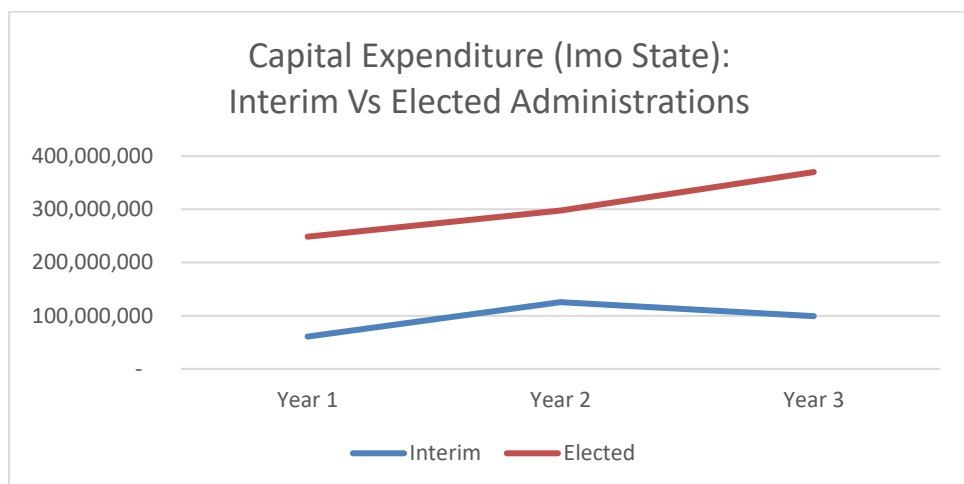
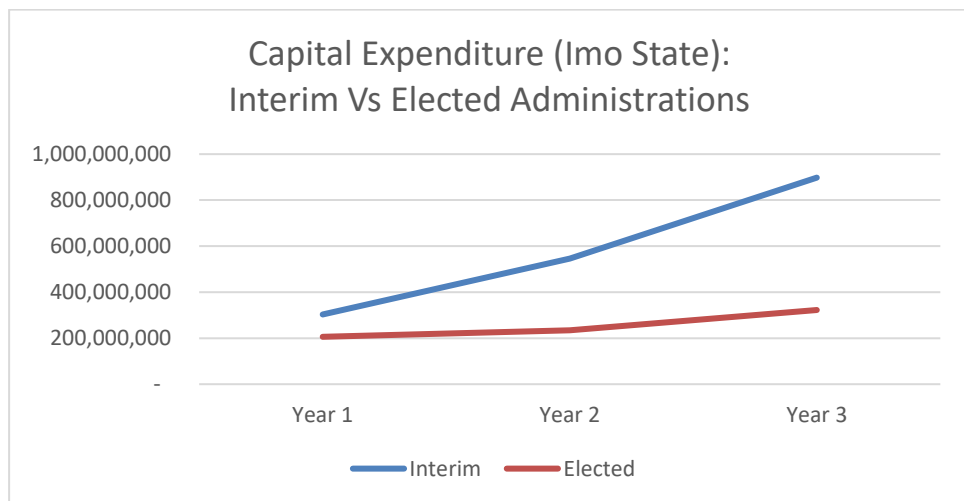
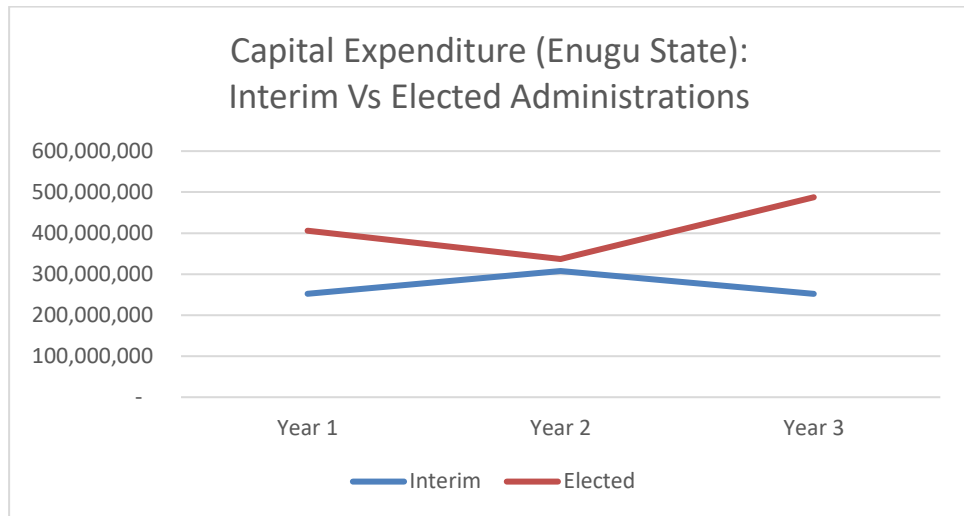
Table 1.2: Analysis of capital expenditure

| | | Capital Expenditure | | | | | |
|------------|---------|---------------------|-------------|-------------|-------------|-----------------|------------|
| | | Year 1 | Year 2 | Year 3 | Average | Elected-Interim | % variance |
| Enugu | Interim | 252,061,583 | 307,630,590 | 251,937,691 | 270,543,288 | 139,592,543 | 41.0% |
| | Elected | 405,996,000 | 336,931,180 | 487,480,313 | 410,135,831 | | |
| Imo | Interim | 303,094,539 | 545,755,909 | 897,844,329 | 582,231,593 | - 327,975,796 | -78.4% |
| | Elected | 206,054,262 | 234,157,672 | 322,555,455 | 254,255,797 | | |
| Ebonyi | Interim | 60,775,484 | 125,443,737 | 99,364,353 | 95,194,524 | 210,210,467 | 104.9% |
| | Elected | 248,550,333 | 297,578,495 | 370,086,148 | 305,404,992 | | |
| South East | Interim | 205,310,535 | 326,276,745 | 416,382,124 | 315,989,802 | 7,275,738 | 2.3% |
| | Elected | 286,866,865 | 289,555,782 | 393,373,972 | 323,265,540 | | |

Source: Researcher’s Analysis (2019)

Elected governments in the South East performed better than Interim Governments in capital expenditure. On average they performed 2.3% better. Of the states captured in this study, Enugu and Ebonyi reflect this higher capital expenditure of elected governments over interim governments, spending 41%, and 104.9% more respectively. An individual exception was Imo State where elected governments spent 74.8% less than interim governments. Since the capital expenditure level during elected administration is higher, than during interim administration, the researcher upholds the null hypothesis.





Presentation of Data for Budget Performance – Revenue**Table 1.3: Enugu State Local Govt. budget performance (revenue generation) during interim administration**

| LOCAL GOVT./YRS | 2015 | 2015 | 2016 | 2016 | 2017 | 2017 |
|-----------------|----------------|---------------|----------------|---------------|----------------|---------------|
| | Budgeted | Actual | Budgeted | Actual | Budgeted | Actual |
| Uzo Uwani | 65,712,000.00 | 1,577,610.00 | 50,000,000.00 | 1,744,800.00 | 3,617,000.00 | 3,700,550.00 |
| Awgu | 35,166,380.00 | 14,851,660.00 | 25,956,508.60 | 8,247,450.00 | 20,000,000.00 | 6,836,950.00 |
| Udenu | 98,935,000.00 | 98,835,000.00 | 110,910,000.00 | 27,918,350.00 | 70,000,000.00 | 30,878,500.00 |
| Ezeagu | 43,578,000.00 | 16,546,404.00 | 60,680,000.00 | 35,159,110.00 | 60,630,000.00 | 35,119,110.00 |
| Oji River | 25,000,000.00 | 3,971,600.00 | 68,700,000.00 | 13,086,581.46 | 51,227,700.00 | 6,094,800.00 |
| Udi | 54,314,800.00 | 37,961,500.00 | 90,000,000.00 | 40,430,100.00 | 95,000,000.00 | 41,387,900.00 |
| Isi-Uzo | 22,760,862.00 | 19,165,000.00 | 40,000,000.00 | 24,711,750.00 | 40,000,000.00 | 46,916,150.00 |
| Igbo-Eze South | 17,470,000.00 | 9,985,809.00 | 30,000,000.00 | 11,348,822.00 | 20,000,000.00 | 12,936,500.00 |
| Nkanu-East | 49,850,000.00 | 24,894,400.00 | 31,000,000.00 | 14,755,000.00 | 35,250,000.00 | 7,620,000.00 |
| Aninri | 19,565,512.04 | 19,565,512.04 | 21,521,989.16 | 12,117,800.00 | 24,000,000.00 | 15,712,245.00 |
| Igbo-Etiti | 59,281,000.00 | 35,250,000.00 | 59,281,000.00 | 25,667,730.00 | 32,987,316.00 | 46,853,905.00 |
| Enugu South | 65,178,687.00 | 54,002,550.00 | 200,000,000.00 | 50,982,750.00 | 64,983,001.21 | 3,700,550.00 |
| Enugu East | 68,022,876.00 | 27,903,045.00 | 150,022,876.00 | 25,135,402.00 | 55,656,447.00 | 41,387,900.00 |
| Enugu North | 186,954,573.81 | 69,375,500.00 | 236,611,654.86 | 12,000,000.00 | 228,646,027.46 | 99,805,177.00 |
| Nsukka | 33,000,000.00 | 12,834,060.00 | 100,000,000.00 | 13,335,622.00 | 100,000,000.00 | 7,521,675.00 |

Source: Ministry of Local Government and Chieftaincy Matters Enugu State (2019)

Table 1.4: Enugu State Local Govt. budget performance (revenue generation) during elected administration

| LOCAL GOVT./YRS | 2012 | 2012 | 2013 | 2013 | 2014 | 2014 |
|-----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | Budgeted | Actual | Budgeted | Actual | Budgeted | Actual |
| Uzo Uwani | 5,454,400.00 | 2,691,590.00 | 6,818,000.00 | 2,438,360.00 | 26,571,000.00 | 2,949,227.00 |
| Awgu | 28,308,000.00 | 22,128,900.00 | 35,385,000.00 | 10,524,250.00 | 40,200,000.00 | 21,451,600.00 |
| Udenu | 63,254,400.00 | 60,106,360.00 | 79,068,000.00 | 48,727,910.00 | 98,835,000.00 | 98,835,000.00 |
| Ezeagu | 25,893,600.00 | 10,719,404.00 | 32,367,000.00 | 15,562,580.00 | 45,015,000.00 | 45,015,000.00 |
| Oji River | 7,872,000.00 | 4,931,800.00 | 9,840,000.00 | 6,195,600.00 | 22,100,000.00 | 20,099,280.00 |
| Udi | 27,809,177.60 | 20,314,800.00 | 34,761,472.00 | 24,058,900.00 | 43,451,840.00 | 34,126,716.00 |
| Isi-Uzo | 11,653,561.34 | 15,802,801.80 | 14,566,951.68 | 20,760,862.00 | 18,208,689.60 | 19,165,000.00 |
| Igbo-Eze South | 23,209,600.00 | 17,470,000.00 | 29,012,000.00 | 10,077,141.00 | 35,242,100.00 | 14,365,910.00 |
| Nkanu-East | 26,361,600.00 | 41,190,000.00 | 32,952,000.00 | 41,200,240.00 | 41,190,000.00 | 11,790,100.00 |
| Aninri | 17,422,720.00 | 10,565,512.04 | 21,778,400.00 | 16,169,789.00 | 27,223,000.00 | 11,049,476.00 |
| Igbo-Etiti | 45,157,412.39 | 39,732,820.00 | 45,190,000.00 | 25,627,730.00 | 58,281,000.00 | 25,667,730.00 |
| Enugu South | 203,950,000.00 | 160,865,782.00 | 21,500,000.00 | 11,744,800.00 | 70,365,000.00 | 62,074,940.00 |
| Enugu East | 72,518,000.00 | 51,878,450.00 | 67,212,000.00 | 27,003,540.00 | 71,860,000.00 | 11,829,372.00 |
| Enugu North | 120,484,500.00 | 72,620,960.00 | 150,000,000.00 | 116,735,188.00 | 184,985,000.00 | 164,865,782.60 |
| Nsukka | 27,980,000.00 | 8,450,840.00 | 42,870,000.00 | 13,136,720.00 | 29,890,000.00 | 14,838,130.00 |

Source: Ministry of Local Government and Chieftaincy Matters Enugu State (2019)

Table 1.5 Ebonyi State Local Govt. budget performance (revenue generation) during interim administration

| | ₦ | ₦ | ₦ | ₦ | ₦ | ₦ |
|-----------------|---------------|---------------|---------------|---------------|---------------|---------------|
| LOCAL GOVT./YRS | 2005 | 2005 | 2006 | 2006 | 2007 | 2007 |
| | Budgeted | Actual | Budgeted | Actual | Budgeted | Actual |
| Onicha | 3,017,648.00 | 937,760.00 | 3,772,060.00 | 1,172,200.00 | 2,223,880.00 | 1,406,640.00 |
| Afikpo-North | 5,971,230.00 | 4,606,008.00 | 9,704,160.00 | 7,039,832.32 | 10,960,110.00 | 8,799,790.40 |
| Ivo | 7,317,950.00 | 9,727,863.00 | 10,646,070.00 | 9,673,435.60 | 14,775,284.00 | 14,008,122.72 |
| Abakiliki | 5,290,050.00 | 3,100,058.10 | 5,778,360.00 | 3,720,069.60 | 3,584,990.00 | 2,216,809.86 |
| Ezza | 1,425,290.00 | 854,210.00 | 1,141,170.00 | 549,192.65 | 1,847,710.00 | 659,031.18 |
| Afikpo-South | 2,421,288.00 | 771,893.44 | 2,905,545.60 | 964,866.80 | 3,486,654.72 | 1,206,083.50 |
| Ohaozara | 3,412,260.00 | 1,678,200.00 | 3,849,770.00 | 832,030.00 | 1,874,820.00 | 998,436.00 |
| Ohaukwu | 12,426,630.40 | 11,745,532.80 | 14,911,956.48 | 14,094,639.36 | 3,494,347.78 | 16,913,567.23 |
| Ishielu | 4,090,190.00 | 584,154.21 | 1,443,500.00 | 920,500.00 | 2,338,210.00 | 1,304,105.00 |
| Izzi | 7,515,230.00 | 3,953,470.00 | 6,956,160.00 | 4,744,164.00 | 8,347,392.00 | 5,692,996.80 |
| Ebonyi | 12,340,220.00 | 3,031,694.00 | 5,915,210.00 | 4,457,612.00 | 7,744,446.00 | 7,488,788.16 |

Source: Ministry of Local Government and Chieftaincy Matters Ebonyi State (2019)

Table 1.6 Ebonyi State Local Govt. budget performance (revenue generation) during elected administration

| | ₦ | ₦ | ₦ | ₦ | ₦ | ₦ |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| LOCAL GOVT./YEARS | 2010 | 2010 | 2011 | 2011 | 2012 | 2012 |
| | Budgeted | Actual | Budgeted | Actual | Budgeted | Actual |
| Onicha | 5,006,524.80 | 2,746,808.80 | 6,258,156.00 | 3,433,511.00 | 3,201,006.00 | 2,324,840.00 |
| Afikpo-North | 8,469,505.28 | 8,638,860.16 | 10,586,881.60 | 10,798,575.20 | 13,233,602.00 | 13,498,219.00 |
| Ivo | 1,000,000.00 | 178,540.00 | 3,200,000.00 | 214,248.00 | 5,840,000.00 | 257,097.60 |
| Abakiliki | 25,768,886.40 | 44,544,000.00 | 30,922,663.68 | 55,680,000.00 | 37,107,196.42 | 69,600,000.00 |
| Ezza | 3,192,842.88 | 1,138,805.90 | 3,831,411.46 | 1,366,567.05 | 4,597,693.75 | 1,639,880.50 |
| Afikpo-South | 6,944,436.00 | 2,170,950.31 | 8,333,323.20 | 2,605,140.37 | 9,999,987.84 | 3,126,168.44 |
| Ohaozara | 3,239,688.96 | 1,725,297.40 | 3,887,626.75 | 2,070,356.89 | 4,665,152.10 | 2,484,428.27 |
| Ohaukwu | 6,229,010.00 | 2,702,440.00 | 8,710,000.00 | 3,971,780.00 | 12,100,000.00 | 4,766,136.00 |
| Ishielu | 2,993,241.60 | 15,400,000.00 | 14,740,000.00 | 9,321,010.00 | 11,279,000.00 | 11,185,212.00 |
| Izzi | 6,968,000.00 | 3,177,424.00 | 8,777,000.00 | 3,673,880.00 | 12,100,000.00 | 8,710,000.00 |
| Ebonyi | 8,710,000.00 | 3,971,780.00 | 8,710,000.00 | 3,971,780.00 | 4,310,267.90 | 4,766,136.00 |

Source: Ministry of Local Government and Chieftaincy Matters Ebonyi State (2019)

Table 1.7: Imo State Local Govt. budget performance (revenue generation) during elected administration

| | ₦ | ₦ | ₦ | ₦ | ₦ | ₦ |
|------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| LOCAL GOVT./YRS | 2008 | 2008 | 2009 | 2009 | 2010 | 2010 |
| | Budgeted | Actual | Budgeted | Actual | Budgeted | Actual |
| Isiala Mbano | 9,418,900.00 | 5,155,143.00 | 15,235,500.00 | Nil | 17,241,000.00 | 9,698,040.00 |
| Aboh Mbaise | 44,000,000.00 | 6,655,984.00 | 42,005,450.00 | 8,319,980.00 | 44,845,500.00 | 17,164,190.00 |
| Egbema | 33,925,000.00 | 12,393,664.00 | 40,038,000.00 | 15,647,800.00 | 48,045,600.00 | Nil |
| Ngor Okpala | 4,600,000.00 | 9,646,720.00 | 36,880,000.00 | 12,058,400.00 | 44,256,000.00 | 14,470,080.00 |
| Owerri Municipal | 47,385,000.00 | 27,231,970.00 | 64,280,000.00 | 13,637,890.00 | 67,070,000.00 | 27,081,650.00 |
| Ikeduru | 20,117,000.00 | 5,076,616.00 | 29,684,500.00 | 6,345,770.00 | 4,599,980.00 | 7,614,924.00 |
| Oru West | 19,390,150.00 | 5,412,330.00 | 34,614,500.00 | 6,017,700.00 | 34,614,500.00 | 6,481,950.00 |

| | | | | | | |
|---------------|----------------|---------------|---------------|---------------|----------------|---------------|
| Ahiazu Mbaise | 109,690,010.00 | 32,735,520.00 | 74,048,008.00 | Nil | 92,560,010.00 | Nil |
| Ideato South | 11,657,000.00 | 5,610,450.00 | 13,988,400.00 | 3,075,000.00 | 15,352,000.00 | 5,998,000.00 |
| Oru East | 9,677,500.00 | 1,441,956.00 | 11,657,500.00 | 2,946,710.00 | 10,326,000.00 | 2,946,710.00 |
| Njaba | 10,221,360.00 | 10,695,516.00 | 12,776,700.00 | 18,258,900.00 | 12,402,100.00 | 11,405,540.00 |
| Orsu | 5,928,000.00 | 821,976.00 | 15,347,500.00 | 986,371.20 | 16,617,500.00 | 1,183,645.44 |
| Onuimo | 34,832,304.00 | Nil | 43,540,380.00 | 1,735,040.00 | 35,040,380.00 | Nil |
| Owerri North | 68,000,000.00 | 17,611,418.86 | 68,106,010.00 | 22,014,273.58 | 130,740,010.00 | Nil |
| Isu | 4,278,000.00 | 4,628,275.00 | 6,101,500.00 | 2,243,980.00 | 6,480,500.00 | 5,294,860.00 |

Source: Ministry of Local Government and Chieftaincy Matters Imo State (2019)

Table 1.8 Imo State Local Govt. budget performance (revenue generation) during interim administration

| LOCAL GOVT./YRS | 2012 | 2012 | 2013 | 2013 | 2014 | 2014 |
|------------------|----------------|---------------|----------------|---------------|------------------|---------------|
| | Budgeted | Actual | Budgeted | Actual | Budgeted | Actual |
| Isiala Mbano | 22,186,270.00 | 19,553,088.00 | 26,623,524.00 | 24,441,360.00 | 31,948,228.80 | 15,642,470.40 |
| Aboh Mbaise | 47,872,500.00 | 3,342,880.00 | 45,882,500.00 | 4,178,600.00 | 45,882,500.00 | 4,178,600.00 |
| Egbema | 32,030,400.00 | 16,533,364.00 | 40,038,000.00 | 14,656,800.00 | 48,045,600.00 | Nil |
| Ngor Okpala | 61,968,500.00 | 1,445,000.00 | 65,106,800.00 | 1,817,520.00 | 81,383,500.00 | 2,271,900.00 |
| Owerri Municipal | 761,540,480.00 | 26,525,660.00 | 951,925,600.00 | 26,535,660.00 | 1,189,907,000.00 | 21,798,320.00 |
| Ikeduru | 39,788,000.00 | 10,927,920.00 | 74,788,000.00 | 13,659,900.00 | 107,309,000.00 | 16,391,880.00 |
| Oru West | 39,444,100.00 | 6,017,700.00 | 47,332,920.00 | 5,074,685.00 | 56,799,504.00 | Nil |
| Ahiazu Mbaise | 44,270,000.00 | 5,250,620.00 | 49,129,000.00 | 6,300,744.00 | 58,954,800.00 | Nil |
| Ideato South | 20,868,000.00 | 9,730,000.00 | 25,041,600.00 | 11,676,000.00 | 30,049,920.00 | Nil |
| Oru East | 12,391,200.00 | 4,118,250.00 | 14,869,440.00 | Nil | 17,843,328.00 | 5,930,280.00 |
| Njaba | 130,395,040.00 | 1,148,330.00 | 162,993,800.00 | 1,088,451.33 | 174,892,400.00 | 7,723,633.30 |
| Orsu | 23,929,200.00 | 1,704,449.43 | 28,929,200.00 | Nil | 34,715,040.00 | 2,454,407.18 |
| Onuimo | 618,483,443.20 | 205,728.00 | 773,104,304.00 | 257,160.00 | 966,380,380.00 | 321,450.00 |
| Owerri North | 314,408,000.00 | Nil | 314,408,010.00 | Nil | 252,481,000.00 | Nil |
| Isu | 7,455,500.00 | 7,427,470.00 | 7,455,500.00 | 680,000.00 | 8,946,600.00 | 2,338,600.00 |

Source: Ministry of Local Government and Chieftaincy Matters Imo State (2019)

Table 1.9: Analysis for budget performance: revenue

| | | Budget Performance: Revenue | | | | | |
|------------|---------|----------------------------------|--------|--------|--------------|-----------------|------------|
| | | Variance of Actual from Budgeted | | | | | |
| | | Year 1 | Year 2 | Year 3 | Average | Elected-Interim | % variance |
| Enugu | Interim | -68% | -108% | -72% | -82% | 35% | 54.1% |
| | Elected | -32% | -53% | -56% | -47% | | |
| Imo | Interim | -128% | -145% | -154% | -142% | 53% | 45.8% |
| | Elected | -78% | -115% | -75% | -89% | | |
| Ebonyi | Interim | -65% | -55% | -31% | -50% | -2% | -4.2% |
| | Elected | -45% | -65% | -48% | -52% | | |
| South East | Interim | -87% | -102% | -86% | -92% | 29% | 37.0% |
| | Elected | -52% | -78% | -59% | -63% | | |

Source: Researcher's Analysis (2019)

Budget performance on revenue was generally poor with all the states' actual expenditure being less than their budgeted amounts in both interim and elected governments. However elected governments performed 37% better when compared to interim governments. This was reflected in Enugu and Imo States with 54.1% and 45.8% better performance. In Ebonyi State the elected governments had 4.2% worse performance compared to interim governments.

Presentation of Data for Budget Performance – Capital Expenditure
Table 1.10 Enugu State Local Govt. budget performance (capital expenditure) during interim administration

| | ₦ | ₦ | ₦ | ₦ | ₦ | ₦ |
|-----------------|------------------|----------------|----------------|------------------|------------------|----------------|
| LOCAL GOVT./YRS | 2015 | 2015 | 2016 | 2016 | 2017 | 2017 |
| | Budgeted | Actual | Budgeted | Actual | Budgeted | Actual |
| Uzo Uwani | 463,589,000.00 | 19,783,000.00 | 153,853,000.00 | NIL | 674,076,000.00 | 199,954,000.00 |
| Awgu | 892,574,000.00 | 611,107,015.00 | 417,757,000.00 | 742,601,118.00 | 1,192,212,000.00 | 196,000,000.00 |
| Udenu | 1,526,000,000.00 | 520,260,000.00 | 920,000,000.00 | NIL | 57,463,600.00 | 470,600,000.00 |
| Ezeagu | 876,400,000.00 | NIL | 645,626,000.00 | 28,760,581.35 | 560,626,000.00 | 28,000,070.35 |
| Oji River | 617,400,000.00 | 248,860,000.00 | 931,000,000.00 | 129,180,000.00 | 531,144,000.00 | 612,500,000.00 |
| Udi | 543,406,000.00 | 563,134,484.00 | 233,000,000.00 | 28,774,500.00 | 941,500,000.00 | 17,061,000.00 |
| Isi-Uzo | 867,541,000.00 | 29,000,000.00 | 330,990,000.00 | NIL | 160,607,000.00 | 613,027,911.00 |
| Igbo-Eze South | 448,156,736.00 | 260,665,914.00 | 373,095,849.00 | 7,943,250.00 | 806,000,000.00 | 393,330,000.00 |
| Nkanu-East | 507,000,000.00 | 600,066,585.00 | 531,250,000.00 | 40,347,616.00 | 601,000,000.00 | NIL |
| Aninri | 608,594,870.00 | 159,658,580.00 | 361,943,000.00 | 443,863,810.00 | 1,353,842,691.00 | 269,800,000.00 |
| Igbo-Etiti | 443,000,000.00 | 60,000,000.00 | 422,700,000.00 | NIL | 538,325,000.00 | NIL |
| Enugu South | 499,100,000.00 | 122,230,000.00 | 187,282,000.00 | 1,878,561,117.00 | 646,365,000.00 | 199,954,000.00 |
| Enugu East | 793,000,000.00 | NIL | 175,077,651.00 | 28,774,500.00 | 37,001,521.00 | 17,061,000.00 |
| Enugu North | 719,600,000.00 | 10,500,000.00 | 111,000,000.00 | 28,580,000.00 | 1,206,100,000.00 | 173,500,000.00 |
| Nsukka | 331,000,000.00 | 71,535,000.00 | 154,000,000.00 | 26,550,000.00 | 300,000,000.00 | 84,402,000.00 |

Source: Ministry of Local Government and Chieftaincy Matters Enugu State (2019)

Table 1.11 Enugu State Local Govt. budget performance (capital expenditure) during elected administration

| | ₦ | ₦ | ₦ | ₦ | ₦ | ₦ |
|-----------------|----------------|----------------|------------------|----------------|------------------|------------------|
| LOCAL GOVT./YRS | 2012 | 2012 | 2013 | 2013 | 2014 | 2014 |
| | Budgeted | Actual | Budgeted | Actual | Budgeted | Actual |
| Uzo Uwani | 164,000,000.00 | NIL | 205,000,000.00 | 73,000,000.00 | 528,688,971.00 | NIL |
| Awgu | 771,200,000.00 | 601,750,000.00 | 964,000,000.00 | 319,000,000.00 | 1,141,000,000.00 | 1,530,908,227.00 |
| Udenu | 897,040,000.00 | 649,750,000.00 | 1,121,300,000.00 | 246,070,000.00 | 956,700,000.00 | 131,720,000.00 |
| Ezeagu | 832,000,000.00 | NIL | 1,040,000,000.00 | 536,202,954.00 | 1,518,100,000.00 | 566,201,954.00 |
| Oji River | 404,500,000.00 | NIL | 1,030,280,000.00 | 356,060,000.00 | 1,178,280,000.00 | 372,900,000.00 |
| Udi | 776,128,000.00 | NIL | 970,160,000.00 | 563,134,484.00 | 1,212,700,000.00 | 563,134,484.00 |
| Isi-Uzo | 444,180,992.00 | 56,037,000.45 | 555,226,240.00 | 35,012,000.00 | 694,032,800.00 | NIL |
| Igbo-Eze South | 400,000,000.00 | NIL | 500,000,000.00 | 441,080,000.00 | 891,000,000.00 | 668,638,650.00 |
| Nkanu-East | 645,440,000.00 | 356,500,000.00 | 806,800,000.00 | 600,066,585.00 | 1,008,500,000.00 | 444,978,200.00 |
| Aninri | 599,347,200.00 | NIL | 749,184,000.00 | 433,970,566.00 | 936,480,000.00 | 331,695,918.00 |
| Igbo-Etiti | 638,359,000.00 | 300,320,000.00 | 835,500,000.00 | 233,500,000.00 | 986,000,000.00 | 406,320,000.00 |
| Enugu South | 385,055,062.08 | 202,300,000.00 | 347,322,000.00 | 116,940,000.00 | 674,076,000.00 | NIL |

| | | | | | | |
|-------------|----------------|----------------|----------------|----------------|------------------|----------------|
| Enugu East | 735,328,000.00 | 581,311,000.00 | 985,000,000.00 | 318,601,118.00 | 1,078,000,000.00 | 318,601,118.00 |
| Enugu North | 680,690,000.00 | 500,000,000.00 | 923,270,000.00 | 459,230,000.00 | 1,106,400,000.00 | 258,305,000.00 |
| Nsukka | 684,600,000.00 | NIL | 851,000,000.00 | 322,100,000.00 | 848,226,000.00 | 256,360,101.00 |

Source: Ministry of Local Government and Chieftaincy Matters Enugu State (2019)

Table 1.12 Ebonyi State Local Govt. budget performance (capital expenditure) during interim administration

| | ₦ | ₦ | ₦ | ₦ | ₦ | ₦ |
|-----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| LOCAL GOVT./YRS | 2005 | 2005 | 2006 | 2006 | 2007 | 2007 |
| | Budgeted | Actual | Budgeted | Actual | Budgeted | Actual |
| Onicha | 68,354,724.00 | Nil | 91,665,380.00 | 91,655,380.00 | 36,573,450.00 | 36,573,450.00 |
| Afikpo-North | 59,436,090.00 | 59,436,090.00 | 194,139,630.00 | 202,708,080.00 | 33,691,636.00 | 98,641,636.00 |
| Ivo | 82,416,500.00 | 82,416,500.00 | 131,810,330.00 | 131,810,330.00 | 158,172,396.00 | NIL |
| Abakiliki | 73,480,860.00 | NIL | 129,181,970.00 | 115,177,192.00 | 144,971,490.00 | 143,971,490.00 |
| Ezza | 66,088,130.00 | 66,088,130.00 | 88,800,720.00 | 108,784,800.00 | 44,781,790.00 | 44,781,790.00 |
| Afikpo-South | 82,800,000.00 | 67,655,664.64 | 99,360,000.00 | 84,569,580.80 | 119,232,000.00 | 105,711,976.00 |
| Ohaozara | 53,261,600.00 | 53,261,600.00 | 93,675,360.00 | 93,675,360.00 | 72,380,580.00 | 72,380,580.00 |
| Ohaukwu | 60,372,960.00 | 47,185,920.00 | 72,447,552.00 | NIL | 86,937,062.40 | 73,728,000.00 |
| Ishielu | 57,968,547.00 | 58,168,547.00 | 70,486,410.00 | 70,486,410.00 | 38,398,410.00 | 38,398,390.00 |
| Izzi | 101,166,900.00 | 101,066,900.00 | 162,026,380.00 | 162,026,380.00 | 194,431,656.00 | 194,431,656.00 |
| Ebonyi | 68,515,097.00 | 11,700,000.00 | 217,943,856.93 | 193,543,856.00 | 185,024,560.00 | 185,024,560.00 |

Source: Ministry of Local Government and Chieftaincy Matters Ebonyi State (2019)

Table 1.13 Ebonyi State Local Govt. budget performance (capital expenditure) during elected administration

| | ₦ | ₦ | ₦ | ₦ | ₦ | ₦ |
|-----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| LOCAL GOVT./YRS | 2010 | 2010 | 2011 | 2011 | 2012 | 2012 |
| | Budgeted | Actual | Budgeted | Actual | Budgeted | Actual |
| Onicha | 342,930,000.00 | NIL | 731,010,000.00 | 731,010,000.00 | 618,910,000.00 | 618,910,000.00 |
| Afikpo-North | 138,468,000.00 | 164,460,738.24 | 276,936,000.00 | 197,352,885.89 | 346,170,000.00 | 426,500,000.00 |
| Ivo | 294,800,000.00 | 294,800,000.00 | 278,860,000.00 | 278,860,000.00 | 334,632,000.00 | NIL |
| Abakiliki | 379,371,520.00 | 381,122,560.00 | 474,214,400.00 | 476,403,200.00 | 592,768,000.00 | 595,504,000.00 |
| Ezza | 77,382,933.12 | 77,382,933.12 | 92,859,519.74 | 92,859,519.74 | 111,431,423.70 | NIL |
| Afikpo-South | 718,865,640.00 | 718,865,640.00 | 862,638,768.00 | 862,638,768.00 | 862,638,768.00 | NIL |
| Ohaozara | 208,695,296.00 | 41,420,846.08 | 260,869,120.00 | 51,776,057.60 | 326,086,400.00 | 64,720,072.00 |
| Ohaukwu | 144,000,000.00 | 144,000,000.00 | 207,555,130.00 | 122,418,950.00 | 228,430,000.00 | 303,220,000.00 |
| Ishielu | 104,056,000.00 | 292,481,329.00 | 130,070,000.00 | 130,070,000.00 | 330,180,000.00 | 330,180,000.00 |
| Izzi | 269,632,000.00 | NIL | 337,040,000.00 | 122,418,950.00 | 421,300,000.00 | 207,555,110.00 |
| Ebonyi | 207,555,130.00 | 122,418,950.00 | 207,555,110.00 | 207,555,110.00 | 414,100,000.00 | 414,100,000.00 |

Source: Ministry of Local Government and Chieftaincy Matters Ebonyi State (2019)

Table 1.14 Imo State Local Govt. budget performance (capital expenditure) during elected administration

| LOCAL GOVT./YRS | 2008 | 2008 | 2009 | 2009 | 2010 | 2010 |
|------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | Budgeted | Actual | Budgeted | Actual | Budgeted | Actual |
| Isiala Mbanjo | 146,800,000.00 | 703,800,000.00 | 155,338,280.00 | 708,030,410.00 | 186,405,936.00 | 708,030,410.00 |
| Aboh Mbaise | 20,540,000.00 | 135,944,900.00 | 197,683,880.00 | 135,944,900.00 | 150,541,730.00 | 713,400,000.00 |
| Egbema | 259,619,980.00 | Nil | 306,000,720.00 | Nil | 128,291,750.00 | 333,355,333.33 |
| Ngor Okpala | 22,400,000.00 | 40,502,766.67 | 294,278,900.00 | 40,502,766.67 | 202,514,753.00 | 353,033,000.00 |
| Owerri Municipal | 198,254,740.00 | Nil | 245,515,180.00 | 247,380,000.00 | 208,437,260.00 | 247,380,000.00 |
| Ikeduru | 225,111,460.00 | 78,300,000.00 | 106,750,434.00 | 78,300,000.00 | 22,400,000.00 | 78,300,000.00 |
| Oru West | 34,400,000.00 | 274,000,000.00 | 115,122,250.00 | Nil | 99,886,350.00 | 112,157,416.67 |
| Ahiazu Mbaise | 202,194,410.00 | 179,833,333.33 | 197,290,120.00 | 179,833,333.33 | 246,612,650.00 | 179,833,333.33 |
| Ideato South | 168,880,360.00 | Nil | 122,070,330.00 | 487,400,000.00 | 146,484,396.00 | Nil |
| Oru East | 73,500,000.00 | 13,916,666.00 | 184,866,650.00 | 141,833,333.00 | 205,496,340.00 | 411,870,750.00 |
| Njaba | 47,690,662.40 | Nil | 59,613,328.00 | Nil | 74,516,660.00 | 125,005,553.33 |
| Orsu | 210,493,760.00 | Nil | 206,406,470.00 | Nil | 111,312,000.00 | Nil |
| Onuimo | 76,612,000.00 | Nil | 95,765,000.00 | Nil | 97,365,000.00 | 184,921,666.67 |
| Owerri North | 290,221,470.00 | 222,136,433.33 | 233,835,160.00 | 222,136,433.33 | 253,115,810.00 | 222,136,433.33 |
| Isu | 103,351,640.00 | Nil | 82,480,689.00 | 113,437,873.33 | 67,536,182.00 | 113,437,873.33 |

Source: Ministry of Local Government and Chieftaincy Matters Imo State (2019)

Table 1.15 Imo State Local Govt. budget performance (capital expenditure) during interim administration

| LOCAL GOVT./YRS | 2012 | 2012 | 2013 | 2013 | 2014 | 2014 |
|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | Budgeted | Actual | Budgeted | Actual | Budgeted | Actual |
| Isiala Mbanjo | 1,360,964,000.00 | 86,847,667.67 | 1,633,156,800.00 | 86,847,667.67 | 1,959,788,160.00 | 86,847,667.67 |
| Aboh Mbaise | 480,656,512.00 | 713,400,000.00 | 600,820,640.00 | Nil | 600,820,640.00 | 813,773,546.67 |
| Egbema | 1,182,542,486.40 | 333,355,333.33 | 1,478,178,108.00 | Nil | 2,682,700,000.00 | 730,666,666.67 |
| Ngor Okpala | 175,000,000.00 | 353,033,000.00 | 1,028,601,180.00 | Nil | 1,028,601,180.00 | Nil |
| Owerri Municipal | 858,411,462.40 | Nil | 1,073,014,328.00 | Nil | 1,341,267,910.00 | Nil |
| Ikeduru | 1,398,500,000.00 | 619,166,667.00 | 1,300,820,000.00 | 619,166,667.00 | 2,765,100,000.00 | 1,668,990,000.00 |
| Oru West | 252,381,000.00 | 112,157,416.67 | 2,138,049,779.38 | 176,264,566.67 | 2,565,659,735.30 | 457,170,000.00 |
| Ahiazu Mbaise | 474,087,580.00 | 178,260,666.67 | 886,257,820.00 | 2,288,500,000.00 | 1,063,509,384.00 | 2,491,200,000.00 |
| Ideato South | 1,187,722,996.79 | Nil | 1,928,970,568.43 | 233,250,000.00 | 2,314,764,682.12 | Nil |
| Oru East | 263,513,412.00 | 274,580,500.00 | 316,216,094.40 | 274,580,500.00 | 379,459,313.28 | Nil |
| Njaba | 1,090,180,090.00 | 1,730,100,000.00 | 1,952,282,180.00 | 1,664,100,000.00 | 2,371,500,000.00 | 2,491,200,000.00 |
| Orsu | 160,289,280.00 | Nil | 192,347,136.00 | Nil | 230,816,563.20 | Nil |
| Onuimo | 1,536,320,800.00 | 184,921,666.67 | 1,920,776,000.00 | Nil | 2,400,970,000.00 | Nil |
| Owerri North | 554,240,896.00 | 246,706,270.00 | 692,801,120.00 | 574,000,000.00 | 2,354,000,000.00 | 574,000,000.00 |
| Isu | 98,620,775.85 | 113,437,873.33 | 960,078,034.50 | 113,437,873.33 | 1,192,000,000.00 | 360,106,750.00 |

Source: Ministry of Local Government and Chieftaincy Matters Imo State (2019)

Table 1.16: Analysis of budget performance: capital expenditure

| | | Budget Performance: Capital Expenditure | | | | | |
|------------|---------|---|--------|--------|-------------|-----------------|------------|
| | | Variance of Actual from Budgeted | | | | | |
| | | Year 1 | Year 2 | Year 3 | Average | Elected-Interim | % variance |
| Enugu | Interim | -103% | -92% | -76% | -90% | 15% | 17.5% |
| | Elected | -57% | -85% | -85% | -76% | | |
| Imo | Interim | -50% | -77% | -67% | -65% | 93% | 199.4% |
| | Elected | 28% | 2% | 55% | 28% | | |
| Ebonyi | Interim | -21% | -1% | 7% | -5% | -13% | -113.7% |
| | Elected | -8% | -28% | -19% | -18% | | |
| South East | Interim | -58% | -57% | -45% | -53% | 31% | 83.1% |
| | Elected | -13% | -37% | -16% | -22% | | |

Source: *Researcher's Analysis (2019)*

Elected governments performed better on capital expenditure than interim governments. Budget performance on capital expenditure was generally poor. In general states' actual expenditure was less than their budgeted amounts in both interim and elected governments. An exception was Imo State whose elected government spent more on capital expenditure than was budgeted. Elected governments performed 83.1% better when compared to interim governments. This was reflected in Enugu and Imo States with 17.5% and 199.4% better performance. In Ebonyi State the elected governments had worse performance compared to interim governments. Generally, the budget performance within the two administrations for both revenue and capital expenditure revealed significant difference.

Discussion of Findings

Elected governments in the South East performed better than Interim Governments in revenue generation. On average they performed 19.5% better. All the states captured in this study (Enugu, Imo and Ebonyi) reflect this improved revenue generating capacity of elected governments over interim governments, performing 5.5%, 13.9% and 19.5% better respectively. Since the elected administration performed better than interim administration in terms of revenue generation, the researcher upholds the null hypothesis. Elected governments in the South East performed better than Interim Governments in capital expenditure. On average they performed 2.3% better. Of the states captured in this study, Enugu and Ebonyi reflect this higher capital expenditure of elected governments over interim governments, spending 41%, and 104.9% more respectively. An individual exception was Imo State where elected governments spent 74.8% less than interim governments. Since the capital expenditure level during

elected administration is higher, than during interim administration, the researcher upholds the null hypothesis.

Budget performance on revenue was generally poor with all the states' actual expenditure being less than their budgeted amounts in both interim and elected governments. However elected governments performed 37% better when compared to interim governments. This was reflected in Enugu and Imo States with 54.1% and 45.8% better performance. In Ebonyi State the elected governments had 4.2% worse performance compared to interim governments. Elected governments performed better on capital expenditure than interim governments. Budget performance on capital expenditure was generally poor. In general states' actual expenditure was less than their budgeted amounts in both interim and elected governments. An exception was Imo State whose elected government spent more on capital expenditure than was budgeted. Elected governments performed 83.1% better when compared to interim governments. This was reflected in Enugu and Imo States with 17.5% and 199.4% better performance. In Ebonyi State the elected governments had worse performance compared to interim governments. Generally, the budget performance within the two administrations for both revenue and capital expenditure revealed significant difference. Therefore, the researcher steps down the null hypothesis which states that there is no significant difference between the budget performances of the two periods of administration.

Conclusion

Local governments in Nigeria have enormous responsibilities to perform. These include the mobilization of local resources, promoting social and economic improvement and development as well as national integration. The local government may not perform these responsibilities without finance. The fund for local government councils is managed by key officers (e.g. the treasurer) of respective councils, hence, this finance needs to be efficiently managed and judiciously utilized. Financial management is one of the best tools for managing public finance especially as it concerns grassroots level. Where, this tool is obstructed or truncated, it means that it will become very impossible for the local government to achieve its responsibilities. Budgeting, for instance, is a very good guide for financial management, this is because, it involves cycle of activities; ranging from when financial objectives are set, plans made, financial plans are implemented, actual plans are compared, ways for realization of objectives are established, redesign of policy and revise of objectives which would eventually go back to the planning stage again. In a local government where budgeting and budgetary control

is not appreciated, the expenditure level might not be controlled especially in awarding of contracts and other developmental projects. This implies that funds may not be spent for purpose of which it was budgeted for or even where it was spent; there might be so much economic waste. For example, from this study, some of the local government like Igbo-etiti, Uzo uwani, Ezeagu, Onicha, Ivo, Egbema, Ngor-Okpala, to mention but few, had budgets for capital expenditure during the period of interim administration, but this was not expended. There is likelihood that the said budgeted amount has been expended on another item which might not have been captured in the budget. This is one of the reasons, why, some local government councils has remained undeveloped.

The practice of interim governance or caretaker committee system at our various local governments across the nation has done more harm than good with respect to the allocation sent to the local government for community development and other projects. The state governors, who mostly exploit this option, thought that they are playing smart but otherwise they are eroding both themselves and the nation at large. This is why most of our local government council has achieved a regressive type of development simply because, things were not done right. The caretaker committee system or interim governance was meant to hold brief for the main election to take place but these days, we observe most local government practicing this interim governance for more than one year, some has even practiced it for three to ten years. The state governors enjoy it as it lasts since the caretaker committee members have no other option than to obey them to the core. In other words, during interim governance at the local government, the chairman of the caretaker committee members is more of a ceremonial head, all policies, be it favorable and unfavorable must be carried out without questioning the state authority. This is the level the practice of interim governance has brought us. The implication of this is that if Nigeria must continue with interim governance or caretaker committee system of governance at the local level, there will be no meaningful achievements at this level in the near future.

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