

**THE IMPACT OF SALARIES AND WAGES ADMINISTRATION ON  
EMPLOYEES JOB OUTPUT: A CASE STUDY OF THE BOARD OF INTERNAL  
REVENUE SERVICE, EDO STATE (EIRS).**

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## CHAPTER ONE

### INTRODUCTION

#### 1.1 Background of the Study

Local government finance is one of the aspects of public finance. It deals with the generation of revenue, expenditure and utilization of financial resources in order to bring the impact of government closer to the people at the grassroots. Put differently, finance is essential at enabling local governments transform the lives of the rural dwellers through the provision of social services and rural infrastructures like the construction and maintenance of rural roads, markets, schools, health centers, etc.

Finance is the heart of the major activities of government. Government units at all levels-national, State and Local are daily engaged in the production and distribution of public goods and services in areas such as agricultural extension, education, healthcare, social welfare, security, all of which involve huge amounts of money. The mobilization of the financial resources or revenue to meet the diverse welfare needs of the people has in effect become an important responsibility which governmental authorities have to shoulder. This responsibility not only includes the generation of revenue but also its allocation among competing needs of the local governments. It is within this context that we can appreciate the task of revenue collection at local government level (Abubakar, 1999).

Generally speaking, revenue accruing to any tier of government may be classified as recurrent or capital. While the former is generated on day-to-day basis throughout the year, the latter arises once in a while and in a larger proportion. They are also described as internal and external sources of revenue respectively. Barber (1978) remarked that the principal sources of local government revenue are local rates, federal government grants and trading receipts. The 1976 Local Government Reforms (in Nigeria) recognized the fact that if meaningful local government is to be expected in Nigeria, much larger financial resources are needed. The internal sources of revenue

comprise many major and miscellaneous items aggregated to provide the required fund for financing the enormous functions ascribed to Local Governments as third tier of Government, Orewa and Adewumi (1983) stated that one of the main reasons why a local council exists is to collect various forms of revenues from its citizens and to use these to provide social services in an efficient manner as possible. These sources are summarized into the following revenue heads: Tenement rate/property rating, local license, fines and fees, earnings from commercial undertakings and rent on property, interest payment, and dividends and miscellaneous (Orewa and Adewumi,1983). According to Abubakar (1999) Local Government units today are assigned a wide ranging number of functions and of reaching responsibilities for which they are statutorily empowered to raise revenue from local sources to supplement their allocations from the Federation Account and other intra-governmental sources.

A development oriented local government system is therefore expected to be a vehicle for the provision of goods and services, which are necessary prerequisites for sustained development.

In the 1976 Local Government Reforms, the Federal Republic of Nigeria articulated four basic objectives for establishing local government. These are:

- i. To make appropriate services and development activities responsive to local wishes and initiatives by developing or delegating such services to local representatives bodies.
- ii. To facilitate and bring the exercise of democratic self-employment close to the local level of our society and to encourage initiative and leadership potentials.
- iii. To mobilize human and material resources through the involvement of members of the public in their local government, and
- iv. To provide a two-way channel of communication between local communities

(both state and federal) (Fajobi, 2010:3).

For local government to perform these enumerated functions, it has a history of revenue allocation in Nigeria. Prior to 1979 constitution local governments were given occasional grants for the funding of health and primary education.

Over the years, the percentage allocation of local government revenue to capital expenditure which is meant for the provision of services is very low. Specifically,

40.20% in 2006 was allocated to capital expenditure, 17.38% in 2007, 17.35% in 2008, 34.0% in 2009 and 39.28 in 2010 (CBN, 2010). This means that over 50% of the revenue received by Nigerian local government is allocated to recurrent spending at the expense of service delivery.

The report of the CBN, (2012), shows that the statutory allocation to local government accounts for 57.5%, in 2011 and 59.4% in 2012 of their total revenue. This percentage is very high compared to the Internally Generated Revenue (IGR) of 1.6% and 1.9% respectively in the same years (CBN, 2012).

## **1.2 Statement of the Problem**

Nigeria operates a federal system of government where power is constitutionally shared between three tiers of government. Local government was created as a means of promoting development and bringing government closer to the people.

Nigeria's experience in local government administration, whether in military regimes or in democratic era has clearly shown that local governments are faced with daunting challenges in their mandate to promote development and provide essential services to the rural dwellers. Local government, which is statutorily established to be the closest tier of government to the people, is not doing its bidding coupled with the fact that resident population in the local government has no significant access to the benefits of its existence. The failure of the local governments in the area of service delivery has made the citizens to lose their trust in government as an institution. In some areas, council officials are better known for the harassment of citizens than service delivery (Ajibulu, 2011). It

is common knowledge that local government has the weakest capacity to initiate and manage rural development programme. Most of the officials are performing their functions without the relevant qualification to perform effectively. As a result, the available resources for accelerated and sustainable rural development are inefficiently utilized for the purpose intended (Ocheni. et al. 2012:131).

In spite of the increase in total amount of funds available to Local Governments from early 1990s to date, their economic and financial profile have been very poor, relative to its development due perhaps to false declarations of statements of revenue by revenue collector's and treasury staff, political instability and lack of socio-political philosophy among others. Mope, (2015) argued that in nominal terms, the allocation which stood at ₦597.2 billion in 2005 jumped to ₦1, 379 billion in 2008, reflecting a marginal revenue increase of 130.9%. However, some challenges which served as impediments to Local Governments' efforts to generate adequate revenue from various sources. Many factors have been identified to be responsible for the inadequate internal revenue effort. Chief amongst them are corruption and weak machinery for check and balances in the generation of revenues. Preliminary survey has shown that the inability of the local governments to provide adequate services to the people within their areas of jurisdiction is attributed largely to inadequate revenues. The researcher was therefore motivated to conduct research in order to investigate the impact of revenue administration on service delivery in Oredo Local Government Area of Edo State within the time frame of 2015-2022.

### **1.3 Research Questions**

The study seeks to answer the following research questions:

- i) What is the level of revenue generation in Oredo Local Government Area?

- ii) What is the relationship between revenue generation and service delivery in Oredo Local Government Area?
- iii) To what extent does revenue affect service delivery in Oredo Local Governments Area?
- iv) How effective is revenue administration in Oredo Local Government?
- v) What are the challenges of revenue generation and service delivery in Oredo Local Government Area?

#### **1.4 Objectives of the Study**

- i.) To determine the general level of revenue generation in Oredo Local Government Area;
- ii.) To examine the relationship between revenue generation and service delivery in Oredo Local Government Area;
- iii) To determine the extent to which revenue affects service delivery in Oredo Local Government Area;
- iv) To examine the effectiveness of revenue administration in Oredo Local Government.
- v) To identify the challenges of revenue generation and service delivery in Oredo Local Government Area.

#### **1.5 Hypotheses of the Study**

The following hypothesis is stated in the null form;

H<sub>01</sub>: The amount of revenue generated by the local government has no significant relationship with the level of service delivery in Oredo Local Government Area.

H<sub>02</sub>: Effective management of local government revenue does not affect the performance of local government in service delivery.

#### **1.6 Significance of the Study**

Previous studies like that of Jumare, (2008) focused on statutory allocation to local government and service delivery and Youbi (2008) associated the failure of service delivery by local government functionaries with bad local politics. This study focused on the two sources of local government revenue and service delivery.

The study provided the basis for developing various ways of improving revenue generation in Oredo Local Government Area and in other local government area in Nigeria. With an improved revenue administration, Oredo Local Government will be able to meet the demands of the people and will be able to perform their primary functions of provision of essential services more efficiently. The study also revealed the extent to which an improved revenue generation will impact on development generally. The study is an added contribution to the existing knowledge on revenue and service delivery in Local Government and ways of improving the two. The research will also help other researchers who may wish to carry out research of similar nature.

### **1.7 Scope and Limitations of the Study**

This dissertation focused on the study of local government revenue and service delivery in Oredo Local Government Area of Edo State. The scope of the study is restricted to a period of seven (7) years i.e. (2015-2022).

#### **Limitations of the Study**

As with any other research, there were restrictions or constraints that the researcher encountered. The limitations of this study include:

- i. Financial constraint:

It is an established fact that every research work consumes a lot of money. Therefore, the financial requirement for gathering data, typing of the project subsequently and other related expenditure served as a major constraint to this research work.

ii. Responses while gathering data

For some reasons best known to the officials of the Local Government, the authorities were not willing to release some information which is relevant to this research project, even after persuasion and being assured that the information sought will only be used for academic purposes alone. This refusal to release some vital information by the Local Government was as a major constraint to this research work.

## **1.8 Definition of Concepts**

From our analysis of the statement of the problem and hypotheses stated above, there are some key concepts that need to be conceptually defined for better understanding. These concepts include: Local Government, Financial Management, Revenue Generation, IGR, Development, Service Delivery and Local Government.

### **Local Government**

Local Government is defined as Government at the local level exercised through representative council established by law to exercise specific powers within defined areas. These powers should give the council substantial control over local affairs (including staffing) and institutional and financial powers to initiate and direct the provision of services and to determine and implement projects so as to complement the activities of the state, and Federal Government in their areas, and ensure, through the

active participation of the people and their traditional institutions, that local initiative and response to local needs and conditions are maximized (Federal Republic of Nigeria, 1976).

### **Revenue Administration**

Revenue administration is the administration, management, conduct, direction and supervision of the execution of revenue generation laws of a country, state or local government.

### **Service Delivery**

Service delivery refers to all the goods and services delivered by the local government in responses to the public needs in order to address societal problems. The services here include provision of schools facilities like books and chairs; hospital facilities like beds and drugs; agriculture, farm inputs and machines like tractors, fertilizers and seeds.

### **Financial Management**

Financial management is defined as the act of total management function concerned with the effective and efficient raising and use of funds.

### **Revenue**

According to 1999 constitution, revenue is defined as any income or returns accruing to or derived by the government from any source and include any receipt however described arising from the operation of any law, and receipt however, described from or in respect of any property held by government, and any returns by way of interest or loans and dividends in respect of shares or interest held by government in any company or statutory body. However, revenue can also be regarded or referred to as tolls, taxes, rates, fees, royalties, rents and other receipts of government from whatever sources such as proceeds from loans given out (Section 162(10) of 1999 Constitution).

Revenue accruing to any tier of government may be classified as recurrent or capital. While the former is generated on day-to-day basis throughout the year, the latter arises once in a while and in a larger proportion. They are also described as internal and external sources of revenue respectively. Nevertheless, the word revenue will be used in the context of this research to mean any amount of money coming into the local government from whatever sources and which the local government has power of appropriation.

### **Statutory Allocation**

This consists of financial allocations approved by the constitution, to the different tiers of government from the federation account and share of the state government revenues that is allocated to the local governments.

### **External Sources**

These are sources of Revenue that are sourced outside the local government e.g.

Donation, Aid, Loan et cetera.

### **Internally Generated Revenue (IGR)**

This refers to the revenue or money collected by the local government from its internal sources (within the Local Government Area). The internal sources of revenue comprise many major and miscellaneous items aggregated to provide the required fund for financing the enormous functions ascribed to local government as third tier of government (Abubakar, 1999).

## CHAPTER TWO

### LITERATURE REVIEW AND THEORETICAL FRAMEWORK

#### 2.1 Introduction

In this chapter the study reviewed the relevant literature in the area of study, i.e. revenue and service delivery and finally provided Fiscal Federalism theory as a theoretical framework upon which our study is based. The key areas covered in our literature review include; local government and finance, revenue, source of revenue, development, the concept of socio-economic development and the role of local government in the development process.

Section 162 (10) of 1999 Constitution defines revenue as —any income or returns accruing to the government from any source and include: any receipt however described arising from the operation of any law, and receipt however described from or in respect of any property held by government, any returns by way of interest on loans and dividends in respect of shares of interest held by government in any company or statutory body" (Constitution,1999). However, revenue can also be defined as tolls, taxes, import rates,, fees royalties, refits and other receipts of government from whatever source such as proceeds from loans given out.

#### 2.2 Conceptual Framework of Local Government

The concept of local governance is as old as the history of humanity, only recently has it entered the broad discourse in the academic and practical literature (Shah, 2006). This concept has created excitement within the scholarship and practicing world of administration. It has attracted the attention of many scholars within the academia who have seriously analyzed and dug deep into the meaning, genesis and the need for its existence within all political arrangement of the world (Akindele. et al. 1997). Therefore, there is no unanimous acceptable definition among the scholars on the definition of local Government.

The term local government has been defined variously by different scholars. In the view of a scholar like Wraith, local government refers to locally elected councils whose main purpose is to provide or administer services with as great degree of independence as modern circumstance allow (Wraith, 1964). For Golding, local government is the management of their own affairs by the people of their locality (Golding, 1959).

Some other scholars have attempted to expand on and perhaps give greater expression to the definitions given above. For Sorka, local government connotes the decentralisation or dispersion of authoritative decision making where by the authority to make decision is displaced downwards from remote points near the top

administration or outward from geographical locations, thus bringing authority closer to the people affected by it (Sorka, 1978). In the same vein, Oyediran sees local government as the diffusion of political process on area basis, i.e. local self administration and inclusion of noble ideals of impartiality, protection of minority rights and integrity, all of which are considered essential to the evolution of a liberal democratic society (Oyediran, 1979).

Whatever else that may be said, it is clear from the above definitions that a local government in any system is assumed to possess the following characteristics.

- A given territory and population
- An institutional structure for legislative purpose
- A separate legal entity, a range of power and functions authorised by delegation from the appropriate central or intermediate legislation
- Within the Anglo-America tradition, autonomy is limited to common law such as the test of reasonableness (Williams, 1978).

However, Appadorai (2004) defines local government as government by popularly elected bodies charged with administration and executive duties in matters concerning the inhabitants of a particular district or place. According to Shah (2006) local government can be defined as thus:

*A specific institutions or entities created by national constitutions (Brazil, Denmark, France, India, Italy, Japan, Sweden), by state constitutions (Australia, the United States), by ordinary legislation of a higher level of central government (New Zealand, the United Kingdom, most countries), or by executive order (China) to deliver a range of specific services to a relatively small geo-graphically delineated area. Local governance is a broader concept and is defined as the formulation and execution of collective action at the local level. Thus, it encompasses the direct and indirect roles of formal institutions of local government and government hierarchies, as well as the roles of informal norms, networks, community organizations, and neighborhood associations in pursuing collective action by defining the framework for citizen-citizen and citizen-state interactions, collective decision making, and delivery of local public services. Local governance, therefore, includes the diverse objectives of vibrant, living, working, and environmentally preserved selfgoverning communities.*

The above definitions seem to have presented a comprehensive definition and description of the concept of local government from the perspectives of different parts of the world. However, the definition has not given a clear-cut definition of local government to reflect Nigerian situation. To address this problem therefore (Akindele et al, 2000) defines local government down to earth to reflect Nigerian local government system when he maintains.

*The Nigeria 1976 Guideline for Local Government Reform define local government as:*

*Government at the local level exercised through representative council established by law to exercise powers within defined areas. These powers should give the council substantial control over local affairs (including staffing) and institutional and financial powers to initiate and to determine and implement projects so as to compliment the activities of the state and federal government in their areas, and ensure, through devolution of functions to those councils and through the active participation of the people and their traditional institutions, that local initiative and response to local needs and conditions are maximized (Akindele et al, 2000:67).*

A more comprehensive definition of local government is therefore provided as the government at local/grassroots level created by law with the power to generate revenue through taxation and to provide social/public goods and services to the local population. These governments (local governments) are governed by democratically elected representatives and are independent and autonomous from federal and state governments (Ajayi, 2011) The above two description of local government in Nigeria seem to be done in absolute terms, they tend to produce a generalised negative perceptions for all local governments in Nigeria. In essence, these definitions were not fair and tend to relegate local governments to square one.

All these definition put together clearly show that local government is an important institution for rapid and measurable development at the grassroots. However, from these definitions, according to Tumini (2011) local government can be view as thus:

- Is a sub-system playing its part within the larger national political system.
- Is the lower level government in a unitary politic system and lowest level government in a federal three-level government.
- It is usually elected/selected and representative.
- It is established by law and has certain responsibilities
- It includes a certain population living within the confines of a defined territory.
- It is a legal entity of its own and can sue and be sued.

Therefore, local government in Nigerian context, the third tier of governance, protected by the constitution which comprise of democratically elected representative whose purpose is to provide basic services to the people at the grassroots.

### **2.3 Service Delivery**

Joseph, (2014) sees services as the services as goods and social outputs that people in a community wish to obtain for the common good, such as a livable environment, clean water, good education, health care, security, and so on. (Jung, 1997). These services in the words of Joseph, (2014) include, water supply, sewerage collection and disposal, refuse removal, electricity and gas supply, municipal health services, municipal roads and storm water drainage, street lighting, municipal parks and recreation. In this regard, the service to be provided by local government in Nigerian are stated in the fourth schedule of the Constitution of the Federal Republic of Nigeria.

Joseph also added that, services have a direct and immediate effect on the quality of the lives of the people in that community. For example, if the water that is provided is of a poor quality or refuse is not collected regularly, it will contribute to the creation of unhealthy and unsafe living environments. Poor services can also make it difficult to attract business or industry to an area and will limit job opportunities for residents.

According to Kadiresan (2009), service delivery refers to the goods and services which the government both federal, state and local government provide to the general public in which the consumption of which depends not on consumers' income, but only on the need of the public. This definition says a lot about service delivery. However, it concluded that service delivery reflects solely the public needs. This could not be true in real sense, especially in our situation in Nigeria where social services are produced mainly to address political issues and not really address social/public problem(s). in fact, politics determine who gets what and how and why?

In the words of Lubega (2000), service delivery is the primary responsibility of every government, whether military or civilian, in which adequate good and essential services are produced by the public authorities (either direct or through contracting) to the citizenry. In fact, it is the only bond between the government, on behalf of the state, and the people.

Nangobi (1987) defined service delivery as an —attitude or dispositional sense, referring to the internalisation of even service values and norms. It is the delivery concerned with supply superior goods/products based on the opinion of the customers.

Kitimbo (1995) asserts that service delivery should be designed in such a way to provide maximum levels of services to respond to customers yearning in a specific location and time. Therefore, location of service delivery and their accessibility contribute to customer needs and performance satisfaction.

The above two definitions have contributed immensely towards understanding of what service delivery is. However, both definitions state the importance of consumer as the end user of services delivered. Therefore, if the services to be delivered are not compatible with the consumers' needs and specifications, they (services) are null and void. These definitions have not in any way defined or state precisely how to determine the general consumers' or public need.

To Weng (2005) service delivery remains agency – centred such that the government forced citizenry to interact with them the way they are organised and delivered instead of the way that best makes sense from citizen's perspective, some of the services provided remain unattended to.

According to the Uganda Particulars Assessment process Wakiso District report (2001), it was indicated that people are unhappy with the service provision. The locals are much concerned about the quality of the services yet most of the poor are scared of inaccessible services. The quality of health service delivery for example are mentioned to the poor and consultants attribute the poor service delivery to mismanagement of public funds, lack of transparency, accountability and consultation from the poor people who never get to know of the services provided and participate little or not in planning for their funds.

Thus from the above discussion, there is need for local governments to provide sufficient information concerning service delivery to the residents. In a budget, service delivery can be strengthened through a number of ways:

- Improved service delivery
- Strengthened governance and accountability. (Ekpo, 1990).

However, (Zola, 1997) notes that despite the government's determination and commitment, some of their expectations will take long time to be realised because we have to live in the resources that our country can afford. Tax evasion and avoidance is also explained by (Snavey, 1998) that compliance for locals to pay taxes to finance service delivery requires sending messages in the media tracing the benefits of compliance.

According to (Abigaba, 1996) the decentralisation of local authorities had a loophole in the revenue collection and efficiency of service delivery. This was due to the fact that laws were not clear as to times at who should collect revenues and to whom to offer the services, the poor accounting system, untrained personnel and politicians all affected the performance of local authorities. This is in agreement with (Babiiha, 2002) who noted that the sub-counties in Ntungamo district give water programmes a less priority thus giving minimal funding hindering construction of new and rehabilitation of old safe and communal water resources.

Base on the above submission, it could be realized that, effective management of revenue and government political will are two critical factors, in addition to the amount of revenue generated, that determine service delivery.

### **2.3.1 Service Delivery at Local Government**

Service delivery refers to the provision of social or public goods that will promote socio-economic wellbeing of the citizens. Public services offered by government are numerous and may

include the provision of public utilities, security, economic development projects, and the enforcement of the law and so on. The delivery of public goods and services at the local government level or the grass root is aimed at moving the standard of living of the populace to the next level (Angahar, 2013).

Consequently, the efficient and effective provisions of basic amenities and social infrastructures for the people at the grass root are key factors to the existence of any government (Bolatito & Ibrahim, 2014). In sequel to the above, the Nigerian constitution assigns service delivery responsibilities to the three tiers of government with states and local government playing the most significant role in the delivery of basic services. Some of the services expected from local government authority include education, health, housing, water, rural electricity, waste disposal services, roads, transport, and so on (Adeyemi, 2013; Agba, Akwara, & Idu, 2013). Thus local government councils are required to serve the public interest in areas of constructing roads, public markets, healthcare centres, drainages, transportation, motor parks, building primary schools, among others (Bolatito & Ibrahim, 2014).

In support of this position, Agba, Akwara, & Idu (2013) contends that as agents of rural development, local governments are to use funds made available to them by both federal and state governments and their internally generated revenue to improve on the lives of the people within their areas of operations through initiating and attracting developmental projects to the local government such as provision of access roads, water and rural electricity. Apart from being available political and administrative organ for the transformation of rural communities, local governments also act as the training ground for the breeding of the grassroots democracy fundamental in national development (Adeyemo, 1995; Lawal and Oladunjoye, 2010).

#### **2.4 The Role and Challenges of Local Government Towards Service Delivery in Nigeria**

Nigeria is the most populous country in Africa, with a population of 140 million (Amakom, 2009), 64 percent of whom live in rural areas. In the pursuit of development at the grassroots, local government was created to provide level of pleasurable services to rural dwellers.

Ola (1984), in Nigeria, local government is the third tier of government whose major responsibility is to provide commensurate services to the rural dwellers. Everywhere in the world, irrespective of the system of government, local government is created to ensure efficient services at local level.

*Local government as an agent of development is to use the fund made available to them by both central and state government and the internally generated revenue (IGR) to improve on the live of the people at the grassroots within the local government council's area of operation by initiating and attracting developmental projects to the local councils such as provision of access roads, water, and rural electricity: communal services such as the construction of roads, bridges, and personal welfare in such area as education, housing, and health care service delivery system. (Ola, 1984).*

In line with the above, the 1976 Nigerian Local Government Reform

Guidelines stated the principal aims of local (government as follows:

- a) To make appropriate services and development activities responsible to local wishes and initiatives by developing or delegating them to local representatives bodies:
- b) To facilitate the exercise of democratic self government close to the local levels of our society, and to encourage initiative and leadership potential;
- c) To mobilize human and material resources through the involvement of members of the public in their local development;
- d) To provide a two-way channel of communication between local communities and government (both state and federal).

From the objectives above, one of the major reasons for creating local government is to provide services using human and financial resources at its disposal to facilitate development at the grassroots.

Local government is the lowest in the governmental hierarchy within the concept of federalism. The federal government is the sovereign national, the state government, a quasi-sovereign and local government infra-sovereign, subordinate and subject to the control of the state government; yet it is a separate legal unit being a body corporate having a common seal, with powers to sue and to be sued, mainly providing obligatory municipal services (Samihah and Adelabu. 2011).

#### **2.4.1 Challenges of Services Delivery at Local Government Level in Nigeria**

Local government is the closet tier of government to the people in Nigeria, yet the resident population in it is denied the benefits of its existence. This is evident in the poor environmental state, deteriorating public school building, poor market facilities and lack of health centers (Olusola, 2011). It was put in place for reasonable purposes ranging from political, social, and economic reasons. These reasons are captured in section 7 (2) of the Nigeria constitution (Iguisi. 2010). It is quite disturbing over the years; that these purposes have not been fully realized. There has been a sustained argument that the 774 Local Government Areas, which form the third tier of government in Nigeria, are contributing little to national development to justify their existence. Local government has not really facilitated rapid development at the grassroots, which is the essence of their creation (Amaechi. 2012). The concept of bringing governance closer to the people through a third-tier participatory form of government has not materialized in Nigeria. Lack of capacity of local government to fulfill the aspirations of their communities are caused by lack of adequate resources, including inappropriate fiscal base, the

usurpation of its power to raise internal revenue and the manipulation of the state joint local government account (John, 2012). This development according to Mimiko in (Aborisade. 2012) has made people to see the councils as a place where top administrators' engage in corruption and an environment where supposed professional had little or no idea of what the councils should be doing. Yovbi has also blamed the people for the failure of local government: he gave the reason as thus:

*Lamentably, most Nigerians do not know the specific functions of the three tiers of government and tend to put the blame for everything on the most visible tier. Clogged drains in front of their houses are blamed on the Federal government, while the Chairman of their Local Council will makes away with federal allocations to the area and revenue generated, usually at the expense and to the discomfort of residents of the LGA. Majority of Nigerians do not see that politics at the Local Government level can be a means of honest livelihood and an opportunity to contribute effectively and meaningfully to the development of society. Therefore, they sit by while those who know even less than themselves, walk away with easy victories won with intimidation and then proceed to abuse citizens and erode the quality of our lives (Yovbi, 2008:88).*

Yovbi above associates the failure of service delivery of local government functionaries with the bad local politics. Thus, he directly related the challenges of service delivery to bad local government politics. While in real sense, the challenges of service delivery is a product not only bad local politics (through closely related to it) but also other things like poor revenue generation strategies, poor utilisation of the revenues generated and, among other things, poor project implementation mechanisms.

Another reason for the failure of local government in area of services delivery is the role of the state governors in the affairs of local government. The governors are found of taking over their financial allocation, taxes counterpart and refuse to conduct Local government elections, but instead ruling local government with appointed administrators, most of whom are party loyalists and their friends and

relations turning the entire process of local governments into irrelevance schemes of things (Ukonga 2012).

However, the implication of this according to Ajibulu (2012) is that local government is now considered as an extension of state's ministry. The inherent nature of this problem has caused subservience, a situation where local government waits for the next directives from states government before embarking on any developmental projects. This has made local government an object of control and directives.

## **2.5 Local Government Revenue Sources and Service Delivery in Nigeria**

There are basically two major sources of funds for the states and local governments. These are allocation from the Federalism Accounts (including VAT, Stabilization Receipts and General Ecology) and internal revenue generation (tax revenue and non-tax revenue) (Odoko and Nnanna, [www.csae.ox.acbooks/epon/fiscal/federalism](http://www.csae.ox.acbooks/epon/fiscal/federalism)).

Intergovernmental transfers are made from the federal account to the states. The funds are meant to provide general revenue to all tiers of government to fund basic operations where their own revenue would not be sufficient to fulfill such responsibilities. The states then transfer funds to local governments. Allocation of funds in Nigeria is decided by the National Revenue Mobilization, Fiscal and Allocation Commission (NRMFAM) based on criteria to ensure that there is equity in allocation, both vertically between tiers of government and horizontally, across Nigeria

(Aniakon. 2009). The criteria are as follow:

### **- Vertical**

Federal government — 52.7%

State government — 26.7%

Local government — 20.6%

- **Horizontal**

Equality-40%, Population-30%

Internally generated revenue - 10%

Land mass and terrain - 10%

Social development factor - 10%; made up of the following items:

- Territorial spread- 1.5%
- Rainfall-1.5%
- Primary/secondary enrolment — 4%
- Hospital beds - 3%

The social development factor is used to determine states that have better literacy levels, hospital facilities.

- **Value added tax (VAT) Vertical**

**Vertical**

Federal government- 15%

State government - 50%

Local government - 35%

**Horizontal**

Equality-50%

Population-30% Derivation-20%

According to Aniakon (2009) since the creation of the 12 states structure in

1967, States and local governments have been dependent on the federalism account. The federalism account is shared among the three tiers of government as detailed in the above vertical formula, which was last amended in 2004.

Aniakon (2009) also reveals that there is evidence of monthly payment to all tiers of government since 2003 and the above percentage meant for local governments is usually transferred from the federalism account to state accounts. However, there is no evidence that the state transfers the same percentage to local governments.

### **2.5.1 Local Government Revenue Resources**

Jumare, (1994) observed that, —effective and virile fiscal federalism depends to a large extent on the availability of financial resources|. Wheare (1953) aptly argues that each level of government should have adequate resources to perform its functions without appealing to the other levels of government for financial assistance. He emphasized the view that: *“If state and local authorities, for example, find that the services allotted them are too expensive for them to perform and (hence) they call upon the federal authority for grants and subsidies to assist them, they are no longer coordinate with the federal government but subordinate to it Financial subordinate marks an end of federalism, in fact, no matter how carefully the legal forms may be preserved. It follows therefore that state. Local and federal authorities in a federalism must be given the power in the constitution, each to have access to and control over its own sufficient financial resources. Each must have a power to tax and to borrow for the financing of its own services by itself”* (Wheare, 1953).

Local government financial structures fall within the system of fiscal federalism or what is often defined as "Intergovernmental Fiscal relationship (IGR)" Under such arrangement, there are five distinct

sources of revenue for local government. These are financial transfer, local tax which include; community tax or poll tax, property tax or rates, users fees and charges and loans. Whereas financial transfer and loans are external to local government, the others are internal to it. For convenience, we shall make distinction between internal and external sources, with the external further split into transfers (statutory allocations and grants) and loans and advances

### **External Sources**

The external sources of revenue to local government are external because the size of such revenue as well as when and how to generate them are invariably not directly determined nor influenced by the local governments. They are statutorily given to the local government to perform their designated or assigned functions. Within the system of fiscal federalism, revenues accrued to the Federal or National government are distributed among the component units of government. The nature of inter-governmental fiscal relationships or financial transfers dictates the pattern of allocations.

Financial transfers cover a wide range of relationship between levels of government, in relation to local governments, the transfers consist of funds from principal revenue sources of central or federal governments. These include funds that are ultimately financed from the central government principal tax instruments (generally) income and trade taxes) and from central government borrowing, financial transfers are assuming considerable importance in central-local relation all over the world. The practice goes by different names in different countries. Some of the common names are "intergovernmental transfer", "statutory allocations" and "grants" among others.

### **Loans and Advances**

Borrowing and credit transactions are other sources of external finance for local authorities. The role of credit in the finance of service provision is an unsettled issue. However, one consensus is that,

the problem is not so much the borrowing but what the acquired loans are used for. If proceeds from loans are used to finance self-liquidating projects or income-generating activities, repayment will not be much of a problem. But where they are spent on consumption or recurrent expenditures, problems are bound to arise. Essentially, there is nothing wrong with borrowing rates; the question is the judicious use of what was borrowed. Davey, (1983) in Jumare, (2008) identified a number of sources from which local governments could borrow. They include the following:

- i. Loans from higher levels of government;
- ii. Loans from international agencies, usually through the central government;
- iii. Loans from central banks or loan-able fund from regional authorities;
- iv. Interest-bearing bonds or stock normally with fixed dates for redemption;
- v. Loans and over-drafts from commercial or public banks;
- vi. Mortgages on physical assets;
- vii. Internal borrowing from reserve funds such as superannuation funds for employees or renewal funds for plant and equipment;
- viii. Hire purchase or rental leasing of equipment; and
- ix. Contractor finance for construction projects.

Bello-Imam and Aziegbe (1990) contended that, "it is difficult and indeed dangerous to generalize about sources of loan at local government level".

They advance that "what is plausible to argue is that there are four dominant borrowing systems that can be discerned at that level of government". The first is where only the central government, assisted in some cases by internal organizations, loan to local governments. The second category is where no central government Institution exists to grant credit to this level of government; hence, it relies absolutely on the money markets for loans. The third category is where a central credit institution provides loan finance from the money market. Finally, there are various countries where a centralized credit institution is the exclusive predominant source of loans for local governments.

In Nigeria, loans are not attractive to local governments because they often cannot meet the conditions usually to be fulfilled. The properties that may be used as collateral do not have valid documents like certificates of occupancy. The financial statements to be tendered for security are either in arrears or not in existence. The manpower in place expected to manage the facility lacks the technical know-how to manage the loans efficiently. Only loans obtained from the other tiers of government may not require most of these conditions (Hassan, 2002)

### **Internal Revenue**

Local government revenue sources could be generally grouped into tax and nontax revenues. Tax revenue of local government falls under the system of intergovernmental fiscal relationships. Two factors have been considered in allocating tax powers amongst the component level of government in any federal system. These are: administrative efficiency and fiscal independence. The efficiency criterion demands that a tax be assigned to that level of government that will administer it efficiently at minimum cost; while the fiscal independence requires that each level of government should, as far as possible, raise adequate resources from the revenue sources assigned to it to meet its needs and responsibilities. In effect, the allocation of tax powers should take into consideration the respective assignment of function among the federating units (Abubakar, 2000 in Jumare, 2008).

Experience in many countries strongly indicates that there is often a conflict between the two determining criterion: the efficiency criterion tends to conflict with the principle of fiscal independence. While the former would call for greater deal of concentration of tax powers at the higher level of government due in large measure, to the limited administrative capacity of lower level of government, the latter would demand the devolution of more tax power to lower units of government to match the

functions assigned to them. In particular, arguments bordering on the economies of scale and national security tend to give greater tax power to the higher level of government, to the disadvantage of lower levels, especially local governments.

Federal Government reserves to itself only the potential and elastic taxes. Local governments on the other hand have very narrow taxable capacity for their expenditure needs. Local Government taxable base can be classified under three main headings; Community Tax or Poll Tax, User Charges and Fees and; Property Tax/Tenement Rate.

### **Poll Tax**

The poll tax is a kind of levy imposed across the board by a governmental authority on every eligible citizen. It is a form of direct taxation paid at a flat rate irrespective of whether or not the taxpayer enjoys some kind of service provided by the government. Dlakwa (1990) in Jumare, (2008) observes that synonyms like community tax, head tax, and general tax are used as substitutes for poll tax.

He also remarks that poll tax has a pejorative connotation because, in its strict sense as propagated by Fredrick Lugard, it refers to a mode of taxation imposed on a "primitive community". Thus, its usage has become abundant with the advancements in economic activities in Nigeria. The basic feature of poll tax is its uniform application on members of a particular community having similar socio-economic characteristics. Justifications for it are generally grouped as philosophical/political, economic and even pedagogical (Dlakwa, 1990).

The philosophical justification is consistent with the principle of equality between human beings. In this connection, poll tax is uniformly imposed on ablebodied people who are not employees in any government; or public organization.

The associated political angle to the philosophical justification is that, every citizen in a community enjoys some form of services rendered by the government; therefore, they should fulfill their civic duties by paying one form of tax or the other. The payment of poll tax is accordingly adjudged the most congenial means of fulfilling an individual obligation to the society.

The economic reason hinges on the argument that "the first need of the modern government is revenue, which is indeed the breath of its nostrils". Another but less fancied economic reason is that, it forces people out of idleness since the realization that they have to pay tax. This compels individuals to seek employment and earn income. The income level could move the individual away from the grouping those eligible for the poll tax or they would have the means to pay if they still remain within the bracket. On the pedagogical level, a corollary of the second (economic) reason is that people get forced into jobs that expose them to realities of life. This is expected to lead to changes in attitude to work. Equally important is that, they get transformed from "chronic loafers" and "habitual idlers" to productive members of the socioeconomic system.

Musgrave and Hirnricks (1969) have shown that tax structure development is influenced by economic, political, and socio-cultural factors. Economic factors affect tax structure development in two ways; first, as the structure of the economy changes with economic development, the range of available tax bases also changes; secondly, the economic objectives of tax policy pursued by a country vary with the stages of economic development. Thus, the economic criteria vary with the stages of economic development of the country. Political and socio-cultural factors form the oasis of the standards of equity; these constitute a major factor in the choice of appropriate tax instrument (Musgrave, 1969). Thus, Musgrave's analysis seems to indicate that the theory of tax structure development must embrace elements of the economic objectives of the country, the choice of appropriate tax base which itself is function of the economic structure (measured by the degree of monetization and per capita income,

equity and administrative efficiency). Taxation therefore could be used to accomplish many economic and social objectives as pointed out by Musgrave. Rabi (1981)

reiterated this view.

According to him, government can use taxation to accomplish some economic objectives such as influencing consumer demand and providing incentives for production investment and savings. Buhari (1993) has classified the economic objectives into four broad headings: revenue generation; Income distribution, regulation and stabilization of the economy. Hanson (1988) listed the economic reasons for imposition of taxes as follows: payment for the cost of general administration, deference and social services, curtailing the consumption of harmful commodities, redistribution of labour and reduction in equality of income.

Harvey (1982) on the other hand summarized the economic purpose of taxation thus: payment for the goods and services produced by the country, compensating social costs and benefits and regulation of the economy. He further explained that the economy of a country could be regulated in order to develop important industries, to protect infant industries, to move factors of production from one industry to another, to reduce unemployment, to allocate resources and to encourage the growth of the national income. All these objectives are geared towards economic growth and development and are aimed at improving the welfare and living condition of the citizens.

#### **Fees and Charges:**

Jumare (2008) observes that fees are charges are also known as user fees. They are usually paid directly by those who benefit from a given product or service towards meeting all or part of the cost. This contrasts with taxes, which are normally paid by eligible citizens of a political/economic system as a legal obligation without regard to the benefit that may accrue to the individual from how the tax is

utilized. The basis for charging is cost recovery. Policy may permit charging less than the full cost, or may seek the recovery of more than the full cost, involving respectively a contribution to generate revenue. Bello-Imam and Eronin (1990) advance that "the extent to which services are financed from fees and charges rather than taxation is an important element in politics for the overall distribution of income and welfare and for prices and income". They also note that fees and charges are not generally intended to raise revenue but to regulate the particular service on which they levied and the fees and charges sometimes lag behind the cost of providing the service for which they are charged. Kenneth Davey (1983) has advanced five grounds for charges:

- i. Whether the service is a public or private good, it may not be possible to provide it to everyone and it is therefore unfair to charge its cost to those taxpayers who cannot get it. This is one reason for charging for water supplies, or for education in advance of universal provision. (This argument may not apply where a service is financed through property taxation, and the availability or absence of services is reflected in the valuation).
- ii. A service may involve an expensive or scarce resource and public consumption needs to be disciplined. This, again, is often a reason for charging for water supplies (particularly through metered systems) or for the prescription of medical drugs.
- iii. There may be widespread individual consumption, which relate, at least partly, to choice rather than need. The use of recreational facilities is an example.
- iv. A service may be utilized for portable commercial operations as well as the satisfaction of individual domestic needs. Water, electricity, refuse disposal, posts, and telephones are all used extensively by industry, for example. (This may lead to charging all consumers, or only those in commerce and industry.)
- v. Charging may test out the directions and scale of public demand for a service, where essential needs or types and standards of provision cannot be unequivocally prescribed. A case can be

made out for almost any form of public expenditure; willingness to pay directly for it is a more significant test of public preference.

### **Property/Tenement Rates**

Orewa (1991) in Jumare, (2008) defines a rate as "a tax on the benefit derived from the occupation or use of any landed property". Such property includes underdeveloped land, or land on which a building or any physical structure is located. It is sometimes referred to as tenement rate because it is not imposed on plant, machinery and furniture. It could be regarded as a direct tax for the reason that it is collected from user/occupier of the property. But there is the possibility of shifting the burden from a tenant occupier to the owner; this possibility implies that property or tenement rates can also be regarded as indirect taxes. The basis of the assessment of a rate payable on a tenement can be capital, rental, and lavational or flat rate value of the property.

The capital value is the estimated cost of constructing a building, including the facilities it has, and in some cases taking account of the values of the land on which the property is situated. Professional or chartered valuer's, who use technical parameters to arrive at the estimated cost of the property, undertake valuation of each tenement, a percentage, like five percent of the capital value, is regarded as the annual rate able values, which forms the basis or assessment of the rate payable each year.

Among the merits of the capital value assessment are the following. One, it could be an equitable tax on capital investments of the same value in area. Two, the valuation is easy to be revised (upwards) as the property in an area appreciates in value over time. Three, it is either proportional or progressive and places lower burden on the less affluent. However, it has some demerits. Which include the following: First, the basis for assessment by professional values may be difficult for the average ratepayer to understand. Second-and related to the first, it could be overvalued or undervalued due to the sophisticated nature of the parameter.

The rental value assessment involves the use of information on annual rents payable for different categories of buildings in an area devoted to various users. The assumed annual rent becomes the basis of assessment. This approach has the benefit of being suitable for local areas with a combination of rural and urban locations, or where there are divergent property values. It is better understood, relative to the capital method, given its relationship with the assumed market value of the property. There is the additional advantage of flexibility in dealing with booms and depressions. However, there are some problems that may confront the system of rental valuation.

One is the issues of getting accurate information on current rents from different categories of property. Two is the fact that the benefit of flexibility could mean that downward reviews were considered during depression

which may entail insufficient receipts to cover normal expenses.

The location value method involves a cross between the capital and rental value methods. On the other hand, it takes cognizance of the use to which a property is put while consideration is given to the current rents from properties in an area. On the other hand, it involves zoning, which takes account of the value of property in each sector for the assessment. The vocational value is useful as a first step from the rudimentary flat rate system. It is easy to administer by non-professional valuation staff. It could be said to maintain equity and does not discriminate in respect of the value or size of the buildings of the same structure in an area. It also takes account of the assumed earnings capacity of the property in each zone. However, it has the weakness that, if there is discrimination as to uses to which different properties could be put in determining the value, the structure or building could be changed, without the changed status reflected in valuations. Problems of judgment and sociopolitical influences may be brought to bear.

The flat rate assessment is a rudimentary system of assigning rates in a rough-and-ready manner. It is a non-systematic way of assessing properties with each category of building assumed to attract an average income there is no question of valuation of any tenement. The system is useful as a first step in gaining acceptability of property rating in areas where it did not exist previously as the subject could get politically charged.

Within the Federal structure various institutional arrangements are used to administer the property tax. These include: completely centralized systems, in which the central government carries out the valuation and collects the rates as it is done in countries such as France, Sweden, Turkey, etc. and completely decentralized system in which the local government carries out the valuation and collects the tax as in the United States, Japan, Brazil and some states in Nigeria. The split allows the central government to carry out the valuation while local government collects as in Kenya. The obverse from the split system which allots the local government responsibility to value properties while the central government collects as in the Netherlands and Tunisia (Hassan, 2002 in Jumare, 2008).

The discussion so far has ignored the fact that property taxes are fully grounded within the doctrine of welfare economics; the branch of economic theory concerned with the social desirability of alternative means of funding of governmental economic activities. In the Tiebout model, the property tax is just the cost of purchasing public services, and each individual buys exactly the amount he or she desires. Property taxes are therefore devoted to services connected with physical development, such roads or drains and the revenues accrued from these sources are expected to finance public services such as education, public health.

## **2.6 Theoretical Framework:**

This study adopted the Fiscal Decentralization Theory as its theoretical construct. Fiscal decentralization comprises the financial aspects of devolution to regional and local government. It is the fashionable term; the alternative description —centrallocal (or intergovernmental) fiscal relations|| and —fiscal federalism|| are often used.

According to Davey (2003) fiscal decentralization theory covers two interrelated issues. The first is the division of spending responsibilities and revenue sources between levels of government (national, regional, local etc). The second issue is the amount of discretion given to regional and local governments to determine their expenditures and revenues (both in aggregate and detail).

These combined dimensions have a significant impact on the reality of decentralization in its broader political and administrative sense. How much power and responsibility regional and local governments actually exercise depends substantially on;

- i) What range of public services they finance
- ii) Whether their revenues are commensurate with these responsibilities
- iii) How much real choice they have in allocating their budget to individual services
- iv) Whether they can determine the rates of their taxes and charges (both allowing them to vary their spending level and making them answerable to the taxpayers).

The network of the theory posits that local finances involve the following variables/concepts

- i) Spending responsibility
- ii) Local taxes
- iii) Intergovernmental transfer
- iv) Capital finance
- v) Local discretion
- vi) Beneficiary of the government service (public)

The above theory is very important in study for that it explains how both internal and external revenue helps local government in service delivery. These services may range from primary health care, basic education and social welfare, development agriculture among other services that are within the constitutional functions of local government.

The above discussed theory is relevant and applicable to this research. It tends to relate local taxes and intergovernmental transfer with service delivery with the former being a discretion of local government council. Thus, as stated by the theory the extent to which services are delivered depends on not only the local taxes collected and intergovernmental transfer but also the spending responsibility, capital finance and local discretion of the local government council.

## CHAPTER THREE

### RESEARCH METHODOLOGY

Methodology in a research work basically refers to the methods, procedures or modalities which the researcher employs to achieve the objectives of the research (Agbonifoh and Yomere, 1999: 106). The methodology used in this study comprises of the following, research design, population of the study, sample size and technique, instrument of data collection, method of data analysis amongst others.

#### **3.1 Research Design**

This study adopts the survey research design. According to Tonwe et al (2007:22), survey research has become popular in modern times as a scientific method of discovering the impact and inter-relationships of social and psychological variables from given populations.

More so, survey research studies large and small populations by selecting and studying samples drawn from the population to discover the relative incidence, distribution and inter – relations of sociological and psychological variables (Tonwe et al, 2007:22). This involves the Collection of large and standardized data using well - structured questionnaire to examine revenue administration and service delivery in Oredo Local Government Area of Edo State between the period of 2015 to 2022.

#### **3.2 Population Study**

Research population is the sum total of all the elements or unit of analysis associated with a research. The population of study of this research is made up of all staff of Oredo Local Government Council Secretariat, Benin City, Edo State which is 1435 (Source: Office of the Head of Administration, Oredo Local Government).

#### **3.3 Sample Size and Sampling Technique**

The sample size of this study is one hundred and fifty (150) drawn from 4 departments (Office of the Chairman, Office of the Secretary, Administration and Finance) in Oredo Local Government Council; see Table 1 below. The research study utilised the simple random sampling and purposive sampling technique in collecting relevant opinion of the focus respondents.

Table1: chart showing population.

<b>Departments</b>	<b>Total Population</b>	<b>Sample</b>
Office of the Chairman	46	20
Office of the Secretary	53	20
Administration	161	50
Finance	159	60
Total	419	150

Source: Office of the Head of Administration, Oredo Local Government.

### **3.4 Sources of Data**

Data for this study will be generated from two sources; the primary sources which depend mainly on the design and administration of questionnaire to elicit information from respondents while the secondary source involves the use of archival materials such as books, journal, publications conferences, newspapers government gazettes and internet materials.

### **3.5 Instrument of Data Collection**

The main instrument for data collection in this research is the questionnaire. This will enable the researcher to obtain data that are relevant to actualizing the research objectives and testing the hypotheses.

The questionnaire will be structured into part A and B. Part A of the questionnaire deals with the bio-data of the respondents, while part B covers questions that are relevant to the research topic.

### **3.6 Techniques of Data Analysis**

The study employs two statistical tools of data analysis in the analysis of data collected from the field. They are the simple percentage and the Chi Square. The simple percentage which is a descriptive tool for statistics was used for initial analysis, while the Chi Square which is a non-inferential tool was employed in testing the hypotheses generated from the survey.

## CHAPTER FOUR

### DATA PRESENTATION, ANALYSIS AND DISCUSSION OF FINDINGS

This chapter deals with the analysis of data from the study's field survey that focused on the examination of revenue administration and service delivery in Oredo Local Government Area, Edo State (2015-2022). 150 copies of questionnaires were distributed of which all were retrieved.

#### 4.1 Frequency Table

**Table 1**

#### Gender Distribution

	Frequency	Percent	Cumulative Percent
Male	79	52.7	52.7
Female	71	47.3	100
Total	150	100	

Table 1 above shows that 79 respondents which is 52.7% of the total respondents were male while 71 respondents covering 47.3% were female respondents. This result shows us that more male respondents from the sampled population participated in this study.

**Table 2**

**Age Distribution**

	Frequency	Percent	Cumulative Percent
18-35years	41	27.3	27.3
36-54years	80	53.3	80.6
55 and above	29	19.4	100
Total	150	100	

Table 2 above reveals the age distribution of the sampled respondents. It shows that 41 respondents covering 27.3% of the study sampled respondents are 18 – 35 years of age, 53.3% which is 80 of the respondents are 36 – 54 years of age, while 29 sampled respondents which make up 19.4% are 55 and above years of age. This shows that respondents between 36 - 54 years participated more in this research study.

**Table 3**

**Marital Status**

	Frequency	Percent	Cumulative Percent
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Single	34	22.7	22.7
Married	111	74	96.7
Divorced	5	3.3	100
Total	150	100	

Table 3 above shows the marital status of the sampled respondents in this study. 22.7% of the sample population representing 34 respondents are single, 111 of the respondents covering 74% of respondents are married, while the remaining 5 respondent representing 3.3% of the sampled respondents are divorced. This Indicates that, more married respondents participated in this study.

**Table 4**

**Educational Qualification**

	Frequency	Percent	Cumulative Percent
OND	39	26	26
HND	51	34	60
First degree	42	28	88

Second degree	18	12	100
<b>Total</b>	150	100	

Table 4 reveals that 26% respondents are OND certificate holders, 34% are HND certificate holders, 28% have obtained a first degree while the remaining 12% are second degree holders. It goes to show that a higher percentage of respondents in this study are HND certificate holders.

**Table 5**

**Grade Level**

	Frequency	Percent	Cumulative Percent
Senior Staff	57	38	38

Junior Staff	93	62	100
Total	150	100	

Table 5 reveals the grade level of the respondents. 57 respondents covering 38% are senior staff, while 93 respondents representing 62% respondents are junior staff. Hence, signifying that, respondents that are junior staff participated more in this study.

## SECTION B

**Table 5: 1 Oredo Local Government receives its monthly allocation from the federation account regularly.**

### Question 1

	Frequency	Percent	Cumulative Percent
Valid Strongly Agree	51	34	34

Agree	58	38.7	72.7
Undecided	3	2	74.7
Disagree	23	15.3	90
Strongly Disagree	15	10	100
Total	150	100	

The table above is an analysis of the research question if Oredo Local Government receives its monthly allocation from the federation account regularly. The analysis reveals that 34% of the respondents strongly agree that Oredo Local Government receives its monthly allocation from the federation account regularly, 38.7% agreed, 2% were undecided, 15.3% disagreed on this research question, while 10% of the respondents strongly disagreed that Oredo Local Government receives its monthly allocation from the federation account regularly. The analysis thus reveals that majority of the sampled respondents agreed that Oredo Local Government receives its monthly allocation from the federation account regularly.

**Table 6: Oredo Local Government generates revenue from taxes.**

**Question 2**

	Frequency	Percent	Cumulative Percent
Valid Strongly Agree	39	26	26

Agree	41	27.3	53.3
Undecided	5	3.3	56.6
Disagree	32	21.4	78
Strongly Disagree	33	22	100
Total	150	100	

Table 6 presents the analysis to the response of respondents to the research question if Oredo Local Government generates revenue from taxes. 26% of the respondents strongly agreed that Oredo Local Government generates revenue from taxes, 27.3% agreed, 3.3% were undecided, 21.4% disagreed, while 22% strongly disagreed that Oredo Local Government generates revenue from taxes. This therefore reveals that majority of the sampled respondents agreed that Oredo Local Government generates revenue from taxes.

**Table 7: Oredo Local Government generates revenue from investment.**

### Question 3

	Frequency	Percent	Cumulative Percent
Strongly Agree	15	10	10
Valid Agree	24	16	26
Undecided	12	8	34

Disagree	51	34	68
Strongly Disagree	48	32	100
Total	150	100	

Table 7 above presents the analysis to the response of respondents to the research question if Oredo Local Government generates revenue from investment. 10% strongly agreed that Oredo Local Government generates revenue from investment, 16% agreed, 8% were undecided, 34% disagreed, while 32% strongly disagreed that Oredo Local Government generates revenue from investment. This therefore reveals that majority of the sampled respondents disagreed that Oredo Local Government generates revenue from investment.

**Table 8: Oredo Local Government generates revenue from loans and grants from external sources.**

#### Question 4

	Frequency	Percent	Cumulative Percent
Strongly Agree	38	25.3	25.3
Agree	46	30.7	56
Undecided	11	7.3	63.3
Disagree	32	21.3	84.6
Strongly Disagree	23	15.4	100
Total	150	100	

Table 8 reveals 25.3% of the respondents strongly agreed that Oredo Local Government generates revenue from loans and grants from external sources, 30.7% agreed, 7.3% were undecided, 21.3% disagreed; the remaining 15.4% strongly disagreed that Oredo Local Government generates revenue from loans and grants from external sources. The above analyses clearly reveals that Oredo Local Government generates revenue from loans and grants from external sources.

**Table 9: There is a strong revenue generation strategy in Oredo Local Government Area.**

**Question 5**

	Frequency	Percent	Cumulative Percent
Strongly Agree	21	14	14
Agree	35	23.3	37.3
Undecided	14	9.3	46.6
Disagree	44	29.4	76
Strongly Disagree	36	24	100
Total	150	100	

Table 9 shows that 14% of the respondents strongly agreed that there is a strong revenue generation strategy in Oredo Local Government Area, 23.3% agreed, 9.3% were undecided, 29.4% disagreed, while the remaining respondent which were 24% of the sampled respondents

strongly disagreed that there is a strong revenue generation strategy in Oredo Local Government Area. It therefore shows from the above analyses that, majority of the sampled respondents disagreed that there is a strong revenue generation strategy in Oredo Local Government Area.

**Table 10: The amount of revenue generated influence the level of service delivery in Oredo Local Government.**

**Question 6**

	Frequency	Percent	Cumulative Percent
Strongly Agree	46	30.7	30.7
Agree	54	36	66.7
Undecided	6	4	70.7
Disagree	26	17.3	88
Strongly Disagree	18	12	100
Total	150	100	

Table 10 clearly reveals that 30.7% of the sampled respondent in this study strongly agreed that the amount of revenue generated influence the level of service delivery in Oredo Local Government. 36% respondents agreed, 4% were undecided, 17.3% disagreed, while 12% strongly disagreed that the amount of revenue generated influence the level of service delivery in Oredo Local Government. The above analyses reveal that majority of the respondent agreed that the amount of revenue generated influence the level of service delivery in Oredo Local Government.

**Table 11: Service delivery largely depends on revenue generated.**

### Question 7

	Frequency	Percent	Cumulative Percent
Strongly Disagree	46	30.7	30.7
Agree	53	35.3	66
Undecided	2	1.3	67.3
Disagree	31	20.7	88
Strongly Disagree	18	12	100
Total	150	100	

Table 11 presents that 30.7% of the respondent strongly agreed that service delivery largely depends on revenue generated, 35.3% respondents agreed, 1.3% were undecided if service delivery largely depends on revenue generated, 20.7% disagreed and the remaining 12% of sampled respondents strongly disagreed that service delivery largely depends on revenue generated. The above analysis displays that majority of the respondent agreed that service delivery largely depends on revenue generated.

**Table 12: Lack of revenue affects service delivery in Oredo Local Government Area.**

### Question 8

	Frequency	Percent	Cumulative Percent
Strongly Agree	53	35.3	35.3
Agree	61	40.7	76
Undecided	3	2	78
Disagree	21	14	92

Strongly Disagree	12	8	100
Total	150	100	

Table 12 reveals that 35.3% of the respondent strongly agreed that lack of revenue affects service delivery in Oredo Local Government Area, 40.7% respondents agreed, 2% were undecided, 14% disagreed, the remaining 8% strongly disagreed that lack of revenue affects service delivery in Oredo Local Government Area. The above analysis shows that majority of the respondent agreed that lack of revenue affects service delivery in Oredo Local Government Area.

**Table 13: Oredo Local Government has limited capacity to generate sufficient revenue for service delivery.**

#### Question 9

	Frequency	Percent	Cumulative Percent
Strongly Agree	44	29.3	29.3
Agree	52	34.7	64
Undecided	11	7.3	71.3
Disagree	27	18	89.3
Strongly Disagree	16	10.7	100
Total	150	100	

Table 13 reveals that 29.3% of the respondent strongly agreed that Oredo Local Government has limited capacity to generate sufficient revenue for service delivery, 34.7% respondents agreed, 7.3% were undecided, 18% disagreed, while the remaining 10.7% of the sampled respondents strongly disagreed that Oredo Local Government has limited capacity to generate sufficient revenue for service delivery. The above analysis shows that majority of the respondents agreed that Oredo Local Government has limited capacity to generate sufficient revenue for service delivery.

**Table 14: Oredo local government revenue generation drive has not been essentially satisfactory.**

**Question 10**

	Frequency	Percent	Cumulative Percent
Strongly Agree	53	35.3	35.3
Agree	61	40.7	76
Undecided	9	6	82
Disagree	13	8.7	90.7
Strongly Disagree	14	9.3	100
Total	150	100	

Table 14 reveals that 35.3% of the respondent strongly agreed that Oredo local government revenue generation drive has not been essentially satisfactory, 40.7% respondents agreed, 6% were undecided, 8.7% disagreed, while the remaining 9.3% of the sampled respondents strongly disagreed that Oredo local government revenue generation drive has not been essentially satisfactory. The above analysis shows that majority of the respondents agreed that Oredo local government revenue generation drive has not been essentially satisfactory.

**Table 15: The level of local government funding on community development project in Oredo Local Government Area is insufficient.**

**Question 11**

	Frequency	Percent	Cumulative Percent
Strongly Agree	38	25.3	25.3
Agree	45	30	55.3
Undecided	11	7.3	62.6
Disagree	35	23.4	86
Strongly Disagree	21	14	100
Total	150	100	

Table 15 reveals that 25.3% of the respondent strongly agreed that the level of local government funding on community development project in Oredo Local Government Area is

insufficient, 30% respondents agreed, 7.3% were undecided, 23.4% disagreed, while the remaining 14% of the sampled respondents strongly disagreed that the level of local government funding on community development project in Oredo Local Government Area is insufficient. The above analysis shows that majority of the respondents agreed that the level of local government funding on community development project in Oredo Local Government Area is insufficient.

**Table 16: There is high level of remittance of revenue into the local government account by revenue collectors in Oredo Local Government Area.**

**Question 12**

	Frequency	Percent	Cumulative Percent
Strongly Agree	9	6	6
Agree	34	22.7	28.7
Undecided	13	8.7	37.4
Disagree	63	42	79.4
Strongly Disagree	31	20.6	100
Total	150	100	

Table 16 reveals that 6% of the respondent strongly agreed that there is high level of remittance of revenue into the local government account by revenue collectors in Oredo Local

Government Area, 22.7% respondents agreed, 8.7% were undecided, 42% disagreed, while the remaining 20.6% of the sampled respondents strongly disagreed that there is high level of remittance of revenue into the local government account by revenue collectors in Oredo Local Government Area. The above analysis shows that majority of the respondents disagreed that there is high level of remittance of revenue into the local government account by revenue collectors in Oredo Local Government Area.

**Table 17:13. Oredo Local Government is prone to corrupt practices.**

**Question 13**

	Frequency	Percent	Cumulative Percent
Strongly Agree	48	32	32
Agree	57	38	70
Undecided	10	6.7	76.7
Disagree	19	12.7	89.4
Strongly Disagree	16	10.6	100
Total	150	100	

Table 17 reveals that 32% of the respondent strongly agreed that Oredo Local Government is prone to corrupt practices, 38% respondents agreed, 6.7% were undecided, 12.7%

disagreed, while the remaining 10.6% of the sampled respondents strongly disagreed that Oredo Local Government is prone to corrupt practices. The above analysis shows that majority of the respondents agreed that Oredo Local Government is prone to corrupt practices.

**Table 18: There is regular auditing of inflow and outflow of resources in Oredo Local Government.**

**Question 14**

	Frequency	Percent	Cumulative Percent
Strongly Agree	27	18	18
Agree	32	21.3	39.3
Undecided	8	5.3	44.6
Disagree	44	29.4	74
Strongly Disagree	39	26	100
Total	150	100	

Table 18 reveals that 18% of the respondent strongly agreed that there is regular auditing of inflow and outflow of resources in Oredo Local Government, 21.3% respondents agreed,

5.3% were undecided, 29.4% disagreed, while the remaining 26% of the sampled respondents strongly disagreed that there is regular auditing of inflow and outflow of resources in Oredo Local Government. The above analysis shows that majority of the respondents disagreed that there is regular auditing of inflow and outflow of resources in Oredo Local Government.

**Table 19: There is proper record keeping in Oredo Local Government.**

**Question 15**

	Frequency	Percent	Cumulative Percent
Strongly Agree	37	24.7	24.7
Agree	56	37.3	62
Undecided	11	7.3	69.3
Disagree	31	20.7	90
Strongly Disagree	15	10	100
Total	150	100	

Table 19 reveals that, 24.7% of the respondents strongly agreed that there is proper record keeping in Oredo Local Government, 37.3% of the respondents agreed, 7.3% were undecided, 20.7% of the respondents disagreed, while 10% of the respondents strongly disagreed that there is proper record keeping in Oredo Local Government. The above analysis shows that respondents agreed that there is proper record keeping in Oredo Local Government.

**Table 20: There is insufficient revenue generation in Oredo Local Government Area.**

**Question 16**

	Frequency	Percent	Cumulative Percent
Valid Strongly Agree	47	31.3	31.3
Agree	61	40.7	72
Undecided	4	2.7	74.7
Disagree	22	14.7	89.4
Strongly Disagree	16	10.6	100
Total	150	100	

Table 20, shows that, 31.3% of the respondents strongly agreed that there is insufficient revenue generation in Oredo Local Government Area, 40.7% agreed, 2.7% were undecided, 14.7% disagreed, while the remaining 10.6% of sampled respondents strongly disagreed that there is insufficient revenue generation in Oredo Local Government Area. It therefore shows from the above analyses that, majority of the sampled respondents agreed that there is insufficient revenue generation in Oredo Local Government Area.

**Table 21: Oredo Local Government has unqualified personnel for effective revenue administration.**

**Question 17**

	Frequency	Percent	Cumulative Percent
Strongly Agree	24	16	16
Agree	33	22	38
Undecided	12	8	46
Disagree	50	33.3	79.3
Strongly Disagree	31	20.7	100
Total	150	100	

Table 21, shows that, 16% of the respondents strongly agreed that Oredo Local Government has unqualified personnel for effective revenue administration, 22% agreed, 8% were undecided, 33.3% disagreed, while the remaining 20.7% of sampled respondents strongly disagreed that Oredo Local Government has unqualified personnel for effective revenue administration. It therefore shows from the above analyses that, majority of the sampled respondents disagreed that Oredo Local Government has unqualified personnel for effective revenue administration.

**Table 22: There is a high level of non-compliance of taxpayers in Oredo Local Government Area.**

**Question 18**

	Frequency	Percent	Cumulative Percent
Strongly Agree	55	36.7	36.7
Agree	59	39.3	76
Undecided	2	1.3	77.3
Disagree	15	10	87.3
Strongly Disagree	19	12.7	100
Total	150	100	

Table 22, shows that, 36.7% of the respondents strongly agreed that there is a high level of non-compliance of taxpayers in Oredo Local Government Area, 39.3% agreed, 1.3% were undecided, 10% disagreed, while the remaining 12.7% of sampled respondents strongly disagreed that there is a high level of non-compliance of taxpayers in Oredo Local Government Area. It therefore shows from the above analyses that, majority of the sampled respondents agreed that there is a high level of non-compliance of taxpayers in Oredo Local Government Area.

**Table 23: There is high level of mismanagement of funds in Oredo Local Government.**

### Question 19

	Frequency	Percent	Cumulative Percent

Valid	Strongly Agree	46	30.7	30.7
	Agree	51	34	64.7
	Undecided	7	4.7	69.4
	Disagree	29	19.3	88.7
	Strongly Disagree	17	11.3	100
	Total	150	100	

Table 23, shows that, 30.7% of the respondents strongly agreed that there is high level of mismanagement of funds in Oredo Local Government, 34% agreed, 4.7% were undecided, 19.3% disagreed, while the remaining 11.3% of sampled respondents strongly disagreed that there is high level of mismanagement of funds in Oredo Local Government. It therefore shows from the above analyses that, majority of the sampled respondents agreed that there is high level of mismanagement of funds in Oredo Local Government.

**Table 24: Effective management of revenue influences the level of performance in service delivery by Oredo local government.**

#### Question 20

	Frequency	Percent	Cumulative Percent

Valid	Strongly Agree	38	25.3	25.3
	Agree	55	36.7	62
	Undecided	4	2.7	64.7
	Disagree	31	20.7	85.4
	Strongly Disagree	22	14.6	100
	Total	150	100	

Table 23, shows that, 25.3% of the respondents strongly agreed that effective management of revenue influences the level of performance in service delivery by Oredo local government, 36.7% agreed, 2.7% were undecided, 20.7% disagreed, while the remaining 14.6% of sampled respondents strongly disagreed that effective management of revenue influences the level of performance in service delivery by Oredo local government. It therefore shows from the above analyses that, majority of the sampled respondents agreed that effective management of revenue influences the level of performance in service delivery by Oredo local government.

## 4.2 Hypotheses Testing

### Hypothesis 1:

**H<sub>0</sub>:** The amount of revenue generated by the local government has no significant relationship with the level of service delivery in Oredo Local Government Area.

**H<sub>R</sub>:** The amount of revenue generated by the local government has significant relationship with the level of service delivery in Oredo Local Government Area.

### Grade Level Cross Tabulation

	Employment Type		Total
	Senior Staff	Junior Staff	
Strongly Agree	22	19	41
Agree	34	22	56
Undecided	2	4	6
Disagree	7	21	28
Strongly Disagree	4	15	19
<b>Total</b>	<b>69</b>	<b>81</b>	<b>150</b>

**Formula for Chi Square (X<sup>2</sup>)**

$$x^2 = \sum_{i=1}^n \frac{(f^o - f^e)^2}{f^e}$$

**Degree of freedom (df)**

$$Df = (r-1) (c-1)$$

where r = number of rows; c = number of columns

$$df = (5-1) (2-1)$$

$$df = 4 \times 1 = 4$$

### **Research Decision**

$$\text{Calculated } x^2 = 15.7$$

$$\text{Critical } x^2 = 13.28$$

$$\alpha = 0.01$$

### **Interpretation (statistical reference)**

Hypothesis 1 shows the calculated  $x^2$  (15.7) greater than the critical  $x^2$  (13.28) and error level of .01 at degree of freedom 4. The above analysis shows that data is statistically significant. Thus, the study accepts **H<sub>R</sub>** (the amount of revenue generated by the local government has significant relationship with the level of service delivery in Oredo Local Government Area) and reject **H<sub>0</sub>** (the amount of revenue generated by the local government has no significant relationship with the level of service delivery in Oredo Local Government Area).

**Hypothesis 2:**

**H<sub>0</sub>:** Effective management of local government revenue does not affect the performance of local government in service delivery.

**H<sub>R</sub>:** Effective management of local government revenue affect the performance of local government in service delivery.

**Grade Level Cross Tabulation**

		Employment Type		Total
		Senior Staff	Junior Staff	
Question Twenty	Strongly Agree	20	18	38
	Agree	31	24	55
	Undecided	1	3	4
	Disagree	9	22	31
	Strongly Disagree	7	15	22
	Total	68	82	150

### Formula for Chi Square ( $X^2$ )

$$x^2 = \sum_{i=1}^n \frac{(f^o - f^e)^2}{f^e}$$

### Degree of freedom (df)

$$Df = (r-1)(c-1)$$

where r = number of rows; c = number of columns

$$df = (5-1)(2-1)$$

$$df = 4 \times 1 = 4$$

### Research Decision

$$\text{Calculated } x^2 = 9.2$$

$$\text{Critical } x^2 = 7.78$$

$$\alpha = 0.10$$

### Interpretation (statistical reference)

Hypothesis 1 shows the calculated  $x^2$  (9.2) greater than the critical  $x^2$  (7.78) and error level of .10 at degree of freedom 4. The above analysis shows that data is

statistically significant. Thus, the study accepts  $H_R$  (effective management of local government revenue affect the performance of local government in service delivery) and reject  $H_o$  (effective management of local government revenue does not affect the performance of local government in service delivery).

### **4.3 Discussion of Findings**

The study was designed to examine revenue administration and service delivery in Oredo Local Government Area, Edo State (2015-2022). 150 copies of questionnaires were distributed of which all were retrieved. The main goal of this study was to establish the influence of revenue administration on service delivery in Oredo Local Government Area, Edo State. Having subjected the data collected from the respondents to statistical calculations and analysis, the outcome of the research revealed the following findings.

Firstly, this study examined the relationship between the amount of revenue generated by the local government and the level of service delivery in Oredo Local Government Area of which it was established that there is indeed a relationship between both variables. Also examined was the relationship between effective management of local government revenue and the performance of local government in service delivery of which it was also established that there is a relationship between both variables.

The study reveals that Oredo Local Government generates revenue from different sources which includes from federal allocation from centrally generated revenue, from taxes and from loans and grants from external sources. Despite these revenue generating sources as established the study further revealed that Oredo local government does not generate revenue from investments. Majority of the sampled respondents disagreed on the assertion that Oredo local government generates revenue from investments. On the issue of revenue generation drive of the local government, majority of the respondents disagreed that there is a strong revenue generation strategy in Oredo Local Government Area.

The study reveals that Oredo Local Government has limited capacity to generate sufficient revenue for service delivery. Given the responses from the sampled respondents, majority of the respondents agreed that Oredo Local Government has limited capacity to generate sufficient revenue for service delivery. The respondents also disagreed that the Oredo local government revenue generation drive has been essentially satisfactory. On the issue of community development project funding, majority of the respondents disagreed that the level of local government funding on community development project in Oredo Local Government Area is sufficient. Adeyemi (2013) posits that local governments across Nigeria has not done well in financing communities in their domain.

Lastly, the study examined the level of remittance of revenue to the designated government account. It was revealed that there has not been regular remittance of revenue into the local government account by revenue collectors in Oredo Local Government Area. Majority of the respondents disagreed that there is high level of remittance of revenue into the local government account by revenue collectors in Oredo Local Government Area. They also agreed to the

assertion that the local government is prone to corrupt practices. On the issue of the compliance level of taxpayers in paying their taxes Oredo Local Government Area, the study revealed that There is a high level of non-compliance of taxpayers in Oredo Local Government Area. According to Okoli (1998), it is one thing for the local government to impose taxes, it is another thing for the citizens to comply.

## CHAPTER FIVE

### SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

#### 5.1 Summary

The study was designed to examine revenue administration and service delivery in Oredo Local Government Area, Edo State (2015-2022). The objectives of the study include the following; to determine the general level of revenue generation in Oredo Local Government Area, to examine the relationship between revenue generation and service delivery in Oredo Local Government Area, to determine the extent to which revenue affects service delivery in Oredo Local Government Area, to examine the effectiveness of revenue administration in Oredo Local Government, and to identify the challenges of revenue generation and service delivery in Oredo Local Government Area. The study adopted survey research design. The population of study of this research is made up of all staffs of Oredo local government council which is 1,156. The sample size of this study is respondents selected randomly from the population of the study. The instrument used for the collection of data was the questionnaire which was administered to the study sampled respondents. 150 questionnaires were distributed with a 100% retrieval. The data collected was analyzed using simple percentage while the Chi-Square analytical tool was used to test the hypotheses generated for the study.

The study established some findings, and they are expressed as follows; that there is a relationship between the amount of revenue generated by the local government and the level of service delivery in Oredo Local Government Area. The relationship between the effective management of local government revenue and the performance of local government in service delivery was also established to be positive given the outcome of the hypothesis testing. Oredo local government generates revenue from sources such as federal allocation from the centrally generated revenue, taxation, and loans and grants from external sources, but does not generate revenue from investments. The study reveals that Oredo Local Government has limited capacity

to generate sufficient revenue for service delivery. On the issue of community development project funding, the study reveals that the level of local government funding on community development project in Oredo Local Government Area is sufficient. Lastly, the study reveals that there has not been regular remittance of revenue into the local government account and that there is a low level of compliance of taxpayers in paying their taxes in Oredo Local Government Area.

## **5.2 Conclusion.**

From the data collected and analyzed from the field, the study concludes amongst others that, that the major source of revenue for Oredo local government is from federal allocation from the centrally generated revenue, taxation, and loans and grants from external sources, but does not generate revenue from investments, this can be attributed to the fact that Oredo local government does not have tangible investments from which to generate revenue from. Despite the identified sources of revenue for the local government, the study concludes that Oredo local government has limited capacity to generate sufficient revenue for service delivery due to the unsatisfactory level of revenue generation drive of the local government. Community development projects in Oredo local government area has not received proper funding from the local government. The study also concludes that the irregular remittance of revenue to the designated local government account coupled with the low level of compliance of taxpayers in paying their taxes in Oredo Local Government Area have negatively affected the revenue drive of the local government.

## **5.3 Recommendations.**

The findings of the study have provided useful information about revenue administration and service delivery in Oredo Local Government Area, Edo State (2015-2022). It is based on the findings of this study that the following recommendations were made:

1. Oredo local government should invest more on business ventures that could yield huge profit for the local government. This investment will not only generate revenue for the local government, it will also create jobs for lots of residents in the area.
2. Oredo local government should focus more on community development projects in order to make their presence felt by the people of the area. If this is done, it will motivate the taxpayers in the area to constantly pay their taxes.
3. Oredo local government should imbibe the culture of regular auditing of the inflow and outflow of revenue in the area. Under this arrangement, a team should be constituted to regularly checkmate those in-charge of tax collection in the area. This is necessary to ensure that there are no revenue leakages in the process.
4. Oredo local government should introduce modern technologies in tracking the inflow and outflow of revenue and resources in the government. This innovation will help to curtail corrupt practices in the local government.

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Department of Public Administration  
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Benin City.

Dear Sir/ Madam,

**REQUEST FOR YOUR COOPERATION IN COMPLETING THIS  
QUESTIONNAIRE**

I am an undergraduate Student of the above-mentioned Department and University. As part of the programme, I am presently conducting a research on the topic “The Impact of Salaries and Wages Administration on Employees Job Output: A case study of the Board of Internal Revenue Service, Edo State (EIRS). This questionnaire is therefore designed to collect the relevant data for the study. Your response to the questions will not be used for any other purpose other than the one stated above.

Furthermore, you are kindly requested to respond as sincerely as possible to all questions as stated in the questionnaire. Please, tick (✓) in the space provided in the most appropriate column on each of the item.

Thank you for your cooperation.

**SECTION A: BIODATA**

Please, kindly tick the box that best fit the information given below:

1. Gender: Male  Female
2. Age: 18 – 35 years  36 – 53  54 and above
3. Marital Status: Single  Married  Divorced
4. Educational qualification: OND  HND  First Degree   
Post Graduate  Others
5. Grade Level: Senior Staff  Junior Staff

**SECTION B**

Where: SD – Strongly Agree; A – Agree; UN – Undecided; DA – Disagreed; SD – Strongly Disagreed

Please tick the space that best fit your view.

S/N	STATEMENT	SA	A	UN	D	SD
	<b>What is the level of revenue generation in Oredo Local Government Area?</b>					
1	Oredo Local Government receives its monthly allocation from the federation account regularly.					
2	Oredo Local Government generates revenue from taxes.					
3	Oredo Local Government generates revenue from investment.					
4	Oredo Local Government generates revenue from loans and grants from external sources.					
5	There is a strong revenue generation strategy in Oredo Local Government Area.					
	<b>What is the relationship between revenue generation and service delivery?</b>					
6	The amount of revenue generated influence the level of service delivery in Oredo Local Government.					
7	Service delivery largely depends on the revenue.					
	<b>To what extent does revenue affects service delivery in Oredo Local Government Area?</b>					
8	Lack of revenue affects service delivery in					

	Oredo Local Government Area.					
9	Oredo Local Government has limited capacity to generate sufficient revenue for service delivery.					
	<b>How effective is revenue administration in Oredo Local Government?</b>					
10	Local government revenue generation drive has been essentially satisfactory.					
11	The level of local government funding on community development project is sufficient.					
12	There is high level of remittance of revenue into the local government account by revenue collectors in Oredo Local Government Area.					
13	Oredo Local Government is prone to corrupt practices.					
14	There is regular auditing of inflow and outflow of resources in Oredo Local Government.					
15	There is proper record keeping in Oredo Local Government.					
	<b>What are the challenges of revenue generation and service delivery in Oredo Local Government Area</b>					
16	There is insufficient revenue generation in Oredo Local Government Area.					
17	Oredo Local Government has unqualified personnel for effective revenue administration.					
18	There is a high level of non-compliance of taxpayers in Oredo Local Government Area.					
19	There is high level of mismanagement of funds in Oredo Local Government.					

