

REVENUE GENERATION AND FINANCIAL SUSTAINABILITY OF LOCAL GOVERNMENT AREA COUNCILS OF RIVERS STATE, NIGERIA.

**Efeeloo NANGIH ¹, Domale S. EMAH ², Stanley Diepiriye DAVIES ¹
& Namapele AMOS ¹**

¹Department of Accountancy; Kenule Beeson Saro-Wiwa Polytechnic, Bori

²Department of Banking and Finance; Kenule Beeson Saro-Wiwa Polytechnic, Bori

ABSTRACT

This paper examined the nexus between government revenue generation and financial sustainability, of local government area councils of Rivers State, Nigeria. It specifically investigated the extent to which statutory allocations from the federation account (FAAC); VAT; share of state IGR; and Local government council IGR; influenced financial sustainability (proxied by total expenditure). The study adopted the ex post facto research design. Data were sourced from the Auditor-General (Local Government) on the Consolidated Accounts for the period of 2017 to 2023 and analyzed using descriptive statistics, correlation and the pooled panel regression technique. From the results, it was found that all the independent variables had positive and significant effect on financial sustainability except IGR of the LGA councils; which showed negative and insignificant effect on total expenditure. It was therefore concluded that VAT, SSIGR and FAAC supported financial sustainability of local governments in Rivers State; except their IGR. The following recommendations: (i) Local governments councils should intensify revenue diversification to reduce dependence on statutory allocations; (ii) VAT administration should be strengthened and widened to consolidate a stable, predictable revenue stream; (iii) State governments improve on tax collection and transparency (SSIGR), since that improved the revenue accruing to Local government councils enhance the flow of such revenues and their effect on the financial sustainability of local governments; and (iv) Local governments should carry out fiscal reforms to boost IGR, close leakages, and enforce compliance.

Keywords: Revenue Generation, Financial Sustainability, Value Added Tax, State Internally Generated Revenue, Federal Allocation

JEL Classification: H27, H71

1. INTRODUCTION

Local government area councils play critical roles in the socio-economic development of nations, particularly in developing countries like Nigeria. As the closest tier of government to the people, they are responsible for delivering essential services such as primary healthcare, basic education, sanitation, and infrastructure development at the grassroots level. However, the capacity of local governments to effectively provide these services is largely dependent on their financial sustainability and revenue generation capabilities. Despite their importance, many local governments in Nigeria, including those of Rivers State, face significant challenges in generating sufficient revenue to meet their obligations. In many local government areas councils across Rivers State, internally generated revenue contributes less than 10% of total revenue (*National Bureau of Statistics*, 2023). This inadequate revenue base undermines local autonomy and limits the capacity of councils to execute development projects or respond to community needs. Moreover, weak financial management systems, poor accountability, tax leakages, and inefficient revenue collection mechanisms further compound the problem (Nangih, Owa, Emah & Williams, 2024). According to Eme and Nweke (2024), there is also the issue of expenditure inefficiency, where available resources are often misallocated or mismanaged, leading to recurrent budget overruns and mounting debts. These fiscal weaknesses threaten not just the financial sustainability of local government operations but also the broader goals of grassroots development, poverty alleviation, and democratic governance. Despite numerous fiscal reforms and capacity-building initiatives by federal and state authorities, the impact on the revenue performance and financial sustainability of local government area councils in Delta State remains unclear.

1.1 Statement of the Problem

Revenue generation and financial sustainability are critical issues for local governments, especially in the context of declining federal allocations and increasing responsibilities. In Nigeria, local governments rely on three primary sources of revenue: statutory allocations from the federal government, internally generated revenue (IGR), and grants from state governments. However, the over-dependence on federal allocations has made many local governments financially vulnerable, especially during periods of economic downturn or reduced oil revenues, which are central to Nigeria's economy. However, many LGAs struggle to generate sufficient IGR, such that they remain heavily reliant on allocations. This dependence raises concerns about efficiency, transparency, accountability, and the capacity to deliver sustainable public services (Nangih et al., 2024).

While a considerable amount of research has been done on local government revenue generation and financial sustainability, several gaps in the literature remain. For instance, there is a lack of research focused on local governments in Nigeria, specifically among Local Government Area Councils in Rivers State on the subject matter, as most of the prior studies on local government finance in Nigeria focused on broader national or state-level issues, without examining the particular challenges and opportunities in specific localities, such as Rivers State. Secondly, many studies focus on the symptoms of financial instability, such as poor service delivery or low revenue generation, without exploring the underlying systemic or policy-related causes. Thirdly, the rapidly evolving economic and political environment in Nigeria necessitates up-to-date research on local government finances, as many studies rely on outdated data, which may not reflect the current realities of fiscal federalism and revenue generation at the local level. Further, prior studies so far carried out in this subject area in Nigeria mainly employed survey research design, as data used by them were mainly sourced through the questionnaire and other primary data sources. That goes to show that there are chances the results could have been prone to some level of manipulations, hence the inferences drawn from such studies are likely to be unreliable; and may not provide a good basis under which firms can take decisions.

Those constitute gap in literature, which this study intended to fill. Hence the need for this study which empirically examined the effect of revenue generation on financial sustainability with evidence from local governments in Rivers State, Nigeria using secondary data sourced from the 23 local government area councils in Rivers State for the 2017-2023 period.

2. LITERATURE REVIEW

2.1 Conceptual Review

Concept of Revenue Generation: Revenue generation refers to the processes and methods through which local governments acquire financial resources to fund their operations and development projects. This includes income from a variety of sources such as tax revenue, user fees, levies, grants from higher levels of government (state and federal), and loans. The financial sustainability of local governments largely depends on their ability to effectively mobilize and manage these revenue streams. Effective revenue generation strategies are crucial in enabling local governments to finance their functions and achieve their developmental goals (Olowu & Ayo, 2020). In many local government area councils, however, there is a heavy reliance on external allocations (e.g., from the federal or state governments), which can undermine financial autonomy and sustainability. Local governments must therefore strive for greater self-sufficiency by improving tax collection systems, diversifying revenue sources, and exploring innovative financing mechanisms. For

the purpose of this study, revenue generation of the local governments (which is the independent variable) was proxied by FAAC allocations, Local governments' share of the VAT allocations, state share of IGR and the internally generated revenue of the individual local councils.

Financial Sustainability: Financial sustainability refers to the capacity of a local government area councils to generate sufficient revenue to cover its recurrent expenses (such as salaries, operational costs, and service provision) and capital expenditures (such as infrastructure development). It involves long-term financial planning, efficient use of available resources, and the ability to absorb financial shocks or unexpected changes in revenue (Bovens et al., 2014). Achieving financial sustainability is not solely about increasing revenue but also involves ensuring that spending is controlled, debt is managed responsibly, and savings or reserves are created for future contingencies. Local governments that are financially sustainable can provide consistent and quality services to their citizens, maintain public trust, and improve overall governance outcomes. In this study, financial sustainability was measured by the total expenditure of the local government areas of the state.

2.2 Theoretical Review

This paper is anchored on the theory of fiscal federalism. The theory was propounded by Alexander Hamilton in 1788 (Hamilton et al., 1788/2001). The theory provides a critical lens through which to analyze the decentralization of power and resources, particularly financial autonomy, within a governmental structure. Fiscal federalism, as conceived by several scholars, offers a compelling rationale for the devolution of authority from the central government to lower levels of government, thereby enabling more effective governance and sustainable development.

The foundational principles of fiscal federalism can be traced back to the early debates surrounding the establishment of the United States. The Founding Fathers, including Alexander Hamilton, James Madison, and John Adams, wrestled with the challenge of balancing centralized power with states' rights. The core argument was that a strong national government was necessary for national security, economic stability, and interstate cooperation. However, they were equally concerned about the potential for tyranny and the erosion of individual liberties. The debate revolved around the division of powers and the fiscal relationship between the federal government and the states. One key element in fiscal federalism is financial autonomy. Fiscal federalism suggests that local governments need to have control over their own financial resources, including the power to levy taxes and the ability to manage revenue. Without financial autonomy, local governments are essentially

dependent on the central government and therefore less responsive to their constituents. In the theory, local governments are better positioned to respond to local needs and preferences if they have financial autonomy.

The justification for anchoring or applying the theory of fiscal federalism to this study is that Rivers State Local Government area councils are situated in the umbrella federation called Nigeria, which practices fiscal federalism. This makes the propositions of the theoretical framework of fiscal federalism most suitable as it provides a comprehensive basis for analyzing financial autonomy within a broader governance context. It allows for an exploration of the historical origins of these concepts and how these concepts are applied. It not only offers an understanding of the importance of decentralization, financial autonomy, and the potential of local governments to serve their communities but also provides a basis for evaluating the effectiveness of fiscal policies and recommending improvements.

2.3. Empirical Literature Review

Nwaoburu and Egobueze (2025) investigated the nexus between local government financial autonomy and rural development in Nigeria. The study made use of secondary data and employed the ex post facto research design. It specifically focused on the availability of basic amenities and infrastructure in rural areas. The findings suggested that local government financial autonomy was instrumental for the promoting rural development, particularly when accompanied by effective institutional frameworks and accountability mechanisms. The study also highlights the challenges facing local governments in Nigeria, including were inadequate financial resources, corruption, and inadequate capacity to execute development projects.

Ibe (2023) sought to examine revenue generation in the local government system in Nigeria. The study employed descriptive and adopted the desk research approach. It made use of secondary sources of data such as journals, text-books, government papers; and was anchored on resource mobilization theory. The study concluded that efficient and effective revenue generation was needed to put the local government system on the right footing. It was therefore recommended in the study that to guarantee full financial autonomy of the local government under review and to remove or militate the abuses of the system by the state government, local government should be seen as a sovereign tier of government.

Braimoh and Onuoha (2022) also investigated the effect of revenue generation and performance of local governance in Nigeria. The specific objective of the study was to examine if the low level of project execution at the local government level is a resultant effect of mismanagement of statutory allocations and to establish if revenue generation has a significant effect on local government performance. The study was anchored on efficiency

school theory and functional school theory. The study adopted descriptive survey design using a 4-point Likert scale questionnaire as the research instrument. The sample size for this study was 180 respondents, consisting of 60 staff each from the 3 selected local government areas in Edo State. The findings revealed that poor revenue generation by local governments hindered grass root development in Nigeria. It was recommended that sufficient public enlightenment was needed voluntary compliance by local government areas for the payment of their rates and fees.

Olajide and Ige (2021) studied the impact of financial management reforms in Nigerian local governments, using Delta State local government areas as the population. The study employed the descriptive research design. It was concluded that local governments that implemented reforms such as public financial management systems, budgeting processes, and auditing practices saw significant improvements in both revenue generation and expenditure management. By adopting more structured and transparent financial management practices, these local governments were able to identify new revenue sources and better allocate their resources. It was concluded that without proper financial management reforms, local governments would continue to struggle with inefficient use of public funds, leading to a lack of financial sustainability.

Ajadi et al. (2020) examined the impact of internally generated revenue on sustainability of Nigerian Local government area councils. The study was based on Ilorin west local government area, Kwara State as a case study. Data used for the study were sourced from both the primary and secondary sources. The primary data were sourced with questionnaires from the entire 68 staff in the revenue section of Ilorin west local government area. The data were analyzed using Chi square Test and was found that a strong and positive relationship exists between internally generated revenue and local government sustainability. The study concluded that internally generated revenue influenced local government sustainability in Nigeria.

Adejoh et al. (2019) analyzed the role of internally generated revenue (IGR) for Nigerian state fiscal viability using time-series techniques that capture short- and long-run dynamics, finding IGR contributes only modestly to state revenues and weakly reduces deficits. The study highlights limited IGR elasticity and capacity constraints in collection, recommending stronger administration and base broadening. Its pooled/aggregate focus may mask inter-state heterogeneity, but results support the view that IGR alone is insufficient for subnational fiscal sustainability.

2.4. Hypotheses Development

Based on the literature reviewed above, the following hypotheses were developed and tested in the study:

H0₁: There is no significant relationship between statutory allocations and total expenditure of local government area councils in Rivers State?

H0₂: VAT revenue does not have significant effect on the total expenditure of local government area councils in Rivers State?

H0₃: There is no significant relationship between the share of State IGR and the total expenditure of local government area councils in Rivers State?

H0₄: Local government area councils' IGR do not significant impact the total expenditure of local government area councils in Rivers State?

3. METHODOLOGY

This study adopted the *ex post facto* research design in a bid to examine the effect of revenue generation on financial sustainability of local government area Councils in Rivers State, Nigeria. The choice of *ex-post facto* design was based on the nature of the data sourced which already existed of which the researcher could not manipulate its value or nature. The secondary data was collected for 7 years from 2017 to 2023. The study covered all the 23 area local government councils of Rivers State, Nigeria. The study employed secondary data sourced from the annual consolidated audit report of the local government area councils for the period under review. No sampling was required as the data for all the local government councils were available in a consolidated audit report published annually by the Auditor-General (Local Government) of Rivers State of Nigeria. The data collected were analyzed using descriptive statistics, correlation and regression analysis imputed in the Econometric Views (E-views) software.

3.1. Model Specification

In a bid to capture the effect of revenue generation on financial sustainability of local government area councils in Nigeria, empirical models were formulated based on the use of panel data method, which employed panel regression, thus:

$$\text{TEXP} = f(\text{FAAC}, \text{VAT}, \text{SSIGR}, \text{IGR}) \quad (1)$$

Where TEXP = Total Expenditure

FAAC = Statutory allocation from Federation Account

VAT = Share of value-added tax

SSIGR = Share of State IGR

IGR = Internally generated revenue

The econometric forms of the model was expressed as follows:

$$\text{TEXP} = \alpha_0 + \alpha_1 \text{FAAC}_{it} + \alpha_2 \text{VAT}_{it} + \alpha_3 \text{SSIGR}_{it} + \alpha_4 \text{IGR}_{it} + \varepsilon_t \quad (2)$$

Where α_0 = intercept

α_1 - α_4 = regression coefficients

ε_t = error terms

it = indexes for firms and years, respectively.

The *a priori* expectations are also stated as: $\alpha_1, \alpha_2, \alpha_3, \alpha_4 > 0$

4. DATA ANALYSIS AND DISCUSSION

The data employed in this study which shows the revenues from Federation Account Allocation (FAAC), VAT, State IGR (SSIGR), locally generated revenue (IGR), and total expenditure (TEXP) for the 2017-2023 period were obtained from the annual consolidated audit report of the Rivers State LGAs obtained from the Auditor-General (Local Government) of the state.

Table 4.1: Descriptive Statistics

	FAAC	VAT	SSIGR	IGR	TEXP
Mean	1552.635	662.0223	181.8968	34.96269	2703.994
Median	1498.142	514.2219	151.8429	28.23752	2269.275
Maximum	3000.333	1775.101	1463.794	229.0115	7282.274
Minimum	946.0228	0.000000	0.000000	0.000000	1385.633
Std. Dev.	362.4107	368.9649	166.5102	31.49197	1180.902
Skewness	1.115901	0.916835	3.202267	2.308607	1.872185
Kurtosis	4.833952	3.204294	22.03466	12.08231	5.996020
Jarque-Bera	60.84400	24.82145	2940.994	756.9260	167.6824
Probability	0.000000	0.000004	0.000000	0.000000	0.000000
Sum	271711.1	115853.9	31831.94	6118.471	473199.0
Sum Sq. Dev.	22853427	23687504	4824261.	172563.5	2.43E+08
Observations	175	175	175	175	175

Source: Author's Computation

From the results in Table 4.1, FAAC has a mean of N1.55b for the period. The median of N1.5b is slightly below the mean, indicating a mild right skew. The standard deviation of N362.4m indicates that the relative variability is low, as most observations cluster moderately tightly around the mean. Similarly, VAT has a mean of N662m with a lower median of

N524.2m, which also indicates a right-skewed distribution. Again, the standard deviation of 368.96 is much lower than the mean, showing less variability in the data. Furthermore, SSIGR has a very low mean, which is approximately a quarter of that of VAT, although its median is slightly lower. However, the standard deviation of N166.51 shows more variability compared with those of FAAC and VAT. IGR also shows a highly skewed distribution, which is also highly variable, given the standard deviation of N31.49m. Lastly, TEXP exhibits substantial scale and dispersion, with a pronounced right tail, although it has relatively lower variability than VAT.

Table 4.2: Correlation Statistics

	FAAC	VAT	SSIGR	IGR	TEXP
FAAC	1.000000				
VAT	0.090401	1.000000			
SSIGR	0.075009	0.284223	1.000000		
IGR	0.150575	0.226771	0.037644	1.000000	
TEXP	0.401073	0.850533	0.392903	0.185820	1.000000

Source: Author's Computation

The results in Table 4.2 indicate that all the variables are positively correlated with TEXP, as well as with themselves. The very low correlation coefficient between the variables suggests the absence of multi-collinearity in the series.

Table 4.3: Pooled Regression Test

Variable	Coefficient	Std. Error	t-Statistic	Prob.
FAAC	1.061981	0.097768	10.86226	0.0000
VAT	2.530335	0.101388	24.95699	0.0000
SSIGR	1.032335	0.219131	4.711039	0.0000
IGR	-1.800523	1.149420	-1.566462	0.1191
C	-744.8393	162.0121	-4.597430	0.0000
R-squared	0.851405	Mean dependent var		2703.994
Adjusted R-squared	0.847908	S.D. dependent var		1180.902
S.E. of regression	460.5392	Akaike info criterion		15.13083
Sum squared resid	36056383	Schwarz criterion		15.22125
Log likelihood	-1318.947	Hannan-Quinn criter.		15.16751
F-statistic	243.5115	Durbin-Watson stat		2.190735
Prob(F-statistic)	0.000000			

Source: Author's Computation

The panel regression results in Table 4.3 indicate that the variables explain 84.79% of the variations in TEXP, with the F-statistic and probability (F-statistic) of 243.5 and 0,000, indicating a very high model fit. More so, the t-statistics show that all the variables exert positive and significant influences on TEXP, except for an insignificant negative effect of IGR. Lastly, the Durbin Watson of 2.19 is closer to the 2.0 rule-of-thumb benchmark, and suggests the absence of serial correlation in the series. Figure 4.1 and Table 4.4 show that the residuals are normally distributed and homoscedastic.

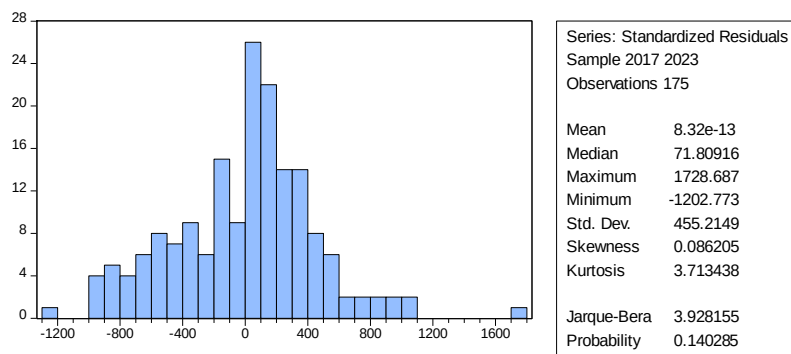


Figure 4.1: Residuals Normality Test

Source: Author's Computation

Table 4.4: Heteroskedasticity Test

	Value	Df	Probability
Likelihood ratio	22.15606	25	0.6267
LR test summary:			
	Value	Df	
Restricted LogL	-1318.947	170	
Unrestricted LogL	-1307.869	170	

Source: Author's Computation

4.3 Test of Hypotheses

The formulated hypotheses were tested as shown in Table 4.3. The decision rule was to reject the null hypothesis if the probability of the computed t-statistic is equal to or less than 0.05 ($p \leq 0.05$); otherwise, it cannot be rejected. The summary of the hypothesis tests is presented in Table 4.5.

Table 4.5: Summary of Hypothesis Test

Statement of Hypothesis	Variable	t-statistic	Prob (t-stat)	Decision
H ₀₁ : Federation account allocation does not significant affect total expenditure of LGAs in Rivers State.	FAAC	10.86226	0.0000	Reject
H ₀₂ : VAT does not significant affect total expenditure of LGAs in Rivers State.	VAT	24.95699	0.0000	Reject
H ₀₃ : Share of State IGR does not significant affect total expenditure of LGAs in Rivers State.	SSIGR	4.711039	0.0000	Reject
H ₀₄ : Locally generated IGR does not significant affect total expenditure of LGAs in Rivers State.	IGR	-1.566462	0.1191	Accept

Source: Author's Compilation

4.4 Discussion on Findings

FAAC exerts a positive and highly significant influence on the total expenditure of the LGAs in Rivers State. This is consistent with a priori expectation, indicating that federation account transfers are a principal driver of total subnational expenditure, implying fiscal dependence on oil-linked and centrally pooled revenues and vulnerability to external shocks that affect FAAC receipts (Adejoh et al., 2019; NEITI, 2025). This pattern is consistent with Nigerian studies showing many states rely heavily on FAAC for recurrent spending and that FAAC volatility amplifies fiscal fragility and debt accumulation risks (Falade et al., 2024).

Similarly, VAT has highly significant positive effect on total expenditure, which implies that improvements in consumption tax mobilization materially expand fiscal space and support spending. This is consistent with theoretical postulation that broad consumption taxes provide a relatively stable revenue base compared with resource rents (Falade et al., 2024). Most Nigerian studies emphasize VAT's rising importance for states' revenue mixes and recommend administrative reforms and base-broadening to make VAT a stabilizing pillar of subnational finances (Adejoh et al., 2019; NEITI, 2025).

Furthermore, the positive SSIGR coefficient, which is also significant at the 1% level, suggests that the share of state IGR raise expenditure sustainability in the LGAs of Rivers State. This is also consistent with the a priori expectation. Although Saibu (2018) stress that such effect is uneven across jurisdictions, producing concentration effects where a few large receipts drive aggregate impact. Empirical studies on subnational revenues in Nigeria establish that non-federal special inflows are unpredictable and unequal, reducing their reliability for sustained budgeting, calling for greater transparency and predictability of such transfers (NEITI, 2025).

Lastly, and contrastingly, IGR exerts a negative but statistically insignificant influence on total expenditure of the Rivers State LGAs. This implies that internally generated revenue, as currently realized, does not reliably translate into higher total expenditure. This may be particularly due to the narrow non-tax revenue base of the LGAs, weak compliance, diversion to off-budget uses, or endogeneity where distressed LGAs attempt to raise IGR during fiscal stress (Adejoh et al., 2019; Falade et al., 2024). Many Nigerian studies often report low and uneven IGR contributions to states' budgets and link limited IGR effectiveness to administrative capacity constraints, recommending institutional reforms to strengthen IGR's role in stable financing (Saibu, 2018).

5. CONCLUIONAND RECOMMENDATIONS

This study investigated the link between government revenue and financial sustainability, with particular reference to local government area councils in Rivers State of Nigeria. The specific objectives were to determine the extent to which statutory allocations from the federation account; VAT; share of state IGR; and IGR; influence the expenditure sustainability (proxied by total expenditure) of local government area councils in Rivers State. Applying the pooled panel regression technique, the following findings were made:

1. The model explains a large share of variation in total expenditure, specifically 84.8%.
2. FAAC has a positive, highly significant effect on total expenditure (coef = 1.062; $p < .001$).
3. VAT has the largest positive and highly significant effect on total expenditure (coef = 2.530; $p < .001$).
4. SSIGR is positive and statistically significant (coef = 1.032; $p < .001$).
5. IGR has a negative, statistically insignificant effect on total expenditure (coef = -1.801; $p = .119$).

The following conclusions draw from this study.

1. Local government expenditure is driven mainly by intergovernmental transfers (FAAC) and consumption tax (VAT) rather than by internally generated revenue.
2. VAT functions as a key stabilizing revenue source but requires strong administration to sustain that role.
3. SSIGR contributed positively but unevenly across observations, limiting its reliability for predictable budgeting.
4. Current IGR performance was weak and does not meaningfully support higher expenditure, reflecting narrow bases or administrative weaknesses.

The following recommendations have implications for the financial sustainability of local government area councils in Nigeria.

1. Local governments should pursue revenue diversification to reduce dependence on statutory allocation. Such measures should focus on expanding non-oil economic activity and taxable revenue bases.
2. VAT administration should be strengthened and widened to consolidate a stable, predictable revenue stream.
3. State governments should improve the predictability and transparency of state-generated revenues (SSIGR), especially tax revenue, through standardized reporting and multiyear schedules. This will enhance the flow of such revenues and their effect on the fiscal sustainability of local governments.
4. Local governments should carry out fiscal reforms to enhance the efficiency of local revenue administration to boost IGR. Such policies should focus on modernizing collection systems, broaden bases, close leakages, and enforce compliance.

Competing Interest: The authors declare that there is no competing or conflicting interest in this manuscript.

REFERENCES

- Adejoh, M. O., Ekeyi, S., & Mary, S. J. (2019). Internally generated revenue (IGR) and fiscal viability of state governments in Nigeria. *Lafia Journal of Economics and Management Sciences (LAJEMS)*, 4(1), 143-162.
- Ajadi, A. A.; Kayode, A. A; Lawan, B. M; Olaniyi, D. E.; & Damilola, O.A. (2020). Internally generated revenue and local government sustainability in Nigeria. *Dynamics of Public Administration*, 37(2), 141-149
- Bovens, M., Goodin, R. E., & Schillemans, T. (2014). *The Oxford Handbook Public Accountability*. Oxford University Press,
- Braimoh, M. E. 1., & Onuoha, A. U. (2022). Revenue generation and performance in local governance in Nigeria: A survey of people's perception in selected Local Government Areas of Edo State. *Accounting and Taxation Review*, 6(1): 74-88
- Falade, O. E., Fasoye, K., & Adedokun, S. A. (2024). How sustainable is fiscal policy in Nigeria? *Asian Journal of Economics, Business and Accounting*, 24(7), 20–29. <https://doi.org/10.9734/ajeba/2024/v24i71389>
- Hamilton, A., Jay, J., & Madison, J. (2001). *The Federalist* In G. W. Carey & J. McClellan, Eds.). *Liberty Fund*. (Original work published 1788).
- Nangih, E, Owa, F. Emah, D. & Williams I. B.S (2024). Public governance quality and voluntary tax compliance in Rivers State, Nigeria. *KPA, Journal of Accounting, Finance and Business* 3 (1). 22-36.

- National Bureau of Statistics (2023). *National Statistical Bulletin*. National Bureau of Statistics.
- NEITI. (2025). *Beyond federal allocations: The cost of borrowings and debt servicing at state level in Nigeria* (Policy brief). Nigeria Extractive Industries Transparency Initiative. <https://neiti.gov.ng/cms/wp-content/uploads>
- Nwaoburu, L. & Egobueze, A. (2025). Exploring the nexus between local government financial autonomy and rural development in Nigeria: an empirical analysis. *International Journal of Innovative Development and Policy Studies* 13(1),139-150.
- Olajide A. & Ige S. J (2021). Impact of financial management reforms in Nigeria: A survey of Delta State. *International Journal of Economics, Commerce and Management*. V(10), 2021.
- Olowu, D., & Ayo, S. (2020). *Strengthening governance for effective local government financial management*. *African Public Administration Review*, 21(2), 101-120
- Saibu, O. M. (2018). Public spending, fiscal sustainability and macroeconomic performance in Nigeria. *NDIC Quarterly*, 33(3&4), 33-48.