

**TITLE PAGE**

**COMPARATIVE STUDY OF BUDGETARY ALLOCATIONS TO HEALTH AND  
OTHER DEPARTMENTS IN LOCAL GOVERNMENT AREAS OF EBONYI STATE  
FROM 2010 – 2014.**

**MSc DISSERTATION**

**BY  
AGBO, BENEDICT EKUMA H.  
PG/MSc/10/55100**

**PRESENTED TO THE DEPARTMENT OF NURSING SCIENCES  
FACULTY OF HEALTH SCIENCES AND TECHNOLOGY  
UNIVERSITY OF NIGERIA, ENUGU CAMPUS.**

**IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF  
DEGREE OF: MASTER OF SCIENCE IN NURSING (NURSING MANAGEMENT  
AND ADMINISTRATION)**

**SUPERVISOR: DR (MRS) G.U. MADUBUKO**

**NOVEMBER, 2015**

## **APPROVAL**

This dissertation titled: "Comparative study of Budgetary Allocations to Health and Other Departments in Local Government Areas of Ebonyi State" was originally the work of Agbo Benedict Ekuma H. with Registration Number 6 PG/MSc/10/55100 of the Department of Nursing Sciences, Faculty of Health Sciences and Technology, College of Medicine, University of Nigeria, Enugu Campus.

---

**Dr (Mrs) G. U. Madubuko**  
Supervisor

---

**Date**

---

**Dr Ada C. Nwaneri**  
Head of Department

---

**Date**

## CERTIFICATION

This is to certify that this dissertation is the original work of Agbo Benedict Ekuma H. Registration Number ó PG/MSc/10/55100. I certify that the original work is mine except as specified in the acknowledgement and references and that neither the dissertation nor the original work contained therein has been submitted to the university or any other institution for the award of degree.

---

**Agbo, Benedict Ekuma H.**  
Student

---

**Date**

---

**Dr (Mrs) G. U. Madubuko**  
Supervisor

---

**Date**

## **DEDICATION**

This project is dedicated to God Almighty who alone made the completion of this work possible.

## ACKNOWLEDGEMENT

My profound gratitude goes to the Almighty God for his grace and enablement granted me to initiate and complete this study. My special thanks go to my able supervisor, Dr (Mrs) G. U. Madubuko for her patience, advice, support and encouragement all through the period of supervision of this work. I also express my sincere gratitude to the Head of Department of Nursing Sciences, Dr. Ada Nwaneri whose untiring efforts and digital approach towards providing students needs created the conducive environment necessary for completing this work. Very worthy of mention are the contributions of Dr (Mrs) I. Okoronkwo, Dr (Mrs) N.P. Ogonnaya, Prof. (Mrs) I. O Ehiemere and indeed all the lecturers in the department of Nursing Sciences for the various roles they played towards the successful completion of this programme. I am also grateful to all other staff of the department of Nursing Sciences for attending to me at various times of need.

To my amiable wife Chief, Hon., (Mrs) Eucharia Chinenye Agbo and my very dear children, I say thank you very much for your understanding, prayers, and assistance towards the completion of this study.

I am equally indebted to Mr I.O. Chukwu and all the staff of department of local governments, ministry of local government and Chieftaincy matters, Abakaliki for their immense assistance during the data collection stage for this work.

Finally, my special thanks also go to the entire staff of Comrita Business Center, UNEC for painstakingly typing the manuscripts and for compiling this work. I am very grateful to you all.

## TABLE OF CONTENTS

Title page	-	-	-	-	-	-	-	-	-	-	i
Approval	-	-	-	-	-	-	-	-	-	-	ii
Certification	-	-	-	-	-	-	-	-	-	-	iii
Dedication	-	-	-	-	-	-	-	-	-	-	iv
Acknowledgement	-	-	-	-	-	-	-	-	-	-	v
Table of Contents	-	-	-	-	-	-	-	-	-	-	vi
List of Tables	-	-	-	-	-	-	-	-	-	-	ix
List of Appendices	-	-	-	-	-	-	-	-	-	-	x
Abstract	-	-	-	-	-	-	-	-	-	-	xi
 <b>CHAPTER ONE: INTRODUCTION</b>											
Background to the Study	-	-	-	-	-	-	-	-	-	-	1
Statement of Problem	-	-	-	-	-	-	-	-	-	-	4
Purpose of the Study	-	-	-	-	-	-	-	-	-	-	6
Objectives of the Study	-	-	-	-	-	-	-	-	-	-	6
Research Hypothesis	-	-	-	-	-	-	-	-	-	-	6
Significance of the Study	-	-	-	-	-	-	-	-	-	-	7
Scope of the Study	-	-	-	-	-	-	-	-	-	-	7
Operational Definition of Terms	-	-	-	-	-	-	-	-	-	-	7
 <b>CHAPTER TWO:</b>											
<b>LITERATURE REVIEW</b>											
Conceptual Review	-	-	-	-	-	-	-	-	-	-	9
Budget and Budgeting	-	-	-	-	-	-	-	-	-	-	9
Elements of a Budget	-	-	-	-	-	-	-	-	-	-	10
Components of a Budget	-	-	-	-	-	-	-	-	-	-	12

Budgeting	-	-	-	-	-	-	-	-	13
Importance of Budgeting in the Public Sector						-	-	-	13
Objectives of Local Government Budgeting.						-	-	-	14
Budgeting Procedure	-	-	-	-	-	-	-	-	15
Preparation of Local Government Budget/Estimates						-	-	-	20
The Capital Budget (Estimate)			-	-	-	-	-	-	25
Budgetary Allocations to Health-			-	-	-	-	-	-	26
The Role of the Nurse Administrator in Budgeting Processes								-	27
Factors Affecting Budget Implementation			-	-	-	-	-	-	28
The Local Government System			-	-	-	-	-	-	30
Reasons for establishing Local Governments						-	-	-	32
Functions of Local Governments			-	-	-	-	-	-	33
Local Government Areas in Ebonyi State			-	-	-	-	-	-	34
Review of Theories Relevant to the Study			-	-	-	-	-	-	35
The Strategy Formulation Theory			-	-	-	-	-	-	35
Application of the Strategy Formulation Theory to this Study								-	38
The Economic Perspectives Theory			-	-	-	-	-	-	39
Application of the Economic Perspectives Theory to this Study									40
Review of Relevant Empirical Studies			-	-	-	-	-	-	42
Summary of Literature Review			-	-	-	-	-	-	46
<b>CHAPTER THREE:</b>									
<b>RESEARCH METHODS</b>			-	-	-	-	-	-	<b>48</b>
Design of the Study			-	-	-	-	-	-	48
Area of the Study			-	-	-	-	-	-	48
Population for the Study			-	-	-	-	-	-	49

Sample for the Study	-	-	-	-	-	-	-	-	49
Sampling Procedure	-	-	-	-	-	-	-	-	49
Instrument for Data Collection	-	-	-	-	-	-	-	-	49
Validity of the Instrument	-	-	-	-	-	-	-	-	50
Reliability of the Instrument	-	-	-	-	-	-	-	-	50
Ethical Consideration	-	-	-	-	-	-	-	-	50
Procedure for Data Collection	-	-	-	-	-	-	-	-	50
Method for Data Analysis	-	-	-	-	-	-	-	-	51
<b>CHAPTER FOUR:</b>									
<b>PRESENTATION OF RESULTS</b>	-	-	-	-	-	-	-	-	<b>52</b>
Objective one	-	-	-	-	-	-	-	-	52
Objective two	-	-	-	-	-	-	-	-	53
Objective three	-	-	-	-	-	-	-	-	57
<b>CHAPTER FIVE:</b>									
<b>DISCUSSION OF FINDINGS</b>	-	-	-	-	-	-	-	-	<b>59</b>
Discussion of Major Findings	-	-	-	-	-	-	-	-	59
Objective one	-	-	-	-	-	-	-	-	59
Objective two	-	-	-	-	-	-	-	-	60
Objective three	-	-	-	-	-	-	-	-	63
Hypothesis Testing	-	-	-	-	-	-	-	-	63
Implication of the Findings	-	-	-	-	-	-	-	-	67
Limitations of the Study	-	-	-	-	-	-	-	-	68
Summary	-	-	-	-	-	-	-	-	68
Conclusion	-	-	-	-	-	-	-	-	70
Recommendation	-	-	-	-	-	-	-	-	71



Suggestion for Further Studies	-	-	-	-	-	-	-	72
References	-	-	-	-	-	-	-	73
Appendices								

### LIST OF TABLES

Table 1:	Budgetary allocations to various Local Government Areas from 2010 -2014	-	-	-	-	-	-	52
Table 2:	Budgetary allocations to Department of Health and selected departments in 2010	-	-	-	-	-	-	53
Table 3:	Budgetary allocations to Department of Health and selected departments in 2011	-	-	-	-	-	-	54
Table 4:	Budgetary allocations to Department of Health and selected departments in 2012	-	-	-	-	-	-	55
Table 5:	Budgetary allocations to Department of Health and Selected departments in 2013	-	-	-	-	-	-	56
Table 6:	Budgetary allocations to Department of Health and selected departments in 2014--	-	-	-	-	-	-	56
Table 7:	Relationship allocations to the Department of Health and selected departments from 2010-2014	-	-	-	-	-	-	57

## LIST OF APPENDICES

Appendix I:	Proforma
Appendix II:	Proforma
Appendix III:	List of LGAs
Appendix IV:	Table 1
Appendix V:	Table 2
Appendix VI:	Table 3
Appendix VII:	Table 4
Appendix VIII:	Table 5
Appendix IX:	Table 6
Appendix X :	Table 7
Appendix XI:	Capital and Recurrent Budgets from 2010 ó 2014
Appendix XII:	Spearman's correlation Table for 2010
Appendix XIII:	Spearman's correlation Table for 2011
Appendix XIV:	Spearman's correlation Table for 2012
Appendix XV:	Spearman's correlation Table for 2013
Appendix XVI:	Spearman's correlation Table for 2014
Appendix XVII:	Letter from Department
Appendix XVIII:	Application to Ministry
Appendix XIX:	Letter from Ministry of LGs ó Ethical Approval
Appendix XX:	A Sample of LGA Capital Expenditure Framework
Appendix XXI:	Sample of Proposed Programme Capital Budgeting

## ABSTRACT

This work was on comparative study of budgetary allocations to health and other departments in local government areas (LGAs) of Ebonyi State from 2010 to 2014.

The researcher was motivated to carry out this study by the poor state of health infrastructure in many parts of the rural communities of the Local Government Areas of Ebonyi state and also by the insinuations that other departments such as Education, Agriculture and works/environment perform better than health department. The study has carried out with a view to ascertaining the actual figures of budgetary allocations to the LGAs of Ebonyi state from 2010 to 2014, determining the budgetary allocations to health and those of selected departments in LGAs of Ebonyi State from 2010 to 2014 and ascertaining whether the budgetary allocations to health department in the LGAs were adequate in line with the African Union (AU) stipulation of 15% of total annual budget to the health sector of every level of government in Africa. Descriptive research design was employed for the study. No sampling technique was used to select local governments to be studied since all the 13 LGAs were selected because of the few number, giving a total population of 13. A self development proforma was used to extract relevant data from the 65 copies of the budgetary estimates of the 13 LGAs for the 5 year period. The face and content validity of the instrument were determined by the supervisor and one other lecturer who is also an expert in management and administration. Descriptive and inferential statistics were used to analyze the data generated and results were presented in tables as percentages. Spearman's rank correlation coefficient was used to determine the relationship between the budgetary allocations to health and that of other departments at 0.05 level of significance. Major findings of the study showed that in 2010, Health budget had significant positive correlation with that of Agriculture ( $r = 0.65$ ,  $P = 0.022$ ). In 2011, Health had significant positive correlation with Agriculture ( $r = 0.59$ ,  $P = 0.033$ ) and Education ( $r = 0.63$ ,  $P = 0.022$ ). In 2012, Health had significant positive correlation with Agriculture ( $r = 0.60$ ,  $P = 0.031$ ). In 2013, Health had significant positive correlation with Agriculture ( $r = 0.58$ ,  $P = 0.037$ ). In 2014, Health had significant positive correlation with Education ( $r = 0.70$ ,  $P = 0.007$ ). Within the five year period, Works/Environment Department had the highest budget and Agriculture had the lowest. Only 6 LGAs met the 15% stipulation by African Union. It was recommended that health budgets in LGAs of Ebonyi State should be stepped up to meet AU stipulation of 15% and that budgetary allocations to the various departments should be balanced.

## **CHAPTER ONE**

### **INTRODUCTION**

#### **Background to the Study**

The major objective of any responsible administration at any level of government, be it Federal, State or Local Government, is to ensure that the standard of living of the people within the jurisdiction of the government in question is optimally enhanced (Akinboye, 2008). This can only be achieved if desired projects and programmes are conceptualized, carefully articulated with clear objectives and targets set, followed by proper implementation and effective control. This basically is what budgeting and budgetary allocations are all about.

The budget is therefore an administrative instrument for proper management of revenues, expenditure, policy adjustment and effective control and coordination of economic activities. Being a financial plan, the budget contains a list of all planned revenues and expenses of government and therefore, provides a guide for effective saving, borrowing and spending by governments at all levels (Musgrave, 2007).

Budgeting on the other hand, is one of the key managerial functions performed by Administrators and managers of establishments as a major tool for implementing plans (Jose, 2013). This means that for the objectives of any plan to be effectively achieved, there must be a corresponding budget, which normally specifies the cost of the project, the revenue available or expected and the time frame needed to achieve the plan.

Planning generally, which usually culminates in the specifics of a budget is the fundamental and primary managerial function for any operation and is considered to be the foundation for the performance of a manager's job. This explains why governments at all levels have planning commissions or units. It is the duty of the planning unit or commission to produce the rolling plan upon which the yearly capital budgets are based (Eze, 2012).

The focus of this study is on budgetary allocations to health. This refers to allocations made to develop health infrastructure in the rural areas of the local governments. Such infrastructures include: building, hospital equipment, land acquisition for health centers and other health projects, vehicles and provision of water and electricity in the hospitals and health centers as well as for personnel for cost. Budgetary allocations to health must also address overhead and other costs of administering of the local government areas.

The local government system is the third tier of government and the closest to the people. It is meant to address the local needs of the common man in the rural setting. Ejimofor (2008), opined that local governments are sub-national units, created from states to handle activities which are substantially outside the direct control of the central government. Here, the legal status that accompany local governments make them distinct, autonomous and independent with only indirect supervisory control by the central government.

As provided in the guidelines for local government reforms and financial memoranda of 1991, local government is the government at the local level established by law to be managed through representative council, to exercise control over local affairs as well as their staff. The guidelines provide that local governments have institutional and financial powers to initiate and direct the provision of services in their areas of jurisdiction. These services are provided through the major departments of the local governments, namely:

Health, Education, Agriculture and Works/environment. Funds are allocated for both recurrent and capital expenditure on the projects and programmes identified under the above departments. The Departments of finance and personnel do not execute capital projects but are there to service the major departments.

The local governments harbour majority of the rural dwellers. These are people that constantly battle with poverty, diseases and lack of access to quality health care services. Commenting on the poor health situation in the rural areas

of Nigeria Chukwu (2010) observed that the lingering cholera outbreak in the country killed three hundred and fifty (350) people across 20 states and infected more than 4,500 others in 2010. Although medical experts have attributed the outbreak of these diseases to inadequate response to the immunization programmes of the government by parents and guardians, greater part of the blame went to government for not paying adequate financial attention to health matters in the country (Sawyer, 2010). Reacting to the poor state of the health of the rural dwellers and the performance of Nigeria in the implementation of programmes aimed at achieving the eight millennium development goals, (Sawyer, 2010) further observed that barely five years to the expiration of the millennium development goals (MDGS) programmes, Nigeria is still ravaged by preventable diseases such as cholera, poliomyelitis, tetanus and tuberculosis, especially in the rural areas.

Generally, it is believed that the future of any country rests to a great extent on the investments made in the key areas that directly impact on the lives of the people, such as the health sector. The health of the citizens of Nigeria is therefore very important and that is why every attention is focused on government's role in providing the necessary funds needed to give the health sector a face lift. In reaction to the 3.5% total allocation to the health sector in the 2011 Federal budget, Nwachukwu (2011) alleged that inadequate allocation of funds is responsible for the dilapidating and inadequate health infrastructures at all levels of governments in Nigeria. Considering the importance of health, the African Union (AU) which Nigeria is a member in 2001, stipulated that all member countries should set aside 15% of total annual budgets of their various levels of governments for the health sector, to improve health services in Africa. This declaration and commitment by African heads of state to set aside 15% of their total annual budgets for health were re-affirmed at AU Summit at Addis Ababa in 2006, AU Conference on Health Systems at Ouagadougou in 2008, AU 15% declaration Anniversary at Abuja in 2008, 4<sup>th</sup> AU Summit at Uganda in

2010 and AU Conference on Health Financing held at Tunis in 2012 (Musango, Elovainio, Nabyonga and Toure; 2013).

Lamenting on the poor state of health facilities and loss of lives to preventable diseases in Africa, Sankore (2008), observed that it is a tragedy that African Leaders should be reminded of their own commitment to invest public funds in public Health at a time when African countries are losing over 8 million lives a year to preventable, treatable and manageable health conditions. This is the equivalent of 21,917 lives lost daily. Despite this stipulation and the re-affirmations, health infrastructure in many parts of Africa including Nigeria are still inadequate. The health of the people in the rural areas of Nigeria is very important to the economy of the country. This is because majority of the farmers that feed this nation dwell in the rural areas. There is therefore every need for all levels of governments, especially the local governments to pay special attention to the health of this class of Nigerians by providing adequate funds for health infrastructural development, hence the justification for this study.

### **Statement of Problem**

There is a popular maxim which states that "health is wealth" and that, a healthy nation is a wealthy nation. (Mahler, 1981 in Bloom and Canning, 2009). Health improvements provide significant boosts to economic growth in developing countries (Bloom and Canning 2009). This leads to the view that health, like education is a fundamental component of human capital and suggests the notion of health led growth. A healthy person can work with efficiency to earn wealth but the reverse is the case for an unhealthy person. The poor state of health infrastructure at the rural level of Nigeria has been buttressed by the UNDP 2012 health reports, which stated that about 46% of Nigeria rural women do not have access to good antenatal care facilities. The report also indicated that child mortality is still very high in Nigeria (800 per

100,000 live births in 2010 as against the global target of less than 75 per 100,000 live birth by 2015). The report blamed this ugly situation on poor primary healthcare system in Nigeria. In Ebonyi State which is the focus of this study, the State Ministry of Health assessment report of 2011 indicated that about 60% of the health posts in the thirteen (13) local government areas of the State still operate in private buildings, which are usually not more than two room apartment. The report also showed that none of the health centres in the local government areas is adequately equipped to take care of the health needs of the rural people. The problem for this study therefore is that there is poor health infrastructure in local government areas of Ebonyi State and this has great adverse effect on the health of the people. The investigator is an indigene of Ebonyi State and is motivated to carry out this study by the poor state of health infrastructures in many parts of the rural areas of the state. There are also insinuations that other departments such as education, agriculture and works perform better than the health department. This needs to be substantiated through proper investigation. The questions being raised therefore are as follows:- Are there budgetary provisions at all for health infrastructural development at the rural areas of the local governments? If there are, are the provisions adequate? What is the percentage budgetary allocation for health? What percentage goes to other departments? What is the Annual Budget to health as compared with the African Union stipulation of 15%? This study is an attempt to answer these questions.

### **Purpose of the Study**

The purpose of this study is to find out the budgetary allocations made to the health department of the 13 local government areas of Ebonyi State from 2010 to 2014 and to compare the health allocations with those of selected departments in each LGA.



## **Objectives of the Study**

The Objectives of this Study are to:

- 1) Ascertain the actual figures of budgetary allocations to the 13 LGAs of Ebonyi State from 2010 to 2014.
- 2) Determine the budgetary allocations to health department and those of selected departments in the 13 LGAs of Ebonyi state from 2010 to 2014.
- 3) Ascertain whether the budgetary allocations to health department in the 13 LGAs from 2010 to 2014 were adequate in line with the African Union (AU) stipulation of 15% of total annual budget to the health sector.

## **Research Hypotheses**

- H0<sub>1</sub>** There will be no significant correlation between the budgetary allocations to health and that of agriculture in the 13 LGAs of Ebonyi State from 2010 ó 2014 (five year period).
- H0<sub>2</sub>** There will be no significant correlation between budgetary allocations to health departments and education departments in the 13 LGAs of Ebonyi State from 2010-2014 (5 year period).
- H0<sub>3</sub>** There will be no significant correlation between budgetary allocations to health department and works/Environment departments in the 13 LGAs of Ebonyi State from 2010-2014 (5 year period).

## **Significance of the Study**

The findings from this study will be of benefit to the local governments and the LGAs regulating bodies namely: the ministry of local governments and the Local Government Service Commission. The findings will reveal the disparities or other wise in budgetary allocations to health and other departments which among other factors may be responsible for the poor performance of the health department. These findings will help the local governments to plan better for the health sector in the future and balance

allocations to the various departments. The findings will also expose the disparity between the budgetary allocations to health and the African Union stipulation of 15% of total annual budget. This calls for conscious efforts by policy makers at this level of government to budget more for the health sector with the aim of achieving the 15% target which will improve health funding at the rural level. This will ensure that adequate health care facilities are provided and welfare of health workers improved.

### **Scope of the Study**

This study is delineated to the budgetary allocations to each of the Health Departments of the 13 Local Government Areas of Ebonyi State from 2010 ó 2014 (a period of 5 years). It is also delineated to the comparison of the percentage allocations to the health department with the departments of education, agriculture and works/environment. This comparison became necessary because of the general belief that some departments attract more attention of the executive than others and thus enjoy higher allocation of funds than others including health department.

### **Operational Definition of Terms**

**Local Government Area (LGAs):** This is a geographical unit and the third tier of government created by Law to serve the needs of Local Communities. In Ebonyi State, there are 13 LGAs namely: Abakaliki, Afikpo North, Afikpo South, Ebonyi, Ezza North, Ezza South, Ikwo, Ishielu, Izzi, Ivo, Ohaozara, Ohaukwu and Onicha.

**Health infrastructure:** Refers to physical facilities such as Lands, Buildings, Hospital Equipment, Water, Electricity and other amenities put in place for rendering health services to the rural people.

**Budgetary Allocation to health:** Refers to money set aside for health facilities such as land space, buildings, Hospital equipment, Water, electricity and for personnel and overhead costs.

**Adequate budgetary allocation to health:** this refers to allocation of up to 15% or more of total annual budget for the health sector.

## **CHAPTER TWO: LITERATURE REVIEW**

This chapter focuses on review of literature related to this study and is presented under the following headings:

Conceptual Review of literature related to the study, Review of theories relevant to the study, Review of Relevant Empirical studies and Summary of Literature Reviewed.

### **Conceptual Review**

#### **Budget and Budgeting**

A budget is used to refer to the document that expresses the anticipated revenue and expenditure of a government or an organization for a given period and is described as the oldest and best control plan for money. It is also defined as a financial plan which is intended to provide a guide for future events and behaviour (Udenta, 2007).

In the Local Government circles, a budget is popularly known as annual estimates and is broadly defined as a conscious and systematic allocation of resources, prepared in advance relating to a future period and based on a forecast of key variables, adopted to achieve certain policy objectives. This definition points to the fact that a budget may or may not set explicit performance targets for the achievement of objectives. It simply relates anticipated expenditure to anticipated revenue and forms the basis against which actual expenditure and revenue can be measured and controlled. Viewed from another angle, a Local Government budget or annual estimate is defined as a plan of action expressed in quantitative and monetary terms over a period of one year (Agbakoba & Ogbonna, 2007). This definition highlights the fact that a budget is a short term plan, while the Local Government Rolling plan which covers a period of not less than five years is a strategic plan.

A budget is also defined as a financial record of the past as well as statements about the future that links proposed income and expenditure with desired future events and projects scheduled for execution. The above proposition brings to bear the fact that a budget is not only futuristic but also historical. It would therefore be said that this view proposes future income and expenditure based on past financial records and future events ( Udenta, 2007). Putting the above definitions together, a budget can now be defined as a financial and/or quantitative plan that shows the expenditure proposed by an organization for a given period of time, the purpose for which the expenditure is to be made and the means of financing them. It is necessary to state here that a budget is different from a plan. While a plan is a programme of activities which an organization has scheduled to carry out over a given period of time, a budget is a financial statement of cost of executing as well as the source of financing the proposed project, to which resources have been allocated according to perceived scale of competing priorities. A budget therefore, can be regarded as an operational tool for implementing a plan.

### **Elements of a Budget**

Nwachukwu (2008) discussed the following elements of a budget.

They are: Plan, quantitative, time frame and approval.

**Plan:** This element points to the fact that a budget is futuristic, forward looking and analytical. Being a plan, a budget presents a layout of activities that are to be carried out, the financial implication and means of raising the funds. It presents a systematic layout of programmes that must be followed with minimal variation. It can be long term plan of up to five years (strategic plan) or short term plan which represents the yearly budget.

**Quantitative:** Being quantitative means that a budget must present facts and figures in quantifiable or tangible terms and provide the yardstick for precise comparison. Items must be clearly stated and amounts required to achieve the

targets must be clearly stated. A budget is not complete without presenting the actual proposed amounts of money required to execute the identified projects. Number of projects must be clearly stated and proposed amounts or prices must also be stated.

**Time Frame:** A budget must cover a specific period of time. A budget can be for a long term plan (strategic) achievable within a three or more year period or for a short term plan covering a year. The yearly budget presents the revenue and expenditure of the organization for a 12 month period. Projects lined up for execution within the year in question are stated in line with what the expected revenue can accommodate. The budget must terminate within the stated time frame and important items which were unattended to are carried over to the next budget under fresh headings.

**Approval:** After the preparation of the budget by the executive arm of the government, legislative approval is needed to legalize the budget for implementation. This is to ensure that all necessary checks and balances are maintained. The process of approval of the budget by the legislature is what is commonly referred to as passing of the budget. This involves careful examination of the budget by the legislative arm, making sure that all necessary areas are covered and that the resources available can fund the budget. After all these, the budget is passed. Once the legislature has passed the budget, it is now ready for implementation by the executive arm through the various agencies and departments of the government. The executive is expected to limit its expenditure to the provisions of the budget. However, where necessary, supplementary budgets can be prepared to cover additional expenditure.

In Nigeria, budgets are prepared to cover a period of one year. This period is referred to as the financial or fiscal year and spans from 1<sup>st</sup> January to 31<sup>st</sup> December of every year.

### **Components of a Budget**

Generally, public sector budgets are made up of two broad components. These components are : Revenue and Expenditure.

In the Local Government System, the Revenue Component is made up of Three Items:

Allocation from Federation Account. (AFA)

Allocation from the State Government (ASG)

Internally generated Revenue. (IGR)

As it stands, AFA represents the share of every local government in Nigeria from the 20% of the national revenue. This is shared monthly by the Federal Allocation Committee (FAC).

ASA represents each local government's share from the 10% of each state's internally generated revenue, which is made available monthly to the local governments. The State Joint Account Committee (JAC) handle the sharing, while IGR represents the internally generated revenue by the activities of the local government itself.

The Expenditure Component of the Budget is made up of: Recurrent expenditure and Capital expenditure.

**Recurrent expenditure:** This is meant for servicing, sustenance and maintenance of the existing human and material resources of the Local Government. It is further classified into personnel and overhead costs. Personnel costs refer to monies spent on salaries and allowances of staff, while overhead costs are for consumables such as stationeries and other services such as maintenance and fueling of vehicles et cetera.

**Capital expenditure:** This refers to funds spent on acquisition of new capital assets. These assets could be fixed assets such as buildings and major installations such as machineries for example: X-Ray machines, power generating sets and so on.

It also represents estimated expenditure on assets and other infrastructure during the period, such assets and infrastructure include roads, electricity, water projects, buildings, lands, vehicles and so on.

The call circular for budget estimates is normally issued by the office of the deputy Governor of Ebonyi state and usually contain directives on how the budgetary allocations are to be made.

### **Budgeting**

Budgeting is the process of preparing, implementing and controlling a budget. In a more general sense, budgeting therefore is concerned with the translation of financial resources into human purpose and may be conceptualized as a series of goals with price tags attached.

### **Importance of Budgeting in the Public Sector**

Eze (2012) discussed the following importance of budgeting in the public sector of which the Local Government system is one:

Effective management of scarce resources:- Budgets when well prepared help in rationalizing the ever scarce resources to the unlimited wants of the society as well as the mechanism for ensuring that these few resources are adequately committed and accounted for. As Musgrave (2007) put it, Budget is an important process by which accountability can be provided in any political system.

Attainment of the four Macro-economic objectives:- Budgets when prepared at the macro-level is directed towards attaining the four macro-economic objectives of: maintaining low inflation, keeping unemployment rates low, enhancing economic growth and keeping balance of payments favourable.

Budgets are tools for effective coordination:- Budgets ensure that various units in an organization function harmoniously towards the attainment of the targeted



goals. This means that through budgets, routine, piece-meal and unplanned decisions taken on ad-hoc basis are avoided.

**Delegation of Responsibilities:** Budgets make delegation of responsibilities easier and possible. This is because what each unit should do, how it should be done and what it should use to achieve the targets are clearly specified.

**A budget is a product of research:-** In the budget process, various objectives are evaluated and accomplishable ones are selected. The course of action to be taken to achieve the objective is weighed and the most effective ones are chosen. The cost and source of financing such actions are also stated.

**It is an important tool of communication in public sector administration:** With the budget, policies of the government are brought to the awareness and understanding of the general public. This gives the masses the opportunity of knowing what they should expect from the government and what the government expects from them too over the period. Also within the government, different units/departments/ministries are made to be aware of what they should do in advance. This helps them to plan and prepare actions necessary to meet the various demands on time.

### **Objectives of Local Government Budgeting.**

**Estimates and Budgeting Control:**

Local Governments have annual and supplementary estimates every year. They prepare annual estimates according to law and supplementary estimates as the needs arise on items not covered by the initial estimates, especially in emergencies. The objectives for preparing these estimates as enshrined in the Financial Memoranda for Local Governments (1991) are as follows:

**To provide a financial framework for action:** The local government estimates are the local government's working plan for the year in question. The activities of the local government must be conducted within the financial framework prescribed by the estimates, as they are finally approved, unless and until

supplementary estimates are approved, which would vary the original framework.

To provide Legal Authority for incurring expenditure: As the estimates are a financial plan of action for the year, their formal approval in accordance with the provisions of the law is the legal authorization for the expenditure envisaged by the estimates. Every expenditure must be covered by a provision in the annual/supplementary estimates, failing which it is illegal or unlawful.

To provide a mechanism for ensuring that adequate controls are maintained over expenditure and Revenue: Having established a financial framework for action, the estimates are then to be used as a mechanism for ensuring that adequate controls are maintained over expenditure and Revenue. In the local governments, accounting system is directly related to the heads and subheads of the estimates. When the amount spent under any sub-head gives an indication of being likely to exceed the approved estimates, the control arrangement must be such that prompt steps are taken either to obtain a supplementary authorization or to contain the approved estimates.

To establish the financial position of the Local Government: The estimates must reveal, taking the expenditure and revenue figures together, the estimated financial position of the Local Government at the beginning and end of the particular financial year, on the assumption that revenue and expenditure proceed on the basis set out in the estimates. This makes it possible for the true financial position of the local government to be known (Ani, Eze & Ani, 2010).

**Budgeting Procedure:**

These are the procedures to be followed in the preparation of a budget. These procedures are cycles because they get repeated as long as the budget is been prepared and implemented. Kavenagh, Johnson, and Fabian (2013) discussed the following budgeting procedures.

*Budgeting Decisions:* Before budget preparation, certain decisions concerning the budget must be taken by the top management of the organization. Technical experts are also involved in the decision process. These decisions should be focused on the core objectives of the organization, availability of resources, goal setting and policy selection.

*Type of Budget to be Prepared:* The first decision is on the type of budget to be prepared. Should the budget be surplus, balanced or deficit. A budget is said to be surplus if expected revenue exceeds expected total expenditure. It is balanced if the expected receipts equal total pay outs. It is deficit if expected revenue is less than expected expenditure. It is always required that local governments budgets be surplus or balanced at worst. This is because they can not finance the excess payments made over receipts, which is done through printing of money. It implies therefore that it is only the federal government that can manage a deficit budget since printing of money is the sole right of the federal government.

*Budgeting Approach:* It is very necessary that the approach to be used is clearly stated. This may be any or a combination of the following:

- Traditional Budgeting Approach: This is a budgeting approach in the public sector that focuses on identifying what government wants to spend its money on (expenditure heads) and allocation of resources to the expenditure heads identified. Subsequent allocations are made to these heads annually on incremental like basis as directed by management given the estimated available resources. This approach is sometimes referred to as line-item or incremental or object-of-expenditure budgeting approach. It involves the submission of budget requests or input by heads of departments to the estimate/budget committee headed by the Chief Executive of the organization. In the case of local governments, the Chairman is the Chief Executive. The various inputs are

collected, modified where necessary and submitted to the legislature by the chairman. The legislature will examine the overall requests as submitted by the chief executive and finally makes appropriation along the object-of-expenditure input lines. This system of budgeting has an expenditure control orientation and lays emphasis on proper accounting for resources utilized by government. It is basically an input budgeting approach. The merit of this approach is that it provides an orderly and objective basis for financial planning and control. It provides a uniform framework for establishing and maintaining a set of orderly records and is simple and easy to prepare. This system has been in standing use in Nigeria.

- **Planning and Programming Budgeting System (PPBS):** This is a long range planning approach which defines the broad objectives of the government, which are to be achieved, for example: building university, establishing an irrigation project et cetera. These broad objectives are delineated to objectives or targets that are to be pursued by the functional areas or agencies of the government. In this approach, inputs and programmes for the attainment of the objectives are outlined, alternative programmes for attaining both the broad and sub-objectives are identified and forecast of future costs and constraints for executing the programmes are made. The expected output of each programme is equally obtained. All the alternatives are then compared and the most acceptable ones are chosen based on selected criteria after due systematic analysis. The programming process is then linked with the budget process. The emphasis here is on judicious allocation of available resources to various activities and programmes of the government to ensure effectiveness. This approach also involves establishing standard yardsticks for measuring the performance of the functional areas of government executing their programmes. It also involves comparing actual inputs and objectives attained with predetermined targets. Here the programmes are not necessarily made to be accomplished within a fiscal period. They are continuously appraised and subsequently renewed each

year. The main problem in this approach is that it might be difficult to complete the programmes within the tenure of the initiating officer. This may lead to abandonment of projects if the succeeding government has a different agenda. This system is not popular in Nigeria because of its high technicality.

- Zero Based Budgeting (ZBB): This is a budgeting technique whereby ongoing programmes are evaluated from time to time to determine their continued relevance. In this method, programmes are examined from the scratch as though they were being launched for the first time. ZBB system assesses all activities, justifies all on-going projects that require funds and then prepares sufficient estimates for their implementation. The hallmark of this method is that ongoing activities are handled intensively as if they are just starting or new.

The Zero-Based budgeting procedure involves splitting the organization into decision units, defining activities to be carried out by each unit, determining the objective of each activity to be executed, explore alternative ways of doing the activities, prepare budgets for the activities and then rank all activities in order of importance.

This method overcomes the shortcoming of the incremented budgeting system by not granting resource approvals to projects simply because they had once been approved. The ZBB system is nevertheless very expensive in terms of money, time and manpower requirement. As a result of the above, this method is not used as a regular budgeting approach but is treated as an occasional special report review.

- Performance Budgeting Approach: This approach aims at relating performance levels to estimates and to ensure that the activities are geared towards achieving government objectives. It advocates deployment of funds based primarily upon measurable performance of functions.

This method involves defining programme of activities to be performed, drawing budgets for the activities, evaluation of programmes performances, and then comparing actual performance with budgeted estimates. Here, inputs and outputs are evaluated and this instills an attitude of cost consciousness in government officials. The major fault of this approach is that while the focus is on management performance, alternative policy objectives and strategic devices to be made for the future are ignored. From the above overview, it is clear that a single approach does not capture the entire scope and expectations of public sector budgeting. For instance, while PPBS and ZBB approaches provide excellent methods for choosing effective programmes for implementation, the cost of adopting them might be difficult to afford. Furthermore, while the PPBS and ZBB systems are amenable to quantifiable parameters, the traditional or straight line approaches may serve better in pursuing quantitative programmes. It is therefore advocated that all available techniques should be adopted in as much as the method is well applied. Since budgets are both political and economic instruments, the approaches should be simultaneously used to suit the circumstances under consideration.

*Goal Setting and Policy Selection:* The next consideration in the budgeting process is to set goals/objectives to be pursued by the organization for the period under review. This is followed by selection of policy instruments to be used towards achieving the goals. The goals must be unambiguous, attainable and realistic. The Chief Executive of any organization has the overall responsibility of determining the broad goals to be pursued by the entity and the policy instruments to be used. In the Local Government system, it is the primary responsibility of the Executive chairman who is responsible to the electorates for the success or failure of his policies.

To discharge this function effectively, the chairman carries out wide consultations with heads of departments, supervisors, councilors, traditional

rulers, community leaders, other Chief Executives, policy analysts and other levels of Government. This helps the chairman to be well equipped with information that will guide him to take popular decisions.

### **Preparation of Local Government Budget/Estimates**

The chairman of every Local Government shall in each year cause to be prepared a detailed estimate of its revenue and expenditure for the next ensuing financial year and send same to the Council who shall consider and approve, with or without modifications of such estimates or budgets. Where it appears to a Local Government in any year that expenditure for any specified purpose is desirable and no provision, or insufficient provision thereof has been made in the estimate for such a year, the chairman may submit a supplementary estimate to the legislative council for consideration and approval (Ani, Eze and Ani, 2010).

*Local government estimate procedure:* To ensure that the annual estimates are approved by the Local Government Council before the commencement of the financial year to which they relate and that any directives of the State Executive Council on estimates submitted are available as soon as possible thereafter, a strict time table is designed for preparation of estimates. According to Egurube (2011), there are thirteen (13) steps to be followed in the preparation of Local Government Estimates as follows:

*State call circular for Local Government Estimates:* Each year, the Local Government department of the Deputy Governor's office issues a circular calling for the preparation of estimates for the forth-coming financial year by Local Governments. Such circular is issued in such a time as to reach each Local Government to which it is addressed, by 1<sup>st</sup> June of the current year. The call circular usually contain such general guidelines to be followed by Local

Governments in the preparation of their estimates as to reflect the State Government's Policy and Priorities in regard to the discharge of functions and provisions of services at the local level and also stress such procedural and timing matters related to the objectives and contents of estimates.

*The Treasurer's Call Circular:* Immediately on receipt of the state call circular and not later than June 10<sup>th</sup> of the current year, the treasurer is expected to issue an estimates call circular to Heads of departments. This call circular according to Ani, Eze and Ani et al (2010) includes:

An indication that the deadline for departmental estimate proposals to reach the treasury is July 10<sup>th</sup> of the current year;

A copy of the state call circular;

Policy decision of the Local Government Council regarding the content of the estimates and the priorities to be reflected therein;

Directives of the Finance and General Purposes Committee (F&GPC) regarding the detailed procedures to be followed in estimates preparation.

Any other matters which may facilitate the budgeting exercise.

*Preparation and Submission of Departmental Estimate Proposals:* Under the general direction of the appropriate supervisors, the heads of departments prepare the estimate proposals for each of the services concerned. The estimate proposals comprise:

Estimate of the revised revenue and expenditure (recurrent and capital) for the current year; and estimates of the revenue and the expenditure (recurrent and capital) for the following financial year. The departmental estimate proposals supported by full explanatory notes are expected to be forwarded to the treasurer by July 10th of the current year.

*Treasurer's Summary of Departmental Proposals:* Not later than 31<sup>st</sup> July of the current year, the treasurer is expected to consolidate the estimate proposals of



departments, including the Treasury and submit them through the Executive chairman for consideration by the Finance and General Purposes Committee (F&GPC). To accompany the estimate proposals are:

A report on the general financial situation of the local government and

A preliminary summary of the financial position on Local Government Treasury Form 10 (LGT10).

*Consideration of Departmental Estimate Proposals by the Finance and General Purposes Committee (F&GPC) and the Council (Legislature):* The Finance and General Purposes Committee which is the highest decision making body of the executive arm is made up of the Executive Chairman, the vice chairman, the supervisors, the secretary to the Local Government (SLG), the Head of personal Management (HPM), and the Treasurer (TR). The F&GPC is expected to consider the estimate proposals and the report and summary prepared by the Treasurer as per above. The committee holds such discussions with heads of departments as it considers necessary to clarify provisions made in the estimate proposals.

*Approval in principle of Local Government Estimate Proposals by the Council:* In the light of the State Government's guidelines and directives concerning the annual budget and the report of the Finance and General Purposes Committee (F&GPC) and after reckoning on the measures necessary to achieve a sound financial policy and to provide adequate funds for implementing council's policies and programmes, the Local Government Council

Approves in principle the estimate proposals as placed before it, or with such amendments as appear necessary to the Local Government Council and

Indicates the extent of the increases in taxes, rates, license fees, rents and such charges (if any) which will be acceptable to the Local Government

Council in order to help finance the expenditure provided for in the budget.

*Preparation of Draft Estimates of Local Government:* Following receipt of the directives of the Local Government Council in accordance with the provisions of the Financial Memoranda (FM) 3.15, the F&GPC is required to prepare the draft estimate of the Local Government and forward same to the Department of Local Government Affairs in the Deputy Governor's Office.

*Scrutiny of Estimates by the office of the Deputy Governor of Ebonyi State:* The Local Government Department of the Deputy Governor's office scrutinizes the draft estimates of the Local Government in accordance with FM 3.17 with a view to ensuring that:

There has been compliance with the terms of call circular issued to the Local Government by the State Government,

There has been compliance with the directives issued by the state executive council in accordance with the provision of FM 2.12 for determining the financial soundness of a Local Government, and that the estimates are consistent with the approved Local Government Development plan.

After the scrutiny of the estimates and receipt of explanations where necessary, the Department forwards its comments to the Local Government not later than 31<sup>st</sup> October of the current year.

*Preparation of Amended Draft Estimates of the Local Government:* Following the receipt of the comments of the Local Government Department of the Deputy Governor's office on the draft estimates, the Finance and General Purposes Committee (F&GPC) prepares amended draft estimates and submits them to the

Local Government Council not later than 20<sup>th</sup> November of the current year accompanied by such report as the committee considers to be necessary.

*Approval of the Estimate (Budget) by the Local Government Council:* The Local Government Council is expected to consider the amended estimates together with the report of the F&GPC at a meeting to be held not later than 15<sup>th</sup> December of the current year. After a careful review of the measures necessary to achieve a sound financial position and provide adequate funds for implementing Council's policies, the Council:

Approves the draft estimates as they stand or with such amendments as the council thinks fit and;

Approves such increases in taxes, rates, license fees, rents and charges as the council considers appropriate.

*Forwarding of Approved Budget (Estimates) to Deputy Governor's office:* Following its approval of the Annual Budget (Estimates), the council forwards copies of the items to the Local Government Department, Deputy Governor's office not later than 31<sup>st</sup> December of the current year:

The approved annual budget (Estimates) including the Financial Summary.

The council's Resolution approving the Estimates; and

Financial or other statistics as prescribed by the Deputy Governor's office.

*Submission of Budget (Estimate) to the State Executive Council:* The Local Government Department of the Deputy Governor's office submits the Budget and the Local Government council Resolution to the State Executive Council presided over by the Executive Governor of the State not later than 15<sup>th</sup> January of the Budget year. The State Executive Council after going through the budget, will in due course make its decision known to the Local Government Council.

*Implementation of the Approved Budget Pending the State Executive Council Validation:* The following rules apply with regard to the implementation of the budget approved by the Local Government Council in accordance with FM 3.21:

Where the Local Government has complied with the State Government guidelines and directives concerning the budget, the annual Estimates shall be implemented with effect from the first day of the financial year to which they relate (January 1<sup>st</sup>).

Where the Estimates do not comply in all respects with the State Government guidelines and with the directives, a directive may be issued by the office of the Governor to cover essential expenditure by the Local Government until such a time as the state Executive council has considered the estimate and issued a directive in accordance with the relevant sections of the Local Government Law of the state.

If, for any reason, the approval of the Annual Estimates of a Local Government is delayed, Financial Memoranda (FM) 3.27 provides that the Local Government shall, until such approval is given, spend during each month an amount not exceeding 1/12<sup>th</sup> of the amount provided under each section of each Head in the Approved budget for the year prior to that to which the yet-to-be-approved budget relates.

### **The Capital Budget (Estimate)**

The capital estimates are divided into capital receipts and capital expenditure. It covers estimated income (receipts) and expenditure meant for development of capital projects in the various sectors of the Local Governments, just as it is obtainable in the Federal and state governments respectively. Some of the capital projects which the Local Governments can embark upon include: rural electrification, Manufacturing and Crafts, Forestry, Road and Bridges, Building and equipment of Health Centers, provision of class room blocks for schools,

water supply, livestock, construction of sewage and drainage facilities, office buildings, staff housing, social development and sports et cetera (Ani, Eze and Ani, 2010). These services are provided under the following headings:

Economic sector like building of markets.

Social service sector like building of recreational and sporting centers.

Area development like building of roads and provision of electricity.

Administrative sectors like building of office blocks et cetera.

*Estimated capital receipts shall include:*

Internal sources which is made up of transfer from Revenue funds and Development fund receipts.

Local Government share of statutory allocation from the Federal Revenue Account.

Loans from external and internal bodies.

Grants from Federal, state and other agencies.

Estimated capital expenditure shall include only the expenditure on capital projects approved in the plan and which can reasonably be expected to be started in the year of estimate, or were started but not completed in previous years (Duru, 2006).

### **Budgetary allocations to health**

Budgetary allocations to health refer to provisions made in the budget for the development of the health sector. At the local government level, health budgets are meant for the provision of health infrastructures such as building of new health centers, health posts, maternity centers and dispensaries, maintenance of existing health facilities, procurement of hospital equipments such as ambulances, beds, trollys, surgical and dressing equipment, X-ray machines, refrigerators, vehicles and motorcycles, others include: provision of portable water, construction of sewage facilities and sponsorship of health information

services in the form of health education. Budgetary allocations to health are also used to remunerate health staff under recurrent expenditure as well as provide for overhead costs. Health allocations are also meant to address training and retraining programmers for health personels to ensure that enough qualified staff are available to man the health facilities provided by the local governments. It is the importance of this sector that prompted the African Union (AU) to stipulate that all levels of governments in Africa should set aside 15% of their total annual budget for the health sector to ensure meaningful development in this key area.

### **The Role of the Nurse Administrator in budgeting processes**

Nurse Administrators, like other Administrators engage in series of planning activities and budgeting at their various levels of involvement in both public and private sector administration. As Foley (2009) stated, "it is the responsibility of the Nurse Administrator to ensure that the proposed activities of the Nursing Department are fully captured in the main budget of the health organization." This is to ensure that financial and other constraints do not hamper the activities of the department within the budge year.

The extent to which a Nurse Administrator participates in budget preparation and implementation largely depends on the type of organization where the Nurse is working in. while those in Tertiary Health Institutions enjoy little autonomy, those in Local Governments enjoy greater autonomy in budget preparation and execution (Akinboye, 2008). Whatever the case may be, Jose (2013) Stated that Nursing budget follows three stages of development namely: formulation stage, Review and enactment stage and Execution stage.

*Formulation stage:* Upon the receipt of notification for budget preparation, the Nurse Administrator will normally set up a departmental budget committee. All the unit heads in the department are notified to bring up the

needs of their units. After collecting the units needs, the Nurse Administrator and the budget committee will review the requests and build up the departmental budget. Care is taken to develop clear departmental objectives and management plans. Costs are attached to all identified projects through the assistance of cost managers or accounting officers.

*Review and Enactment Stage:* The Nurse Administrator having carefully reviewed the departmental budget submits same to the central budget committee or to the office of the Executive Chairman through the council planning unit of the Department of finance in the case of Local Governments. The submitted budget requests and justification for the proposed expenditures are assembled and forwarded to the office of the Executive Chairman who forwards same to the F & GPC for review, analysis and modification. The prepared budget is forwarded to the legislative council for deliberation and passing of the budget. The passed budget is returned to the chairman who signs it into operation.

*Execution Stage:* The Nurse Administrator who at the Local Government level is also the head of department, the Supervisory councilor for Health, head of Works and Supervisor for Works are jointly responsible for the execution of the budget in Local Government Areas and funds are made available based on the financial strength of the council. In the execution of the budget, the Nurse Administrator and the Head of Works who are career staff sign all project requests and retire all funds made available to the department.

In the case of Tertiary health institutions, most projects identified by the Nurse Administrator/ Head of Nursing Department are handled by the Institutions management through the appropriate departments: The Nursing department only receives the items provided by the management for day to day running of the department.

In all cases, the executor of the budget should ensure that expenditures do not exceed the approximates made in the budget.

## **Factors affecting budget implementation**

Budget being a projection of what will take place if the expected conditions and forecasts are favourable can be affected by a number of factors. Adefuye (2011) discussed the following factors that affect budget implementation in public sector budgeting:

*Poor pre-budgeting assessment and inadequate data collection:* Assessment and collection of necessary data in the areas of need are very important in budgetary processes. These data supply information on areas that need to be addressed, financial implications and amount of time required to achieve the set targets. If this is not properly done, it will be difficult to maintain specifics in budget preparation and implementation.

*None participation of all relevant stakeholders in budget preparation:* This also can lead to poor budgetary implementation because all areas are not covered. There may be under estimation or over estimation because the person who is directly involved in such areas were not involved during the estimate building time. It is therefore necessary that all relevant stakeholders from different agencies and departments are involved in budget preparation.

*Poor knowledge of planning and budgeting processes by budgeting and planning officers:* People involved in budget preparations should be very knowledgeable about planning and budgeting processes. Where this is lacking, the budget may not be all embracing or there may be over estimations. Training and re-training are therefore very necessary for planning and budgeting officers to fill this gap.

*Weak synergy between the departments of planning, budget and statistics:* These departments complement each other in their roles in producing a well made budget. Where cooperation is lacking, the budget is bound to have deficiencies. The planning unit or department must roll out the required plan, followed by the office of statistics which has to do all the necessary



computations, then the budgetary office which has to articulate all the contributions to build the budget.

*Late preparation of budget:* Late preparation of budget will obviously affect its implementation since all items in the budget are time bound. Adefuye (2011), noted that United states of America (USA) budget is usually ready by the middle of the current year, but in Nigeria, the reverse is usually the case. By December of the current year or January of the next budget year, the next budgetary estimate may not yet be ready in Nigeria. In many instances, Nigeria budgets are passed three or more months into the current year. This is not good for effective resource management and budget implementation. Budgets should be ready on time to ensure effective implementation.

*Lack of funds:* A good budgetary estimate that is not backed with adequate funds is just a mere paper work that is worth nothing. Budgets must be well funded item to item for it to be fully implemented. Lack of funds will mean that a lot of items in the budget will not be attended to. This will obviously make a mockery of budgeting and render the operators of such system handicapped, in meeting the needs of the people.

## **The Local Government System**

In Nigeria, the Local Government is the third tier of Government that takes care of the needs of the common man. It is the closest to the people.

### **Concept of Local Government.**

The Local Government has been variously defined based on the objectives, circumstances and understanding of the authors concerned. For the purposes of this study, few of these definitions will be presented. According to Ani, Eze & Ani, (2010), "Local Governments are institutions set up by law and empowered to undertake specific administrative and executive functions for the benefit of

the inhabitants of a particular council area, including the general responsibility of assisting in maintaining order. The highlights of this definition are that a Local Government must be established by law. It should also be able to provide services to the people for whom it is established. Its activities must be controlled by the Federal and State governments.

Olisa, Okoli & Nwabufo (2007), see Local Government as a unit of government established by Law to exercise political authority, through a representative council within a defined area. By this definition, Local Governments, under proper guidance and framework would and should move from mere administrative convenience arrangement to a structure that enjoys requisite legitimacy and autonomy. Local Governments should have elected representatives who are representing the interests of their various communities that elected them. Such councils should be able to come out with policies and programmes that will improve the lot of the people. The Units may be rural or urban. Thus we have Urban and Rural Local Governments in Nigeria. The Urban Local Governments are those mainly found within the state or Federal capital territories.

Udenta (2007), opined that Local Governments are essential instruments of National or state governments for the performance of certain basic services which can best be decided upon and administered locally on the intimate knowledge of the needs, conditions and peculiarities of the areas concerned. It unites the people in a defined area, in a common organization whose functions are essentially complementary to those of the central government and in the interest of the local residents, for the satisfaction of common community need. By this definition, the fact that a local government must have a defined area of operation is brought to bear. The local government therefore, is a means by which a local community satisfies jointly its common problems and needs which would have been difficult of solution by individuals. Consequently, the effectiveness of Local Governments are judged by the development they

generated, social amenities they provide such as water, electricity etc, and finally to the extent to which they have catered satisfactorily for the happiness and general well being of the communities they were established to serve.

As provided in the 1979 constitution of the Federal Republic of Nigeria following the 1976 Local Government reforms, the local government is the government at the local level, established by law to be managed through representative council, to exercise control over local affairs as well as their staff. Local Governments have institutional and financial powers to initiate and direct the provision of services in their areas of jurisdiction. They are designed to ensure active participation of their people and traditional institutions in initiating and implementing projects that complement that of state and Federal governments, with the sole aim of meeting the needs of the citizens.

Legally, a local Government is defined as a body corporate, having perpetual succession and a common moveable and immoveable properties. Like all corporations, it can sue and be sued. Some Legal aspects of the Local Government in order of importance include: the Law setting it up and its seal, the instrument which is the charter or constitution of the local government and its Legal possession which contains the rules, regulations and procedures of the meetings of the council (Olori, 2007).

Although many more definitions and explanations still abound with some slight differences in the views of the authors, a major agreement among them is that local government is the closest to the people and is intended to meet their political, social and economic aspirations. They provide communities with the framework which enables them to conduct their affairs effectively and regulates the activities of members for their general good.

### **Reasons for Establishing Local Governments.**

Akinboye (2008) stated that, Local Governments are established for the following reasons: The reasons are to:

Bring government nearer to the people.

Serve as a link between the people at the grass root and the central government

Achieve rapid development of the rural areas.

Allow indigenes from different localities to govern themselves.

Mobilize both human and material resources in the local areas.

Allay feelings of insecurity and fear of ethnic domination.

Lessen governance burden on the Federal and state governments.

Give people in the rural areas a sense of belonging.

Preserve the traditional institutions in the local areas.

Avoid too much concentration of power in one authority.

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

The functions of the local government as contained in the fourth schedule of the 1999 constitution of the Federal Republic of Nigeria are as follows:

*The main functions of a local government are:* The consideration and the making of recommendations to a state commission on economic planning or similar body on: the economic development of the state, particularly in so far as the areas of authority of the council and the state are affected and Proposals made by the said commission or body Collection of rates, radio and television licenses, establishment and maintenance of cemeteries, burial grounds and homes for the destitute or infirm, licensing of bicycles, trucks, canoes, wheel barrows and carts. Others are establishment, maintenance and regulation of slaughter houses, slaughter slabs, markets, motor parks and public conveniences, construction and maintenance of roads, streets, street lightings, drain, parks, gardens, open spaces, or such public facilities as may be prescribed from time to time by the House of Assembly of a State.

Naming of roads and streets and numbering of houses.

Provision and maintenance of public conveniences, sewage and refuse disposal.

Registration of all births, deaths and marriages.

Assessment of privately owned houses or tenements for the purposes of levying such rates as may be prescribed by the House of Assembly of a State, and Control and regulation of Out-door advertising, movement and keeping of pets of all descriptions, Shops and kiosks, Restaurants, bakeries and other places for sale of food to the public, laundries and licensing, regulation and control of the sale of liquor.

The functions of local government council shall include participation of such council in the government of a state in respect of the following matters: the provision and maintenance of primary, adult and vocational education. The development of Agriculture and natural resources, other than exploitation of minerals, The provision and maintenance of health services, and Such other functions as may be conferred on a local government council by the House of Assembly of the state.

### **Local Government Areas in Ebonyi State.**

Ebonyi State is one of the five states that make up the south East of Nigeria and was created by the late General Sani Abacha regime on 1<sup>st</sup> October, 1996.

The state is made up of thirteen (13) Local Government Areas (LGA) namely:

Abakaliki Local Government Area

Afikpo North LGA, Afikpo South LGA, Ebonyi LGA, Ezza North LGA, Ezza South LGA, Ikwo LGA, Ishielu LGA, Izzi LGA, Ivo LGA, Ohaozara LGA, Ohaukwu LGA, Onicha LGA.

Ebonyi State operates the unified local government system as prescribed by the 1976 local government reforms and as encapsulated in the 1979 constitution of the Federal Republic of Nigeria. The Local Government Service Commission, the Ministry of Local Governments and the office of the Deputy Governor serve as regulatory bodies and oversee the activities of the local governments at various functional levels.

## **Review of Theories Relevant To The Study**

For the purpose of this study, the following theories which are considered to be of great relevance are discussed. They are:

The strategy formulation theory

The Economic Perspectives

### **The Strategy Formulation Theory.**

Strategy as it applies to public sector administration, of which the Local Government is one, is the determination of the direction in which an organization needs to go. It also encompasses the actions necessary to ensure that the direction is followed (Forley, 2005).

Strategy formulation theory therefore is a body of knowledge that focuses on the process where executives evaluate an organization's strengths and weaknesses in the light of opportunities and threats present in the environment and decide on strategies that fit the organization's core competencies and available opportunities (SWOT Analysis) (Porter, 2009). The strategy formulation theory presents a logical sequence which involves looking at past performance, analyzing the current situation, projecting into the future, generating choices in terms of products or services and markets, making choices and then implementing the chosen strategies.

This theory is the hallmark of budgeting processes in Nigeria and in other countries of the world and provides a matching theoretical framework for this study. Budgeting process in Local Governments as presented earlier follows a logical sequence of looking at the past budgetary provisions and performance, assessing and analyzing the present situation that needs to be addressed and planning for the future which could be short term or strategic planning (long term planning).

Porter (2009) presented the different stages of strategy formulation and implementation as follows:

*Determination of the Organization's Mission:* The mission of an organization is its defining purpose. In the case of a health service organization, its mission could be to render the best possible service in a particular specialty such as cardiothoracic surgery. In the case of a public service organization like the Local Government, it could be to provide the best possible welfare services to the population of the area.

*Determination of Organizational Goals:* An organization's goal states the intention behind the organization's actions. Consideration needs to be given to the following factors.

What the mission of the organization is;

Who its key stakeholders are;

What type of activities the organization should be undertaking;

What services the organization is required to undertake under government legislation and which are discretionary;

What services and goals it should provide;

To whom services or goods should be provided.

Thus for instance, the goal of a Local Government and its budgetary provisions could be to build health centers in all the communities in the council area or to construct access roads in all the communities in the Local Government. The main focus here is that Local Governments like other public sector bodies have identified core value or priorities in recent years which define their core performance objectives over the medium to long term goals.

*Determination of Objectives:* These are quantified long term and short term performance targets which the organization wishes to achieve. Corporate objectives relate to the organization's activities as a whole and will normally be set by the Executive board, cabinet or other senior committee of an organization.

Once the corporate objectives have been established, they need to be broken down into subsidiary areas for the component units of the organization. These units of departmental objectives relate to the specific objectives of individual services or business units within an organization. In the Local Governments, the Finance and General Purposes Committee (FGPC) set the objectives while the implementation units are the departments. The objectives have to be SMART-Specific, Measurable, Attainable, Relevant and Time-bound. For example, the Local Government will sink four Boreholes per community every two months, in each of the six communities that make up the council area, during the next year.

*External Appraisal:* External appraisal according to porter (2009) involves analyzing the environment in which an organization operates in terms of the risks and uncertainties it faces, its current competitive position, and opportunities or threats which it needs to address. In the case of the Local Government which is a public service body, the budgetary objectives will greatly be influenced by the local strategic partnership, the health and voluntary sectors, the state and federal government. Also of significant influence are the social, political and economic trends.

*Internal Appraisal:* Internal appraisal entails examining the resources that an organization possesses in order to assess its strategic capabilities so that choices of future strategies can be made. This will enable management to decide what resources and skill bases are required for each potential activity and which ones the organization currently possesses. In the Local Government, internal appraisal is done to determine staff strength, skill bases and training needs, revenue at hand and expected revenue to determine what is available and what is not. This makes for effective budgeting.



*Corporate Appraisal:* This is the bringing together of the internal and external appraisal, and a consideration of where the organization stands in terms of its mission, aims and objectives. It is likely that gaps will be identified and that new strategy options will need to be generated to plug those gaps. This corresponds to the weekly FGPC evaluation of the overall performance of the council in its budgeting implementation and general duties. Identifying areas of lapses and proffering solutions.

*Generation of Options:* This involves identifying possible courses of action or strategies that enable objectives to be achieved. Strategies are concerned with matching, the capabilities of an organization with its environment. The strategy formulation theory is chosen as one of the theoretical frame works for this study because it provides the logical sequence upon which every good public sector budgeting process should follow, based on SWOT analysis of the organization, of which the Local Government is one.

### **Application of the strategy formulation theory to this study**

The strategy formulation theory is the hallmark of budgeting processes in Nigeria and all public sector budgets follow the same pattern (Udenta, 2007). The Economic principle of scale of preference based on identified needs of the Government and the people is utilized, to choose the projects that need more urgent attention and funds are allocated to them based on available resources. SWOT analysis is usually done to determine areas of strength and weaknesses before drawing the scale of preference. The mission of the Organization which specified what is expected of the organization and the vision which presents achievable strategic plans are all born in mind before budget preparation.

In preparing Health budgets, the Nurse Administrator and other stakeholders carry out comprehensive assessment of the needs of the health Department, based on what is required to meet the health needs of the people. All necessary

projects are identified and prioritized (scale of preference), past performances are noted and ongoing projects that need completion are also noted. The actual budget preparation is now done following a logical sequence which this theoretical framework stands for.

The health budget is based on the mission and vision of the Health Organization with clear goals. Objectives are set with quantified long term and short term performance targets which the organization wishes to achieve, Appraisals are done from time to time, to determine the extent of performance of the budget and courses of action and strategies that enable objectives to be achieved are identified and implemented. All these are in line with the focus of this theory.

### **The Economic Perspectives theory**

The Economic theory of Local Government is based on the fact that the society is a self-developing system of human activities (Varma, 2005). It states that, "all human activities are one way or the other economic; whether short or long term activities". As Udentia (2007) observed, "the society and the economy are synonymous; hence, the society is the economy and the economy is the society". The core thrust of this theory is the division of labour framework. There is division of labour among the three tiers of government viz, Federal, state and Local Government. Each of these tiers has several roles to play, all aimed at boosting the National economy directly or indirectly. As an economic-organizational system, the Local Government is expected to foster the economic development of the host community, be it rural or urban. According to Udentia (2007), Local Governments are expected to fulfill the above through the following activities among others:

Provide Avenues for data gathering: The local government is the custodian of demographic data required for economic planning and National

development. Such data include, birth and death registration, vehicles and other physical indicators census.

Medium for grassroots development and administration of National economic programmes: The local government serves as a medium through which development and National programmes get to the people. Such programmes include: Health for all and allied immunization campaigns; universal Basic Education, Extirpation of harmful traditional practices, poverty alleviation programmes etcetera.

The Local Government also serves as an available ready platform for the pursuit and realization of minimum national and international welfare standards: Minimum welfare standards such as 15% budgetary allocation to health and other welfare standards set nationally or internationally are expected to be seen in operation at the Local Government level. As applied to budgeting, this theory emphasizes the importance of planning and prioritizing of needs using information from the demographic data collected from the people and allocation of funds to provide for those needs, based on available or expected resources. This is summarily the whole essence of budgeting.

### **Application of the Economic Perspectives Theory to this Study**

Applying this theory to Local Governments, it brings to light the interconnectedness of man's social, political, economic and cultural activities. According to Udentia (2007), "the end point of all activities of man is virtually economic directly or indirectly", stressing that it is impossible to separate the political, social, and cultural man from the economic. The Local Government integrates these activities to create a sound economic base for the grassroots people.

As provided in section 7(3) of the 1999 constitution of the Federal Republic of Nigeria, "It shall be the duty of a Local Government Council within a state to

participate in economic planning and development of the area within its jurisdiction. This can be done through various economic empowerment programmes such as building of skills acquisition centers, creating employment opportunities, scholarships and educational grants, provision of Agricultural inputs such as fertilizer, improved seedlings et cetera.

Still on the application of this theory to Local Governments, Nwachukwu (2008) was of the opinion that if an underdeveloped nation wants to achieve economic development, it must first change its governmental structures, so as to provide self-government for its rural villages and districts. This is because of his conviction that bringing the government closer to the people will ginger economic and all round development. This can be seen in the cases of the newly created states and Local Governments from areas which hitherto were grossly underdeveloped. These areas have within a short time witnessed great transformations in their economic and other areas of life.

The Local Government therefore, is an avenue clearly mapped out for capacity building, empowerment of the people and economic development ó whether the host community is rural or urban. Providing all necessary health infrastructures in the rural areas through enhanced capital budgetary allocations to the Health department, will improve the health of the people and reduce deaths. The rural people will have access to quality health services, thereby reducing mortality arising from preventable, treatable and manageable disease conditions. This will result in a healthy population, that will put in their best to improve their personal economy and that of the Nigerian Nation at large. All these make this theory very relevant to this study because it is only a Government with sound economy that can make adequate budgetary provisions for all her expenditure heads, including health.

### **Review of Relevant Empirical Studies.**

Though some studies have been carried out in related areas of this work at the Federal and State levels, not much was found at the local government level. This study is therefore an attempt at filling this gap. Sule (2013) at Abuja, Nigeria carried out a study to compare Nigeria's 2013 budgetary allocation to health with the African Union (AU) stipulation of 15% of total annual budget to health between December 2012 and January 2013.

This was a descriptive design and profoma was used for data collection. He used simple percentages to compare results. His findings after data analysis showed that the N279 billion allocated to the health sector representing 5.7% of the 2013 total Federal budget was grossly inadequate when compared with the 15% recommended internationally. On per head spending on healthcare, he discovered that Nigeria Federal government provision for per head spends on health in 2013 budget was N1, 680 (one thousand, six hundred and eighty Naira) as against World Health Organization (WHO) recommendation of a minimum per head spend on health of N6, 908 (six thousand, Nine hundred and eighty Naira). This leaves a gap of N5, 224 (Five thousand, two hundred and twenty four naira) at the Federal level. The researcher observed that this gap is too wide to be filled by autonomous spending from states and Local Governments. He recommended that the Federal government should step up the allocation to the health sector to meet internationally recommended health care spends.

In a related development, Sule (2013) in a follow up study between April and September 2013, that determined Nigeria's Federal allocation to health and pattern of spending by the Federal Ministry of health Abuja, using descriptive design and profoma for data collection and simple percentages for data analysis,

came up with the following findings; that out of every ₦100 (one hundred naira) allocated for healthcare delivery, ₦77.00 (Seventy Seven Naira) or 77% is spent on payment of personnel employed in the sector, leaving just 20% (₦20) for capital expenditure and ₦3.00 (3%) for overhead costs.

The study concluded that the 20% for capital healthcare spending was grossly inadequate for the over 50 (fifty) Federal Medical Centers and Teaching Hospitals across the Nigeria federation, to maintain existing health facilities or acquire modern medical equipment. The study recommended that capital budgetary allocation to the health sector should be increased enough to make reasonable impact on health infrastructural development in Nigeria.

Omaswa (2012) in Beijing, China also carried out a retrospective study that compared china's budgetary provisions for health among other health indices in 2011 with that of Nigeria using descriptive design and profoma for data collection using simple percentages for data analysis, came up with the followings: that China's total budgetary percentage allocation to health in 2011 stood at 9.7%, while that of Nigeria stood at 3.5% (a gap of 6.2%). The study also revealed that while China achieved 93.8% budgetary decision implementation for health in 2011, Nigeria achieved 70.6%. The study recommended that Nigeria as one of the leading countries in Africa should step up her expenditure on healthcare and aim at achieving the 15% stipulation by African Union.

Soyinbo, Olaniya and Lawason (2011) carried out a study in Nigeria to determine the total Health Expenditure (THE) of Nigeria and selected African countries from 2008 ó 2010. This was a retrospective case study design and profoma was used to collect data. Simple percentages were used for data analysis and the following were their findings:

Average total health expenditure (THE) as a percentage of total budget for the period under study for Kenya ó 5.3%, Zambia ó 6.2%, Tanzania ó 6.8%, Malawi ó 7.2%, South Africa ó 7.5% and Nigeria ó 5.2%.

The researchers identified unstable political and economic situations, corruption and lack of will and commitment on the part of some African leaders as factors responsible for poor health financing in Africa and Nigeria in particular. They recommended that Nigerian leaders should show more commitment to health financing.

Eze (2012) in Enugu, Nigeria carried out a study on effectiveness of budgeting system in local government areas of Enugu State. Descriptive research design was adopted for the study and questionnaire was used for data collection. Simple percentages, means, frequencies and standard deviation were used for data analysis. His findings showed that all the local governments studied prepare yearly budgets with specific budgetary allocations to each department. Findings also showed that all departmental heads participate in budgetary preparations in all the local government areas studied. The study also showed that budgetary implementation in the local government areas fell below 70% as a result of inadequate funding. He recommended that budget financing and monitoring should be given priority attention if desired goals must be achieved. He also recommended that proper revenue forecasting should be done before allocating financial figures to expenditure heads in the budget.

Kavenagh, Johnson and Fabian (2013) in Topeka, Kansas, USA carried out a comparative analysis of county revenues and expenditures in Kansas counties from 2010 ó 2012 (3 year period) which was reported by the national performance management advisory commission (NPMAC) Kansas in 2013. Descriptive research design was adopted for the study and profoma was used for data collection. Simple percentages were used for data analysis. Their findings showed that expenditure for the period exceeded available revenue in all the

counties studied. Findings also showed that some expenditure allocations were not made in accordance with the priority needs of the communities in the counties but rather on the perceived needs as determined by the operators of the system. The researchers recommended that accurate revenue forecast should be carried out to act as a guide for allocating funds to expenditure heads, to avoid having deficit budgets. They also recommended that allocation of resources should be done according to how well a programme or service achieves the goals and objectives that the communities value most.

Anekoson (2013) in Butare, Rwanda carried out a research work which compared Nigeria health indicators with that of Rwanda from 2009 to 2013 and was reported by the researcher in August, 2013. The researcher adopted descriptive design, used profoma for data collection and simple percentages for data analysis. His findings showed that most of the health indicators such as poverty index, life expectancy, child mortality, immunization coverage, access to improved drinking water, TB treatment success, hospital beds per population, health system resources and health expenditure among others of Rwanda were better than that of Nigeria, despite the huge human and material resources Nigeria is endowed with, unlike Rwanda. Findings also showed that Nigeria declared an average of USD 564 per Capita Gross National Product (GNP) within the period under study while that of Rwanda stood at USD230. Despite this huge difference in the declared GNP of Nigeria and Rwanda, the average expenditure on health as a percentage of total annual budget within the period under study for Nigeria was 4.2%, while that of Rwanda was 8.2%. He noted that though both expenditure were below the African Union (AU) stipulation of 15% of total annual budget, that of Rwanda was higher than that of Nigeria by 4%. The researcher recommended that Nigeria should use her huge resources to improve health funding at the Federal, State and Local levels.

### **Summary of Literature Review**



The review of literature related to this study was carried out under three sub-headings: conceptual Review, theoretical framework and Empirical Review.

Conceptually, the budget which is popularly known as annual estimates in Local Government circles, is a financial plan that shows the expenditure proposed by an organization for a given period of time (usually a year), the purpose for which the expenditure is to be made and the means of financing them. A budget is made up of two broad components as follows: Revenue and Expenditure. Budgetary allocation is made under capital and recurrent expenditures. Budgetary allocation to health covers the fund allocated for procurement of assets that outlive the budget year such as; Land, Buildings, Hospital equipment, vehicles, power generators as well as for personnel and other administrative costs.

The local government is the third tier of government in Nigeria and in other countries that operate the three tier system of government. It is the closest to the people and sees to their local needs. Each local government is required by law to prepare annual estimates (budget) to cover revenue and expenditure for the coming year (12 months period). Ebonyi state which is the focus of this study has thirteen (13) local government areas.

Also reviewed were theories related to this study and they include:

The strategy formulation theory and The Economic perspective

Some empirical studies considered to be of relevance to this study were reviewed and their findings and recommendations noted. Among them are: the study carried out by Sule (2013) which compared Nigeria's 2013 budgetary allocation to health with the African Union stipulation of 15% and that of Anekoson (2011) which compared Nigeria health indicators with that of Rwanda.

From the literature reviewed, most of the works on related topics were done at the International, Federal and State levels. Not much was found at the Local

Government level. To this end, research gap exists for understanding budgetary allocation to health at the Local Government level and Ebonyi State Local Government system in particular.

## **CHAPTER THREE**

### **RESEARCH METHODS**

This chapter presents the following : Design of the study, Area of the study, Population of the study, Sample and sampling procedure, Ethical approval/permission to retrieve data, Instrument for data collection, validity/reliability of the instrument, Procedure for data collection and Method for data analysis.

#### **Design of the Study**

Descriptive research design was adopted for this study. This approach describes the phenomenon under study and has got very specific objective and clear cut data requirements (Bhattacharyya, 2010). This design was successfully used by Anekoson (2013) in a study that compared Nigeria health indicators with that of Rwanda from 2008 to 2012.

#### **Area of the Study**

This study was carried out in the ministry of local government, chieftaincy matters and rural development located at Nnorom street in Abakaliki, the capital city of Ebonyi State. This ministry keeps all the copies of yearly budgetary estimates of all the local government areas in Ebonyi State. Ebonyi State was created in 1996 and has thirteen (13) local government areas (LGAs) namely: Abakaliki, Afikpo North, Afikpo South, Ebonyi, Ezza North, Ezza South, Ikwo, Ishielu, Izzi, Ivo, Ohaozara, Ohaukwu and Onicha. Ebonyi state is located in South East Nigeria and is bounded in the East by Cross River State, in the West by Enugu State, in the north by Benue state and in the south by Abia State. Ebonyi is still a developing state. The dominant occupation of the people is farming, followed by public/civil service and trading.

Ebonyi state has one (1) Tertiary Hospital (Federal Teaching Hospital, Abakaliki), 12 General hospitals, one (1) in each of the local government areas

except Abakaliki LGA where the Federal Teaching hospital is located. There are also 4 major mission hospitals in the state. Each local government has a general hospital and an average of [3] major health centers, there are also health posts located in rural communities of the local government areas.

Recently, Millennium Development Goal (MDG) initiative health centers were constructed in each of the rural communities of the local government areas but most of them are yet to be equipped to make them functional. In all, there are about 52 functional health facilities in the state (ministry of health, Abakiliki).

### **Population for the study**

The total number of LGAs in Ebonyi State is 13 and all of them formed the population for this study.

### **Sample for the study.**

The sample for this study was the 13 Local government Areas which represented the total number of LGAs in Ebonyi State.

### **Sampling Procedure**

No sampling procedure was adopted because all the LGAs were included in the study. This was as a result of the few number of LGAs in the State.

### **Instrument for data collection**

The instrument for data collection was a profoma developed by the researcher which strictly followed the nationally approved pattern/headings in the budgetary estimates of the LGAs and in line with the set objectives. There were five (5) profoma sheets on the whole, one (1) for each year covering 2010 ó 2014 (5 year period). These were used to elicit the required information from the budgetary estimates of the LGAs. For purposes of anonymity and in

compliance with the instruction of the Ministry of Local Government, that the true identities of the LGAs should not be reflected in the findings, thirteen (13) alphabets (a to m) were used to represent the names of the LGAs. The order does not correspond with the alphabetical numbering of the LGAs.

### **Validity of the instrument**

Copies of the designed profoma were submitted to the project supervisor and one other senior lecturer with bias in Nursing management and administration in the department of Nursing Sciences, University of Nigeria, Enugu Campus for necessary corrections and inputs. All the corrections and modifications were effected in line with the research objectives. With these, the face and content validity of the instrument were established.

### **Reliability of the Instrument**

Budgetary estimates headings in LGAs in Nigeria are the same nationally (Federal Republic of Nigeria 2009). On the basis of this, the researcher made sure that the approved headings and patterns of LGAs budgetary estimates were followed while developing the profoma which were used to extract the information needed in the annual budgetary estimates.

In addition, the study being a retrospective type where data sets needed already exist in previous records, reliability tests seemed not to be necessary.

### **Ethical Consideration**

Application for ethical clearance and permission to retrieve data enclosing the letter of introduction from the head of Department of nursing, University of Nigeria, Enugu Campus was submitted to the Ministry of Local Governments, chieftaincy matters and rural development, Ebonyi State. With this, a written authorization and permission to collect data from the annual budgetary estimates of all the local government areas in Ebonyi state was granted to the researcher.

### **Procedure for data Collection**

Having sought and obtained ethical approval from the ministry of local governments; Ebonyi State, the researcher armed with the written approval and introductory letter from the head of department of nursing sciences visited the ministry of local governments to familiarize himself with the staff of the Department of local governments and that of the estimates filing rooms in particular. The visits also provided a forum for establishment of rapport between the researcher and the staff and also identification and training of research assistants. A total of three (3) research assistants who were clerks in the ministry were trained on the purpose and objectives of the study and the use of the instrument (profoma) to collect the required data from the annual budgetary estimates of the 13 LGAs. With the help of the three trained research assistants, data were collected from the budgetary estimates of the 13 LGAs for the five (5) years under study. Six (6) LGAs did not have all the copies of the estimates for the required years in the ministry. This resulted in the researcher travelling to those LGAs with the research assistants to collect the data. Data collection lasted for a period of twelve (12) weeks.

### **Method of Data Analysis**

The data generated from the study were collated, tallied and computed using descriptive statistics of percentages. The descriptive analysis was done using International Business Machine [IBM] statistical package for social sciences (SPSS) Version 20. Data were analyzed year by year to determine the percentages of budgetary allocations to health and selected departments of Agriculture, Education and Works/Environment and the results were presented in tables as percentages of the total budget for each year. Inferential statistics of Spearman's rank correlation coefficient test was used to test the hypotheses at 0.05 level of significance.

## CHAPTER FOUR

### PRESENTATION OF RESULTS

This chapter presents the results obtained from data analysis with their interpretations in tables. A total of sixty five (65) copies of the budgetary estimates of the 13 LGAs for the five year period (2010 to 2014) were assembled, from where all necessary data for this study were extracted. To realize the objectives of this study, the data were analyzed year by year and department by department, using descriptive statistics of percentages to compare the allocations made to health and three (3) selected departments in each LGA for the five year period.

**OBJECTIVE ONE (1):** To ascertain the actual figures of budgetary allocations to the 13 LGAs of Ebonyi State from 2010 ó 2014. Actual figures of budgetary allocations to the 13 LGAs from 2010 ó 2014 were extracted from the copies of their annual budgetary estimates and recorded appropriately in the profoma year by year and LGA by LGA. This is presented in table 1.

**Table 1: Budgetary allocations to various Local Government Areas from 2010 -2014 in billions/millions of naira**

L.G.A.	YEAR				
	2010 (₦)	2011 (₦)	2012 (₦)	2013 (₦)	2014 (₦)
LGA -Aø	472.08	469.30	977.50	958.00	1,040.00
LGA -Bø	894.40	896.00	798.89	1,022.00	1,020.00
LGA -Cø	723.62	742.80	1,010.00	1,184.00	1,030.00
LGA -Dø	601.00	589.96	694.13	624.00	634.10
LGA -Eø	902.00	867.00	997.00	1,050.00	773.50
LGA -Fø	704.50	664.95	1,597.00	1,713.00	1,230.00
LGA -Gø	812.50	727.90	1,015.41	952.40	1,010.00
LGA -Hø	463.14	313.18	711.34	986.00	1,010.00

LGA -A	1,062.00	976.92	774.30	912.77	1,620.00
LGA -B	429.03	432.92	628.00	537.06	868.40
LGA -K	679.49	1,102.40	744.51	754.50	735.20
LGA -L	320.20	323.13	493.09	469.07	597.40
LGA -M	920.60	902.31	980.83	1,021.00	1,050.00

From table 1 above, LGA -A made the highest budgetary allocation of (over ₦1bn) while LGA -L made the lowest budgetary allocation (about ₦320m) in 2010 fiscal year. LGA -K and LGA -M had the highest allocations in 2011 and 2012 respectively. Conversely, the lowest allocations went to LGA -H and LGA -L in 2011 and 2012 respectively. LGA -M also made the highest allocation in 2013 while LGA -L made the highest allocation in 2014. LGA -L made the lowest allocations in 2013 and 2014.

## OBJECTIVE TWO

To determine the budgetary allocations to health department and those of selected departments in the 13 LGAs from 2010 to 2014.

The budgetary allocations to health and those of selected departments were extracted from the copies of annual budgetary estimates of the 13 LGAs and entered into the profoma year by year, they were presented in tables 2 - 6.

[

**Table 2: Budgetary allocations to Department of Health and selected departments in 2010 in millions of naira**

L.G.A.	DEPT HEALTH ₦ (%)	AGRICULTURE ₦ (%)	EDUCATION ₦ (%)	WORKS AND ENVIRONMENT ₦ (%)
LGA -A	55.32(11.72)	15.02(3.18)	46.20(9.79)	235.50(49.89)
LGA -B	90.60(10.13)	24.20(2.71)	80.50(9.00)	258.20(28.87)
LGA -C	66.15(9.14)	12.93(1.79)	77.94(10.77)	186.03(25.71)
LGA -D	39.10(6.51)	11.00(1.83)	64.50(10.73)	126.20(21.00)
LGA -E	85.70(9.50)	28.90(3.20)	99.02(11.00)	338.20(37.49)



LGA -Fø	42.20(5.99)	22.50(3.19)	69.70(9.89)	300.40(42.64)
Ikwo -Gø	50.80(6.25)	27.80(3.42)	39.40(4.85)	246.40(30.33)
LGA -Hø	33.07(7.14)	13.86(3.99)	87.60(18.91)	83.25(17.89)
LGA -Iø	84.96(8.00)	43.94(4.14)	63.65(5.99)	271.26(25.54)
LGA -Jø	44.94(10.47)	13.13(3.06)	40.41(9.42)	123.00(28.67)
LGA -Kø	27.50(4.05)	12.40(1.82)	92.60(13.63)	128.50(18.91)
LGA -Lø	40.00(12.49)	18.80(5.87)	24.80(7.75)	102.10(31.89)
LGA -Mø	55.50(6.03)	17.80(1.93)	52.60(5.71)	401.20(43.58)

In 2010, the highest percentage allocations to the Department of Health were 12.9% (LGA -Lø), 11.72% (LGA -Aø), and 10.47% (LGA -Jø) while the lowest percentage to Health was 4.05% (LGA -Kø). The Department of Works and Environment had the highest percentage allocation in all the local government areas.

**Table 3: Budgetary allocations to Department of Health and selected departments in 2011 in billions and millions of naira**

L.G.A.	DEPT			
	HEALTH ₦(%)	AGRICULTURE ₦ (%)	EDUCATION ₦ (%)	WORKS AND ENVIRONMENT ₦ (%)
LGA -Aø	36.20(7.71)	13.70(2.92)	25.72(5.48)	98.13(20.91)
LGA -Bø	98.70(11.02)	23.60(2.63)	82.30(9.19)	256.10(28.58)
LGA -Cø	36.37(4.9)	15.00(2.02)	79.60(10.72)	227.30(30.60)
LGA -Dø	42.55(7.21)	10.83(1.84)	68.40(11.59)	109.00(18.48)
LGA -Eø	85.60(9.87)	28.20(3.25)	113.20(13.06)	267.80(30.89)
LGA -Fø	56.30(8.47)	24.00(3.61)	65.93(9.92)	243.16(36.57)
LGA -Gø	48.90(6.72)	17.80(2.45)	29.80(4.09)	243.90(33.51)
LGA -Hø	22.89(7.31)	7.60(2.43)	43.72(13.96)	79.35(25.34)
LGA -Iø	138.04(14.13)	34.36(3.52)	109.68(11.23)	159.17(16.29)
LGA -Jø	46.67(10.78)	13.61(3.14)	41.12(9.50)	119.20(27.53)
LGA -Kø	30.50(2.77)	25.70(2.33)	31.40(2.85)	318.20(28.86)
LGA -Lø	42.30(13.09)	18.80(5.82)	24.00(7.43)	98.00(30.33)
LGA -Mø	58.80(6.52)	18.50(2.05)	49.70(5.51)	222.80(24.69)

The highest percentage allocations to Department of Health in 2011 were 14.13% ( LGA -Iø), 13.09% (LGA -Lø), and 11.02% ( LGA -Bø). LGA -Kø got the lowest percentage allocation for health (2.77%). The Department of Works and Environment had the highest percentage allocation in all the local government areas.

**Table 4: Budgetary allocations to Department of Health and selected Departments in 2012 in millions of naira.**

L.G.A.	DEPT			
	HEALTH ₦ (%)	AGRICULTURE ₦ (%)	EDUCATION ₦ (%)	WORKS AND ENVIRONMENT ₦ (%)
LGA -Aø	29.20 (13.22)	32.00 (3.27)	92.00 (9.41)	510.20 (52.19)
LGA -Bø	128.40(16.07)	50.96 (6.38)	67.23 (8.42)	304.84 (38.16)
LGA -Cø	108.10(10.70)	23.60 (2.34)	93.10 (9.22)	356.90 (35.34)
LGA -Dø	89.00 (12.82)	18.41 (2.65)	50.61 (7.29)	413.34 (59.55)
LGA -Eø	82.70 (8.29)	28.20 (2.83)	17.60 (1.77)	267.00 (26.78)
LGA -Fø	157.17 (9.84)	52.49 (3.29)	88.31 (5.53)	496.25 (31.07)
LGA -Gø	90.45 (8.91)	24.20 (2.38)	72.48 (7.14)	263.29 (25.93)
LGA -Hø	129.99(18.27)	69.57 (9.78)	71.72 (10.08)	186.61 (26.23)
LGA -Iø	82.60 (10.67)	22.50 (2.91)	67.50 (8.72)	213.20 (27.53)
LGA -Jø	165.97(26.43)	34.67 (5.52)	85.14 (13.56)	210.51 (33.52)
LGA -Kø	121.04(16.26)	39.19 (5.26)	79.75 (10.71)	125.39 (16.84)
LGA -Lø	46.02 (9.33)	21.97 (4.46)	19.05 (3.86)	166.73 (33.81)
LGA -Mø	142.86(14.57)	38.75 (3.95)	69.67 (7.10)	171.90 (17.53)

In 2012, percentage allocations to the Department of Health in LGA -Jø (26.43%), LGA -Hø (18.27%), LGA -Kø (16.26%), and LGA -Bø (16.07%) exceeded the AU stipulation of 15%. Like in previous years, the Department of Works and Environment had the highest percentage allocation in all the local government areas.

**Table 5: Budgetary allocations to Department of Health and Departments in 2013 in millions of naira**

L.G.A.	DEPT			
	HEALTH ₦ (%)	AGRICULTURE ₦ (%)	EDUCATION ₦ (%)	WORKS AND ENVIRONMENT ₦ (%)
LGA ÆAø	87.00 (9.08)	30.90 (3.23)	91.90 (9.59)	456.00 (47.6)
LGA ÆBø	104.24 (10.2)	23.77 (2.33)	81.08 (7.93)	239.78 (23.46)
LGA ÆCø	124.59(10.52)	24.54 (2.07)	95.96 (8.10)	360.13 (30.42)
LGA ÆDø	76.70 (12.29)	17.50 (2.80)	71.10 (11.39)	247.20 (39.62)
LGA ÆEø	76.40 (7.28)	28.04 (2.67)	43.60 (4.15)	318.00 (30.29)
LGA ÆFø	149.01 (8.70)	49.03 (2.86)	96.64 (5.64)	455.13 (26.57)
LGA ÆGø	97.36 (10.22)	23.13 (2.43)	77.28 (8.11)	228.64 (24.01)
LGA ÆHø	146.50(14.86)	39.50 (4.01)	94.50 (9.58)	230.50 (23.38)
LGA ÆIø	99.24 (10.87)	33.23 (3.64)	132.11 14.47)	512.95 (56.20)
LGA ÆJø	79.36 (14.78)	20.50 (3.82)	67.08 (12.49)	146.42 (27.26)
LGA ÆKø	93.50 (12.39)	21.00 (2.78)	80.21 (10.63)	221.50 (29.36)
LGA ÆLø	119.06(25.38)	53.09 (11.32)	34.44 (7.34)	100.76 (21.48)
LGA ÆMø	124.98(12.24)	26.29 (2.57)	56.92 (5.57)	387.11 (37.91)

In 2013, only LGA ÆLø (25.38%) met the AU criterion. Other significant allocations to the Department of Health were 14.78% and 14.86% to LGA ÆJø LGA ÆHø respectively. The lowest percentage allocations to health were LGA ÆAø (9.08%), LGA ÆFø (8.70%), LGA ÆEø (7.28%). The Department of Works and Environment had the highest percentage allocation in all the local government areas.

**Table 6: Budgetary allocations to Department of Health and selected Departments in 2014 in millions of naira**

L.G.A.	DEPT			
	HEALTH ₦ (%)	AGRICULTURE ₦ (%)	EDUCATION ₦ (%)	WORKS AND ENVIRONMENT ₦ (%)
LGA -Aø	131.10(12.61)	34.00 (3.27)	94.10 (9.05)	529.40 (50.90)
LGA -Bø	105.00(10.29)	27.50 (2.70)	98.00 (9.61)	463.50 (45.55)
LGA -Cø	137.00(13.30)	26.20 (2.54)	103.10(10.01)	570.00 (55.34)
LGA -Dø	81.90 (12.92)	31.70 (5.00)	68.90 (10.87)	143.80 (22.68)
LGA -Eø	180.30(23.31)	20.50 (2.65)	84.50 (10.92)	241.50 (31.22)
LGA -Fø	72.20 (5.87)	29.00 (2.36)	42.20 (3.43)	501.10 (40.74)
LGA -Gø	102.20(10.12)	24.40 (2.42)	82.10 (8.13)	435.50 (43.12)
LGA -Hø	165.40(16.38)	40.80 (4.04)	99.50 (9.85)	225.60 (22.34)
LGA -Iø	188.20(11.62)	25.80 (1.59)	110.20 (6.80)	351.1(21.67)
LGA -Jø	91.30 (10.51)	16.00 (1.84)	74.20 (8.54)	451.60 (52.00)
LGA -Kø	96.60 (13.14)	22.50 (3.06)	80.70 (10.98)	200.20 (27.23)
LGA -Lø	102.40(17.14)	58.10 (9.73)	33.00 (5.52)	114.00 (19.08)
LGA -Mø	136.50(13.00)	35.70 (3.40)	64.70 (6.16)	280.60 (26.72)

Percentage allocations to Department of Health in 2014 exceeded 15% in LGA -Hø(16.38%), LGA -Lø(17.14%), and LGA -Eø(23.31%). LGA -Fø received a paltry 5.87%. The Department of Works and Environment had the highest percentage allocation in all the local government areas.

**Objective 3:** To ascertain whether the budgetary allocations to health department in the 13 LGAs from 2010 to 2014 were adequate in line with the African Union (AU) stipulation of 15% of total annual budget.

Tables 2 to 6 showed the budgetary allocations to health for the 5 year period (2010 to 2014). Actual figures and percentages of the figures were worked out and presented in tables 2 to 6. In 2010, none of the LGAs met the African Union (AU) criterion of 15%. In 2011, none of the 13 LGAs met the AU stipulation of 15% of total annual budget. In 2012, four (4) LGAs met the 15% AU criterion by allocation of over 15% of their total annual budgets to their various health departments. In 2013, only one (1) LGA met the 15% AU stipulation and in 2014 only three (3) LGAs met the AU 15% stipulation.

Table 7: spearman's rank correlation coefficient results on degree of relationship (r) between budgetary allocations to health departments and those of Agriculture, Education and works/Environment departments from 2010 to 2014 and the significance (p) of the correlation

Year	2010		2011		2012		2013		2014	
	r	Sig	r	Sig	r	sig	R	sig	r	sig
<b>DEPARTMENT</b>										
Agriculture	0.63	0.022	0.59	0.033	0.77	0.02	0.58	0.037	0.06	0.845
Education	0.07	0.817	0.63	0.022	0.60	0.031	0.42	0.150	0.70	0.007
Works and Environment	0.68	0.011	0.40	0.174	0.10	0.75	0.16	0.603	0.44	0.887

The above table shows that in 2010, Health budget had significant positive correlation with that of Agriculture ( $r = 0.65$ ,  $P = 0.022$ ). In 2011, Health had significant positive correlation with Agriculture ( $r = 0.59$ ,  $P = 0.033$ ) and Education ( $r = 0.63$ ,  $P = 0.022$ ). In 2012, Health had significant positive correlation with Agriculture ( $r = 0.60$ ,  $P = 0.031$ ). In 2013, Health had significant positive correlation with Agriculture ( $r = 0.58$ ,  $P = 0.037$ ). In 2014, Health had significant positive correlation with Education ( $r = 0.70$ ,  $P = 0.007$ ). Within the five year period, Works/Environment Department had the highest budget and Agriculture had the lowest. Only 6 LGAs met the 15% stipulation by African Union. It was recommended that health budgets in LGAs of Ebonyi State should be stepped up to meet AU stipulation of 15% and that budgetary allocations to the various departments should be balanced.

## CHAPTER FIVE

### DISCUSSION OF FINDINGS

This chapter presents the discussion of major findings of this study, implication of major findings, limitation of the study, summary, conclusion, recommendations and suggestion for further study.

#### **Discussion of Major Findings**

The major findings of this study were discussed in line with the specific objectives and research hypothesis set for the study and in relation to findings from previous related studies.

**Objective one (1):** To ascertain the actual figures of budgetary allocations to the 13 LGAs of Ebonyi State from 2010 to 2014 (5 year period).

As shown in Table 1, in 2010, LGA -Iø made the highest budgetary allocation of over a billion naira (over ₦1bn) while LGA -Lø made the lowest budgetary provision of about ₦320m.

In 2011, LGA -Kø presented the highest budget of over N1.102b while LGA -Hø presented the lowest budget of ₦313.18m. In 2012, LGA -Fø presented a total budget of over ₦1.597bn being the highest for the year, while LGA -Lø presented the lowest budget of ₦ 493.09m. In 2013, LGA -Fø presented a total of over ₦ 1.713bn which was the highest for that year, while LGA -Lø presented the lowest budget of ₦ 469.07m and in 2014, LGA -Iø presented the highest budget of about ₦ 1.620bn, while LGA -Lø presented the lowest budget of ₦ 597.40m. This is in line with the findings of Eze (2012) in a study that determined the effectiveness of budgeting system in Local Government Areas of Enugu State in which he observed that local government Areas in Enugu State prepare yearly budgets with specific budgetary provisions made for each department. The budgetary provisions vary from department to department and from LGA to LGA depending on what the operators of the local government areas consider as priority and amount of revenue available to the local

government councils. The implication of this finding is that all the 13 LGAs in Ebonyi State actually prepared yearly budget for the 5 year period. This shows that they had the intention to spend in line with the nationally approved expenditure heads, health inclusive. It also shows that there is approved pattern of spending in the 13 LGAs in Ebonyi State with actual figures of budgetary allocations assigned to each department.

**Objective 2:** To determine the budgetary allocations to health department and those of selected departments in the 13 LGAs of Ebonyi State from 2010 to 2014. In 2010, findings from data analyzed showed that the highest percentage allocations to health Department were 12.9% from LGA -Lø, 11.72% from LGA -Aø and 10.47% from LGA -Jø. The lowest percentage of budgetary allocation to health was 4.05% from LGA -Kø against 13.63% and 18.91% allocations made to Education and Works and Environment departments by the same LGA -Kø. The Department of works and Environment had the highest percentage of budgetary allocations in all the local government areas. Health got 2<sup>nd</sup> highest in 7 LGAs, education got 2<sup>nd</sup> highest in 6 LGAs and agriculture got the lowest in all the LGAs. None of the allocations to health by all the LGAs met the African Union stipulation of 15% of total budget. This showed that commitment to improving healthcare services in line with internationally accepted standards is lacking at this level of government in Ebonyi State. This may be attributed to lack of awareness on misplacement of priorities.

In 2011, the highest percentage budgetary allocations to health department were 14.13% (LGA -Iø), 12.09% (LGA -Lø) and 11.02% from LGA -Bø. LGA -Kø again made the lowest budgetary allocation of 2.77% to the health department against 2.85% and 28.86% to Education and Works/ Environment departments respectively for the same period. The Department of works/ Environment had the highest percentage budgetary allocations in all the LGAs in 2011. The Department of health got the 2<sup>nd</sup> highest in 7 LGAs while

department of Education got the 2<sup>nd</sup> highest budgetary allocations in 6 LGAs. Department of Agriculture had the lowest budgetary allocations in all the LGAs. None of the LGAs met the African Union stipulation of 15% of total budget to health in 2011. The lesson here is that there is still lack of commitment and awareness towards improving health services at this level of government in Ebonyi State.

In 2012, the highest percentage budgetary allocations to health were made by LGA -Jø (26.43%), LGA -Hø (19.27%), LGA -Kø (16.26%) and LGA -Bø (16.07%). The lowest budgetary allocation to health in 2012 was by LGA -Eø (8.29%). The department of Works/ Environment had the highest budgetary allocations in all the LGAs. The department of health had the 2<sup>nd</sup> highest budgetary allocation in 12 LGAs while education department had the 2<sup>nd</sup> highest in one (1) LGA. The department of Agriculture got the lowest budgetary allocations in all the LGAs for the same period. Unlike in the previous 2 years, 4 LGAs met and even exceeded the African Union stipulation of 15% of total annual budget to the health sector. These findings show that 2012 witnessed great improvement in budgetary allocations to the health departments of all the LGAs, the lowest to health was from LGA -Eø (8.29%). The lesson here is that there is greater awareness on the part of the operators of the Local Government system in Ebonyi State with regards to improving the health sector.

In 2013, LGA -Lø made the highest budgetary allocation of 25.38% to the health department. Other significant budgetary allocations to the health department were made by LGA -Jø (14.78%) and LGA -Hø (14.86%) respectively. The department of works/Environment got the highest percentage budgetary allocations in all the LGAs within the same period.

Health department made the 2<sup>nd</sup> highest budgetary allocations in 11 LGAs while education department had the highest in 2 LGAs. Agriculture got the lowest in all the LGAs. Only one (1) LGA met the African Union stipulation of 15% of annual budget in 2013. This shows the level inconsistency in allocating



funds to the health sector by the LGAs in Ebonyi State and this does not augur well for health sector growth.

Lastly, in 2014; the highest budgetary allocations to health department were made by LGA ÆHø (16.38%), LGA ÆLø (17.14%) and LGA ÆEø (23.31%). The lowest budgetary allocation to health was made by LGA ÆFø (5.87%). The department of works/ Environment still had the highest budgetary allocations in all the LGAs for the same period. Health department made the 2<sup>nd</sup> highest allocations in all the 13 LGAs while education department made the 3<sup>rd</sup> highest in all the 13 LGAs. Department of Agriculture had the 4<sup>th</sup> (lowest) budgetary allocation for 2014. Only 3 LGAs met the ÆAUø stipulation of 15% of total annual budget to the health sector.

In all, only six (6) LGAs (H, L, E, J, K and B) met the African Union stipulation of 15% for the whole five year period (4 in 2012, 1 in 2013 and 3 in 2014 with 2LGAs making it twice and none in 2010 and 2011).

The above findings from 2010 ó 2014 are in agreement with the observations of Sule (2013) in a study that compared Nigeria's budgetary allocations to health with the ÆAUø stipulation of 15% of total annual budget and also with that of Omaswa (2012) which compared Nigeria's budgetary provisions for health with that of China. Both studies discovered that Nigeria's budgetary provisions for health in 2012 and 2013 were 3.5% and 5.7% of total annual budgets respectively. These low allocations were attributed to unstable political and economic situations, corruption and lack of will and commitment on the part of Nigerian leaders to improve health financing as is the case in some African countries with even less economic resources like Zambia, Tanzania and Malawi (Soyinbo, Olaniya and Lawason, 2011). Even in this study, we can see that LGA ÆLø that had the lowest allocations in all the years (2010-2014) see Table 1 met ÆAUø requirement twice in 2013 and 2014. This showed the level of commitment to improve health by the LGA and not necessarily because of high economic resources.

**Objective 3:** To ascertain whether the budgetary allocations to the health department of the 13 LGAs in Ebonyi State from 2010 to 2014 were adequate in line with the 15% stipulation of total annual budget.

The data analyzed for the 5 year period showed that in 2010, none of the 13 LGAs met the 15% stipulation. In 2011, none of the 13 LGAs met the 15% stipulation. In 2012, only 4 out of the 13 LGAs met the 15% stipulation representing (30%) of the LGAs. In 2013, only one (1) LGA met the 15% stipulation representing (7%) of the LGAs. In 2014, only 3 LGAs met the 15% stipulation, representing (23%) of all the 13 LGAs. The above findings showed that in none of the years were up to 50% of the LGAs able to meet the 15% stipulation. In fact the highest was in 2012 where approximately 30% of the LGAs met the 15% stipulation. This showed that budgetary allocations to health for the 5 year period (2010 to 2014) were inadequate when compared with the 15% stipulation of total annual budget. This again is in line with the findings of Sule (2013) in a study that compared Nigeria health budget with the 15% stipulation of total annual budget of all levels of government to the health sector. The inability of most of the LGAs in Ebonyi State to meet the 15% stipulation poses a great problem in developing the health sectors of the LGAs. In the 5 years period, only 6 LGAs met the 15% stipulation which represented an average of less than 2 LGAs per-year. Efforts should be geared towards educating the operators of the LGAs in Ebonyi State to step up their budgetary allocations to health, with a view to insuring that all LGAs meet the 15% stipulation of their annual budgets to health. This will ensure adequate development of the health sector in the LGAs.

### **Hypothesis Testing**

The following null hypotheses were tested at 0.05 level of significance using Spearman's rank correlation coefficient (r).

**H0<sub>1</sub>** There will be no significant correlation between budgetary allocations to health departments and Agriculture departments in the 13 LGAs of Ebonyi State from 2010-2014.

From Table 7 in chapter four above, in 2010, budgetary allocations to health department had significant correlation with those of Agriculture departments (degree of correlation or relationship ( $r$ ) = 0.63, level of significance ( $p$ ) = 0.022). Since 0.022 was less than 0.05, there was significant correlation between budgetary allocations to health and that of Agriculture in 2010. The hypothesis was therefore rejected. In 2011, budgetary allocations to health departments had significant correlation with those of Agriculture departments ( $r=0.59$ ,  $p=0.033$ ). The hypothesis was therefore rejected.

In 2012, budgetary allocations to health departments had significant correlations with those of Agriculture departments ( $r=0.77$ ,  $p= 0.02$ ). Here, the hypothesis was also rejected. In 2013, health departments budgetary allocations had significant correlation with those of Agriculture departments ( $r=0.58$ ,  $P=0.037$ ). The hypothesis was rejected.

In 2014, there was no significant correlation between budgetary allocations to health departments and those of Agriculture department ( $r=0.06$ ,  $p=0.845$ ).the hypothesis was therefore accepted.

Health budgets in the 13 LGAs had significant correlation with Agriculture in all the 5 years; 2010, 2011, 2012 2013 and 2014. The dominance of health here is not a healthy development, since all the departments are important and interdependent in meeting the needs of the people.

The implications here are that speculation that other department receive more budgetary allocation than the health sector is not true. Health compared favourably with agriculture and education over the 5 year period. Lack of development of the health sector may therefore be attributed to poor budgetary implementation.

**H0<sub>2</sub>:** There will be no significant correlation between budgetary allocations to health departments and Education departments in the 13LGAs of Ebonyi state from 2010-2014.

From Table 7 above, in 2010, there was no significant correlation between budgetary allocations to health departments and those of Education departments ( $r=0.07, P=0.817$ ). Since there was no significant correction, the hypothesis was accepted.

In 2011, budgetary allocations to health departments had significant correlation with those of Education departments ( $r=0.63, P=0.022$ ). Since the correlation was significant, the hypothesis was rejected.

In 2012, there was also significant correlation between budgetary allocations to health departments and those of Education departments ( $r =0.60, P =0.031$ ). Since the correlation was significant, the hypothesis rejected.

In 2013, budgetary allocations to health had no significant correlation with those of Education ( $r =0.42, P = .150$ ). Since the correlation was not significant, the hypothesis was accepted.

In 2014, significant correlation existed between budgetary allocations to health and those of Education ( $r = 0.70, P = 0.007$ ). The hypothesis was therefore rejected.

Health budgets in the 13LGAs had significant correlation with Education in 2011, 2012 and 2014 (3 years). Here, there was a fair balance and should be sustained and improved upon. The findings over the 5 year period showed that education had positive correlation with education in only one year. Health had dominance over education for the remaining four years. One would expect that the health sector should have performed better than the education departments since it got greater budgetary allocations. More attention should therefore be paid to budget discipline and implementation.

**H0<sub>3</sub>:** There will be no significant correlation between budgetary allocations to health departments and Works/Environment departments in the 13LGAs of Ebonyi State from 2010-2014.

In 2010, significant correlation existed between budgetary allocations to health and those of works/ Environment ( $r = 0.68$ ,  $P = 0.011$ ). Since the correlation was significant, the hypothesis was rejected.

In 2011, there was no significant correlation between budgetary allocations to health and those of works/Environment ( $r = 0.40$ ,  $P = 0.174$ ) the hypothesis was therefore accepted. In 2012, no significant correlation existed between budgetary allocations to health and those of works/Environment ( $r = 0.10$ ,  $P = 0.75$ ). the hypothesis was therefore accepted.

In 2013, there was no significant correlation between budgetary allocations to health and those of works/Environment ( $r = 0.16$ ,  $P = 0.603$ ). The hypothesis was accepted.

The wide margin that existed between budgetary allocations to Health and Works/Environment departments over the remaining four years was unhealthy. There should be a balance in budgetary allocations to all the departments, since all the departments are equally important.

In 2014, no significant correlation existed between budgetary allocations to health and those of works/Environment ( $r = 0.44$ ,  $P = 0.887$ ). The hypothesis was therefore accepted.

Health budgets in the 13LGAs had significant correlation with works/Environment in 2010 only (1 out of 5 years). The wide gap here is not healthy. Equal development of all the sectors which are relevant in providing the needs of the people is necessary and should be reflected in the budgetary allocations.

## **Implication of the findings**

The findings of this study have some implications as follows: budgetary allocations to health are made for the provision of health infrastructures such as building and equipping of hospitals and other health facilities, payment of staff of such health establishments and for administrative costs. From the findings of this study, the health departments of the 13 LGAs compared favorably with other departments apart from one (1) department (works / Environment) in terms of budgetary allocations, though the AU stipulation of 15% of annual budget was met by only 6 LGAs in the following years: LGA -Jø in 2012, LGA -Hø in 2012, LGA -Kø in 2012, LGA -Bø in 2012, LGA -Lø 2013, LGA -Hø in 2014, LGA -Lø in 2014 and LGA -Eø in 2014. Though this was a positive implication, indicating increasing awareness on the importance of the health sector, a lot more still needs to be done. Only LGA -Lø and LGA -Hø met it twice in (2013 & 2014) and (2012 & 2014) respectively. This implies that the funds projected for the health sector were not adequate to take care of the health needs of Ebonyi people in the LGAs.

Furthermore, nursing is a single profession with the greatest percentage of the entire health professionals in our health establishments. The none availability of working materials and lack of conducive environment for working occasioned by inadequate allocation of funds to the health sector, makes practice of nursing difficult. This may create problems for nurses as they strive to meet the health needs of the populace. Poor funding of the health sector will also affect the proper remuneration of health professionals including nurses. This may also result in lack of job satisfaction with resultant brain drain, in an effort to look for greener pastures by nurses and other professionals. Also the study revealed that greater part of the budgetary allocations to health went to the recurrent budget (see Appendix -ixø). This did not give room for enough capital project development in the health sector and this calls for better manpower planning.

### **Limitations of the study**

There was dearth of literature especially on empirical review in this particular area of study. This posed a major limitation. However, some relevant related literatures were articulated which formed the background for this study.

Furthermore, all the necessary copies of the Local Governments budgets were not found at the ministry of Local Governments and chieftaincy matters. This made the researcher to visit the affected local governments severally in the company of the research assistants to get the data directly from the copies available in the finance departments of the local government areas.

Also, financial constraint was another major limitation. Moving from one LGA to another with the research assistants involved serious expenses in the area of transportation, feeding and gratifications to sustain their zeal and interest. All these caused serious delay in completing this work on time.

### **Summary**

This study compared budgetary allocations to health with those of selected major departments of local government areas of Ebonyi State from 2010 to 2014 (five year period). The objectives of the study were to: ascertain the actual figures of budgetary allocations to the 13 LGAs of Ebonyi State from 2010 to 2014, determine the budgetary allocations to health department and those of selected departments in the 13 LGAs of Ebonyi State from 2010 to 2014 as well as to ascertain whether the budgetary allocations to health were adequate in line with the African Union (AU) stipulation of 15% of total annual budget to the health sector. A hypothesis was formulated and tested.

Relevant literatures were reviewed to cover the objectives and descriptive research design was adopted for the study. No special sampling technique was used to select the local governments, since all the 13 LGAs were studied because of the few number. A self developed proforma was used to collect data from 65 copies of the estimates of the 13 LGAs for the 5 year period (2010-

2014). Data obtained were analysed using descriptive and inferential statistics and presented in Tables as percentages. All analysis were done using statistical package for social sciences (SPSS) version 20 and spearman's rank correlation coefficient (r) was used to test the hypothesis at 0.05 level of significance.

Major findings of the study showed that in 2010, LGAs -Iø presented the highest budget of over N1 billion naira while LGA -Lø presented the lowest budget of about N320m; in 2011, LGA -Kø presented the highest budget of N1.102bn while the lowest of N313.18m went to LGA -Hø in 2012, LGA -Fø made the highest budget of over N1.597bn while LGA -Lø made a budget of N4.93.09m to become the lowest; in 2013, LGA -Fø presented the highest budget of over N1.713bn while LGA -Lø presented the lowest budget of N 469.07m and in 2014, LGA -Iø presented the highest budget of over N 1.620bn while LGA -Lø presented the lowest of N597.40m.

In 2010, Works /Environment department had the highest allocation in all the 13 LGAs, Health was 2<sup>nd</sup> highest in 7 LGAs, Education, 6 LGAs and Agriculture lowest in all the 13 LGAs. Highest allocation to health was 12% from LGA -Lø while the lowest was 4.05% from LGA -Kø Health had significant positive correlation with agriculture in 2010 ( $r = 0.63$ ,  $p = 0.022$ ). In 2011, works/environment department was highest in all the 13 LGAs, health was 2<sup>nd</sup> highest in 7 LGAs, Education in 6 LGAs and Agriculture lowest in all the 13 LGAs. Highest allocation to health was 14.13% from LGA -Iø and lowest of 2.77% from LGA -Kø Health had significant positive correlations with Agriculture in 2011 ( $r = 0.59$ ,  $P = 0.033$ ) and education ( $r = 0.63$ ,  $P = 0.022$ ). In 2012, works/environment was highest in all the 13 LGAs, Health was 2<sup>nd</sup> highest in 12 LGAs,, education 2<sup>nd</sup> highest in 1 LGA and Agriculture lowest in all the 13 LGAs. Highest allocation to health was 26.43% from LGA -Jø while the lowest was 8.29% from LGA -Eø Health had significant positive correlations with Agriculture ( $r = 0.77$ ,  $p = 0.02$ ) and education ( $r = 0.60$ ,  $p = 0.031$ ).



In 2013, Works/ environment still maintained the highest allocation in all the LGAs, health 2<sup>nd</sup> highest in 11 LGAs, education 2<sup>nd</sup> highest in 2 LGAs and Agriculture the lowest in all the LGAs. Highest allocation to health in 2013 was 25.38% from LGA -Lø and lowest was 7.28% from LGA -Eø Health had significant positive correlation with Agriculture ( $r = 0.58, p = 0.037$ ).

In 2014, works/ environment got the highest allocation in all the LGAs, health was 2<sup>nd</sup> highest in all the 13 LGAs, education 3<sup>rd</sup> highest in the 13 LGAs and Agriculture still maintained the lowest in all the 13 LGAs. Highest allocation to health was 23.3% from LGA -Eø while the lowest was 5.87% from LGA -Fø Health had significant positive correlation with education ( $r = 0.70, p = 0.007$ ).

In 2010 and 2011, none of the 13 LGAs met the -AUø stipulation of 15%. In 2012, 4 LGAs met the -AUø stipulation of 15%. In 2013, only 1 LGA met the 15% stipulation while in 2014, 3 LGAs met the 15% requirement by -AUø In all, only six (6) out of the 13 LGAs met the -AUø 15% stipulation in 5 years (2010 ó 2014), with 2 LGAs making it twice (8 times) in all. Though health maintained significant positive correlations with two (2) out of the 3 other major departments for the 5 years, meeting -AUø 15% requirement was still a problem.

## **Conclusion**

In conclusion, this study demonstrated that there was gradual but fluctuating increase in budgetary allocations to health in the 13 LGAs of Ebonyi State from 2010 ó 2014 with the highest allocation to health of 12% in 2010, 14.13% in 2011, 26.443% in 2012, 25.38% in 2013 and 23.31% in 2014. Health department maintained significant positive correlation with 2 out of the other 3 major departments. This also was viewed as a positive effort towards placing health department in its rightful position in budgetary allocations in the LGAs studied. The department of works/Environment which got the highest allocations in all the LGAs for the whole 5 year period and with a great margin from what health and other departments got was not a healthy development.

Also the fact that only six (6) out of the 13 LGAs got budgetary allocations of 15% and above for the 5 years period showed poor performance in allocating funds to the health sector. The overall budgetary outlay of the 13 LGAs from 2010 to 2014 showed serious variations in the total budgetary provisions. This may be attributed to resources available to the various LGAs, since Federal allocations are based on certain indices such as number of schools, hospitals, markets, population, revenue generation potentials (for example oil producing LGAs) which are not uniform for all LGAs in the country and in Ebonyi State in particular. The current general formula of 50:30:20 used by Federal Allocation Committee (FAC) to allocate funds to federal (50%), all the 36 states (30%) and all the 774 LGAs (20%) has been criticized as placing the LGAs at disadvantage. This may also be responsible for the low allocation experienced by some LGAs in Ebonyi State.

Budgetary allocations to the various departments of the LGAs are not based on formula but on what the council considers as priority as at the time of making the budget.

### **Recommendations**

From the findings of this study, the following recommendations were made:

1. Efforts should be made by the LGAs in Ebonyi State to step up budgetary allocations to health to meet the stipulation of 15% of total annual budget to the health sector. The stand is that this stipulation must be followed irrespective of what the total annual budget of the level of government be it Local, State or Federal is. It does not depend on whether the budget is big or small. This is because of the importance of the health of the citizens in the overall development of all other sectors in their areas.
2. There should be a reasonable balance in making budgetary allocations to the various Departments since all the Departments are important and are meant to serve specific needs of the people under the LGAs. The wide gap between

the Department that got the highest allocation and the Department that got the lowest was too wide and this is unacceptable.

3. Efforts should be made to address the gross imbalance between the capital and recurrent budgets in the health sector to ensure meaningful development in the sector. A situation where less than 10% of total budget for health is left for capital projects is rather retrogressive. See Appendix xi.

### **Suggestion for further studies**

The findings from this study have opened up some other areas that could be investigated as follows:

- A study to determine the extent of budgetary implementation in local government areas of Ebonyi State.
- Factors responsible for late passage of budgets in Ebonyi State.
- Comparative analysis of capital budgetary allocation to health and other ministries in Ebonyi State.

## REFERENCES

- Adefuye, D. (2011). *“Budgetary Allocations to Health: Shame of a Nation”*, Lagos: Punch Newspaper, March 20, 2011.
- African Union (2001). *“Official Reports on Abuja 2001 conference of Heads of States and Governments of all member countries.”* Abuja: A.U. publications.
- Agbakoba, O. & Ogbonna, H (2007), *Local Government Administration and Development in Nigeria: A Capacity Building Manual*. Lagos: Hurilaws publications.
- Agency for Healthcare Research and Quality (2004). *“Better Research for Better Health”*. World Health Reports 20: 48. Geneva: WHO publications.
- Ahiuma ó young, V. (2012). *“Healthcare crisis in Nigeria may worsen in 2013, Labour warns on 2013 budget”*. Abuja: Vanguard Mobile Publications.
- Akinboye, S. (2008). *Reflections on Local Government Reforms in Post Independence Nigeria*. Lagos: Concept Publications.
- Anekoson, J. I (2013). *“A Comparative Analysis of Health Indicators of Nigeria and Rwanda : A Nigerian Volunteer Perspective.”* American Journal of Public Health Research 1(7) (2013): 177 ó 182.
- Ani, S., Eze, E. & Ani, W. U. (2010), *Introduction to Local Government Finance*. Enugu: Spring Time Press.
- Awofeso, O. (2005). *Elements of Public Administration*. Lagos: Mc grace Academic Resources Publishers.
- Bhattacharyya, K. D. (2010). *Research Methodology (2<sup>nd</sup> Ed.)*. New Delhi: Excel Books.
- Bloom D. E & Canning, D. (2009). *“The Health and Wealth of Nations”*. Science Magazine of 18 Feb., 2009, Vol 287: 5456, page 1207 ó 1209. ([www.Sciencemag.org](http://www.Sciencemag.org)>Home>18Feb.2009) Accessed Oct 10, 2013.
- Bogdon, R.C. and Biklen, S. K. (2007), *Qualitative Research for Education: An Introduction to Theory and Methods*. Boston: Allyn and Bacon.

- Braungart, G. R. (2009). *Society and politics, USA*: Prentice ó Hill Publishers.
- Chukwu, C. O. (2010). *“Worsening Health Situation in Nigeria”*. Tell Magazine 6<sup>th</sup> Sept, 2010. Page 49, No. 35.
- Cooper, H., and Hedges, L. V. (2011). *The Hand Book of Research Synthesis*. New York: Sage Foundation.
- Davis, L. N. (2010). *Planning, Conducting and Evaluating Workshops*. San Diego: University Associates Inc.
- Duru, E. J. C. (2006). *Nigerian Local Government and Rural Development Administration: A Reader*. Calabar: Cymart Ventures.
- Ebonyi State Ministry of Health (2011), *Health Assessment Reports*. Abakaliki: MOH reports.
- Ebony State (2012) *Report of the committee on Harmonization Health Workers in the Local Government System of Ebonyi State*. Abakaliki: Ministry of Local Governments and Chieftaincy Affairs.
- Egurube, J. O. (2011), *“The Evaluation of Local Governments in Nigeria”* in Nzelibe, C. G. O; ed; *current issues in Public and Local Government Administration*. Enugu: Fourth Dimension.
- Ejimofor, J. C. (2008). *Essentials of Local Government Administration*. Ibadan: Ajomono Publications.
- Eze, E. (2012), *Effectiveness of Budgeting system in Local Government Areas of Enugu State*. Enugu: unpublished MBA Dissertation.
- Faduyile, D. (2012). *“NMA Facults 2013 Federal budget Allocation to Health”* . Lagos: Vanguard Newspaper, Nov. 21, 2012.
- Federal Government of Nigeria (1991). *Financial Memoranda for local Governments*. Abuja: Federal Government Printer.
- Federal Republic of Nigeria (1976). *Guidelines for Local Government Reforms*. Kaduna: Government Printer.
- Federal Republic of Nigeria (1979). *The Constitution of the Federal Republic of Nigeria 1979*. Lagos: Federal Government Printer.

- Federal Republic of Nigeria (1999). The Constitution of the Federal Republic of Nigeria 1999. Lagos: Federal Government Printer.
- Federal Republic of Nigeria (2000). Hand Book on Local Government Council Administration. The presidency: publication of office of the vice president.
- Federal Republic of Nigeria (2009). Financial Regulations. Abuja: Official Gazette by Federal Government Printer.
- Foley, R. (2009), "Strategies for successful budget preparations" Nursing Management Vol. 36, No. 8. Maryland: Lippincott Williams and Wilkens.
- Hill, D. M. (2004). Democratic Theory and Local Government. Great Britain: George Allen and Unwin.
- Irene, S. (2007). Budget Theory and Budget Practice. London: Allen Publications.
- Jose, B. (2013). Budgeting in Nursing Administration, Kerala-India: Cooperative Federation Press.
- Kavenagh, S.C., Johnson, J. and Fabian, C. (2013). "Comparative Analysis of County Revenues and Expenditure" Kansas: National Performance Management Advisory Commission ó Research Report.
- Lexicon International (2004). The New Webster's Dictionary of English Language. International Edition. New York: Lexicon International Guild Group.
- Luggen, A. S. (2006). Resource Allocation to Health. Missouri: C. V. Mosby.
- Marquis B. L and Honston, C. J. (2009). Leadership Roles and Management Functions in Nursing: Theory and Application (6<sup>th</sup> ed). Philadelphia: Wolters Cluwer Health.
- Musango, L., Elovainio, R., Nabyonga, J., & Toure, B. (2013). "The State of Health Financing in the African Region". Africa Health Report, Issue No.16, March, 2013
- Musgrave, R. A. (2007). Public Finance in Theory and Practice. Singapore: McGraw-Hill.

- National Performance Management Advisory Commission (2013). *“A Performance Management Frame-work for States and Local Governments”*. Kansas ó USA: NPMAC Research Report.
- Nwachukwu, G. E. (2008). *Theory and Practice of Local Government in Nigeria*. Umuahia: Ark Publishers.
- Nwachukwu, N. (2011). [anpa.org/blog/2011/03/30/ budgetary](http://anpa.org/blog/2011/03/30/budgetary). Accessed December, 2013.
- Okoli, F. C. (2006). *Theory and Practice of Local Government: A Nigerian Perspective*. Enugu: John Jacobs Classic Publishers.
- Okonjo-Iweala, N. (2014), *“How to Balance Capital Recurrent Votes”*. Vanguard Newspaper. Vol. 25: No 62093 of March 5, 2014.
- Okoronkwo, I. (2005). *Nursing ó Service Administration and Management ó Theory and Practice*. Enugu: Institute for Development Studies University of Nigeria, Enugu Campus.
- Olisa, M., Okoli, E. and Nwabufor, E. (2007). *Government for Secondary Schools*. Onitsha: Africana Fep Publishers.
- Olori, E. A (2007) *Local Government Administration in Nigeria: A contemporary Issue*. Lagos: Gbesi Publications
- Omaswa, F. (2012). *“China’s Health Success: what a Lesson for Africa”*. Africa Health ó Nigeria Vol.34, No.3 page 7.
- Onwe, S. O. (2009). *Local Government Administration: A classical and contemporary Approach*. Abakaliki: Pack Publishers.
- Porter, M. (2009). *“Public Sector Budgeting – Theory and Strategy”*. Financial Times 617: 43 ó 49.
- Sankore, R. (2008). 15% Now Campaign. *Proceedings of the Africa Public Health Alliance – Public Health Development and Financing Conference, Abuja, Nigeria (15-18 April, 2008)* ([www.africal5percentcampaign.org](http://www.africal5percentcampaign.org)) Accessed February, 2014.
- Sawyers, S. (2010). *“Worsening Health Situation in Nigeri”*. Lagos: TELL Magazine No. 28 page 56.

- Soyinbo, A., Olaniyan, O. & Lawason, A. O (2011). *“Total Health Expenditure of selected African Countries”*. National Health Accounts Publication 85 : 652 ó Reported by Olakunde B. O. in *Annals of Nigerian Medicine* issue 1. Vol. 6 : 4 ó 10 of August, 2012.
- Strategy Committee, All Progressive Congress (APC) (2014). *“2014 Budget is bad for the Nigeria Economy”*. The Nation Newspaper. Vol.9; No.2777 page 49 of March 4, 2014.
- Suleiman, T. (2012). *“Special Report on one year in office of Oyo State Governor – Senator Abiola Ajimobi”* Lagos: TELL Magazine, No. 28, page 57.
- Sule, T. (2013). *“Innovative Healthcare Financing options in Nigeria: Challenges and opportunities”* Business-day Research Report 20<sup>th</sup> Jan. 2013. Lagos: Business-day Publications.
- Sule, T. (2013). *“Nigeria’s Federal Allocation to Health and pattern of spending by the Federal Ministry of Health”* Business-day Research Report Sept. 2013.
- Thomas, J. R and Nelson, J. K. (2006). *Research Methods in physical activity*. USA: Edwards Brothers.
- The Columbia Electronic Encyclopedia (2004). *Theory Research*. Columbia: Columbia University Press.
- Tuckman, B. W. (2004). *Conducting Educational Research*. New York: Harcourt Brace Jovanovich.
- Udenta, J. O. (2005). *The Role of Local Governments in Development: A Case Study of Enugu State Local Governments*. PHD Thesis: ESUT: Dept of Pol. Science.
- Udenta, J. O. (2007). *Local Government: A Comparative Perspective*. Enugu: New Generation Books.
- United Nations Development Programme (2012). *Health Reports*. UNDP.
- Vali, J. (2013), *Principles and Practice of Nursing Management and Administration*. New Delhi: Jaypee Brothers Medical Publications.



Varma, S. P. (2005). *Modern Political Theory: A Critical Survey*. New Delhi: Vani Educational Books.

WHO (2012). *Health Financial Systems and access to health around the world*". Health Services Research (HSR) Reports 7: 50. Geneva: WHO Publications.

Wildavsky, A. (2009). *Budgeting ó A Comparative Theory of Budgeting Processes*. Boston: Little Brown.

## APPENDICES

### Appendix I. Proforma for Data Collection of Total Budgetary Allocation to each LGA in Ebonyi State from 2010-2014 in billions / millions of naira

<b>Name of LGA</b>	<b>2012 Allocations ₦</b>	<b>2011 Allocations ₦</b>	<b>2012 Allocations ₦</b>	<b>2013 Allocations ₦</b>	<b>2014 Allocations ₦</b>
A					
B					
C					
D					
E					
F					
G					
H					
I					
J					
K					
L					
M					

Department of Nursing Science,  
Faculty of Health Sciences and Technology  
University of Nigeria,  
Enugu Campus,  
3<sup>rd</sup> February, 2014

The Head of Department  
(Local Government)  
Ministry of Local Government  
And Chieftaincy Affairs,  
Abakaliki, Ebonyi State.

Sir

**APPLICATION FOR ETHICAL CLEARANCE AND PERMISSION TO  
COLLECT DATA FOR ACADEMIC RESEARCH**

I humbly apply for ethical clearance and permission to collect data from annual estimates of the 13 Local Government Areas of Ebonyi State from 2010-2014 for academic research purposes, in a work titled; Comparative Study of Budgetary Allocations to Health and Other Departments in Local Government Areas of Ebonyi State from 2010-2014.

I hail from Ohaukwu Local Government Area of Ebonyi State and a post graduate student in the above department, pursuing a course of study that will lead to the award of masters Degree (M.Sc) in Nursing Sciences. The data I am seeking to collect will be used purely for academic research and not for any other purpose.

I will be most grateful if this application is granted.

Yours faithfully,

**Agbo Ebenedict Ekuma H.**  
**PG/MSc/10/55100**

**APPENDIX II**

**Proforma for Data Collection of Budgetary Allocations to Health and Selected Departments in millions of naira. Year: 2010-2014**

<b>LGA</b>	<b>departments:</b>			
	<b>Agric</b>	<b>Health</b>	<b>Education</b>	<b>Work &amp; Environment</b>
A				
B				
C				
D				
E				
F				
G				
H				
I				
J				
K				
L				
m				

### **APPENDIX III**

#### **LIST OF LOCAL GOVERNMENT AREAS IN EBONYI STATE**

1. Abakaliki
2. Afikpo North
3. Afikpo South
4. Ebonyi
5. Eza North
6. Eza South
7. Ikwo
8. Ishielu
9. Izzi
10. Ivo
11. Ohaozara
12. Ohaukwu
13. Onitcha

## APPENDIX IV

**Table 1: Budgetary allocations to various Local Government Areas from 2010 -2014 in millions of naira**

L.G.A.	YEAR				
	2010 (millions) ₦	2011 (millions) ₦	2012 (millions) ₦	2013 (millions) ₦	2014 (millions) ₦
LGA -Aø	472.08	469.30	977.50	958.00	1040.00
LGA -Bø	894.40	896.00	798.89	1022.00	1020.00
LGA -Cø	723.62	742.80	1010.00	1184.00	1030.00
LGA -Dø	601.00	589.96	694.13	624.00	634.10
LGA -Eø	902.00	867.00	997.00	1050.00	773.50
LGA -Fø	704.50	664.95	1597.00	1713.00	1230.00
LGA -Gø	812.50	727.90	1015.41	952.40	1010.00
LGA -Hø	463.14	313.18	711.34	986.00	1010.00
LGA -Iø	1062.00	976.92	774.30	912.77	1620.00
LGA -Jø	429.03	432.92	628.00	537.06	868.40
LGA -Kø	679.49	1102.40	744.51	754.50	735.20
LGA -Lø	320.20	323.13	493.09	469.07	597.40
LGA -Mø	920.60	902.31	980.83	1021.00	1050.00

## APPENDIX V

**Table 2: Budgetary allocations to Department of Health and selected departments in 2010 in millions of naira.**

<b>L.G.A.</b>	<b>DEPT</b> <b>HEALTH ₦</b> <b>₦ (%)</b>	<b>AGRICULTURE</b> <b>₦ (%)</b>	<b>EDUCATION</b> <b>₦ (%)</b>	<b>WORKS AND</b> <b>ENVIRONMENT</b> <b>₦ (%)</b>
LGA Æø	55.32(11.72)	15.02(3.18)	46.20(9.79)	235.50(49.89)
LGA Æ’	90.60(10.13)	24.20(2.71)	80.50(9.00)	258.20(28.87)
LGA Æø	66.15(9.14)	12.93(1.79)	77.94(10.77)	186.03(25.71)
LGA Æø	39.10(6.51)	11.00(1.83)	64.50(10.73)	126.20(21.00)
LGA Æø	85.70(9.50)	28.90(3.20)	99.02(11.00)	338.20(37.49)
LGA Æø	42.20(5.99)	22.50(3.19)	69.70(9.89)	300.40(42.64)
Ikwo Æø	50.80(6.25)	27.80(3.42)	39.40(4.85)	246.40(30.33)
LGA Æø	33.07(7.14)	13.86(3.99)	87.60(18.91)	83.25(17.89)
LGA Æø	84.96(8.00)	43.94(4.14)	63.65(5.99)	271.26(25.54)
LGA Æø	44.94(10.47)	13.13(3.06)	40.41(9.42)	123.00(28.67)
LGA Æø	27.50(4.05)	12.40(1.82)	92.60(13.63)	128.50(18.91)
LGA Æø	40.00(12.49)	18.80(5.87)	24.80(7.75)	102.10(31.89)
LGA Æø	55.50(6.03)	17.80(1.93)	52.60(5.71)	401.20(43.58)

## APPENDIX VI

**Table 3: Budgetary allocations to Department of Health and selected departments in 2011 in millions of naira**

L.G.A.	DEPT HEALTH ₦ ₦ (%)	AGRICULTURE ₦ (%)	EDUCATION ₦ (%)	WORKS AND ENVIRONMENT ₦ (%)
LGA -Aø	36.20(7.71)	13.70(2.92)	25.72(5.48)	98.13(20.91)
LGA -Bø	98.70(11.02)	23.60(2.63)	82.30(9.19)	256.10(28.58)
LGA -Cø	36.37(4.9)	15.00(2.02)	79.60(10.72)	227.30(30.60)
LGA -Dø	42.55(7.21)	10.83(1.84)	68.40(11.59)	109.00(18.48)
LGA -Eø	85.60(9.87)	28.20(3.25)	113.20(13.06)	267.80(30.89)
LGA -Fø	56.30(8.47)	24.00(3.61)	65.93(9.92)	243.16(36.57)
LGA -Gø	48.90(6.72)	17.80(2.45)	29.80(4.09)	243.90(33.51)
LGA -Hø	22.89(7.31)	7.60(2.43)	43.72(13.96)	79.35(25.34)
LGA -Iø	138.04(14.13)	34.36(3.52)	109.68(11.23)	159.17(16.29)
LGA -Jø	46.67(10.78)	13.61(3.14)	41.12(9.50)	119.20(27.53)
LGA -Kø	30.50(2.77)	25.70(2.33)	31.40(2.85)	318.20(28.86)
LGA -Lø	42.30(13.09)	18.80(5.82)	24.00(7.43)	98.00(30.33)
LGA -Mø	58.80(6.52)	18.50(2.05)	49.70(5.51)	222.80(24.69)



## APPENDIX VII

**Table 4: Budgetary allocations to Department of Health and selected departments in 2012 in millions of naira**

<b>L.G.A.</b>	<b>DEPT HEALTH ₦ ₦ (%)</b>	<b>AGRICULTURE ₦ (%)</b>	<b>EDUCATION ₦ (%)</b>	<b>WORKS AND ENVIRONMENT ₦ (%)</b>
LGA -Aø	29.20 (13.22)	32.00 (3.27)	92.00 (9.41)	510.20 (52.19)
LGA -Bø	128.40(16.07)	50.96 (6.38)	67.23 (8.42)	304.84 (38.16)
LGA -Cø	108.10(10.70)	23.60 (2.34)	93.10 (9.22)	356.90 (35.34)
LGA -Dø	89.00 (12.82)	18.41 (2.65)	50.61 (7.29)	413.34 (59.55)
LGA -Eø	82.70 (8.29)	28.20 (2.83)	17.60 (1.77)	267.00 (26.78)
LGA -Fø	157.17 (9.84)	52.49 (3.29)	88.31 (5.53)	496.25 (31.07)
LGA -Gø	90.45 (8.91)	24.20 (2.38)	72.48 (7.14)	263.29 (25.93)
LGA -Hø	129.99(18.27)	69.57 (9.78)	71.72 (10.08)	186.61 (26.23)
LGA -Iø	82.60 (10.67)	22.50 (2.91)	67.50 (8.72)	213.20 (27.53)
LGA -Jø	165.97(26.43)	34.67 (5.52)	85.14 (13.56)	210.51 (33.52)
LGA -Kø	121.04(16.26)	39.19 (5.26)	79.75 (10.71)	125.39 (16.84)
LGA -Lø	46.02 (9.33)	21.97 (4.46)	19.05 (3.86)	166.73 (33.81)
LGA -Mø	142.86(14.57)	38.75 (3.95)	69.67 (7.10)	171.90 (17.53)

**APPENDIX VIII**

**Table 5: Budgetary allocations to Department of Health and departments in 2013  
in millions of naira**

<b>L.G.A.</b>	<b>DEPT</b>	<b>HEALTH ₦</b>	<b>AGRICULTURE</b>	<b>EDUCATION</b>	<b>WORKS AND</b>
		<b>₦ (%)</b>	<b>₦ (%)</b>	<b>₦ (%)</b>	<b>ENVIRONMENT</b>
					<b>₦ (%)</b>
LGA ÆAø		87.00 (9.08)	30.90 (3.23)	91.90 (9.59)	456.00 (47.6)
LGA ÆBø		104.24 (10.2)	23.77 (2.33)	81.08 (7.93)	239.78 (23.46)
LGA ÆCø		124.59(10.52)	24.54 (2.07)	95.96 (8.10)	360.13 (30.42)
LGA ÆDø		76.70 (12.29)	17.50 (2.80)	71.10 (11.39)	247.20 (39.62)
LGA ÆEø		76.40 (7.28)	28.04 (2.67)	43.60 (4.15)	318.00 (30.29)
LGA ÆFø		149.01 (8.70)	49.03 (2.86)	96.64 (5.64)	455.13 (26.57)
LGA ÆGø		97.36 (10.22)	23.13 (2.43)	77.28 (8.11)	228.64 (24.01)
LGA ÆHø		146.50(14.86)	39.50 (4.01)	94.50 (9.58)	230.50 (23.38)
LGA ÆIø		99.24 (10.87)	33.23 (3.64)	132.11 14.47)	512.95 (56.20)
LGA ÆJø		79.36 (14.78)	20.50 (3.82)	67.08 (12.49)	146.42 (27.26)
LGA ÆKø		93.50 (12.39)	21.00 (2.78)	80.21 (10.63)	221.50 (29.36)
LGA ÆLø		119.06(25.38)	53.09 (11.32)	34.44 (7.34)	100.76 (21.48)
LGA ÆMø		124.98(12.24)	26.29 (2.57)	56.92 (5.57)	387.11 (37.91)

## APPENDIX IX

**Table 6: Budgetary allocations to Department of Health and selected departments in 2014 in million of naira**

L.G.A.	DEPT			
	HEALTH ₦ ₦ (%)	AGRICULTURE ₦ (%)	EDUCATION ₦ (%)	WORKS AND ENVIRONMENT ₦ (%)
LGA -Aø	131.10(12.61)	34.00 (3.27)	94.10 (9.05)	529.40 (50.90)
LGA -Bø	105.00(10.29)	27.50 (2.70)	98.00 (9.61)	463.50 (45.55)
LGA -Cø	137.00(13.30)	26.20 (2.54)	103.10(10.01)	570.00 (55.34)
LGA -Dø	81.90 (12.92)	31.70 (5.00)	68.90 (10.87)	143.80 (22.68)
LGA -Eø	180.30(23.31)	20.50 (2.65)	84.50 (10.92)	241.50 (31.22)
LGA -Fø	72.20 (5.87)	29.00 (2.36)	42.20 (3.43)	501.10 (40.74)
LGA -Gø	102.20(10.12)	24.40 (2.42)	82.10 (8.13)	435.50 (43.12)
LGA -Hø	165.40(16.38)	40.80 (4.04)	99.50 (9.85)	225.60 (22.34)
LGA -Iø	188.20(11.62)	25.80 (1.59)	110.20 (6.80)	351.1(21.67)
LGA -Jø	91.30 (10.51)	16.00 (1.84)	74.20 (8.54)	451.60 (52.00)
LGA -Kø	96.60 (13.14)	22.50 (3.06)	80.70 (10.98)	200.20 (27.23)
LGA -Lø	102.40(17.14)	58.10 (9.73)	33.00 (5.52)	114.00 (19.08)
LGA -Mø	136.50(13.00)	35.70 (3.40)	64.70 (6.16)	280.60 (26.72)

## APPENDIX X

**Table 7: spearman's rank correlation coefficient results on degree of relationship (r) between budgetary allocations to health departments and those of Agriculture, Education and works/Environment departments from 2010 to 2014 and the significance (P) of the correlations .**

	Year		2010		2011		2012		2013		2014	
	r	Sig	r	Sig	r	sig	r	sig	r	sig		
<b>DEPARTMENT</b>												
Agriculture	0.63	0.022	0.59	0.033	0.77	0.02	0.58	0.037	0.06	0.845		
Education	0.07	0.817	0.63	0.022	0.60	0.031	0.42	0.150	0.70	0.007		
Works and Environment	0.68	0.011	0.40	0.174	0.10	0.75	0.16	0.603	0.44	0.887		

**APPENDIX XI: CAPITAL & RECURRENT BUDGET TO HEALTH DEPT FROM  
2010-2014 IN MILLIONS OF NAIRA**

LGA	2010			2011			2012			2013		
	Total	Capt	Rec.	Total	Capt.	Rec.	Total	Capt	Rec.	Total	Capt	Rec.
A	55.32	30.50	24.82	36.20	10.00	26.20	129.20	8.10	121.10	87.00	7.50	79.50
B	90.60	10.60	80.00	98.70	18.60	80.10	128.40	15.00	113.40	104.24	24.00	80.24
C	55.50	26.00	29.5	36.37	8.30	28.07	108.10	35.00	73.10	124.59	52.10	72.49
D	39.10	20.00	19.10	42.55	23.92	18.62	89.00	23.92	65.08	76.70	4.50	72.20
E	85.70	5.20	80.50	85.60	5.50	80.00	82.70	6.20	76.50	76.40	7.00	69.40
F	42.20	15.00	27.20	56.30	30.00	26.30	157.17	85.50	71.67	149.01	85.50	63.51
G	50.80	23.60	27.20	48.90	25.50	23.40	90.45	17.15	73.30	97.36	22.10	75.26
H	33.07	20.00	13.07	22.89	11.63	11.26	129.99	29.00	100.99	146.50	72.00	74.50
I	84.96	46.05	38.91	138.04	30.20	107.84	165.97	24.00	141.97	79.36	5.00	74.36
J	44.94	25.00	19.94	46.67	25.00	21.67	82.60	4.60	78.00	99.24	19.00	80.24
K	27.50	13.00	14.50	30.50	13.00	17.50	121.04	45.50	75.54	93.50	50.00	43.50
L	40.00	8.6m	31.40	42.30	10.00	32.30	46.02	1.00	45.02	119.06	7.00	112.06
M	66.15	44.20	21.95	58.80	30.50	28.30	142.86	22.00	120.86	124.98	25.64	99.34