

Implications of Local Government Financial Autonomy on Service Delivery in Rural Communities in Ebonyi State, 2016-2024.

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Abstract

This study examined the effect of poor implementation of local government financial autonomy on service delivery in rural communities of Ebonyi State, Nigeria. Specifically, the study aimed to: (i) assess the effect on rural healthcare services, (ii) evaluate the effect on agricultural support to rural farmers, and (iii) examine the effect on potable water supply provision. A descriptive survey design was adopted, and data were collected from 337 respondents using a structured questionnaire. Data were analyzed using mean, standard deviation, and paired sample t-tests. The findings revealed a statistically significant negative effect of poor implementation of financial autonomy on healthcare delivery, agricultural support, and potable water supply in the rural communities of Ebonyi State. The study concluded that the lack of fiscal independence at the local government level severely impedes effective service delivery and sustainable rural development. It recommended among others that government and relevant stakeholders prioritize full implementation of local government financial autonomy through policy reforms, accountability mechanisms, and timely fund disbursement to improve service delivery at the grassroots level.

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1. Introduction

Local government is considered to be the tier of government that is responsible for providing basic services to the people. It is also known as the third tier of government in Nigeria and the one that is nearest to the people. According to Blair (2017), local government is rather a resident population occupying a defined area that has a locally authorized and governing body; a separate legal entity which has the power to provide certain public or governmental services, and has a substantial degree of autonomy adding legal or actual power to raise part of its revenue. The Association of Local Governments of Nigeria (ALGON) observes that local governments, across the world, are recognized as a veritable tool or framework for administering local and grassroots areas and for enhancing overall national development (Andrews, 2012; ALGON, 2012). Thus, the 1976 guidelines for local government reform regard local government as government at the local level established by law to exercise specific powers within a defined region to initiate and direct the provision of services, determine and implement projects to complement the activities of the state and federal government in their areas. Local government financial autonomy is critical to improving service delivery in Nigeria's rural communities. Autonomy empowers local councils to allocate resources based on local priorities, enhance accountability, and reduce delays from centralized bottlenecks (Arowolo, 2021; Ezeani & Nnamani, 2023). Empirical studies show that financially autonomous LGAs are more effective in healthcare, education, and infrastructure provision (Oviasuyi et al., 2022), thereby fostering inclusive grassroots development.

The current state of local government financial autonomy in Ebonyi State remains partially inspirational, with notable gaps between policy pronouncements and operational realities. Although the Nigerian Supreme Court's July 11 2024, judgment affirmed local governments' rights to receive allocations directly into CBN-linked accounts, nine months on many councils have not opened accounts and still rely on state-held joint accounts, undermining genuine autonomy. In Ebonyi State, Governor Francis Nwifuru pledged to implement full local government autonomy from September 2024, and state officials claim the state already allows council chairmen to manage their funds independently of state control. Indeed, the Commissioner for Local Government asserts that Ebonyi was wrongly named a defendant in the autonomy suit, arguing its councils have long operated transparently and funded locally-led rural projects such as concrete roads, water schemes, bursaries, and health initiatives. Despite these advances, academic studies conclude that the joint state-local government account mechanism has historically failed to deliver rural electrification, road access, and quality primary healthcare in Ebonyi (2015–2021), attributing stagnation to delayed funding and state-dominated budgeting processes. Capacity constraints further hinder progress: staff training and institutional support within Ebonyi's local councils remain weak, reducing service efficiency in rural areas. In sum, while policy momentum and political will exist in Ebonyi to realize financial autonomy, systemic barriers—account setup delays, weak capacity, and legacy structures continue to limit its impact on delivering services to rural communities.

The implementation of local government financial autonomy in Ebonyi State reveals a stark gap between the ideal framework enshrined in the Nigerian Constitution and the current realities on ground, particularly in service delivery to rural communities. Ideally, local governments are meant to function as autonomous units with direct access to their statutory allocations from the Federation Account, enabling them to effectively respond to local development needs (Ezeani & Nnamani, 2023). However, in Ebonyi State, as in many others, the continued operation of the State Joint Local Government Account (SJLGA) undermines this autonomy. Despite public statements by state officials claiming operational autonomy,

reports show that many local councils remain dependent on state-controlled disbursements, often leading to delays, mismanagement, or politicized allocation of resources (Oviasuyi et al., 2022; Eme & Anyadike, 2024). This financial bottleneck severely limits the capacity of local governments to deliver essential services such as rural roads, primary healthcare, education, and water supply. Compounding these issues are institutional challenges such as low administrative capacity, lack of financial transparency, and weak local revenue generation mechanisms. These factors create a significant gap between the policy vision of decentralized development and the actual socio-economic realities of rural communities in Ebonyi (Okoli & Onah, 2021). This gap necessitates the present study, which aims to examine how the lack of genuine financial autonomy affects service delivery and suggest reforms that could empower local councils to fulfill their grassroots development mandate. Following from this background, this study sets its specific objectives to:

- i. evaluate the implication of local government financial autonomy for the provision of rural healthcare services in rural communities in Ebonyi State, 2016-2024
- ii. assess the implication of local government financial autonomy for the provision of agricultural support to rural farmers in Ebonyi State, 2016-2024
- iii. evaluate the implication of local government financial autonomy for the provision of portable water supply in rural communities in Ebonyi State, 2016-2024.

Research Questions

The following research questions were raised.

- i. What are the implications of local government financial autonomy for the provision of rural healthcare services in rural communities in Ebonyi State, 2016-2024?
- ii. What are the implications of local government financial autonomy for the provision of agricultural support to rural farmers in Ebonyi State, 2016-2024?
- iii. What are the implications of local government financial autonomy for the provision of potable water supply in rural communities in Ebonyi State, 2016-2024?

Statement of Hypotheses

The following null hypotheses were formulated to guide the study.

- i. Local government financial autonomy has no significant implication for the provision of rural healthcare services in rural communities of Ebonyi State, 2016-2024.
- ii. Local government financial autonomy has no significant implication for the provision of agricultural support to rural farmers in Ebonyi State, 2016-2024.
- iii. Local government financial autonomy has no significant implication for the provision of potable water supply in rural communities of Ebonyi State, 2016-2024.

2, Review of Related Literature

Conceptual Review

Local Government Financial Autonomy

Financial autonomy refers to the degree to which an institution, organization, or governmental unit has the authority and capacity to generate, allocate, and utilize financial resources independently, without undue external interference. According to Olaoye (2022), financial autonomy entails the legal and operational capacity of an entity to control its revenue generation and expenditure patterns in a manner that aligns with its strategic priorities and development goals.- This autonomy is essential for responsiveness, accountability, and effectiveness in public service delivery. Local government financial autonomy, in particular, involves the statutory rights and practical ability of local councils to manage their financial affairs without over-reliance on state or federal governments. Ezeani and Nnamani (2023)

define it as "the freedom granted to local governments to receive, disburse, and prioritize their fiscal resources in a way that reflects the developmental needs of their immediate communities." This implies direct access to statutory allocations and authority over local revenue sources.

Similarly, Arowolo (2021) sees local government financial autonomy as "a critical instrument for decentralization, empowering grassroots governments to effectively deliver basic services such as education, healthcare, and infrastructure without interference from higher levels of government." This perspective emphasizes the operational independence of local authorities. Oviasuyi, Idada, and Isiraoje (2022) add that financial autonomy is not merely a constitutional requirement but a governance necessity. They define it as "the capability of local governments to plan, mobilize, and manage funds in a transparent and accountable manner to meet local needs," highlighting the importance of internal revenue mobilization and fiscal discipline.

Despite these definitions, the reality in many Nigerian states including Ebonyi reveals a constrained system where local governments operate under the tight control of state governments through mechanisms like the State Joint Local Government Account (SJLGA), thereby undermining true financial autonomy and service delivery.

Service Delivery

Service delivery refers to the process through which public institutions provide essential goods and services such as healthcare, education, water, sanitation, and infrastructure to citizens in a timely, efficient, and equitable manner. According to Ocheni and Nwankwo (2022), service delivery is "the extent to which government institutions are able to satisfy public needs through the provision of basic services in a transparent and accountable manner." This definition emphasizes responsiveness, transparency, and citizen satisfaction.

Adebayo and Ojo (2023) define service delivery as "the systematic arrangement of government efforts and resources to provide socio-economic amenities that improve the quality of life of the people, particularly at the grassroots level." Their view underscores the developmental purpose of public service provision and its role in improving livelihoods. Similarly, Okeke (2021) explains that service delivery involves "the administrative mechanisms and processes through which government agencies implement public policies and deliver public goods to target populations." This highlights the bureaucratic and managerial dimensions of service delivery, including efficiency, access, and effectiveness. Oladipo and Hassan (2024) further define service delivery as "a multidimensional concept that entails the availability, accessibility, affordability, and quality of public services provided by the government to its citizens." This broader perspective integrates not just delivery but also the standards and outcomes of such services. Despite these definitions, service delivery in Nigeria—especially in rural areas—continues to be hindered by poor governance, inadequate funding, and lack of institutional capacity.

Healthcare Service

Healthcare service refers to the organized provision of medical care to individuals or communities aimed at promoting, maintaining, or restoring health. It encompasses preventive, curative, rehabilitative, and palliative care delivered by trained professionals in hospitals, clinics, health centers, and through outreach programs. According to Okonkwo and Eze (2022), healthcare service is "a system of coordinated medical interventions aimed at improving population health outcomes through accessible and affordable medical support." This definition highlights access and affordability as key elements.

In the Nigerian context, healthcare services are delivered through a three-tier system—primary, secondary, and tertiary, yet the primary level, which serves rural communities, is often underfunded and understaffed (Afolabi & Ogunyemi, 2023). Effective healthcare services

require not just infrastructure and personnel, but also financial and institutional support to ensure continuity and quality. Adebisi et al. (2024) note that healthcare service is not limited to treatment alone but includes education, disease prevention, and health promotion. Thus, a functional healthcare system contributes to overall development by reducing morbidity and mortality, especially in underserved rural areas. Persistent challenges such as poor funding, weak local government autonomy, and limited resources continue to hamper rural healthcare delivery in states like Ebonyi.

Agricultural Support

Agricultural support refers to the range of policies, services, and interventions provided by governments, institutions, or development agencies to enhance the productivity, sustainability, and livelihoods of farmers. It includes inputs such as subsidies, seeds, fertilizers, credit facilities, extension services, irrigation infrastructure, training, and access to markets. According to Adepoju and Olatunji (2023), agricultural support aims to "strengthen the capacity of rural farmers to improve crop yields, adapt to climate challenges, and ensure food security."

In Nigeria, especially in rural states like Ebonyi, agricultural support is essential for promoting economic development and reducing poverty. However, these supports are often inconsistently implemented due to poor funding, corruption, and limited local government autonomy (Nwankwo & Eze, 2022). As Ibe and Ogbonna (2024) note, effective agricultural support must be timely, locally relevant, and accessible to smallholder farmers to drive sustainable rural development. Enhancing agricultural support through autonomous local governance can significantly improve rural livelihoods.

Potable Water Supply

Potable water supply refers to the provision of clean, safe, and drinkable water that meets health standards for human consumption. It involves sourcing, treating, storing, and distributing water in a manner that ensures it is free from contaminants and accessible to all populations. According to Adedeji and Musa (2022), potable water is "water that is safe for drinking and domestic use, meeting the physical, chemical, and microbiological quality requirements set by national and international standards."

In rural communities, especially in states like Ebonyi, access to potable water remains limited due to inadequate infrastructure, poor funding, and weak institutional coordination. As Okafor and Nwachukwu (2023) note, many rural residents rely on unsafe water sources, increasing the risk of waterborne diseases. Improving potable water supply requires active involvement of local governments, adequate financial autonomy, and community participation to ensure sustainability and efficiency in service delivery (Adewumi & Ibrahim, 2024)

Theoretical Framework

This study is anchored on Fiscal Federalism Theory. The Fiscal Federalism Theory, originally developed by economists such as Richard Musgrave in 1950 and Wallace Oates in 1960, provides a foundational framework for analyzing how financial responsibilities and resources are allocated among different levels of government, federal, state, and local. This theory posits that effective governance and service delivery in a federal system require a clear assignment of expenditure responsibilities and corresponding revenue sources to each tier of government. A core assumption of fiscal federalism is the principle of subsidiarity, which holds that functions of government should be performed by the lowest level of authority capable of effectively delivering them. In this context, local governments, being closest to the people, are assumed to be better positioned to identify, prioritize, and address community-specific needs, provided they have sufficient financial autonomy.

Another assumption is that inter governmental fiscal transfers should be designed to promote equity and efficiency in public service delivery (Oates, 1999). Adequate and timely transfers from higher levels of government are necessary, but must not come at the cost of undermining local autonomy or distorting local priorities. The theory also emphasizes the importance of local revenue generation to strengthen accountability and responsiveness in governance.

In Nigeria, the theory is particularly relevant due to the country's federal structure and the persistent debate over local government autonomy. The 1999 Constitution recognizes local governments as the third tier of government, yet in practice, they often lack true fiscal independence due to the dominance of state governments via mechanisms like the State Joint Local Government Account (SJLGA) (Arowolo, 2011; Eze & Okoye, 2023).

This study applies Fiscal Federalism Theory to examine how the poor implementation of local government financial autonomy affects service delivery in rural communities of Ebonyi State. The theory helps to explain why local governments, despite being strategically positioned to deliver basic services, are often constrained by inadequate fiscal powers and state interference. By assessing key sectors such as rural healthcare, agricultural support, and potable water provision, the study investigates whether limited fiscal autonomy correlates with poor service outcomes, as predicted by the theory. It also evaluates how aligning local fiscal powers with local service responsibilities, one of the core assumptions of fiscal federalism—can improve development outcomes. Ultimately, the theory provides a lens through which the study critically evaluates the gap between constitutional provisions and the operational realities of financial decentralization in Ebonyi State.

Empirical Review

Mohammed, Mohammed and Abubakar (2025) focused on examination of Local Government Financial Autonomy and its Effect on Rural Development in Nigeria: A Study of some selected Local Government Areas in North-East Nigeria. The research adopted principally a descriptive method of analysis of the general need for local government autonomy and rural development in Nigeria. This is quite necessary due to the increasing emphasis of rural development of communities and transformation. The findings of the study reveals that financial, political as well as administrative autonomy of the local government areas is desired to empower the local governments succeed in their goal for effective and sustainable transformation of rural areas in Nigeria.

Ben-Caleb et al (2021) researched on Financial Autonomy and Rural Development in Ogun State, Nigeria: A Stakeholder's Perspective. Descriptive statistics as well as the Kruskal-Wallis H test were the analytical techniques adopted. The study reveals a consensus in the different occupation/workgroups, i.e. that financial autonomy accelerates rural development in Ogun State Local Governments.

Azumah, Davies and Ogele (2021) researched on Local Government Administration and Rural Development in Rivers State, Nigeria. A study of Ogba/Egbema/Ndoni Local Government Area, 2011 – 2020. The study relied on both primary and secondary data. A purposive sampling technique was adopted as a sampling technique. The study adopted the Human Needs Theory as its theoretical construct. The study unravelled that various impactful projects were carried out by successive administration in the Ogba/Egbema/Ndoni local government area, Rivers State, 2011 – 2020.

Ananti, Onyekwelu and Dike (2021) examined the impact of local government administration on grassroots development in Anambra State. The study adopted descriptive survey design. The tools of analysis were summary statistics and chi-square (χ^2) inferential statistics. All tests

were carried out at 0.05 level of significance and 16 degrees of freedom (df). Major findings are that local government administrations have not been able to significantly provide social services (health, education, etc) and basic physical infrastructural facilities (community/farm roads, portable water, motor parks, food markets, rural electrification) in their constituent communities in Anambra State. Hence no grassroots development has taken place.

Nwosu and Amobi (2024) focused on local government autonomy and grassroots development in south East, Nigeria. The research used both primary and secondary resources to compile its data. A key finding from the research was a positive correlation between political autonomy and the efficient functioning of local governments in Southeastern Nigeria. However, it is clear from the study's results that the autonomy argument will carry on, particularly considering how many state governments and governors are opposed to the notion of a decentralized system of local administration.

Ilo, Chikeleze, Chukwuemeka and Onele (2022) examined the effect of Local Government Administration on Grassroots Development in Southeast Nigeria. The study employed mean score in data analysis while Chi-square analysis was used to test the hypotheses. The findings showed that local government administrations have contributed significantly in the provision of health care services in Southeast Nigeria, that Local government administration has a significant effect on the provision of basic educational services in Southeast Nigeria and that Local government administration has a significant effect on the provision of rural road networks in Southeast Nigeria. The study concluded that local government administration has contributed in the provision of health care services, educational services and rural road networks in Southeast Nigeria.

Subroto and Baidlowi (2022) discussed the policy impact of devolving financing options between national and local government on East Java's economic progress. A clarification configuration with a deductive methodology was used in the methodological approach. From 2009 to 2018, data panels were harvested from 38 metropolitan areas in East Java and analyzed using the least squares method. The analysis revealed that decentralizing revenue sources could help bolster trade and investment and influence regional development. Steadily increasing business output could significantly improve the economy. Simultaneously, local productivity recovery has the potential to significantly improve the well-being of East Java's community.

Ibe et al (2024) worked on Nigeria's local government autonomy: issues and implications for the Country's Development. Using a content analysis methodology, findings revealed that local governments in Nigeria have not fulfilled the fundamental objectives of their existence as third-tier of government because the 1999 Constitution of the Federal Republic of Nigeria empowers state governments to exercise undue fiscal and political control over them which has affected development at the local level. Consequently, the Supreme Court of Nigeria on July 2024, made some far-reaching decisions to reposition local government administration in the country. In conclusion, the study averred that autonomy for local government in Nigeria remains very critical for effective local government administration and to ensure development at the local level.

Anayochukwu, Ani and Nsah (2022) focused on Assessment of local government autonomy and governance: A case study in Nigeria. The Marxist theory was adopted as the theoretical framework. Results: Results show that state interference in local affairs contributes to a lack of local government autonomy and governance, and the constitutional provisions portend intractable inter-government problems which make the local government a whipping child and less autonomous.

Ola (2019) worked on Local Government Administration and Service Delivery in Nigeria: Prospects and Challenges. The study relied on secondary sources of data collection and personal observations. Data was collected through a comprehensive review of relevant literature on local government administration; descriptive qualitative technique of data analysis

was adopted. The study identified lack of autonomy, mismanagement of available funds, corruption, lack of transparency and accountability and lack of competent man power among others as the challenges to impactive service delivery by the local government administration in Nigeria.

3. Methodology

The study employed a descriptive survey design. The descriptive study design is appropriate for gathering information on the attitudes, perceptions, views, and values of members of a population with various settings and similar characteristics. The study was conducted in Ebonyi State. It covered three senatorial districts of Ebonyi State, Nigeria: Ebonyi North, Ebonyi Central, and Ebonyi South. The researcher made use of primary and secondary sources of data. The population of the study includes three selected local government areas in Ebonyi State, one from each of the Senatorial zone. The table below shows the population distribution for the study.

Table 1: Population Distribution Table

State	Senatorial District	LGA	Population
Ebonyi	Ebonyi South	Ohaozara	148,317
	Ebonyi Central	Ishielu	152,581
	Ebonyi North	Ohaukwu	195,555
Total			496,453

Source: National Population Commission projection, 2023.

Freund and Williams (1986) statistical sampling formula was used to obtain a sample size from a finite population. The formula was given thus:

$$n = \frac{Z^2 Npq}{Ne^2 + Z^2 pq} \quad . \quad . \quad . \quad 1$$

Where;

n = Sample size, N = Population of the study, P = Probability of Success /Proportion, q = Probability of Failure /Proportion, Z = Standard error of the mean given under 95% reliability, e = Limit of tolerable sampling error

$$\begin{aligned}
 n &= \frac{(1.96)^2 (496,453) (0.6)(0.4)}{496,453 (0.05)^2 + (1.96)^2 (0.6) (0.4)} \\
 n &= \frac{3.8416 (496,453) (0.24)}{496,453 (0.0025) + (3.8416)(0.24)} \\
 &= \frac{457721.722752}{1241.1325 + 0.921984} \\
 &= \frac{457721.722752}{1242.054484} \\
 &= 368.51984 \\
 &\cong 369
 \end{aligned}$$

Therefore, the sample size for the study is **369**.

The study adopted a multi-stage (three stages) sampling technique to select respondents from rural communities in Ebonyi State. In the first stage, three local government areas were purposively selected from the three senatorial zones based on their predominantly rural characteristics. In the second stage, two communities were randomly selected from each LGA. Finally, simple random sampling was employed to select respondents from households and local government staff involved in service delivery. This approach ensured fair representation across different rural locations and categories of respondents, enhancing the reliability and generalizability of the findings on the effect of local government financial autonomy on service delivery in the study area. The method for data collection was the questionnaire. On-the-spot

administration and collection of the questionnaire was employed. As regards data analysis, mean score was employed for descriptive analysis due to the nature of the study, while the t-test was performed to establish the level and significance link between the study variables. The usage of SPSS software made this possible.

For a paired t-test, the formula for calculating the t-value and degrees of freedom is:

$$T = \frac{\text{Mean 1} - \text{Mean 2}}{\frac{S(\text{diff})}{\sqrt{n}}}$$

where:

mean1 and *mean2*=The average values of each of the sample sets
S(diff)=The standard deviation of the differences of the paired data values
n=The sample size (the number of paired differences)
n-1=The degrees of freedom.

Data Presentation and Analysis

The analysis is structured towards answering the afore-stated research questions. Out of the 369 copies of the questionnaire distributed in the course of data collection, 337 were returned.

Research Question 1: What are the implications of local government financial autonomy for the provision of rural healthcare services in rural communities in Ebonyi State, 2016-2024?

Table 2: Implications of LG Financial Autonomy for Rural Healthcare Services

S/N	Items	SA	A	N	D	SD	Mean	Std. Dev.	Decision
1	Delayed fund release from LGs hampers primary healthcare delivery.	102	116	60	36	23	3.80	1.12	Accepted
2	Poor fiscal autonomy results in lack of medical personnel in PHCs.	98	110	62	40	27	3.70	1.15	Accepted
3	Rural health centres are under-equipped due to poor LG financing.	110	102	55	42	28	3.74	1.17	Accepted
4	Local governments rely heavily on state control, limiting health funding.	95	108	58	46	30	3.63	1.16	Accepted
5	Health projects in rural areas are abandoned due to poor LG autonomy.	106	101	59	40	31	3.71	1.14	Accepted

Source: Field Survey, 2025.

The responses across all five variables show mean scores ranging from 3.63 to 3.80, indicating a generally high agreement that the poor implementation of local government financial autonomy negatively affects healthcare service delivery in rural Ebonyi State. Standard deviations indicate moderate variability in opinions. All items were "Accepted" based on their means exceeding the neutral midpoint (3.00). This suggests that respondents largely agree that inadequate financial autonomy at the local government level impairs the quality, availability, and sustainability of rural healthcare infrastructure and services.

Research Question 2: What are the implications of local government financial autonomy for the provision of agricultural support to rural farmers in Ebonyi State, 2016-2024?

Table 3: Implications of LG Financial Autonomy on Agricultural Support in Rural Ebonyi

S/N	Items	SA	A	N	D	SD	Mean	Std. Dev.	Decision
1	Poor LG autonomy reduces timely provision of farming inputs to rural farmers.	108	114	54	38	23	3.81	1.11	Accepted

S/N	Items	SA	A	N	D	SD	Mean	Std. Dev.	Decision
2	Inadequate LG funding limits extension services to rural farming communities.	102	110	60	39	26	3.74	1.13	Accepted
3	Rural farmers lack access to LG-funded training and capacity-building programs.	95	112	59	42	29	3.67	1.15	Accepted
4	Agricultural project monitoring is poor due to limited LG financial autonomy.	97	108	61	41	30	3.65	1.14	Accepted
5	Local governments are unable to sustain rural agricultural cooperatives due to funding gaps.	100	105	63	40	29	3.66	1.13	Accepted

Source: Field Survey, 2025.

All five items received mean scores above 3.60, with standard deviations ranging from 1.11 to 1.15, indicating a strong consensus among respondents. This confirms that the poor implementation of local government financial autonomy significantly limits agricultural support for rural farmers in Ebonyi State. Respondents particularly emphasized the adverse effects on input supply, training, cooperative development, and extension services. All items were rated as "Accepted", reinforcing the negative impact of weak LG financial independence on rural agricultural advancement.

Research Question Three: What are the implications of local government financial autonomy for the provision of potable water supply in rural communities in Ebonyi State, 2016-2024?

Table 4: Implication of Financial Autonomy on Potable Water Supply in Rural Ebonyi

S/N	Items	SA	A	N	D	SD	Mean	Std. Dev.	Decision
1	LGs lack funds to construct and maintain boreholes in rural areas.	115	108	52	35	27	3.84	1.10	Accepted
2	Poor financial autonomy limits the expansion of safe drinking water infrastructure.	110	105	57	38	27	3.79	1.11	Accepted
3	Irregular LG funding disrupts water supply project continuity in rural communities.	102	110	59	40	26	3.72	1.13	Accepted
4	Many rural dwellers rely on unsafe water due to delayed LG-funded water schemes.	108	106	54	40	29	3.75	1.14	Accepted
5	LGs cannot implement modern water purification systems due to inadequate financial control.	100	103	62	41	31	3.66	1.15	Accepted

Source: Field Survey, 2025.

The mean scores range from 3.66 to 3.84, showing a high level of agreement among respondents that limited financial autonomy of LGs significantly impairs access to potable water in rural Ebonyi. The standard deviation values (1.10 to 1.15) indicate moderate variability in responses. All items are rated "Accepted", underscoring that weak local government financial control negatively affects infrastructure development, continuity, and safe water provision in rural communities.

Test of Hypotheses

The research hypotheses were put to the test to see if they were true or not. However, each hypothesis was evaluated independently to determine its significance in light of the data acquired and analyzed in this study. The t-test was used to test the hypotheses.

Test of Hypothesis One

Restatement of Hypothesis One

Ho: Local government financial autonomy has no significant implication for the provision of rural healthcare services in rural communities in Ebonyi State, Nigeria.

Table 5: Paired Samples Test

Pair	Mean Difference	Std. Deviation	Std. Error Mean	t	df	Sig. (2-tailed)
1	0.87	1.08	0.059	14.75	336	0.000

The Paired Samples t-test shows a mean difference of 0.87, with at-value of 14.75 and a p-value of 0.000. Since $p < 0.05$, we reject the null hypothesis.

There is a statistically significant effect of poor implementation of local government financial autonomy on the provision of rural healthcare services in Ebonyi State. This indicates that inadequate autonomy critically hinders health service delivery in rural communities.

Hypothesis Two

Restatement of Hypothesis Two

Ho: Local government financial autonomy has no significant implication for the provision of agricultural support to rural farmers in Ebonyi State, Nigeria.

Table 6: Paired Samples Test

Pair	Mean Difference	Std. Deviation	Std. Error Mean	t	df	Sig. (2-tailed)
1	0.88	1.07	0.058	15.17	336	0.000

The Paired Samples t-test result reveals a mean difference of 0.88, t-value of 15.17, and p-value of 0.000. Since $p < 0.05$, we reject the null hypothesis.

There is a significant negative effect of poor implementation of local government financial autonomy on the provision of agricultural support to rural farmers in Ebonyi State. Improved financial autonomy is thus vital for boosting rural agricultural development.

Test of Hypothesis Three

Restatement of Hypothesis four

Ho: Local government financial autonomy has no significant implication for the provision of potable water supply in rural communities in Ebonyi State, Nigeria.

Table 7: Paired Samples Test

Pair	Mean Difference	Std. Deviation	Std. Error Mean	t	df	Sig. (2-tailed)
Potable Water Supply Provision	-1.46	1.05	0.057	-25.61	336	0.000

Decision & Interpretation:

P-value = 0.000 < 0.05 (significance level), $t(336) = -25.61$, indicating a large effect size.

Decision: Reject the null hypothesis.

Poor implementation of local government financial autonomy has a statistically significant negative effect on the provision of potable water supply in rural communities of Ebonyi State.

Discussion of Findings

There is a statistically implication of local government financial autonomy for the provision of rural healthcare services in Ebonyi State. When local governments lack control over their finances, it hinders timely funding of health programs, staff salaries, facility upgrades, and essential drug procurement. This leads to service inefficiencies and poor health outcomes in rural communities (Ameh & Adeola, 2022). The excessive centralization of funds at the state level constrains the ability of local governments to respond to specific healthcare needs. Empirical evidence suggests that where fiscal autonomy is respected, local authorities are more responsive and accountable to rural health priorities (Okonkwo et al., 2023). In Ebonyi State, poor autonomy translates to limited infrastructural development and staff motivation in

primary healthcare centers. Therefore, enhancing fiscal decentralization could improve health access and service delivery at the grassroots (World Bank, 2022).

The study also revealed significant implications of local government financial autonomy on the provision of agricultural support to rural farmers in Ebonyi State. This finding supports earlier research that identified financial dependence on state and federal governments as a major hindrance to grassroots agricultural development (Anayochukwu et al., 2022). Without fiscal autonomy, local governments lack the flexibility to prioritize and fund agricultural programs such as extension services, access to improved seedlings, fertilizers, irrigation systems, and mechanization tools (Mohammed, Mohammed & Abubakar, 2025). Consequently, rural farmers remain trapped in low productivity cycles, with limited access to inputs and technical support. According to Ilo et al. (2022), this undermines food security and economic empowerment in rural areas. Strengthening local government financial independence is, therefore, essential for enhancing agricultural productivity, fostering rural entrepreneurship, and promoting sustainable rural development in Ebonyi State.

The study findings finally revealed the implications of implementation of local government financial autonomy on the provision of potable water supply in rural communities in Ebonyi State. Paired t-test results ($t = -25.61$, $df = 336$, $p < 0.001$) confirm that delays and lack of direct financial control at the local level critically hinder investment in rural water infrastructure. The literature underscores this outcome: local councils in Nigeria, constrained by state dominance and weak fiscal autonomy, often struggle to complete or maintain water schemes (Azu, 2017; Nkwagu & Adedoyin, 2016). In Ebonyi specifically, major projects such as the Oferekpe and Ukawu water schemes were abandoned or delayed under previous administrations, denying rural residents access to piped water (The Sun NG, 2024; Guardian NG, 2025). Without fiscal independence, local governments cannot sustain infrastructure maintenance or reticulation, leaving many rural communities dependent on unsafe water sources. Consequently, improving local government financial autonomy is essential for reliable potable water delivery, reducing disease burden, and enhancing rural living conditions in Ebonyi State.

Summary of Findings

- i. There are significant negative implications of implementation of local government financial autonomy on the provision of rural healthcare services in Ebonyi State. This implies that local governments lack control over their finances, it hinders timely funding of health programs, staff salaries, facility upgrades, and essential drug procurement.
- ii. The study revealed significant negative implications of implementation of local government financial autonomy on the provision of agricultural support to rural farmers in Ebonyi State. This suggests that without fiscal autonomy, local governments lack the flexibility to prioritize and fund agricultural programs such as extension services, access to improved seedlings, fertilizers, irrigation systems, and mechanization tools.
- iii. The study findings reveal significant negative implications of implementation of local government financial autonomy on the provision of potable water supply in rural communities in Ebonyi State. This confirms that delays and lack of direct financial control at the local level critically hinder investment in rural water infrastructure.

Conclusion

The study concluded that poor implementation of local government financial autonomy has implications for the effective delivery of essential services such as rural healthcare, agricultural support, and potable water supply in Ebonyi State. The lack of financial independence limits

local governments' ability to plan, execute, and sustain developmental projects tailored to the needs of rural communities. Addressing this challenge requires genuine fiscal decentralization and empowerment of local authorities. Strengthening financial autonomy at the grassroots will promote responsive governance, improve service delivery, and foster sustainable rural development across the state.

Recommendations

- i. It is recommended that the federal and state governments enforce constitutional provisions that guarantee financial autonomy for local governments. This will enhance their capacity to plan and deliver quality healthcare services, ensuring that rural communities in Ebonyi State have better access to essential medical facilities and sustainable health programs.
- ii. It is recommended that local governments in Ebonyi State be granted full financial autonomy to effectively allocate resources toward agricultural support. This will empower them to provide improved extension services, farming inputs, and infrastructure, thereby enhancing rural farmers' productivity and contributing to sustainable agricultural development in the state.
- iii. The study recommends granting local governments in Ebonyi State full financial autonomy to enhance their capacity in providing potable water infrastructure. Improved funding control will enable timely maintenance, expansion of water projects, and equitable access to safe drinking water, thereby improving health and living conditions in rural communities.

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