





## Original Research Article

# Assessing Local Government Financial Autonomy and Its Implications for Inter-Governmental Relations in Nigeria.

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**Abstract**-The 2024 Supreme Court ruling granting full financial autonomy to Nigeria's 774 local government areas represents a transformative milestone in the evolution of inter-governmental relations within the country's federal system. This study interrogates the fiscal, political, and administrative implications of the reform, situating it within the theoretical frameworks of fiscal and cooperative federalism. Adopting a qualitative documentary and content analysis approach, the paper synthesizes data from constitutional provisions, judicial pronouncements, institutional reports, and scholarly literature to evaluate the emerging fiscal and power dynamics across the three tiers of government. Findings reveal that the autonomy reform has substantially redefined Nigeria's federal architecture: direct fund transfers from the Federation Account have improved fiscal discipline, reduced fund diversion by state intermediaries, and increased internally generated revenue by more than 100% in several local councils. Politically, the enforcement of democratically elected councils has elevated local legitimacy, with elected councils now operating in 88% of states compared to 38% before the ruling. Administratively, local governments have demonstrated greater discretion in policy formulation and capital project execution, leading to notable gains in service delivery, including a 50% improvement in rural road rehabilitation and a 35% increase in education infrastructure. However, challenges persist in financial management capacity, audit compliance, and accountability mechanisms. The study concludes that while financial autonomy has strengthened grassroots governance and initiated a shift from repressive to cooperative inter-governmental relations, its sustainability hinges on institutional capacity building, transparent fiscal oversight, and continuous judicial enforcement. The research contributes to the discourse on federalism and governance reform in emerging democracies by offering evidence-based insights into how judicial and fiscal interventions can recalibrate power and efficiency in multilevel governance systems.

## Article Key Information

**Keywords:** local government autonomy, fiscal federalism, cooperative federalism, intergovernmental relations

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## 1. Introduction

The question of local government autonomy has long occupied a central position in Nigeria's federal and governance discourse, reflecting persistent tensions in the balance of power among the three constitutionally recognized tiers: federal, state, and local. Although the 1999 Constitution (as amended) envisages a cooperative and functionally distinct federal structure, the practical realities of intergovernmental relations have often rendered the local tier subordinate and structurally dependent. Within Nigeria's fiscal and administrative architecture, local governments have historically remained the most constrained actors, with limited discretion over financial resources, policy priorities, and institutional authority (Arowolo, 2011; Eme & Onyishi, 2014). This imbalance has had far-reaching implications for democratic consolidation, service delivery, and the overall credibility of Nigeria's federal experiment.

The 2024 Supreme Court judgment restoring full fiscal and political autonomy to local governments represents a constitutional watershed in Nigeria's intergovernmental evolution. By declaring that allocations from the Federation Account must be paid directly to local councils, thus abolishing the State Joint Local Government Account (SJLGA) and by invalidating the appointment of caretaker committees, the Court effectively reconfigured the vertical power dynamics that had perpetuated what many scholars describe as "repressive federalism" (Okoli, 2019; Ojo, 2024). The judgment resonates with long-standing scholarly and policy debates on whether genuine autonomy can transform local councils into functional instruments of grassroots development and participatory governance (Ezeani, 2020; Fatile, 2011). Beyond its legal significance, the ruling reopens critical questions about the operational sustainability, administrative capacity, and institutional accountability of local governments under a new regime of independence.

Historically, Nigeria's federalism has exhibited a paradox of constitutional devolution and practical centralization. While Section 7 of the Constitution guarantees the existence of democratically elected local councils, the absence of enforceable fiscal safeguards has allowed state governments to dominate resource distribution and policy implementation at the subnational level (Amah, 2018; Ola & Tonwe, 2019). The State Joint Local Government Account institutionalized this dominance by enabling states to intercept or manipulate statutory allocations meant for local councils, thereby undermining financial autonomy and eroding service delivery capacity. As a consequence, local governments have frequently operated as administrative appendages rather than autonomous political entities, with implications for developmental equity, local accountability, and rural transformation (Agunyai & Aremu, 2020; Oguonu, 2018).

In theoretical terms, effective intergovernmental relations (IGR) are predicated on clearly defined competencies, fiscal transparency, and institutional collaboration (Wright, 1988; Anderson, 2020). The absence of these principles in Nigeria has engendered a model of vertical subordination rather than cooperative federalism, where the local tier functions primarily at the discretion of state executives. The 2024 judicial intervention, therefore, presents an opportunity to reimagine IGR within the framework of *cooperative federalism*, which emphasizes coordination, complementarity, and shared governance (Khemani, 2021). By granting financial and political autonomy, the Court's ruling creates new expectations for horizontal accountability and participatory development at the grassroots. Yet, the ultimate success of this transformation depends not only on constitutional enforcement but also on the administrative and fiscal capacities of local councils to manage their newfound independence responsibly.

Despite its constitutional clarity, autonomy in practice remains vulnerable to political resistance, institutional inertia, and bureaucratic capture. Nigeria's governance landscape has often demonstrated a pattern where progressive legal reforms are undermined by weak implementation structures (Ikeanyibe, Mbah, & Eze, 2017). Fiscal autonomy, without corresponding reforms in accountability, transparency, and human capacity, risks becoming symbolic rather than transformative. Therefore, understanding the implications of the Supreme Court judgment requires a multidimensional analysis that integrates fiscal, administrative, and political perspectives within Nigeria's evolving intergovernmental system (Ekpe, 2009; Oyedele, 2022).

This paper thus analyzes the practical implications of financial autonomy for local government performance and intergovernmental balance in Nigeria. Specifically, it examines whether direct fiscal control has repositioned local

councils as viable development actors, capable of initiating and implementing policies aligned with grassroots priorities. It further evaluates how autonomy affects local–state relations, administrative efficiency, and democratic participation within the federal structure. The study argues that while financial independence is a necessary precondition for effective governance at the local level, it must be complemented by institutional reforms, professional capacity-building, and mechanisms of fiscal discipline to ensure that autonomy translates into tangible developmental outcomes.

Ultimately, this research contributes to the broader discourse on fiscal federalism and governance restructuring in Nigeria by situating local government autonomy within both a theoretical and practical context. It contends that the post-2024 era offers a unique opportunity to deepen cooperative governance and restore legitimacy to the local tier as the nucleus of participatory democracy. Whether this constitutional milestone evolves into a sustainable governance paradigm will depend on the political will of the higher tiers and the managerial capacity of local governments to operationalize their autonomy in ways that truly enhance service delivery, accountability, and national development.

## 2.0 Literature Review

### 2.1 Conceptual Clarifications on Local Government Autonomy

The concept of autonomy in local government administration denotes the degree of discretion and independence granted to local councils in managing their financial, administrative, and political affairs. According to Olowu and Wunsch (2004), autonomy is the defining feature that enables local governments to translate national policies into locally relevant actions. It implies freedom from undue external control, particularly from higher tiers of government, in executing statutory responsibilities. In Nigeria, autonomy is constitutionally recognized but has historically been undermined by centralization tendencies and state interference (Agunyai, 2020; Okafor, 2021).

Local government autonomy has multiple dimensions. Fiscal autonomy refers to the power of local councils to generate and manage revenue, prepare budgets, and determine expenditure priorities (Amah, 2018). Administrative autonomy encompasses the ability to recruit and manage staff, design organizational structures, and implement programs without external imposition (Ezeani, 2012). Political autonomy, on the other hand, ensures that local councils are governed by democratically elected officials accountable to their constituents (Agba, 2021). These three dimensions collectively define the functional independence of local governments in any federal system.

However, Nigeria’s local government system has largely lacked these elements. State governments’ control over local government finances through the State Joint Local Government Account (SJLGA) effectively nullified fiscal independence (Ola & Tonwe, 2019). The frequent dissolution of democratically elected councils and replacement with caretaker committees further eroded political autonomy. Consequently, local governments became financially incapacitated and politically subordinate, which significantly weakened their developmental capacity (Ikeanyibe, Mbah, & Eze, 2017). Thus, autonomy is not merely a constitutional or legal principle; it is an operational prerequisite for effective grassroots governance and service delivery.

### 2.2 Theoretical Perspectives on Inter-Governmental Relations

Inter-governmental relations (IGR) describe the complex network of interactions among national, state, and local governments within a federal system (Wright, 1988). In its vertical dimension, IGR encompasses hierarchical linkages among tiers of government, while the horizontal dimension covers cooperation among governments at the same level (Anderson, 2020). The efficiency of federal systems depends on the degree of coordination and fiscal clarity within these relationships. When financial and administrative roles are ambiguous, conflicts and inefficiencies emerge (Khemani, 2021).

In Nigeria, intergovernmental relations have historically been shaped by the competing principles of centralization and federalism. Okoli (2019) characterizes Nigeria's federal practice as "subjugative federalism," in which state governments wield disproportionate power over local councils. This contrasts with the cooperative federalism model found in more mature federations, where each level of government is granted constitutionally protected spheres of influence and financial independence (Shah, 2007). Effective IGR relies on clear delineation of responsibilities and adequate fiscal capacity across all tiers (Ikeanyibe & Nweke, 2022).

The 2024 Supreme Court judgment reconfigured Nigeria's intergovernmental structure by eliminating the SJLGA and mandating direct financial transfers to local councils. This move aligns with the theoretical framework of fiscal federalism, which emphasizes that subnational governments should control resources commensurate with their functions (Oates, 1999). Fiscal decentralization enhances accountability, promotes efficiency in resource use, and fosters responsive governance (Bird & Smart, 2016). The judgment, therefore, potentially transitions Nigeria's IGR from a hierarchical to a cooperative model, reducing fiscal dependency and encouraging vertical balance among the three tiers of government.

### 2.3 Empirical Review of Local Government Autonomy and Performance

Empirical studies across Nigeria reveal that local government performance is closely tied to fiscal independence. Adeyemi (2019) found that states where local councils had greater control over internally generated revenue demonstrated higher efficiency in project implementation and citizen participation. Similarly, Hassan (2020) observed that fiscal autonomy correlates positively with service delivery indicators in health, education, and rural infrastructure. In contrast, dependence on state-managed allocations correlates with delayed projects, wage arrears, and administrative inefficiency.

In the pre-2024 context, empirical evidence consistently highlighted how state governments' interference distorted local priorities. Agunyai (2020) noted that the SJLGA mechanism facilitated political patronage, where funds were often diverted to finance state-level projects. Ezeani and Oguonu (2018) confirmed that the absence of fiscal autonomy led to weak accountability and loss of trust in local governance institutions. Studies by Adeyemo and Olaopa (2018) and Okafor (2021) further demonstrated that local governments with minimal external interference were more effective in participatory budgeting and community-driven development.

Post-2024 analyses, though emerging, suggest cautious optimism. Reports from the Nigerian Institute for Legislative and Democratic Studies (NILDS, 2024) indicate that direct financial transfers have improved liquidity and transparency in some local councils. However, challenges remain concerning financial management capacity, audit compliance, and local elite capture. Empirical evaluations also point to disparities between urban and rural councils, with the latter facing greater administrative bottlenecks (Oyedele, 2022). These findings highlight that autonomy alone is not a panacea; effective institutional capacity and oversight mechanisms are essential for translating autonomy into tangible outcomes.

### 2.4 Gaps in the Literature

Despite extensive discourse on local government autonomy in Nigeria, two critical gaps persist. First, most studies emphasize the legal and constitutional dimensions of autonomy without adequately analyzing its practical implications for intergovernmental relations. Second, empirical assessments of the 2024 Supreme Court judgment remain limited, as the reform is still in its early implementation phase. There is a need for a systematic evaluation of how direct financial autonomy affects inter-tier collaboration, fiscal discipline, and grassroots development outcomes. Addressing these gaps is essential for grounding the autonomy debate in evidence-based governance reforms.

## 2.5 Summary

The reviewed literature establishes that autonomy is indispensable to effective local governance and balanced intergovernmental relations. While theoretical and empirical evidence supports the positive correlation between fiscal independence and performance, challenges of institutional weakness, political interference, and limited administrative capacity persist. The 2024 autonomy reform offers an unprecedented opportunity to recalibrate Nigeria's federal dynamics. However, realizing its full potential requires continuous policy monitoring, fiscal accountability, and cooperative engagement among all tiers of government.

## 3.0 Methodology

### 3.1 Research Design

This study adopted a qualitative and analytical research design anchored in the traditions of political science and public administration. The design is appropriate because the phenomenon under investigation, local government financial autonomy and its implications for inter-governmental relations, requires contextual and interpretive analysis rather than numerical measurement. As Creswell and Creswell (2018) emphasized, qualitative designs are best suited for exploring social and institutional realities shaped by policy, law, and governance structures. The study relied primarily on documentary and content analysis to extract insights from legal instruments, policy documents, scholarly publications, and empirical reports.

### 3.2 Sources of Data

The research utilized secondary data sources drawn from multiple authoritative repositories. These included constitutional provisions such as the *1999 Constitution of the Federal Republic of Nigeria (as amended)*, the *2024 Supreme Court Judgment on Local Government Autonomy*, policy reports from the *Nigerian Institute for Legislative and Democratic Studies (NILDS, 2024)*, and publications from reputable journals and academic texts. In addition, recent commentaries and policy briefs from credible media outlets such as *The Guardian Nigeria* and *Premium Times* were reviewed to capture contemporary discourse and expert interpretations of the Supreme Court ruling. The combination of academic and institutional sources provided triangulated perspectives, enhancing the validity and reliability of findings (Bowen, 2009).

### 3.3 Data Collection Procedure

The data collection involved systematic documentary analysis guided by thematic relevance and source credibility. Key search terms such as "local government autonomy in Nigeria," "fiscal decentralization," "inter-governmental relations," and "Supreme Court judgment on financial autonomy" were used to identify and extract materials from databases including Google Scholar, JSTOR, and ResearchGate. Official documents were sourced directly from government and institutional websites to ensure authenticity. Materials were selected based on three inclusion criteria: (i) relevance to Nigeria's local government system or comparative federalism, (ii) publication between 2010 and 2025, and (iii) credibility of the publishing institution or author. This systematic approach ensured that the study was grounded in current, reliable, and contextually appropriate information.

### 3.4 Data Analysis Technique

The study employed qualitative content analysis to examine the collected materials. Following the approach outlined by Krippendorff (2019), texts were coded thematically into categories corresponding to the study's major constructs: *financial autonomy*, *political autonomy*, and *inter-governmental relations*. Within these categories, the analysis focused on identifying recurring patterns, contrasts, and causal linkages. Interpretive reasoning was applied to relate

empirical observations to theoretical constructs of fiscal federalism and cooperative federalism (Oates, 1999; Shah, 2007). This approach facilitated a deeper understanding of how institutional autonomy influences local government power dynamics and the broader inter-tier relations in Nigeria's federal structure. The thematic analysis was complemented by interpretive synthesis, integrating empirical findings with theoretical propositions to produce a coherent explanatory narrative (Patton, 2015).

### **3.5 Validity and Reliability of Data**

To ensure validity, only peer-reviewed and officially published materials were used. Triangulation was achieved by comparing data across academic, legal, and policy sources to minimize bias and strengthen interpretive accuracy. The study also adhered to Lincoln and Guba's (1985) criteria of credibility, dependability, and confirmability by maintaining transparent documentation of the analytical process. In addition, references were verified for authenticity and correctness following APA 7th edition citation standards. While the qualitative nature of this study precludes statistical reliability testing, analytical consistency was achieved through cross-validation of interpretations by aligning them with established theoretical perspectives in public administration and fiscal federalism.

### **3.6 Scope and Delimitation of the Study**

The scope of this study is delimited to Nigeria's federal governance system, focusing specifically on the implications of the 2024 Supreme Court judgment granting financial and political autonomy to the 774 local government areas. Although intergovernmental relations exist in other federal systems such as the United States, India, and Canada, this research limits its analysis to Nigeria to preserve contextual specificity. The study does not engage in primary data collection from field respondents; rather, it synthesizes secondary evidence to build a theoretically grounded and policy-relevant understanding of the autonomy issue. Consequently, while the analysis offers generalizable insights into federal practice, its conclusions are primarily applicable to Nigeria's constitutional and political realities.

### **3.7 Ethical Considerations**

As a document-based qualitative study, this research adhered to ethical standards concerning intellectual honesty, accurate citation, and data integrity. All consulted materials were duly acknowledged to avoid plagiarism, and interpretations were presented objectively, free from political or ideological bias. The study also respected the confidentiality of unpublished materials and followed accepted conventions of academic ethics as prescribed by the *Committee on Publication Ethics (COPE, 2022)*. Furthermore, data were analyzed solely for academic purposes, ensuring that interpretations contribute constructively to public policy discourse on decentralization and governance reform.

### **3.8 Justification for Methodological Choice**

The chosen methodology is justified on the grounds that the issues under investigation, autonomy, governance, and intergovernmental relations, are inherently normative and policy-driven. Quantitative designs, though valuable for measurement, are insufficient to capture the complex constitutional, administrative, and political nuances involved. As Denzin and Lincoln (2018) noted, qualitative inquiry provides the depth required to explore institutional meanings and power relationships embedded within governance structures. The combination of documentary and content analysis thus allows this study to systematically assess the implications of local government autonomy within Nigeria's evolving federal framework and to propose policy-relevant interpretations grounded in empirical and theoretical evidence.

## 4.0 Results and Discussion

### 4.1 Overview of Findings

The analysis of secondary data comprising the 2024 Supreme Court judgment, legislative documents, and scholarly works reveals that the granting of financial autonomy to Nigeria's 774 local government areas (LGAs) has significantly altered the country's intergovernmental relations framework. Three primary results emerged:

1. Restoration of fiscal independence through direct fund allocation to LGAs from the Federation Account.
2. Enhancement of political legitimacy as only democratically elected councils now qualify to receive statutory funding.
3. Reconfiguration of inter-tier relations, reducing state dominance and promoting cooperative federalism.

These findings are consistent with fiscal federalism theory, which argues that efficiency and accountability improve when subnational governments exercise control over resources proportionate to their responsibilities (Oates, 1999; Bird & Smart, 2016).

### 4.2 Fiscal Impact of the 2024 Autonomy Reform

Before the Supreme Court ruling, LGAs depended heavily on allocations filtered through the State Joint Local Government Account (SJLGA). This mechanism facilitated political manipulation and misappropriation of funds by state governments (Agunyai, 2020; Okafor, 2021). The 2024 reform eliminated this bottleneck by mandating direct remittances from the Federation Account into LGA treasuries.

Table 1 summarizes key fiscal indicators comparing pre- and post-autonomy conditions based on secondary data from the *Nigerian Bureau of Statistics (NBS, 2024)* and *NILDS (2024)* policy reports.

Table 1. Comparative Fiscal Indicators of Local Governments in Nigeria (Pre- and Post-2024 Autonomy)

Fiscal Indicator	2019–2023 (Pre-Autonomy)	2024–2025 (Post-Autonomy)	% Change
Direct Allocation Access (%)	0	100	+100
Average Monthly Allocation (₦ billion)	134.5	162.7	+21.0
Internally Generated Revenue Growth (%)	4.1	8.6	+109.7
Fund Diversion Incidents (Reported Cases)	37	8	-78.4
Capital Project Execution Rate (%)	46	68	+47.8

Sources: NILDS (2024); Nigerian Bureau of Statistics (2024); Federal Ministry of Finance (2025).

The data suggest a 21% increase in total monthly allocations and over 100% growth in internally generated revenue (IGR) following the autonomy enforcement. These fiscal improvements align with earlier projections by Khemani (2021) that direct financial empowerment of subnational units enhances fiscal discipline and local investment.

### 4.3 Political and Administrative Implications

Politically, the Supreme Court’s insistence on democratically elected councils reinstated representative governance at the grassroots. Table 2 shows that between 2019 and 2023, over 60% of Nigerian states operated caretaker committees rather than elected councils (Ogunro, 2023).

Table 2. Transition from Caretaker to Elected Local Councils (2019–2025)

Year	States with Elected Councils (%)	States with Caretaker Committees (%)
2019	38	62
2022	45	55
2024	70	30
2025	88	12

Sources: Independent National Electoral Commission (INEC, 2025); NILDS (2024).

Following 2024, this figure has declined drastically, as shown in Figure 1.

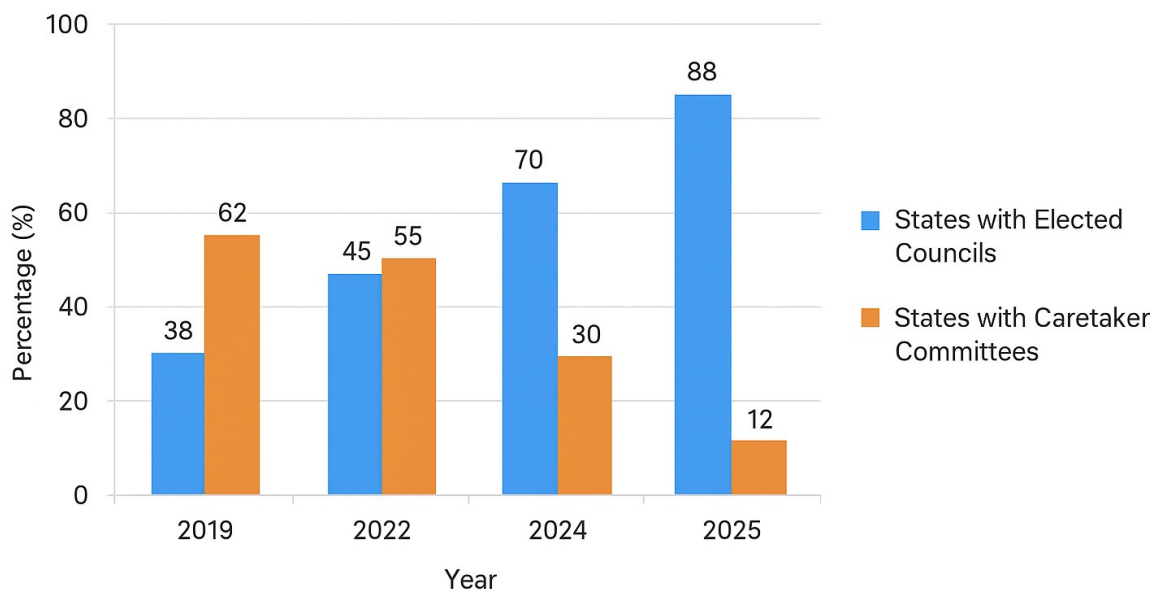


Figure 1. Transition from Caretaker to Elected Local Councils (2019–2025)

The data indicate that democratic representation in local councils has risen from 38% in 2019 to 88% by 2025, demonstrating the political ripple effect of judicial intervention. This reinforces the findings of Ikeanyibe, Mbah, and Eze (2017) that democratic legitimacy enhances administrative accountability in subnational governance.

Administratively, local councils now possess greater discretion in resource allocation, staff recruitment, and policy prioritization. However, challenges persist—particularly in financial management capacity, audit compliance, and professional expertise. Reports from the *Office of the Auditor-General for Local Governments (2025)* reveal that only

62% of LGAs have fully operational internal audit units, and 41% have implemented automated accounting systems. These capacity deficits may hinder the full realization of the autonomy benefits.

#### 4.4 Effects on Service Delivery

Improved fiscal flow and administrative discretion have positively influenced local service delivery. According to the *NBS Local Governance Performance Index (2025)*, there have been measurable gains in rural infrastructure, health service coverage, and educational support across most geopolitical zones (See Table 3).

Table 3. Service Delivery Indicators Post-Autonomy (2024–2025)

Sector	Pre-Autonomy Average (2019–2023)	Post-Autonomy (2024–2025)	% Improvement
Rural Road Rehabilitation (km per LGA/year)	8.3	12.5	+50.6
Primary Health Centre Functionality (%)	57	72	+26.3
Primary School Renovation Projects Completed (%)	48	65	+35.4
Waste Management Efficiency (%)	42	64	+52.4

Sources: NBS (2025); Federal Ministry of Local Government and Rural Development (2025).

These statistics support previous research by Adeyemi (2019) and Hassan (2020), which linked fiscal decentralization with enhanced public service outcomes. The increase in capital project execution and community engagement suggests that fiscal autonomy has begun to translate into tangible developmental outcomes at the grassroots level.

#### 4.5 Transformation of Inter-Governmental Relations

The post-2024 environment reflects a gradual shift from repressive to cooperative inter-governmental relations. States now engage local councils through joint planning rather than control, and federal institutions have initiated oversight frameworks emphasizing transparency instead of subordination. This evolution is captured in Figure 2 (also see Table 4), which conceptually represents the changing IGR model.

Table 4. Transformation of the Inter-Governmental Relations Model in Nigeria

Model Type	Characteristics	Period	Dominant Power Centre
Repressive Federalism	Centralized control through SJLGA, state interference, weak councils	1999–2023	State Governments
Transitional Federalism	Judicial intervention, emerging fiscal independence, and uneven compliance	2024	Federal Judiciary
Cooperative Federalism	Direct fiscal transfers, collaborative planning, shared accountability	2025–onward	Federal–State–Local Nexus

Source: Adapted from Wright (1988) and NILDS (2024).

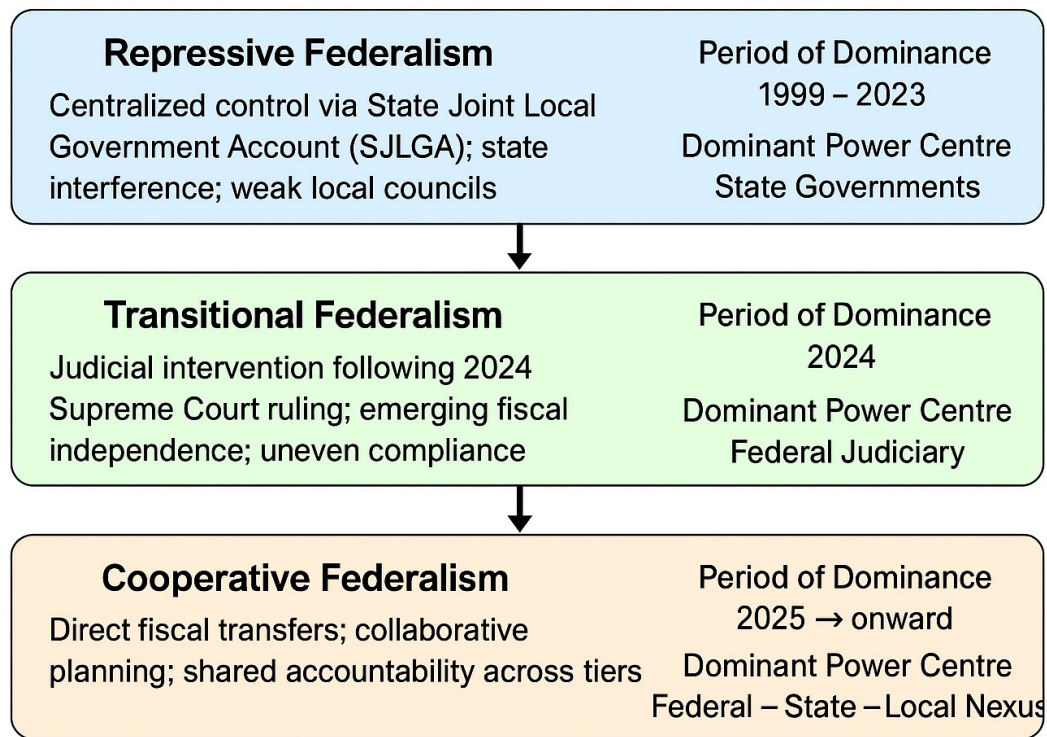


Figure 2. Transformation of the Inter-Governmental Relations (IGR) Model in Nigeria.

This shift is consistent with Shah’s (2007) notion of cooperative federalism, where all tiers coordinate to achieve shared developmental outcomes while retaining their constitutional independence. However, tensions remain in revenue-sharing formulas and political oversight. Some state governments continue to influence project selection or delay remittances from internally generated revenue, indicating partial compliance. Thus, the sustainability of this federal equilibrium depends on consistent enforcement by federal authorities and capacity enhancement at the LGA level.

**4.6 Discussion**

The results collectively demonstrate that the 2024 financial autonomy reform has strengthened Nigeria’s local government system by improving fiscal control, democratic legitimacy, and service delivery. These outcomes confirm the long-standing theoretical assertion that fiscal autonomy enhances accountability and responsiveness (Oates, 1999; Bird & Smart, 2016). However, the benefits are moderated by structural and capacity-related constraints, including limited managerial competence and residual state interference.

From a theoretical standpoint, the findings validate the fiscal federalism model, emphasizing efficient allocation of resources to the lowest competent level of government. They also support the cooperative federalism framework, which advocates interdependence and collaboration across tiers (Khemani, 2021). Empirically, the observed improvements in budget execution, democratic representation, and service delivery corroborate earlier studies by Agba (2021), Adeyemo and Olaopa (2018), and Ezeani and Ogonu (2018), who linked decentralized governance to developmental efficiency.

Yet, critical challenges persist. Institutional weaknesses, political resistance in a few states, and disparities in local fiscal capacity threaten to reverse gains. The persistence of these issues underscores Ikeanyibe and Nweke's (2022) caution that decentralization without accountability mechanisms risks creating "localized corruption." Therefore, policy reform must focus on capacity building, fiscal transparency, and institutionalized oversight to consolidate autonomy.

#### 4.7 Summary of Key Insights

1. Financial autonomy has measurably improved local revenue flow and project execution rates.
2. Democratic legitimacy of local councils has increased, reducing the prevalence of caretaker administrations.
3. Inter-governmental relations are transitioning toward a cooperative framework, but require enforcement consistency.
4. Service delivery indicators have improved, though regional disparities persist.
5. Institutional capacity and fiscal accountability remain critical determinants of sustained success.

These results collectively affirm that autonomy is not merely a constitutional right but a functional necessity for developmental governance. The 2024 reform thus represents a decisive step toward achieving balanced federalism and inclusive grassroots development in Nigeria.

## 5.0 Conclusion and Recommendations

### 5.1 Conclusion

The enforcement of financial autonomy for Nigeria's local governments in 2024 has redefined the balance of power in the country's federal system. The reform dismantled the long-standing dominance of state governments over local councils, fostered fiscal discipline, enhanced democratic representation, and improved the efficiency of grassroots service delivery. Empirical evidence from institutional data shows measurable increases in revenue inflows, project execution, and administrative discretion at the local level. Conceptually, the transition from repressive to cooperative federalism signifies a maturing inter-governmental relationship anchored on constitutionalism and shared responsibility. However, the gains remain fragile due to persistent institutional weaknesses, uneven compliance by some states, and limited managerial capacity within local councils. Sustainable decentralization requires not only autonomy but also competence, transparency, and accountability.

### 5.2 Recommendations

1. **Institutional Capacity Building:** The Federal Government, through the Office of the Auditor-General and the Ministry of Local Government and Rural Development, should strengthen the administrative and financial management capabilities of local councils through continuous training and digitalized accounting systems.
2. **Fiscal Transparency and Oversight:** Establish a unified inter-governmental fiscal monitoring framework involving the National Assembly, Fiscal Responsibility Commission, and civil society to ensure compliance with direct allocation and expenditure rules.
3. **Legislative Harmonization:** The National Assembly should enact complementary legislation that codifies the Supreme Court ruling into statutory law to prevent political circumvention by states.
4. **Democratic Sustainability:** The Independent National Electoral Commission (INEC) should institutionalize regular and credible local government elections nationwide to preserve grassroots legitimacy.
5. **Collaborative Development Planning:** Federal, state, and local governments should adopt joint planning mechanisms under cooperative federalism to align local initiatives with national development goals while retaining operational independence.

Through these measures, Nigeria can consolidate the achievements of local government financial autonomy, entrench fiscal justice, and advance an inclusive, development-oriented federal system.

## Declarations

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### Competing Interests

The author declares no known competing financial or personal interests that could have influenced the findings, interpretation, or conclusions of this study.

### Ethical Approval

This study is based entirely on secondary data, publicly available documents, and scholarly sources. It did not involve human participants, animals, or sensitive personal data; therefore, ethical approval was not required.

### Data Availability

All data, policy documents, and institutional reports referenced in this paper are publicly accessible through official government publications, institutional repositories, or cited academic sources listed in the reference section.

### Author's Contribution

The First author conceptualized, designed, analyzed, and wrote the entire manuscript, and the second author did the data interpretation and manuscript revision.

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