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REVENUE GENERATION AND INFRASTRUCTURAL DEVELOPMENT ISIALA MBANO LGA, IMO STATE

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Abstract

This study focused on revenue generation and infrastructural development in Isiala Mbano local government area of Imo State. Four research objectives, four research questions and four research hypotheses guided the study. The population of the study comprises of the entire staff of Isiala Mbano LGA in Imo State covering the political executive and permanent staff. The work used system theory to analyze the subject matter. In the methodology, descriptive survey research design was adopted and questionnaire served as the instrument for data collection. The population of the study is made up of the entire staff of Isiala Mbano LGA of Imo State covering the political executive and career staff. The data were analyzed using simple percentage and the hypotheses tested using chi-square. The study revealed that there is significant impact of revenue generation on rural road maintenance in Isiala Mbano LGA of Imo State, there is significant relationship between revenue generation and rate of power supply in Isiala Mbano LGA of Imo State, there is significant effect of revenue generation on availability of potable water in Isiala Mbano LGA of Imo State and there is significant relationship between revenue generation and primary health care infrastructure in Isiala Mbano LGA of Imo State. Based on the findings, it was recommended that there should be total re-orientation and enlightenment of the people of Isiala Mbano LGA of Imo State on the importance of paying taxes to the government. Also, the government at all level should create job/employment opportunities for people to get employed and contribute to local government economy.

Key Words: Revenue Generation, Infrastructural Development, Rural Road Maintenance, Rate of Power Supply, Primary Health Care Infrastructure.

Introduction

In an effort to have an organized society, people started organizing themselves together in order to solve their problems. This is how government originated. To make the government effective, money in form of revenue is required. This is to make sure that the contract between the people and government is effective hence the government needs resources to protect lives and property, provide infrastructural facilities for the people and enhance the living standard.

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Based on this contract, people started paying taxes to the government for it to discharge its functions which include protection of lives and properties etc. Revenue generation is one of the main source of fund through which government perform its duties. The need for revenue generation started in an effort for government and organized institutions to have fund to implement their policies and programmes.

This is true because, when people started to organize themselves in a formal governmental institution, the need to protect lives and properties, execute human capital and infrastructural projects arises. This is in line with the view of Njoku (2008:56), who asserted that finance is critical in the art of public administration. To him, finance (i.e. revenue which states generate) fuels the administrative engine of every organization. It is the live-wire of every individual and group undertaking. Through revenue, the government gets finance to execute its projects. Therefore, revenue generation is one of the main sources of fund through which government perform its duties. At the LGAs level, revenue generation is all about IGR. In this direction, internal generated revenue are funds which an institution/ organization sourced internally within the system so as to remain in existence, develop and achieve its goals (Ugwu, 2018).

Here, internal generated revenue assists LGAS to achieve infrastructural improvement in the way of road maintenance, electrification, provision of water, and provision of primary health care facilities (Uduma, 2016). According to Obi (2001:472), revenue generation is concerned with how organizations (federal, state and local government or private/public institutions) attract finance to sustain itself and discharge its statutory and non statutory responsibilities. Not only that, revenue generation entails the totality of all the revenue which government or other institutions sourced by itself not the ones allocated to them. This is to say that, the government at federal, state and local level needed revenue to execute their functions and achieve their objectives or campaign promises. Before 1976 in Nigeria, revenue generation was left for federal and state government. But following the creation of local governments in Nigeria in 1976, revenue generation in the rural area was left for local governments.

Statement of the Problems

Because of low revenue generation, the level of infrastructural development in the rural areas in Nigeria is nothing to write home about. This is true because the issue of bad roads, lack of portable water, no access to electric power supply and poor access to health care are the order of the day. It's a fact that most of the rural areas in Nigeria do not have motor-able roads. Road users in most cases suffer from some bad experiences because of bad roads. Not only that, most people in rural communities do not have access to portable water as they always utilized water from the stream and rivers within the environments.

Sanitation system is also a problem, hence the people are not well informed on the best way to maintain good sanitary environment. The problem of power is more pronounced in the local government/rural community level. The people in most cases don't have light, while some have very low voltage which can help them do little or nothing. In addition to the above is the low infrastructure in education and health sectors in the rural/local government area. Based on the foregoing, this study focused on revenue generation and infrastructural development in Isiala Mbano local government area of Imo State.

Objectives of the Study

The general objective of this study is to examine revenue generation and infrastructural development. Specific objectives include:

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1. To examine the impact of revenue generation on rural road maintenance.
2. Find out the relationship between revenue generation and rate of power supply.
3. Identify the effect of revenue generation on availability of potable water.
4. Examine the relationship between revenue generation and primary health care infrastructure.

Research Questions

Based on the objectives of the study, the following research questions were posed for the study.

1. What are the impacts of revenue generation on rural road maintenance?
2. What is the relationship between revenue generation and rate of power supply?
3. What are the effects of revenue generation on availability of potable water?
4. What is the relationship between revenue generation and primary health care infrastructure?

Research Hypotheses

Based on the objectives of the study and research questions, the following research hypotheses guided the study.

Ho1: There is no significant impact of revenue generation on rural road maintenance.

Ho2: There is no significant relationship between revenue generation and rate of power supply.

Ho3: There is no significant effect of revenue generation on availability of potable water.

Ho4: There is no significant relationship between revenue generation and primary health care infrastructure.

Literature Review

The Concept of Local Government

Kyenge (2013) posits that the concept of local government has been given various definitions by various scholars but no matter how differently the concept is defined, it focuses on the transfer of political powers to local areas by involving the inhabitants in the provision of basic needs in their respective communities. At this juncture, it is imperative to note the definitions of some of these scholars in the subject matter. Specifically, local government is a unit of government below the central, regional or state levels established by law to exercise political authority through a representative council within a defined geographical area (Olisa, et al 1990) quoted in (Chukwuemeka et al., 2014).

Appadorai (1975) defines local government as government by popularly elected bodies' charges with administration and executive duties in matters concerning the inhabitants of a particular district or place. The International Encyclopedia of Social Sciences (1976), defines Local Government as "A political sub-division of national or regional government which performs functions which nearly in all cases receive its legal power from the national or regional government but possess some degree of discretion on the making of decisions and which normally has some taxing powers. As noted in the works of Adeyemi (2012), Achimugu, Stephen and Agboni (2013), Chukwuemeka et al., (2014), the Nigeria 1976 Guideline for Local Government Reform defines local government as: Government at the local level - established by law to exercise specific powers within defined area (and) to initiate and direct the provision of services and to determine and

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implement projects so as to complement the activities of the state and federal government in their areas, and to ensure that local initiative and response to local needs and conditions are maximized. The United Nations Office for Public Administration quoted in Ola and Tonwe (2009), Ubani (2010), Achimugu, Stephen and Agboni (2013) defines local government as thus:

> *A political subdivision of a nation or (in a federal system) state, which is constituted by law and has substantial control of local affairs, including the powers to impose taxes or to exact labour for prescribed purposes. The governing body of such as entity is elected or otherwise locally selected.*

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Achimugu, Stephen and Agboni (2013) defines local government as thus:

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The aforementioned definitions by various scholars above clearly show that local government is a multi-dimensional concept. However, the main features of these definitions of local government are noted in the works of Maddiok (1963), Mawhood (1983), Tumini (2011), Ezeani (2012) and Chukwuemeka et al (2014), Otinche (2014). These features include the facts that a local government:

1. Operates within a defined geographical area
2. Has certain population living within the confines of a defined territory
3. Operates at the local or grassroots level.
4. Has a range of constitutionally delineated functions to perform
5. Has a relative autonomy or independence.
6. It is a legal entity of its own and can sue and be sue.
7. Has its council composed of elected representatives.
8. It is the lower level government in a unitary political system and lowest level government in a federal three-level government (Isong, 2010)

Concept of Development

Various scholars provide different definitions for the term development. Obasanjo and Akin (1991) define development as a process, which is concerned with peoples' capacity in a defined area over a defined period to manage and induce positive change, namely to predict, plan, understand and monitor change and reduce or eliminate unwanted or unwarranted change. Development is broad

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and complex as it attracts different perceptions from varied schools of thought and their adherents. It could be viewed from the economic, Political and modernization schools, among other perspectives. In general, there is the sense of increase, change and enlargement in different spheres of life of the entity (Ogbuagu, 2012). In economic terms, it involves rise in productive factors, processes, increased value of local currency, technological improvement, increased exports and reduced imports etc (Ubah, 2015).

Politically, development entails credible electoral process, good leadership/ governance, patriotic followership, citizen diplomacy, respect for human rights, adherence to the rule of law etc. Socially, it covers improvement in the standard of living, improvement in infrastructural facilities – power, water, housing, road network – human development training in technical, formal and informal education, positive improvement in life expectancy, good nutrition for the citizens, reduction in crime rates and many others. It entails more widespread provision of goods and services and one would argue greater and more robust utilization of a nation's human resources. Also, development is a transitional process, which sustains a multifaceted improvement in human conditions, which result from structural and functional changes in social, economic, political, techno-scientific as well as other spheres of human existence (Ugoh and Ukpere, 2010).

Isong (2010) opined that true development must mean the development of man. He further said it is also clear that development does not start with goods and things, it starts with people and the development regards man as the beneficiary of development efforts. Akin in Dudley Seers (2008) conceived development as involving not only economic growth but also conditions in which people in a country have adequate food, jobs, and the income inequality among them is greatly reduced. Pearce et al (2006) held that development is a value word, implying change that is desirably. They added that what constitutes development depends on what social goals are being advocate by the development agency, government, analyst or advisers. We take development to be a vector or desirable society seeks to achieve or maximize. The elements of this vector might include: improvements in health and nutritional status, educational achievement, access to resources a "fairer" distribution of income and increase in basic freedoms.

Ndoh (2009) viewed development as 'a multi-dimensional process involving the re-organization and reorientation of the entire economic and social system. This involves in addition to improvement of income and output, radical changes in institutional, social and administrative structures as well as in popular attitudes, customs and beliefs'. Development according to Chukwu (2017) is of two dimensions; infrastructural improvement/ transformation and human capital empowerment. To him, the totality of improved infrastructural facilities like power, road, water resources, health care and many others is a basic aspect of development.

Revenue Generation

According to Obi (2001:472), revenue generation is concerned with how organizations (federal, state and local government or private/public institutions) attract finance to sustain itself and discharge its statutory and non statutory responsibilities. Not only that, revenue generation entails the totality of all the revenue which government or other institutions sourced by itself not the ones allocated to them (Agu, 2018). This is to say that, the government at federal, state and local level needed revenue to execute their functions and achieve their objectives or campaign promises. The basic explanation of the concept focused on using internal sources to generate the required fund for development. For the purpose of this study, internal generated revenue means the same thing

and can be used interchangeably with Internal Generated Fund (IGF). Internal generated revenue in this case is the revenue (monetary and non-monetary) which organizations realized within its system through its activities and endeavour (Altbach, Reisberg and Rumbley, 2009).

Concept of IGR according to Ugwu (2018) refers to "the creation of either tangible or intangible results within the confines of one entity. Here, internally generated revenue is those funds that are realized through the efforts or operations of the entity itself; the funds were not borrowed or realized through other external means". Wikinvest.com (2018) buttresses this definition by stating that "Internally Generated revenue means funds not constituting the proceeds of any loan, debt issuance, equity issuance, asset sale, insurance recovery or indebtedness". In the light of the definitions provided above, Onuoha (2013) asserts that the IGR theory means that the central government should not have to accept the burden of providing funding for every expenditure item of public polytechnics. Ubah (2007:41) opined that revenue generation is concerned with the effective utilization of revenue sources available to government. The government in this case is concerned with the mechanism through which it can develop its revenue sources for effective utilization so as to have funds to execute its functions.

Revenue generation according to Agina (2008:111), is all about the internal sources of funds available to government. To him, states and local government in Nigeria don't look inward on the issue of revenue. This is because they pay more attention to federal allocation. The cause of this according to him is the quasi-federalism which we practice in Nigeria. The Nigerian federalism do not encourage revenue generation by state and local government, hence the derivation principle. According to Okwuche (2011:62), the derivation principle emphasizes the sharing or allocation of revenue to each region (state or local governments) based on the amount of revenue which is contributed to the national purse. In other words, the amount of revenue which the federal government derived from each state will determine how much state will get from the federal government or national purse.

The criteria for even development is based on the logic that the federal government will through revenue allocation, ensure even development of all the state that is to bridge the social and economic gap between the richer and poorer states in local governments. Based on the external sources of revenue to local councils, general statutory allocations, grants and loans are constitutionally approved to enhance the viability of local government. To ensure the realization of this objective, the federal republic of Nigeria empowered the local government councils to borrow money from commercial banks or state government in order to supplement their internal resources (Obi, 2001:477). In doing so, local government councils are expected to follow an established procedure more importantly, the purpose of such loans must be for the fulfillment of the lawful functions of local government councils (Local Government Edict 1976 and FM, 1991:23).

Furthermore, the internal sources of revenues to local government are revenues extracted within the local government from known and unknown sources. They are often referred to as "general revenue" (Obi, 2001:477). It is the internally generated revenue that account for substantial part of revenue accruing to many local governments otherwise known as "general revenue" which consist of community taxes and general rates (property rate and capitation rates), revenue from licenses, investments and commercial services (Obi, 2001:478). According to Obi (2001:478), the internal sources of local government revenue could vary tremendously depending on the indemnity of the local government planners and revenue officials in question. To him, some of these internal

sources are known while some are unknown. It is therefore necessary that every local government and its revenue officials should try to source and harness these unknown sources.

Infrastructural Development in Local Government in Nigeria

Many local government in Nigeria are located in a remote area, and they are closest to nature; hence the need for infrastructural development. Many of these local governments are usually characterized by poor and absence of many basic infrastructural facilities. Sometimes, where some of these infrastructural facilities exist, they are concentrated only at the local government headquarter, government institutions such as the health centres (Obi, 2001:474). Lack of social amenities and infrastructure are always problems in the rural areas and in most local government. One of the major reasons for this is because of poor revenue generation by the local government authorities. According to Adaba (2001:71), most people in the rural areas and local governments migrate to urban centres because of lack of basic infrastructural and social amenities in the rural areas. In the rural areas, there are always absence of good roads, electricity, pipe borne water and even bad communication network. Since most of these facilities do not exist in the rural areas, it makes the rural dwellers to seek for improved or better life in the urban centres so as to feel belonged.

Adaba (2001:71) opined that this kind of migration is caused by partial development of the country in which the resources are unevenly distributed to the neglect of the rural dwellers so long as this system continues, the development in the rural areas will remain nothing to write home about. The low level of infrastructural development has led to lack of employment opportunities. Since rural areas are agrarian in nature, and considering the fact that most of the rural people are subsistent farmers, it is impossible for them to be fully employed or have access to white collar jobs (Adaba, 2001:70). This is because of the fact that the local government council, health centres and school are in most cases the only existing government owned establishments in the rural areas. The major reason for this unemployment rate is lack of location of industrial raw materials and educational institutions. Industries are sited very close to the market, and the services of members of the public are needed in these areas. Hence, it is always located in urban centre where needed social amenities and infrastructural facilities are present.

Sources of Revenue Generation for Infrastructural Development in LGAs

- **Rates:** Rates could be classified into capitation and property rate. Capitation rate is rate payable by all adult males from 16 years and above and working class women residing within a particular local government. It is paid annually to local government in order to defray the cost of services rendered to individual or communities within the local government areas of jurisdiction (Obi, 2001:478). This principle of paying for services rendered to individual or communities by government is inconsonance with the social contract theory of Hobbes, Lock and Rousseau which state that man's dissatisfaction with the state of nature in which he finds himself led to the setting of a government to carter for his insatiable wants. In return, man must pay for such services rendered, especially, if government must continue to maintain such services (Okoro, 1995:33). This is quite justifiable if the masses in the local government must continue to enjoy efficient public facilities and services, they should be prepared to pay for the maintenance costs of these facilities or service (Nnamocha, 2002:160). Property rate was introduced by the federal

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ministry government in 1976 as one of the services of local government revenues. Here, local governments were empowered to levy property in accordance with their specified assessment classification of property valuations. This rate, like the capitation rate is also paid annually to local government.

- **Taxes:** Local government taxes are collected in the following forms, community tax, poll tax, cattle tax, selective taxes (value added tax (VAD) imposition of taxes on ostentations goods like cigarettes, liquors etc (Obi, 2001:479).
- **Fines, licenses and rents:** These include fees and fines from courts, market stalls, motor parks, forest, public advertisements, regulated premises, registration of births and deaths, goldsmith and blacksmith licenses, minor industry licenses etc.

Problem of Revenue Generation in Local Government in Nigeria that Hinders Infrastructural Development

The following were the problems of revenue generation in the local government in view of Obi (2001:480):

- Over reliance on statutory allocation by some local governments which leads to a neglect or exploitation of the internal sources of revenue. This is a problem as it has many local governments to remain where they are (Nnamocha, 2002:104).
- Violation of the constitution and revenue allocation act of 1981. This takes the following forms: most state governments interfere with the funds in the state local governments joints account, some state government have blatantly refuse to open a state/local government account, only a few state government remit their internally revenues to local governments.
- Non availability of accurate register for taxable adults further compounds the problem of revenue generation. Yet still, many property owners refuse to declare or under declare their assets and pay less tax.
- Rate and tax evasion are other problems of revenue generation in the local governments. This is the reluctance of people to pay rate and taxes due to hard economic crunch and lack of understanding on the part of the people with respect to why they should pay rates and taxes. The evasion of taxes and rates is not unconnected with the conspicuous absence of social amenities which tax money should be utilized for and which local government councils are set up to provide for their communities. In view of the above reasons, many people in the urban local governments feels that it is unjustified to pay rates and taxes since local governments have failed in their responsibilities to citizens.
- Another major problem of revenue generation is administrative inefficiencies and bottlenecks. These lead to ineffective supervision of financial officers and revenue collectors, improper auditing by auditors who often times simply do face value auditing rather than actual auditing. All this makes it easy for revenue officers/financial officers to commit fraud or embezzle local government money without being punished.
- Lack of proper corporate planning by local government to enable them tap their internal revenues and to avoid revenue leakages without proper planning, urban/rural local governments cannot source, tap or generate enough revenue to enable them execute their functions.

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Empirical Studies

Ugwu (2018) examined the challenges and prospects of local government administration in Bayelsa State. The study was carried out to determine the problems affecting the local government from effectively performing its functions. In line with the above, two research objectives, two research questions and two hypotheses guided the study. The researcher used resources based theory to analyze the subject matter. Only secondary sources of data through textbooks, journals and online sources etc. were used. Based on literature sources, the study discovered that the challenges of local government administration in Bayelsa State in clued high level of political interference from the state government, low level of financial allocation to the local government, high level of corruption in the system and low level of utilization of internal revenue sources in the LGAs.

Chikwem (2019) examined the role of local government in community development in Nigeria using Isiala Mbano LGA of Imo State as the focal point. The study was carried out to determine the significant contribution of local government in promoting human and infrastructural development in Nigeria. In line with the above, two research objectives, two research questions and two hypotheses were formulated to guide the study. The researcher utilized only secondary sources of data; hence information were sourced from journal articles, facebooks and online publications. Basic resource theory and growth centred theory were employed. Based on the literature work consulted, the study discovered that the role of local government in community development include maintenance of rural rule, provision of pipe borne water, human empowerment and maintenance of rural market square etc. But, the problem of over politicization, lack of fund, and low level of education are the problems affecting local governments from playing their functions well.

Odinaka (2016) examined the role of local government in industrial development in Imo State (1999-2011). The study was carried out to understand the strategic contributions of Nigeria local governments in industrialization. In line with the above, three research objectives, three research questions and two hypotheses guided the study. The researcher utilized only secondary sources of data; hence journal articles, textbooks, and online materials are our sources of information. Based on literature sources it was discovered that the role of local government in industrial development in Imo State include; improved access to credit, encourage local manufacture of industrial machines, improved education system/manpower training and improved agricultural sector.

Research Gap

Previous works did not cover the exact topic of this work, and did not exactly used the research objective which are the impact of revenue generation on rural road maintenance; the relationship between revenue generation and rate of power supply; the effect of revenue generation on availability of potable water; and the relationship between revenue generation and primary health care infrastructure. The geographical location were also not covered. For that there is gap which this work has filled.

Theoretical Framework

A theory according to Ubah, Ochienta and Nwonu (2015:135) is about proposition on how one concept relates to the other. It also entails clear explanation regarding why concept behave in a particular way. In this study, the researcher adopts system theory to analyze the interplay between revenue generation and infrastructural development.

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System Theory

System theory was propounded by Ludwing Von Bartalanffy, a biologist and a mathematician in the 1940's but the theory was made popular especially in political science by David Eastern in 1965 Von Bertalanffy was reacting against both reductionism and attempting to revive the unity of sciences. He is considered to be the founder and principal author of general system theory. Von Bertalanffy (1968) wrote that a system is a complex of interacting elements and that they are open to, and interacts with their environments. In addition, they can acquire qualitative new properties through emergence, resulting through continual evolution rather than reducing an entity (e.g. the human body) to the property of its parts or elements (e.g. organs or cells) system theory focuses on the arrangement of and relations between the parts which connect them into a whole.

David Easton was regarded as the Father of System Theory; he is one of the most influential political scientists in the half of the last century. His system analysis approach was an effort to provide a coherent theory of political life. During the 1950's and 1960's the theory flourished as some of the leading figures tried to make political studies more systematic and scientific. Many of Easton's concepts was observed by the discipline and the very success of the work changed the vocabulary of political science. A system is a set of elements standing in interaction. A whole compounded of many parts and assembly of all parts. It is necessarily for all parts to be working. According to Egwu (2007:34), in simple social science parlance, a system is a whole or an integral with structure and interrelated parts which all function to maintain the continuity of their existence.

To him, the system theory sees society as that governed by mutually interrelated structures which through possessing their unique individualized characteristics and performing special roles independently, but still maintain a dynamic equilibrium between themselves for the successful maintenance of the entire system. Based on the foregoing and in view of the topic of this investigation, the local government is a system with many components and parts that work together to maintain the whole. Some of these parts include the local government elected authorities, staff, the people of the local government (the community members) and some non-governmental organizations within the local government like churches etc. All work independently but collectively to maintain the whole (local government). In order words, when there is problem in one aspect or organ of the system, other parts or organ are affected.

This means that the problem of revenue generation and infrastructural development in the rural areas (L.G) is a systemic problem. This is as a result of the fact that the problem in parts of the system has affected the entire system. In many local government areas in Nigeria, the executive chairman and councilors positions are not stable. There is always instability in the local government administration. The state governors normally run the local government as they want. A local government chairman for revenue generation and infrastructural development in the local government today might be removed tomorrow (Bello-Imam and Roberts, 2001). Thus, the problems in some part of the system have affected the entire system as a whole. This is because no part of the system can work in isolation of other parts. Hence, there are interdependence for the overall goal and objectives of the entire system. The issue of dependency based on oneness, when affected always brings problems in the entire system.

Research Methodology

Research Design

For the purpose of this study, the research design that is adopted by the researcher is descriptive survey research design. A survey is a research design that enables a researcher to take sample from the entire population for a deep analysis (Nwodu, 2006).

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Population of the Study

For the purpose of this study, the researcher used the 80 senior staff in Isiala Mbano LGA in Imo State

Sample Size

Since the population is not large, census method was used to study the entire population of 80.

Research Instrument

In carrying out this research, the use of questionnaire was employed to gather necessary and relevant data from the respondents.

Method of Data Analysis

For data analysis, the researcher utilizes simple percentage method and chi-square.

Data Presentation and Analysis

It should be noted that out of 80 questionnaires distributed to the sampled population, only 73 were properly filled and returned. Therefore, the 73 is now our sample size.

Item 1: There is significant impact of revenue generation on rural road maintenance.

Table 1: Responses on if there is significant impact of revenue generation on rural road maintenance.

Option	No of respondents	% of responses
SA	16	21.9
A	12	16.4
UND	20	27.4
D	24	32.9
SD	1	1.4
Total	**73**	**100**

Source: field survey (2023)

The above analysis has shown that 21.9% of the respondents strongly agree, 16.4% of the respondents agree, 27.4% of the respondents were undecided, 32.9% of the respondent disagree and the remaining 1.4% respondents strongly disagree.

Item 2: Road maintenance will be achieved through improved revenue.

Table 2: Responses on if road maintenance will be achieved through improved revenue.

Option	No of respondents	% of responses
SA	22	30.1
A	32	43.8
UND	6	8.2
D	11	15.1
SD	2	2.7
Total	**73**	**100**

Source: field survey (2023)

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The above analysis has shown that 30.1% of the respondents strongly agree, 43.8% of the respondents agree, 8.2% of the respondents were undecided 15.1% disagree and 2.7% of the remaining respondents strongly disagree.

Item 3: There is significant relationship between revenue generation and primary health care infrastructure.

Table 3: Responses on if there is significant relationship between revenue generation and primary health care infrastructure.

Option	No of respondents	% of responses
SA	30	41.1
A	18	24.7
UND	11	15.1
D	12	16.4
SD	2	2.7
Total	**73**	**100**

Source: field survey (2023)

The above analysis has shown that 41.1% of the respondents strongly agree, 24.7% of the respondents agree, 15.1% of the respondents were undecided 16.4% disagree and 2.7% of the remaining respondents strongly disagree.

Item 3: Primary health care services will improve through revenue generation.

Table 4: Responses on if primary health care services will improve through revenue generation.

Option	No of respondents	% of responses
SA	19	26.1
A	34	46.6
UND	8	11
D	8	11
SD	4	5.5
Total	**73**	**100**

Source: field survey (2023)

The above analysis has shown that 26.1% of the respondents strongly agree, 46.6% of the respondents agree, 11% of the respondents were undecided 11% disagree and 5.5% of the remaining respondents strongly disagree.

Item 5: There is significant relationship between revenue generation and rate of power supply.

Table 5: Responses on if there is significant relationship between revenue generation and rate of power supply.

Option	No of respondents	% of responses
SA	30	41.1
A	18	24.7
UND	11	15.1

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D	12	16.4
SD	2	2.7
Total	**73**	**100**

Source: field survey (2023)

The above analysis has shown that 41.1% of the respondents strongly agree, 24.7% of the respondents agree, 15.1% of the respondents were undecided 16.4% disagree and 2.7% of the remaining respondents strongly disagree.

Item 6: When there is improved revenue, it will have effects on electricity in the communities.

Table 6: Responses on if when there is improved revenue, it will have effects on electricity in the communities.

Option	No of respondents	% of responses
SA	19	26.1
A	34	46.6
UND	8	11
D	8	11
SD	4	5.5
Total	**73**	**100**

Source: field survey (2023)

The above analysis has shown that 26.1% of the respondents strongly agree, 46.6% of the respondents agree, 11% of the respondents were undecided 11% disagree and 5.5% of the remaining respondents strongly disagree.

Item 7: There is significant effect of revenue generation on availability of potable water.

Table 7: Responses on if there is significant effect of revenue generation on availability of potable water.

Option	No of respondents	% of responses
SA	16	21.9
A	12	16.4
UND	20	27.4
D	24	32.9
SD	1	1.4
Total	**73**	**100**

Source: field survey (2023)

The above analysis has shown that 21.9% of the respondents strongly agree, 16.4% of the respondents agree, 27.4% of the respondents were undecided, 32.9% of the respondent disagree and the remaining 1.4% respondents strongly disagree.

Item 8: Improved revenue will enhance availability of portable water.

Table 8: Responses on if improved revenue will enhance availability of portable water.

Option	No of respondents	% of responses
SA	22	30.1
A	32	43.8
UND	6	8.2
D	11	15.1
SD	2	2.7
Total	**73**	**100**

Source: field survey (2023)

The above analysis has shown that 30.1% of the respondents strongly agree, 43.8% of the respondents agree, 8.2% of the respondents were undecided 15.1% disagree and 2.7% of the remaining respondents strongly disagree.

Test of Hypotheses

Re-statement of Hypothesis One

Ho1: There is no significant impact of revenue generation on rural road maintenance.

To test this hypothesis, the data in table 1 and 2 were employed.

Table 1	Table 2	Total
16	22	38
12	32	44
20	6	26
24	11	35
1	2	3
Total = 73	**73**	**146**

Fe = Rt x Ct/N

Where Fe = Frequency expected

Rt = Row total

Ct = Column total

N = Grand total

Level of significance = 5% 0.05

Degree of freedom = (r-1) (c-1)

= (5-1) (2-1)

= (4) (1)

= 4

X^2 tab for 2df at 0.05 level of significance = 3.84

R1c1 Fe = 38 x 73/146 = 19

R1c2, Fe = 38 x 73/146 = 19

R2c1, Fe = 44 x 73/146 = 22

R2c2, Fe = 44 x 73/146 = 22

R3c1, Fe = 26 x 73/146 = 13

R3c2, Fe = 26 x 73/146 = 13

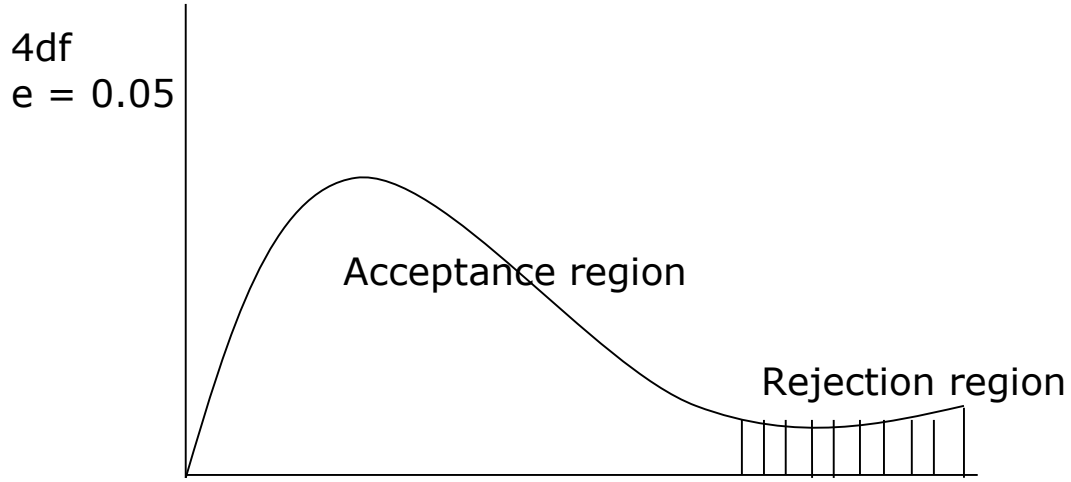
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R4c1, Fe = 35 x 73/146 = 17.5
R4c2, Fe = 35 x 73/146 = 17. 5
R5c1, Fe = 3 x 73/146 = 1.5
R5c2, Fe = 3 x 73/146 = 1.5

Fo	Fe	Fo-Fe	$(Fo-Fe)^2$	$(Fo-Fe)^2/Fe$
16	19	-3	9	0.4737
22	19	3	9	0.4737
12	22	-10	100	4.5454
32	22	10	100	4.5454
20	13	7	49	3.7692
6	13	-7	49	3.7692
24	17.5	6.5	42.25	2.4143
11	17.5	-6.5	42.25	2.4143
1	1.5	-0.5	0.25	0.1667
2	1.5	0.5	0.25	0.1667
				22.7384

Decision Rule

Since the calculated value of chi-square, 227384 is more than the tabulated value, 9.488, the alternative hypothesis is hereby accepted and the null hypothesis rejected, hence we conclude here that there is significant impact of revenue generation on rural road maintenance.



Re-statement of Hypothesis Two

Ho2: There is no significant relationship between revenue generation and rate of power supply.

To test this hypothesis, the data in table 5 and 6 were employed

Table 5	Table 6	Total
30	19	49
18	34	52
11	8	19
12	8	20

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2	4	6
Total = 73	**73**	**146**

Fe = Rt x Ct/N
Where Fe = frequency expected
Rt = row total
Ct = column total
N = grand total
Level of significance = 5% 0.05
Degree of freedom = (r-1) (c-1)
= (5-1) (2-1)
= (4) (1)
= 4
X^2 tab for 2df at 0.05 level of significance = 9.488

R1c1 Fe = 49 x 73/146 = 24.5
R1c2, Fe = 49 x 73/146 = 24.5
R2c1, Fe = 52 x 73/146 = 26
R2c2, Fe = 52 x 73/146 = 26
R3c1, Fe = 19 x 73/146 = 9.5
R3c2, Fe = 19 x 73/146 = 9.5
R4c1, Fe = 20 x 73/146 = 10
R4c2, Fe = 20 x 73/146 = 10
R5c1, Fe = 6x 73/146 = 3
R5c2, Fe = 6 x 73/146 = 3

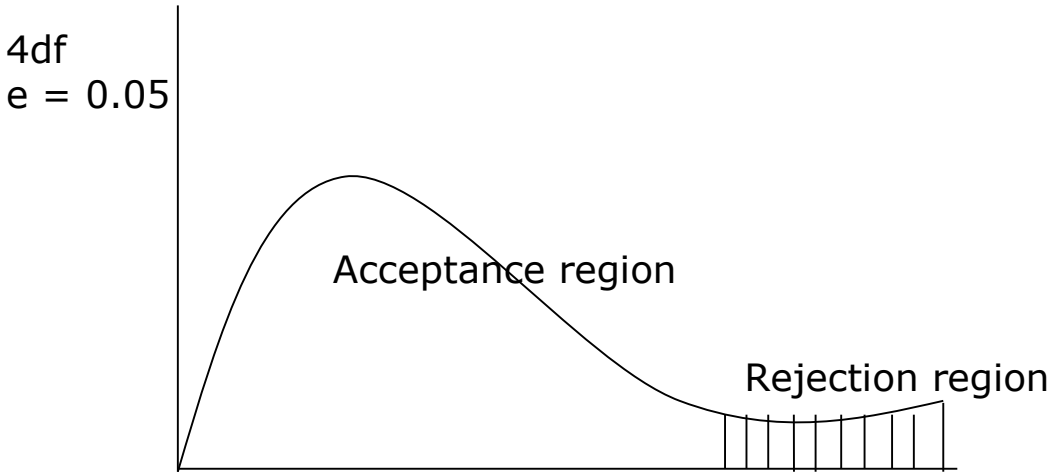
Fo	Fe	FO-FE	$(Fo-Fe)^2$	$(Fo-Fe)^2/Fe$
30	24.5	5.5	30.25	1.2347
19	24.5	-5.5	30.25	1.2347
18	26	-8	64	2.4615
34	26	8	64	2.4615
11	9.5	1.5	2.25	0.2368
8	9.5	-1.5	2.25	0.2368
12	10	2	4	0.4
8	10	-2	4	0.4
2	3	-1	1	0.3333
4	3	1	1	0.3333
				9.7326

Decision Rule

Since the calculated value of chi-square, 9.7326 is more than the tabulated value, 9.488, the alternative hypothesis is hereby accepted, and the null hypothesis rejected; hence we conclude that there is significant relationship between revenue generation and rate of power supply.

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Re-statement of Hypothesis Three

Ho3: There is no significant effect of revenue generation on availability of potable water.

To test the above hypothesis three, the data in table 7 and 8 were used.

Table 7	Table 8	Total
16	22	38
12	32	44
20	6	26
24	11	35
1	2	3
Total = 73	**73**	**146**

Fe = Rt X Ct/N

Where Fe = frequency expected

Rt = row total

Ct = column total

N = grand total

Level of significance = 5% 0.05

Degree of freedom = (r-1) (c-1)

= (5-1) (2-1)

= (4) (1)

= 4

X^2 tab for 2df at 0.05 level of significance = 3.84

R1c1 Fe	=	38 x 73/146	=	19
R1c2, Fe	=	38 x 73/146	=	19
R2c1, Fe	=	44 x 73/146	=	22
R2c2, Fe	=	44 x 73/146	=	22
R3c1, Fe	=	26 x 73/ 146	=	13
R3c2, Fe	=	26 x 73/146	=	13
R4c1, Fe	=	35 x 73/146	=	17.5
R4c2, Fe	=	35 x 73/146	=	17. 5

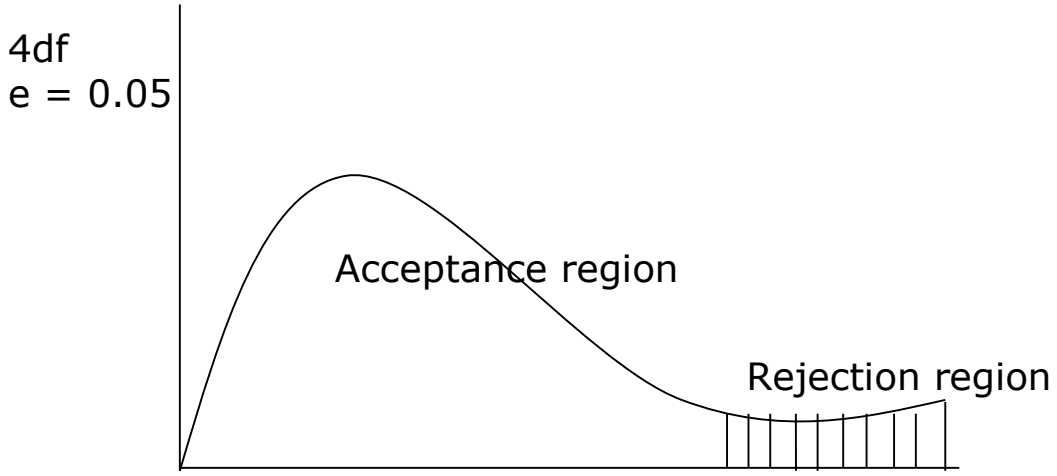
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R5c1, Fe = 3 x 73/146 = 1.5
R5c2, Fe = 3 x 73/146 = 1.5

Fo	Fe	Fo-Fe	$(Fo-Fe)^2$	$(Fo-Fe)^2/Fe$
16	19	-3	9	0.4737
22	19	3	9	0.4737
12	22	-10	100	4.5454
32	22	10	100	4.5454
20	13	7	49	3.7692
6	13	-7	49	3.7692
24	17.5	6.5	42.25	2.4143
11	17.5	-6.5	42.25	2.4143
1	1.5	-0.5	0.25	0.1667
2	1.5	0.5	0.25	0.1667
				22.7384

Decision Rule

Since the calculated value of chi-square, 227384 is more than the tabulated value, 9.488, the alternative hypothesis is hereby accepted and the null hypothesis rejected, hence we conclude here that there is significant effect of revenue generation on availability of potable water.



Re-statement of Hypothesis Four

Ho4: There is no significant relationship between revenue generation and primary health care infrastructure.

To test this hypothesis, the data in table 3and 4 were employed.

Table 3	Table 4	Total
30	19	49
18	34	52
11	8	19
12	8	20

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2	4	6
Total = 73	**73**	**146**

Fe = Rt x Ct/N
Where Fe = frequency expected
Rt = row total
Ct = column total
N = grand total
Level of significance = 5% 0.05
Degree of freedom = (r-1) (c-1)
= (5-1) (2-1)
= (4) (1)
= 4
X^2 tab for 2df at 0.05 level of significance = 9.488

R1c1 Fe = 49 x 73/146 = 24.5
R1c2, Fe = 49 x 73/146 = 24.5
R2c1, Fe = 52 x 73/146 = 26
R2c2, Fe = 52 x 73/146 = 26
R3c1, Fe = 19 x 73/146 = 9.5
R3c2, Fe = 19 x 73/146 = 9.5
R4c1, Fe = 20 x 73/146 = 10
R4c2, Fe = 20 x 73/146 = 10
R5c1, Fe = 6x 73/146 = 3
R5c2, Fe = 6 x 73/146 = 3

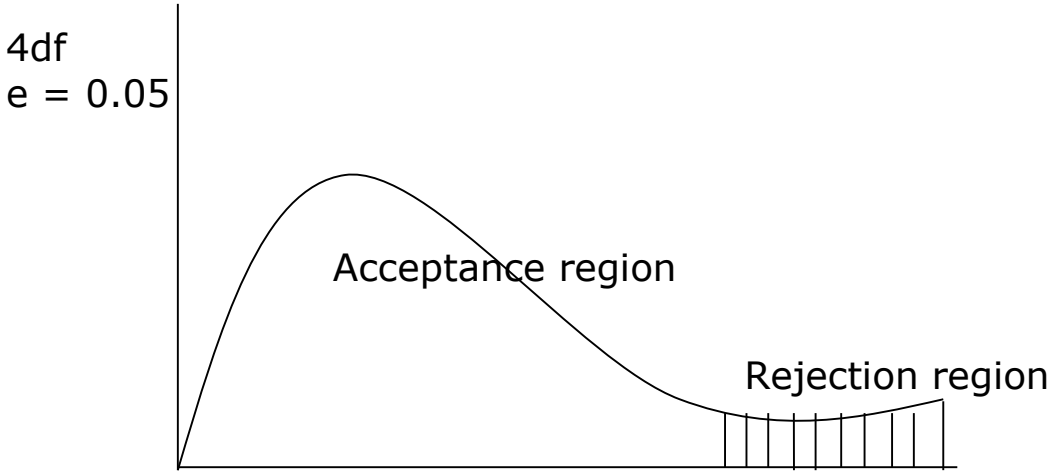
Fo	Fe	FO-FE	$(Fo-Fe)^2$	$(Fo-Fe)^2/Fe$
30	24.5	5.5	30.25	1.2347
19	24.5	-5.5	30.25	1.2347
18	26	-8	64	2.4615
34	26	8	64	2.4615
11	9.5	1.5	2.25	0.2368
8	9.5	-1.5	2.25	0.2368
12	10	2	4	0.4
8	10	-2	4	0.4
2	3	-1	1	0.3333
4	3	1	1	0.3333
				9.7326

Decision Rule

Since the calculated value of chi-square, 9.7326 is more than the tabulated value, 9.488, the alternative hypothesis is hereby accepted, and the null hypothesis rejected; hence we conclude that there is significant relationship between revenue generation and primary health care infrastructure.

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Conclusion

The local government authority needed revenue (which it has to generate internally) to execute its functions very well. Here, sources of revenue generation for the local government (internal) include births, marriage, clubs and deaths registration, income from management of market, major parks, public conveniences, income from management of cemeteries and burial grounds, income from naming of streets, earning from own commercial activities, donation, taxes and levy etc.

In this study, it was discovered that many revenue sources are existing in Isiala Mbano LGA of Imo State and the government has not utilized mineral resources in the area for the development of the communities in Isiala Mbano LGA of Imo State this made it possible for the poor infrastructural development in the communities based on poor water supply, road and other poor areas of developments. The people of Isiala Mbano LGA of Imo State don't really pay their taxes to the government because of poverty and ignorance. Therefore, it could be concluded that effective revenue generation and utilization will enhance community and infrastructural development in Isiala Mbano LGA of Imo State and if Isiala Mbano LGA of Imo State must achieve high level of development in both human capital and infrastructure, enough revenue must be made available for the L.G.A to live up to expectation to its people.

Recommendations

Based on the conclusion of the study, the following recommendations were made:

1. There should be total re-orientation and enlightenment of the people of Isiala Mbano LGA of Imo State on the importance of paying taxes to the government. This will help the people to always pay their taxes which will lead to development of the area.
2. Since people don't pay their tax because of poverty and bad economic condition of the country, the government at all level should create job/employment opportunities for people to get employed and contribute to local government economy. The state and local government authorities should provide environment for private investors to come into Isiala Mbano LGA of Imo State and invest to improve the economic state of the local government. This will help to improve per-capita income of the people, reduce poverty and people will be encouraged to pay taxes to the local government.

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3. Infrastructural development in the rural areas like road construction, building of schools, and provision of water, building of market and parks and electrification should all be encouraged by the state and local government authorities in Isiala Mbano LGA of Imo State, as that will better the lives of the people in the grassroot.
4. The government should establish a revenue collecting unit that is free from corruption. The government can even contract it to private sector to make it more effective. The government should also ensure effective utilization of mineral resources in Isiala Mbano LGA of Imo State. The money collected from revenue should be well utilized for the development of the communities in the L.G.A. in both human and infrastructural development.

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