Revenue Generation and Capital Expenditure in Selected Local Government Areas of Akwa Ibom State, Nigeria

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ABSTRACT: *Considering the slow pace of capital project development and the observed moribund condition of existing ones in Local Government Areas of Akwa Ibom State, this paper is an empirical investigation into the relationship between their revenue generation and capital expenditure in terms of Road, Water, Electricity, and Health services. The aim was to examine the ratio of revenue generated by the Local Governments to its proportion expended on capital projects. A sample of selected Local Governments in the State was surveyed. This survey focused on Ex post facto sourcing of data from Annual Statutory Audited Report of the relevant Local Government Areas between 2003 and 2015 fiscal years. Moreover, the generated data were analyzed using descriptive and inferential statistics while regression analysis was adopted for the estimation of the model formulated. Findings reveal that there is a significant positive relationship between revenue generation and capital expenditure on road, water, and health services as against insignificant relationship between revenue generation and capital expenditure on electricity. It was concluded that revenue generation contributed to capital expenditure goals in the selected Local Government Areas of the State. It was therefore recommended that Local Government Councils should adopt strategic approach to revenue generation as a means of boosting the availability of funds for their capital project financing and the appropriation should be directed to such infrastructures with greater public benefit.*
KEYWORDS: *Local Government, Revenue Generation, Capital Expenditure*

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I.   INTRODUCTION

Over the years in different economies and at varying extents, capital expenditure has been playing major role in the provision of public goods and services for the welfare of humanity. For any economy to cater for the vast interests and expectations of its people, capital expenditure must rank among top of the priority list. Meanwhile, Samaila and Sai'du (2011) defined capital expenditure as resources expended on projects with perennial life span. These include but not limited to roads, education, electrification, construction of boreholes, health services, human capital development. In the light of this, Oteh (2010) suggested that capital expenditure is essential to the growth and development of an economy and a necessary facilitator of industrial revolution in any country. It is therefore appropriate to ascertain the need to make capital expenditure a priority in policy issues, since national growth and development depend on it.

However, capital development capable of creating a viable economy in any nation is dependent on revenue generation. Thus, revenue generation is also expected to be fundamental to the attainment of capital expenditure goals in Nigeria. Dandago and Alabade (2000) described revenue as an income required by governments to finance its growing expenditure. Without revenue generation, government at all levels may not be responsible and responsive to the needs of the people; therefore, revenue generation serves as a tool for economic development at all tiers of government in the country (Nnamseh and Akpan, 2013). Nevertheless, the veracity of this association between revenue and capital expenditure is yet to be ascertained in the cases of Local Government Areas in Akwa Ibom State of Nigeria.

Maddick (1963) described Local Governments as the third sub-unit of government controlled by Local Council which is authorized by the central government to pass ordinances of local application, levy taxes within the limit specified by the central government. Similarly, the Nigeria's Local Government Reform Document of 1976, defined Local governments as a system of public administration at the local level exercised by representative's council, established by law to exercise specific power within defined areas. Therefore, Local

Governments in Nigeria are saddled with two major responsibilities; political and socio economic similar to those of Federal Government.

In its political responsibility, the Local Governments are appropriate institutions for promoting democracy at the local level. They are well placed to mobilize the public for political education, enlightenment and actions. Hence, Local Governments serve as a two - way channel of communication between the government and the governed among others. Socio-economic responsibility on the other part, involves translating democracy into physical development and services to the benefit of members of the society. Such services are basic in nature which includes road, water, health services, electricity, and Education among others.

In Akwa Ibom State of Nigeria, capital expenditure on projects in the Local Government Areas are mostly handled by the Inter-ministerial Direct Labour committee. This committee is although responsible for providing new infrastructures, they are also to upgrade the existing ones as ways to improve standard of living for the rural populace. By evidences in Local Government Areas of the State nonetheless, it appears that capital expenditure on projects is perennially inadequate despite the provision in (Forth Schedule) of the 1999 Constitution of the Federal Republic of Nigeria that capital expenditure on projects in the Local Government Areas is the responsibility of its administration for easy grassroot development. Such inadequacies include but not limited to absence of good roads, water, electricity, and health services. As a result, rural communities experience youth restiveness, high rate of rural urban migration, low standard of living and poor health conditions among others (Umoffong, 2014); hence, the need to ascertain the link between revenue generation and capital expenditure.

Although, there are studies on revenue generation and development of States and Local Governments in Nigeria, to the best knowledge of the researchers, none is on the empirical investigation of revenue generation and capital expenditure with emphasis on Road, Water, Electricity, and Health services in the Local Government Areas of Akwa Ibom State. To this extent, the focus of the researchers is to determine the isolated relationships between revenue generation and capital expenditure in terms of Road, Water, Electricity, and Health services in Akwa Ibom State. Moreover, the basic assumption of this study is that revenue generation by Local Government Areas in Akwa Ibom State is not significantly associated with their capital expenditure. For analytical details, this assumption is further subdivided into the following hypotheses:

Ho$_1$: There is no significant relationship between revenue generation and capital expenditure on road in the selected Local Government Areas of Akwa Ibom State.

Ho$_2$: Revenue generation has no significant relationship with capital expenditure on water in the selected Local Government Areas of Akwa Ibom State.

Ho$_3$: There is no significant relationship between revenue generation and capital expenditure on electricity in the selected Local Government Areas of Akwa Ibom State.

Ho$_4$: Revenue generation has no significant relationship with capital expenditure on health services in the selected Local Government Areas of Akwa Ibom State.

Local Government Areas in Akwa Ibom State were the scope of this study. While capital expenditure on road, water, electricity, and health services by these Local Governments between 2003 and 2015 fiscal years define capital expenditure for the purpose of this research, definition of revenue includes internally generated revenue (IGR) and statutory allocations (SA) within the same relevant years.

II. THEORETICAL FRAMEWORK AND LITERATURE REVIEW

The interaction between revenue and capital expenditure within the moderation of the Local Governments' administrators can find reasonable explanation through Fiscal Federalism Theory. Thefoundation of FiscalFederalism theory is traceable to KennethArrow,RichardMusgrave,andPaulSadwehSamuelson (Olabanji,2012).Samuelson'stwoimportantpapersin1954and1955onthetheoryofpublicgoods,Arrowsdiscourse of 1970ontherolesofthepublicandprivatesectors,andMusgrave'sbookof 1959onpublicfinance laid the foundingframeworkofwhatbecameacceptedastheproperroleofthestateintheeconomy.Alsoknownas"Decentralizati onTheorem",(Ozo-Eson,2005) cited in (Olabanji, 2012) posits that Fiscalfederalismis mainly concerned with theallocationofgovernmentresources to thevarioustiersofgovernment as well as how such resources are expended by respective tiers.Itreferstothescopeandstructureofgovernmentalresponsibilities and allocation of resources among various tiers of government.

Arowolo (2011) and AkindeleandOlaopa (2002) describe Fiscalfederalismasabyproductoffederalism and apolitical construct inwhichpowerofgovernanceissharedbetweennational,andsubnational tiers of governments such as states and local governments. The basic assumption is that eachtierofgovernment aims at maximizingsocialwelfare for thecitizenswithinitsjurisdiction. According to Oates (2006), Thetheoryfocusesonprovidingefficientlevelsofoutputsof publicgoods by differentlevelsofgovernment.

Despite the assumption of maximizing social welfare to the citizenry by each tier of government, Oates(1972) noted the difficulty of producing aperfectmappingforallpublicgoods by anylevelofgovernmentconsidering the multiplicityoflocalgoodswithvaryinggeographicalpatternsofconsumption.Thus, the observation of

localpublicgoods such as roads and others withinter-jurisdictional overlapping. For instance, road network is often interlinked across different local governments and unrestrictedly traversed by citizens of various local governments. To intervene in such complexity, thistheory suggests the centralgovernmenttoprovidematchinggrants (Statutory Allocation in the case of Nigeria) to support thelowerlevels of government to cope with the cost implications of multiplicity of local goods.

DrawingfromtheprovisionsofFiscalFederalism theory,theroleofgovernmentinmaximizingsocialwelfarethroughpublicgoodsprovisionis also the responsibility of the lowertiersofgovernment. Thus, the justification and relevance of the theory to the current research. Moreover, the definition of revenue for the local governments in this study includes Statutory Allocation (SA) and Internally Generated Revenue (IGR).

In a related study of Rural Development and National Integration in Nigeria, Gambo and Tallen (2000) were mainly set to determine the proper planning that would effectively integrate the rural communities into the mainstream development process in the country. Some concepts of democratic political theory utilized by American scholars were adopted by the researchers for explaining prevailing values in their study. However, they identified the farmer as the first weapon that can assist in the quest for right economic and political formulae; in addition to describing the farmer first approach to rural development as the preferred alternative to the technology transfer paradigm. Against this backdrop, the researchers examined food growing, self-help and ethnic pride as separate categories of benefits expected to result from an applied farmer first paradigm. They also observed that it is the seemingly general consensus about the role of the political economy to allocate distributable resources equitably among the diverse components of the Nigeria's Federation that makes the crisis of identity, penetration, participation and integration insurmountable. Their conclusion revealed that poor socio-economic conditions of rural populace render them largely ill motivated to meaningfully participate in democratic politics in Nigeria. They further noted that it will be through the democratic approach to farmers defining their own problems and outsiders assisting them with strategies to solve them that the economic situation will show improvement. Implementing the farmer first approach not only helps to solve problems butin the process makes farmers better problem solvers. In this sense, the technology transfer paradigm is a largely futile effort at rural development because it fails to instill a self-help attitude of mind in the rural farmers.

Whereas the study by Gambo and Tallen (2000) is suggestive of bottom-up approach where the rural farmers identify and decide on developmental projects to be executed by local government administration; Khalil and Adelabu (2012) posit a top-down decision to capital development of local governments. In their study of Fiscal Planning and Local Government Administration in Nigeria, they focused on the quest for sustainable rural development and viewed Local Governments as being created primarily to collect its revenue efficiently for the purpose of providing infrastructural development to its tax payers. Their main objective was to critically examine local government accountability in order to introduce sustainable development at the local level. They argued that local government as the third tier of government cannot therefore be ideal from the financial view lens, if it collects its revenue and devotes a large percentage of it to the maintenance of a top-heavy administration set -up with a relatively small proportion of it left for the provision of infrastructural development which is of direct benefit to the local populace. The trend of how resources are utilized for the delivery of infrastructural development to the people was also examined. The study which was an empirical survey revealed that less than 5% of the statutory allocation accrued to the local governments under consideration was being expended on infrastructural development. The researchers recommended that a proactive measure for fiscal planning should be maintain in order to sustain infrastructural development in the local government areas.

A different study by Edogbanya and Sule (2013) examined revenue generation and it impact on government developmental effort in selected Local government areas in Kogi State. They investigated the problems faced by local governments in sourcing adequate revenue which include; corruption, embezzlement, mismanagement of funds, poor leadership, inefficient machinery for collection, state government interference, low internally generated revenue, ineffective utilization of available resources among others; but with specific objective to analyze the influence of revenue generation on the development of the selected local governments. The researchers adopted primary and secondary methods of data collection to obtain the needed data which were analyzed using simple least square regression. It was found that there is a significant relationship between revenue generated and the developmental effort of government in terms of social services, though the researchers noted that Local government is under-performing in the aspect of infrastructural facilities (often dilapidated), unavailability of many social services, and underdevelopment of local communities. Therefore, it was recommended that machinery should be set to enact bye laws with expediency; and Control measure put in place for checking possible frauds and embezzlement with machinery also in place to generate more internal revenue for executing more projects.

In his study of internally generated revenue (IGR) in Nigeria: a panacea for state development, Oseni (2013) maintained a major focus on the need for states to harness ways of generating IGR other than Statutory

Allocation from oil. The researcher utilized secondary data from annual reports of the central bank of Nigeria. Descriptive techniques such as summary statistics and trend plot were adopted for data analyses, and observation revealed that states getting additional revenue from the statutory allocations as derivation have lower IGR compared to others for the period under review. The researcher recommended that information technology and other right parameters should be adopted for identifying all possible tax payer vis-a-vis their type of businesses, including exploring other sources of revenue such as stamp duties, levies, fees, among others.

Similarly, Adenugba and Ogechi (2013) studied the effects of internal revenue generation on infrastructural development. Their main objective was to examine the effects of revenue generation on infrastructural development in Lagos state. Non-experimental survey approach was adopted for the study. The researchers stated the problems of revenue generation to include; mismanagement and misappropriation of state government funds, corruption, and poor financial management among others. Spearman's rank order correlation statistics was utilized for data analyses. The researchers observed that for an improve revenue generation base to be enhanced, an enlightenment of the citizens on the need and important of regular payment of taxes should be the watchword. They recommended establishing some mini-size industries for job creation at the grassroot. They also highlighted the need to encourage agricultural ventures among local dwellers for improving their standard of living and expanding tax net to enhance the supply of socio-economic services like basic health facilities, town halls, water supply and street light.

Nnamseh and Akpan (2013) studied internally generated revenue and infrastructural development in Akwa Ibom State with the main objective of assessing the effects of internally generated revenue on infrastructural development in Akwa Ibom State. The authors stated the challenges of internally generated revenue to include: lack of capacity for revenue base data collection and analysis, lack of register of revenue customers and information system, prone to unrealistic fees and tariffs, poor collection and analysis of performance data, poor internal control and financial reporting, lack of transparent accounting, poor coordination within and between organizational units and inadequate training of staff in revenue administration. The researchers used ex-post facto research design and data were obtained from secondary source. The data were analyzed using simple regression statistics. The writers found that internally generated revenue contributed significantly and positively to the provision of infrastructural facilities. The writers concluded that, internally generated revenue has made positive, but uneven contribution to the development of infrastructures in the state as some aspect of infrastructure like roads were found to receive more boost from internally generated revenue than other infrastructures. The writers recommended a balanced approach to internally generated revenue appropriation for infrastructural renaissance in the state so that internally generated revenue would be redirected to such infrastructures with attention. It is by this that people will fully benefits from their contributed revenue that form the bulk of internally generated revenue for the government. Moreover, findings in Edogbanya and Sule (2013), Oseni (2013), Adenugba and Ogechi (2013), and Nnamseh and Akpan (2013) are not only convergent but also confirm an earlier assertion by Iwok (2000) and Agbakoba (2004) that: the general function of Local Governments in Nigeria is to generate revenue for developmental programmes and projects. Nevertheless, performing this function is not without some constraints and challenges on the part of the local governments.

Oviasuyi, Idaha and Isuraojie (2010), conducted a study on the constraints of local governments administration in Nigeria. Their main objective was to identify the factors militating against the performance of local government councils in Nigeria. The researchers utilized primary and secondary data for the survey; and identified lack of financial and human capacity, minimal input into the decisions on resources allocation, corruption, recruitment of persons who do not possess the requisite leadership and managerial skills to deliver the gains of government to the people, the overbearing influence of the state on local government administration in Nigeria as some of the factors that hinder the successful performance of the local councils. They also identified lack of continuity by succeeding government and constitutional inadequacies, as other factors working against the proper functioning of the local authorities. The amendment of the Nigeria's constitution was however recommended to enable state government lose their firm grip on the local governments and allowing them provide the much needed goods and services to the people. Their recommendations was commendable but it should have touched other identified areas of lapses like how to fight corruption, handling of the issue of continuity by succeeding government, recruitment of person without requisite managerial skill among others.

Ibeougu and Ulo (2015) studied internally generated revenue in the local governments system and sustainable community development in Nigeria. Their main objective was to identify the strategies for accelerated internally generated revenue for community development. Investigating ways for diversifying revenue generation especially with the dwindling federation allocation to the local governments, the researchers used descriptive statistics for data analyses. The findings revealed that revenue generation in local governments is thwarted by non-challant attitude of local governments' staff and poor revenue mechanism towards internal revenue

generation. However, the researchers recommended financial autonomy of the local governments to avoid unnecessary political interference by super ordinates governments.

Adi, Magaji and Eche (2015) examined internal revenue generation in Taraba State: Problems and Prospects. The researchers identified finance as the major problem which local governments in Nigeria are grappling with in recent times. Structured and unstructured questionnaires were use for data collection and descriptive statistics was adopted for data analyses. Amidst the findings, the researchers recommended local government councils to expand their internal revenue sources, engage in commercial ventures, appoint knowledgeable members of local governments tasks force board by merit and not by political affiliation, and embark on enlightenment campaign about policy of the government as regards revenue generation.

Exploring the importance of internally generated revenue beyond the local government but as alternative funding for higher education in Nigeria, Onuoha (2013) aimed at critically determining the role of internally generated revenue in the funding of Nigerian Universities. Adopting primary and secondary sources of data. The researcher utilized descriptive statistics for data analyses. The researcher who observed perennial inadequate funding by the University proprietors advocated supplementary funding in form of internally generated revenue to these Universities. The researcher who also found over-dependency of federal universities on subsidies for their survival recommended their management to create internally generated revenue coordination centers as ways of boosting revenue base.

III. METHODOLOGY

ex-post facto design was adopted for this study. This design permits the use of historical revenue and capital expenditure data for the ascertainment of their relationship.

The entire 31 Local Government Areas in Akwa Ibom State was the population of this research. However, a sample size of 16 Local Government Areas was obtained from the population using Taro Yamane's technique and sample units were selected through judgmental sampling technique. They include Abak, Ikot Ekpene, Essien Udim, Ika, Ini, Etinan, Uyo, Itu, and Ibesikpo Asutan. Others are Nsit Ibom, Mkpat Enin, Eket, Oron, Mbo, Ibeno, and Esit Eket.

Moreover, the researchers relied on secondary sources of data for this study. They applied to the Auditors-General for the selected Local Governments and obtained their Annual Statutory Audited Report from 2003 to 2015.

In testing the isolated significance of revenue expended or at least budgeted for capital expenditure on road, water, electricity, and health services, a simple econometric model was utilized. Furthermore, the formula is stated thus;

$CE = \beta_0 + \beta_1 (RG) + e$.

Where $RG = IGR + SA$. Therefore,

$CER_{it} = \beta_0 + \beta RG_{it} + e_{it}$………………………….............equation i

$CEW_{it} = \beta_0 + \beta RG_{it+} e_{it}$..equation ii

$CEE_{it} = \beta_0 + \beta RG_{it +} e_{it}$..equation iii

$CEHS_{it} = \beta_0 + \beta RG_{it +} e_{it}$..equation iv

The model for the study was drawn from the standard econometric of $Y = a + bX$ and a furtherance of the works of Nnamseh and Akpan (2013) with amendment.

Where: β_0 = Estimate of the true intercept of the dependent variables (regression constant)

β_{it} = Estimate of the true parameters of the independent variables (regression coefficient)

RG = Revenue Generation. (SA=Statutory Allocation.IGR=Internally Generated Revenue).

e_{it} = Error term

CER_{it} = Capital Expenditure on Road, at time t

CEW_{it} = Capital Expenditure on Water, at time t

CEE_{it} = Capital Expenditure on Electricity, at time t

$CEHS_{it}$ = Capital Expenditure on Health Services, at time t

IV. DATA ANALYSES AND FINDINGS

The hypotheses were tested as isolated cases through simple regression analysis using Statistical Package for Social Science (SPSS) version 20 at 5% level of significance. However, results were confirmed through correlation analysis in appendix 2.

Table 4.1: Descriptive Statistics of Revenue Generation with Capital Expenditure variables in selected Local Government Areas of Akwa Ibom State.

Variables	N	Minimum(N)	Maximum (N)	Mean (N)	SD (N)
Revenue Generation	208	167,669,472	49,272,321,585	825,580,860.47	3,380,916,262.47
Capital Expenditure on Road	135	76,000	123,702,524	10,456,915.37	16,905,145.78
Capital Expenditure on Water	112	34,500	49,410,000	6,134,452.50	10,333,358.18
Capital Expenditure on Electricity	92	10,000	27,327,400	3,467,093.22	5,078,529.40
Capital Expenditure on Health Services	136	60,000	31,272,000	4,310,315.84	5,756,503.89

Source: Data processing via SPSS (2017).n- number of observation, SD- standard deviation.

Table 4.1 presents the summary of descriptive statistics for revenue generation, capital expenditure on road, water, electricity and health services. Result shows that the minimum revenue generation was N167,669,472 while the minimum capital expenditure on road, water, electricity and health services were N76,000, N34,500, and N10,000 and N60,000 respectively. The maximum revenue generation was put at N49,272,321,585 while the maximum capital expenditure on road, water, electricity and health services were N123,702,524, N49,410,000, N27,327,400 and N31,272,000 respectively. The average revenue generation stood at N825,580,860.47 while average capital expenditure on road, water, electricity and health services within the period of study stood at N10,456,915.37, N6,134,452.50, N3,467,093.22 and N4,310,315.84 respectively. Generally, government spent more on road than water, electricity and health services.

Test of Ho$_1$: there is no significant relationship between revenue generation and capital expenditure on road in the selected Local Government Areas of Akwa Ibom State.
The result is shown in Tables 4.2, 4.3 and 4.4.

Table 4.2: Regression Model Summary of Revenue Generation with Capital Expenditure on Road in the selected Local Government Areas of Akwa Ibom State.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.244[a]	.059	.052	.63466	1.776

a Predictors: (Constant), REVENUE GENERATION b. Dependent Variable: CAPITAL EXPENDITURE ON ROAD
Source: Data processing via SPSS (2017)

Table 4.2 shows that two variables were identified to facilitate the testing of this hypothesis. Capital expenditure on road which is the dependent variables and revenue generation being the independent variable. The adjusted R square of 0.052 was obtained which implies that revenue generation accounted for only 5.2% of the variation on capital expenditure on road in the selected local Government Areas of Akwa Ibom State. The Durbin Watson of 1.776 was obtained which implies that, there was an evidence of positive serial correlation. To determine whether there is a regression relationship between revenue generation and capital expenditure on road in the selected Local Government Areas of the State, the analysis of variance (ANOVA) was used and the summary of the result presented in table 4.3.

Table 4.3: ANOVA Result Summary for the Regression of Revenue Generation with Capital Expenditure on Road in the Selected Local Government Areas of Akwa Ibom State.

Model		Sum of Squares	df	F- Calc.	F-critical	P-Value
1	Regression	3.379	1	8.390	3.91	.004[a]
	Residual	53.571	133			
	Total	56.950	134			

a. Predictors:(Constant,) REVENUE GENERATION b. Dependent Variable: CAPITAL EXPENDITURE ON ROAD

Source: Data processing via SPSS (2017)

Table 4.3 reveals F-calculated of 8.390 and its corresponding F-critical of 3.91 at 0.05 level of significance. The F-calculated of 8.390 is greater than the F-critical of 3.91 with a P-value of 0.004 less than 0.05(P<0.05). Therefore, the null hypothesis is rejected. This implies that, there is a significant relationship between revenue generation and capital expenditure on road in the selected Local Government Areas of Akwa Ibom State. After observing such, the relationship is further examined and the obtained result is shown in table 4.4.

Table 4.4: Coefficients of the Regression of Revenue Generation with Capital Expenditure on Road in the Selected local Government Areas of Akwa Ibom State.

Model		Unstandardized Coefficients		Standardized Coefficients	T-calc.	T-critical	P-Value
		B	Std. Error	Beta			
1	**(Constant)**	-3.053	3.341		-.914		.362
	REVENUE GENERATION	1.103	.381	.244	2.897	1.98	.004

a. Predictors: (Constant), REVENUE GENERATION b. Dependent Variable: CAPITAL EXPENDITURE ON ROAD

Source: Data processing via SPSS (2017)

Table 4.4 shows the standardized coefficient of 0.244. This implies that as revenue generation increases, there is a corresponding increase in Capital Expenditure on Road in the Selected Local government Areas of Akwa Ibom state. The result also shows that in every ₦1 increase in revenue generation, capital expenditure on road will increase by ₦0.244. The t-calculated of 2.897 is greater than the t-critical of 1.98 with a p-value of 0.004(p<0.05) which means that there is a significant positive relationship between revenue generation and capital expenditure on road in the selected Local Government Areas of the State.

Test of Ho₂: revenue generation has no significant relationship with capital expenditure on water in the selected Local Government Areas of Akwa Ibom State.

The result is shown in Tables 4.5, 4.6 and 4.7.

Table 4.5: Regression Model Summary of Revenue Generation with Capital Expenditure on Water in the selected Local Government Areas of Akwa Ibom State.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.195[a]	.038	.029	.63918	1.451

a. Predictors: (Constant), REVENUE GENERATION b. Dependent Variable: CAPITAL EXPENDITURE ON WATER

Source: Data processing via SPSS (2017)

Table 4.5 shows that two variables were identified to facilitate the testing of this hypothesis. Capital expenditure on water which is the dependent variables and revenue generation being the independent variable. The adjusted R square of 0.029 was obtained which implies that revenue generation accounted for only 2.9% of the variation on capital expenditure on water in the selected local Government Areas of Akwa Ibom State. The Durbin Watson of 1.451 was obtained which implies that, there was an evidence of positive serial correlation. To determine whether there is a regression relationship between revenue generation and capital expenditure on water in the selected Local Government Areas of the State, the analysis of variance (ANOVA) was used and the summary of the result presented in table 4.6.

Table 4.6: ANOVA Result Summary for the Regression of Revenue Generation with Capital Expenditure on Water in the Selected Local Government Areas of Akwa Ibom State.

Model		Sum of Squares	df	F- Calc.	F-Critical	P-Value
1	**Regression**	1.779	1	4.356	3.93	.039[a]
	Residual	44.941	110			
	Total	46.721	111			

Source: Data processing via SPSS (2017)

Table 4.6 reveals F-calculated of 4.356 and its corresponding F-critical of 3.93 at 0.05 level of significance. The F-calculated of 4.356 is greater than the F-critical of 3.93 with a P-value of 0.039 less than 0.05(P<0.05). Therefore, the null hypothesis is rejected. This implies that, there is a significant relationship

between revenue generation and capital expenditure on water in the selected Local Government Areas of Akwa Ibom State. After observing such, the relationship is further examined and the obtained result is shown in table 4.7.

Table 4.7: Coefficients of the Regression of Revenue Generation with Capital Expenditure on Water in the Selected local Government Areas of Akwa Ibom State.

Model		Unstandardized Coefficients		Standardized Coefficients			
		B	Std. Error	Beta	T- Calc.	T-Critical	P-Value.
1	**(Constant)**	2.933	1.636		1.793	1.98	.076
	REVENUE GENERATION	.391	.187	.195	2.087		.039

a.   Predictors: (Constant), b. REVENUE GENERATION b. Dependent Variable: CAPITAL EXPENDITURE ON WATER. Source: Data processing via SPSS (2017)

Table 4.7 shows the standardized coefficient of 0.195. This implies that as revenue generation increases, there is a corresponding increase in Capital Expenditure on Water in the Selected Local government Areas of Akwa Ibom state. The result also shows that in every ₦1 increase in revenue generation, capital expenditure on water will increase by ₦0.195. The   t-calculated of 2.087 is greater than the t-critical of 1.98 with a p-value of 0.039(p<0.05) which means that there is a significant positive relationship between revenue generation and capital expenditure on water in the selected Local Government Areas of the State.

Test of Ho$_3$: there is no significant relationship between revenue generation and capital expenditure on electricity in the selected Local Government Areas of Akwa Ibom State.

The result is shown in tables 4.8, 4.9 and 4.10.

Table 4.8: Regression Model Summary of Revenue Generation with Capital Expenditure on Electricity in the selected Local Government Areas of Akwa Ibom State.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.061[a]	.004	-.007	.70140	1.641

a. Predictors: (Constant), REVENUE GENERATION b. Dependent Variable: CAPITAL EXPENDITURE ON ELECTRICITY

Source: Data processing via SPSS (2017)

Table 4.8 shows that two variables were identified to facilitate the testing of this hypothesis. Capital expenditure on electricity which is the dependent variables and revenue generation being the independent variable. The adjusted R square of -0.007 was obtained which implies that revenue generation accounted for only -0.7% of the variation on capital expenditure on electricity in the selected local Government Areas of Akwa Ibom State. Hence it does not help predict the expenditure on electricity in the selected Local Government Areas of the State. The Durbin Watson of 1.641 was obtained which implies that, there was an evidence of positive serial correlation. To determine whether there is a regression relationship between revenue generation and capital expenditure on electricity in the selected Local Government Areas of the State, the analysis of variance (ANOVA) was used and the summary of the result presented in table 4.9.

Table 4.9: ANOVA Result Summary for the Regression of Revenue Generation with Capital Expenditure on Electricity in the Selected Local Government Areas of Akwa Ibom State.

Model		Sum of Squares	df	F-Cal	F-Critical	P-value
1	**Regression**	.165	1	.335		.564[a]
	Residual	44.277	90		3.94	
	Total	44.441	91			

Source: Data processing via SPSS (2017)

Table 4.9 reveals F-calculated of 0.335 and its corresponding F-critical of 3.94 at 0.05 level of significance. The F-calculated of 0.335 is less than the F-critical of 3.94 with a P-value of 0.564 greater than 0.05(P>0.05). Therefore, the null hypothesis is accepted. This implies that, there is no significant relationship between revenue generation and capital expenditure on electricity in the selected Local Government Areas of Akwa Ibom State. After observing such, the situation is further examined and the obtained result is shown in table 4.10.

Table 4.10:Coefficients of the Regression of Revenue Generation with Capital Expenditure on Electricity in the Selected local Government Areas of Akwa Ibom State.

Model		Unstandardized Coefficients		Standardized Coefficients	T-Calc.	T-Critical	P-Value
		B	Std. Error	Beta			
1	(Constant)	5.954	.240		24.856	1.98	.000
	REVENUE GENERATION	2.186E-10	.000	.061	.579		.564

a. Predictors: (Constant), REVENUE GENERATION b. Dependent Variable: CAPITAL EXPENDITURE ON ELECTRICITY
Source: Data processing via SPSS (2017)

Table 4.10 shows the standardized coefficient of 0.061. This implies that as revenue generation increases, there is a corresponding decrease in Capital Expenditure on electricity in the selected Local government Areas of Akwa Ibom State. The result also shows that in every ₦1 increase in revenue generation, capital expenditure on electricity will decrease by ₦0.061. The t-calculated of 0.579 is less than the t-critical of 1.98 with a p-value of 0.564($p > 0.05$) which means that there is no significant positive relationship between revenue generation and capital expenditure on electricity in the selected Local Government Areas of the State.
Test of Ho$_4$: revenue generation has no significant relationship with capital expenditure on health services in the selected Local Government Areas of Akwa Ibom State.
The result is shown in tables 4.11, 4.12 and 4.13.

Table 4.11: Regression Model Summary of Revenue Generation with Capital Expenditure on Health Services in the selected Local Government Areas of Akwa Ibom State.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.211[a]	.045	.037	.62014	1.449

a. Predictors: (Constant), REVENUE GENERATION b. Dependent Variable: CAPITAL EXPENDITURE ON HEALTH SERVICES
Source: Data processing via SPSS (2017)

Table 4.11 shows that two variables were identified to facilitate the testing of this hypothesis. Capital expenditure on health services which is the dependent variables and revenue generation being the independent variable. The adjusted R square of 0.037 was obtained which implies that revenue generation accounted for only 3.7% of the variation on capital expenditure on health services in the selected local Government Areas of Akwa Ibom State. The Durbin Watson of 1.449 was obtained which implies that, there was an evidence of positive serial correlation. To determine whether there is a regression relationship between revenue generation and capital expenditure on health services in the selected Local Government Areas of the State, the analysis of variance (ANOVA) was used and the summary of the result presented in table 4.12.

Table 4.12: ANOVA Result Summary for the Regression of Revenue Generation with Capital Expenditure on Health Services in the Selected Local Government Areas of Akwa Ibom State.

Model		Sum of Squares	df	F-Calc	F-Critical	P-value
1	Regression	2.405	1	6.253	3.91	.014[a]
	Residual	51.532	134			
	Total	53.937	135			

Source: Data processing via SPSS (2017)

Table 4.12 reveals F-calculated of 6.253 and its corresponding F-critical of 3.91 at 0.05 level of significance. The F-calculated of 6.253 is greater than the F-critical of 3.91 with a P-value of 0.014 less than 0.05($P < 0.05$). Therefore, the null hypothesis is rejected. This implies that, there is a significant relationship between revenue generation and capital expenditure on health services in the selected Local Government Areas of Akwa Ibom State. After observing that, such relationship is further examined and the result obtain is shown in table 4.13.

Table 4.13: Coefficients of the Regression of Revenue Generation with Capital Expenditure on Health Services in the selected local Government Areas of Akwa Ibom State.

Model		Unstandardized Coefficients		Standardized Coefficients	T-Calc.	T-Critical	P-Value.
		B	Std. Error	Beta			
1	(Constant)	-1.730	3.203		-.540	1.98	.590
	REVENUE GENERATION	.913	.365	.211	2.501		.014

a. Predictors: (Constant), REVENUE GENERATION b. Dependent Variable: CAPITAL EXPENDITURE ON HEALTH SERVICES

Source: Data processing via SPSS (2017)

Table 4.13 shows the standardized coefficient of 0.211. This implies that as revenue generation increases, there is a corresponding increase in Capital Expenditure on health services in the Selected Local government Areas of Akwa Ibom state. The result also shows that in every ₦1 increase in revenue generation, capital expenditure on road will increase by ₦0.211. The t-calculated of 2.501 is greater than the t-critical of 1.98 with a p-value of 0.014 (p<0.05) which means that there is a significant positive relationship between revenue generation and capital expenditure on health services in the selected Local Government Areas of the State.

In summary, the study revealed a positive significant relationship between revenue generation and capital expenditure on road, water and health services. This means that an increase in the revenue generation by the local governments will lead to a positive and significant improvement in the network of roads, water supply, and health care facilities that may be provided by these local government areas. Moreover, it is interesting to observe that the regression coefficient and correlation coefficient resulted to the same interpretation. To this extent, it is now safe to reject the basic assumption of this study: that revenue generation by Local Government Areas in Akwa Ibom State is not significantly associated with their capital expenditure on Road, Water, Electricity, and Health services.

Nonetheless, revenue generation and capital expenditure on electricity had insignificant relationship. This is particularly justifiable because it is not the full responsibility of the local government to generate and distribute power. They can only provide the enabling environment for power generation and distribution to thrive.

Moreover, these finding lends credence to an earlier study by Edogbanya and Sule (2013) which resulted to a significant positive relationship between revenue generation and government developmental effort in terms of social services. The outcome is also convergent with Nnamseh and Akpan (2013) who posit that revenue generation contributes significantly and positively to the provision of infrastructural facilities. In a divergent view however, Khalil and Adelabi (2012) put it that less than 5% of the revenue generated by the Local Governments was being expended on infrastructural development; thereby concluding no significant positive relationship between revenue generation and government developmental effort in term of infrastructural facilities.

V. CONCLUSION AND RECOMMENDATIONS

Drawing from the test results, the researchers conclude a significant positive relationship between revenue generation and capital expenditure on road, water and health services while maintaining an insignificant relationship between revenue generation and capital expenditure on electricity. Therefore, capital expenditure on road, water and health services exert the most significant relationship from revenue generation and electricity exert no significant relationship at all.

Moreover, the researchers recommended the following:

i. A strategic approach to revenue generation and appropriation for infrastructural renaissance in the Local Governments should be adopted, and revenue generated expensed more in infrastructures with greater public benefit.

ii. Revenue should be allocated more to infrastructures as water and health services with much general attention and less to road which is not directly linked to the generality of the people.

iii. Local Government Councils should strive to improve their internally generated revenue as a means of boosting the availability of funds for capital project execution, since revenue from federation account may not be enough for such purpose.

iv. The system of routing statutory allocation of the Local Government Areas through joint State and Local Government account controlled by the State Government should be discouraged. By this, Local Government administration may execute more developmental projects and programmes.

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APPENDIX 1

Raw Data In Revenue Generation And Capital Expenditure On Road, Water, Electricity And Health Services In The Select Local Government Areas Of Akwa Ibom State.

S/N	LGA	Year	RG(N)	CER(N)	CEW(N)	CEE(N)	CEHS(N)
1	Abak	2003	357,119,740	-	-	-	-
2	Abak	2004	325,367,955	393,000	-	-	-
3	Abak	2005	367,079,907	-	14,400,000	685,000	-
4	Abak	2006	279,241,756	980,000	-	-	-
5	Abak	2007	176,972,097	-	1,079,000	-	-
6	Abak	2008	555,311,391	-	-	-	984,000
7	Abak	2009	453,298,750	500,000	-	10,000	2,210,500
8	Abak	2010	655,141,434.5		-	11,300,000	10,500,000
9	Abak	2011	747,053,899.7	22,230,000	-	10,100,000	9,500,000
10	Abak	2012	581,826,665.3	5,000,000	-		5,000,000
11	Abak	2013	618,191,755	6,000,000	-	500,000	1,500,000
12	Abak	2014	711,575,662	6,000,000	-	500000	1,500,000
13	Abak	2015	719,145,953	500,000	-	-	1,300,000
14	Ikot Ekepene	2003	229,424,398.3	2,820,000	1.500,000	-	400,000
15	Ikot	2004	338,945,045.9	2,990,000	450,000	-	-

	Ekepene					
16	Ikot Ekepene	2005	393186522	366000	-	100,000	285,000
17	Ikot Ekepene	2006	332200901	-	4,100,000	1,000,000	-
18	Ikot Ekepene	2007	344149359	-	-	-	-
19	Ikot Ekepene	2008	515739592.1	80000	-	11200000	-
20	Ikot Ekepene	2009	494036810	-	-	-	1,000,000
21	Ikot Ekepene	2010	692683704.9	21975000	-	-	700,000
22	Ikot Ekepene	2011	589,926,801.5	44,488,000	-	-	626,000
23	Ikot Ekepene	2012	398,510,924.6	150,000	-	-	3,000,000
24	Ikot Ekepene	2013	492,723,215.85	13,610,000	-	-	500,000
25	Ikot Ekepene	2014	324,642,425.1	12,100,000	-	-	-
26	Ikot Ekepene	2015	305,870,555	-	-	500,000	700,000
27	Essien Udim	2003	233,494,992	-	-	-	-
28	Essien Udim	2004	362,069,250	7,107,112	7,731,605	437,330	7,761,288
29	Essien Udim	2005	421,888,030	1,387,700	-	352,600	-
30	Essien Udim	2006	403,303,279	-	-	-	-
31	Essien Udim	2007	455,636,853.1	35,434,650	14,817,000	27,327,400	8,411,600
32	Essien Udim	2008	699,311,505.9	-	-	-	1,215,300
33	Essien Udim	2009	625,662,807	8,825,000	-	-	-
34	Essien Udim	2010	806,622,069.1	150,000	2,090,000	12,600,000	2,560,000
35	Essien Udim	2011	928,187,967.1	-	3,000,000	620,000	2,087,000
36	Essien Udim	2012	720,620,294.1	20.000,000	-	44,800	710,000
37	Essien Udim	2013	854,954,539.5	6,000,000	2,000,000	-	5,000,000
38	Essien Udim	2014	987,238,157.4	4,000,000	-	-	4,200,000
39	Essien Udim	2015	651,646,943.4	4,000,000	-	-	-
40	Ika	2003	593,366,987	-	1,500,000	-	626,000
41	Ika	2004	432,283,580	-	500,000	-	700,000
42	Ika	2005	552,224,460	-	1,300,000	-	550,000
43	Ika	2006	560,202,440	-	500,000	-	600.000
44	Ika	2007	590,270,430	-	500,000	-	800,000
45	Ika	2008	593,386,987	-	500,000	-	726,650
46	Ika	2009	488,391,526	-	34,976,000	-	10,400,000
47	Ika	2010	155,194,864.5	-	1,500,000	-	3,210,000
48	Ika	2011	551,954,624	-	-	500,000	9,800,000
49	Ika	2012	601,413,215	10,000,000	-	6,000,000	4,000,000
50	Ika	2013	613,420,313	4,000,000	500,000	-	1,000,000
51	Ika	2014	621,112,713	4,500,000	1,000,000	-	2,000,000
52	Ika	2015	700,650,500	700,000	1,300,000	-	1,500,000
53	Ini	2003	450,702,000	-	-	1,000,000	-

54	Ini	2004	480,800,000	-	-	-	800,000
55	Ini	2005	601,000,000	-	-	1,000,000	-
56	Ini	2006	560,900,000	-	-	-	-
57	Ini	2007	586,100,000	-	-	-	-
58	Ini	2008	601,455,741	3,090,000	-	2,802,000	850,000
59	Ini	2009	495,093,058	-	-	-	-
60	Ini	2010	630,850,390		-	-	-
61	Ini	2011	636,326,777	6,000,000	-	-	-
62	Ini	2012	626,976,601	1,981,600	-	-	-
63	Ini	2013	637,372,754	1,700,000	-	-	-
64	Ini	2014	601,639,616	1,500,000	-	-	500,000
65	Ini	2015	616,800,201	500,000	-	-	-
66	Etinan	2003	442,446,922	2,156,800	-	2,145,000	1,367,700
67	Etinan	2004	399,098,349	210,000	210,000	438,250	244,925
68	Etinan	2005	474,593,737	-	-	3,957,868	2,080,386
69	Etinan	2006	385,201,922	-	-	11,165,346	3,477,850
70	Etinan	2007	167,669,472	76,000	195,000	4,709,000	390,000
71	Etinan	2008	734,687,547.4	3,008,000	13,730,600	7,150,907	1,581,200
72	Etinan	2009	623,883,614.8	2,840,000	2,000,000	100,000	1,800,000
73	Etinan	2010	823,922,512.2	90,219,052	24,000,000	2,662,800	-
74	Etinan	2011	871,970,168.5	65,695,000	-	8,135,000	-
75	Etinan	2012	816,035,302.5	25,828,000	3,360,000	4,950,000	1,550,000
76	Etinan	2013	515,594,780.2	-	8,160,250.13	12,140,980	-
77	Etinan	2014	618,922,321.2	13,210,800	10,300,000	8,520,000	-
78	Etinan	2015	590,900,985.9	18,114,202.5	-	1,470,250	1,250,700
79	Uyo	2003	275,120,480.7	12,320,990	2,078,450	10,690,500	935,000
80	Uyo	2004	435,381,600.8	8,181,000	700,000	-	1,970,000
81	Uyo	2005	492,521,526.8	10,538,000	723,240	5,077,683	4,050,000
82	Uyo	2006	437,397,256	969,385	4,970,350	8,003,593	886,000
83	Uyo	2007	473,053,917	123,702,524	2,605,450	3,418,019	5,400,000
84	Uyo	2008	827,573,260.5	11,097,200	24,127,106.58	35,000	7,498,137
85	Uyo	2009	65,127,4639.3	1,382,900	8,329,985.2	7,891,800	140,000
86	Uyo	2010	771,439,584.6	15,042,000	5,087,550	-	2,327,633.8
87	Uyo	2011	935,220,760.8	-	4,112,984	-	20,875,000
88	Uyo	2012	904,975,882.1	38,876,500	4,112,984	-	20,875,000
89	Uyo	2013	835,863,941	10,442,150	2,014,520	615,200	6,980,180
90	Uyo	2014	810,420,707.8	-	-	-	4,220,420.22
91	Uyo	2015	757,363,977.4	10,042,000	5,974,031	-	2,274,621
92	Itu	2003	195,844,962	-	-	-	-
93	Itu	2004	286,275,085.7	-	700,000	3,250,000	-
94	Itu	2005	330,579,228	500,000	-	-	-
95	Itu	2006	60,712,2726	15,000,000	4,700,000	-	280,000
96	Itu	2007	357,564,148	8,339,252	5,000,000	-	-
97	Itu	2008	762,268,180	7,375,000	9,500,000	23,312,250	14,092,750

98	Itu	2009	527,229,292.1	4,200,000	34,500	-	5,873,500
99	Itu	2010	557,668,178.1	7,654,200	100,000	4,878,717	440,000
100	Itu	2011	586,438,732.5	6,400,000	-	100,000	22,500,000
101	Itu	2012	586,438,733.5	6,400,000	-	100,000	22,500,000
102	Itu	2013	519,935,851.7	-	-	250,000	16,120,160.7
103	Itu	2014	515,275,322.4	100,000	500,000	-	400,000
104	Itu	2015	497,161,068.4	11,120,500	100,000	1,500,000	-
105	Ibesikpo Asutan	2003	500,100,871	-	-	-	-
106	Ibesikpo Asutan	2004	501,220,112	-	-	-	-
107	Ibesikpo Asutan	2005	503,310,000	-	-	500,000	800,000
108	Ibesikpo Asutan	2006	601,825,110	5,000,000			
109	Ibesikpo Asutan	2007	513,826,110	2,000,000	1,000,000	-	600,000
110	Ibesikpo Asutan	2008	630,690,461	50,321,000	736,500	530,000	3,550,080
111	Ibesikpo Asutan	2009	519,540,223	13,471,200	100,000	4,607,000	6,651,248
112	Ibesikpo Asutan	2010	726,412,362	33,560,000	250,000	2,300,000	8,000,000
113	Ibesikpo Asutan	2011	760,973,951	33,450,000	-	-	11,958,600
114	Ibesikpo Asutan	2012	670,139,224	25,000,000	3,000,000	19,887,000	2,500,000
115	Ibesikpo Asutan	2013	658,130,700	12,000,000	1,500,000	-	3,000,000
116	Ibesikpo Asutan	2014	687,200,000	5,000,000	-	-	4,000,000
117	Ibesikpo Asutan	2015	707,200,000	8,000,000	-	-	5,000,000
118	Nsit Ibom	2003	520,711,000	-	-	-	-
119	Nsit Ibom	2004	530,600,000	-	-	-	-
120	Nsit Ibom	2005	512,720,500	-	-	-	-
121	Nsit Ibom	2006	520,620,000	500,000	1,000,000	-	-
122	Nsit Ibom	2007	550,700,000	-	-	500,000	500,000
123	Nsit Ibom	2008	614,064,625	-	27,703,225	-	-
124	Nsit Ibom	2009	600,350,091	-	1,958,000	-	-
125	Nsit Ibom	2010	662,976,335	-	-	-	-
126	Nsit Ibom	2011	703,718,510	19,525,000	35,000,000	480,000	480,000
127	Nsit Ibom	2012	660,882,767	6,000,000	-	-	-
128	Nsit Ibom	2013	640,420,000	3,000,000	-	500,000	500,000
129	Nsit Ibom	2014	648,400,000	2,000,000	5,000,000	800,000	800,000
130	Nsit Ibom	2015	657,100,200	4,000,000	6,000,000	-	-
131	Mkpat Enin	2003	195,844,962	-	-	-	-
132	Mkpat Enin	2004	286,275,085.7	-	700,000	3,250,000	-
133	Mkpat Enin	2005	330,579,228	500,000	-	-	-
134	Mkpat Enin	2006	607,122,726	15,000,000	4,700,000	-	280,000
135	Mkpat Enin	2007	357,564,148	8,339,252	5,000,000	-	-
136	Mkpat Enin	2008	837,646,080	10,247,500	37,230,000	3,515,000	347,800
137	Mkpat Enin	2009	579,548,964	11,982,000	42,700,000	2,492,600	850,000
138	Mkpat Enin	2010	893,230,672.6	950,000	740,000	-	580,000
139	Mkpat Enin	2011	950,733,550.8	67,589,233	2,000,000	600,000	-

140	Mkpat Enin	2012	954,997,974	264,000	36,197,400	-	-
141	Mkpat Enin	2013	767,805,160.8	4,820,500	1,950,802.7	455,700	-
142	Mkpat Enin	2014	797,752,253.8	-	-	570,000	6,000,000
143	Mkpat Enin	2015	855,996,639.6	-	-	7,111,800.75	5,200,000
144	Eket	2003	176,442,183	250,000	-	717,758	410,000
145	Eket	2004	303,562,373	15,280,730	4,500,415	-	1,435,915
146	Eket	2005	399,573,179	5,277,815	3,961,200	100,000	4,676,000
147	Eket	2006	430,740,182.8	5,000,000	4,453,000	288,000	1,592,000
148	Eket	2007	408,211,693.9	837,600	50,000	-	836,000
149	Eket	2008	742,773,326.8	400,000	832,000	3,510,000	6,941,450
150	Eket	2009	956,891,353.9	-	-	-	400,000
151	Eket	2010	816,234,064.1	-	-	-	60,000
152	Eket	2011	947,732,577.6	11,905,000	49,410,000	300,000	11,272,000
153	Eket	2012	769,439,972.1	11,905,000	49,410,000	317,000	31,272,000
154	Eket	2013	875,630,055.7	700,000	600,000	-	5,450,120
155	Eket	2014	923,231,261	350,700	780,000	215,800	-
156	Eket	2015	898,062,947.9	700,000	500,000	-	915,000
157	Oron	2003	174,998,450	-	-	-	-
158	Oron	2004	268,127,347.7	-	-	-	-
159	Oron	2005	322,670,204.1	-	-	657,244.52	150,000
160	Oron	2006	393,435,419.8	-	-	-	15,051,474
161	Oron	2007	373,151,319.1	3,590,000	13,780,000	-	1,150,000
162	Oron	2008	618,183,031	3,528,050	-	-	-
163	Oron	2009	610,117,901.6	-	-	-	500,000
164	Oron	2010	683,392,179.1	1,141,000	-	-	500,000
165	Oron	2011	567,602,187.9	-	-	-	5,670,000
166	Oron	2012	607,029,761.9	-	-	950,000	-
167	Oron	2013	833,975,801.6	-	5,640,000	5,000,380	14,775,000
168	Oron	2014	942,171,612.2	-	4,115,208.83	8,150,000	17,216,815.5
169	Oron	2015	814,880,515.4	-	-	1,270,000	8,887,150.2
170	Mbo	2003	588,200,000	-	-	-	-
171	Mbo	2004	501,100,000	-	-	-	-
172	Mbo	2005	521,500,000	-	500,000	-	-
173	Mbo	2006	513,400,700	5,000,000	1,000,000	-	20,000,000
174	Mbo	2007	501,900,000	6,000,000	2,000,000	100,000	5,000,000
175	Mbo	2008	717,789,517	11,950,000	-	300,000	21,760,800
176	Mbo	2009	589,213,752	2,300,000	-	-	500,000
177	Mbo	2010	693,693,608	4,730,000	500,000	-	1,100,000
178	Mbo	2011	732,538,760	4,827,000	2,130,000	2,000,000	5,960,000
179	Mbo	2012	770,250,662	41,430,000	8,300,000	2,500,000	2,670,000
180	Mbo	2013	762,150,200	3,000,000	3,000,000	-	1,500,000
181	Mbo	2014	752,100,000	5,000,000	4,000,000	500,000	1,000,000
182	Mbo	2015	732,000,000	6,000,000	1,500,000	-	1,200,000
183	Ibeno	2003	502,000,000	800,000	-	-	-
184	Ibeno	2004	561,950,000	1,500,000	-	-	-

185	Ibeno	2005	521,900,000	-	-	-	3,600,000
186	Ibeno	2006	597,300,000	4,200,000	5,000,000	-	4,500,000
187	Ibeno	2007	654,200,000	4,500,000	4,500,000	290,000	1,200,000
188	Ibeno	2008	728,960,935	4,690,000	8,350,000	-	-
189	Ibeno	2009	599,661,555	5,170,478	2,000,000	290,000	4,600,000
190	Ibeno	2010	859,210,783	2,330,000	2,500,000	-	1,200,000
191	Ibeno	2011	731,711,995	9,850,000	800,000	1,400,000	1,781,500
192	Ibeno	2012	753,087,616	1,750,000	950,000	400,000	2,930,000
193	Ibeno	2013	709,000,800	2,500,000	850,000	-	3,000,000
194	Ibeno	2014	724,000,000	2,330,000	1,000,000	500,000	1,500,000
195	Ibeno	2015	705,000,000	4,500,000	2,500,000	-	1,300,000
196	Esit Eket	2003	405,600,000	-	-	-	-
197	Esit Eket	2004	513,500,000	-	-	-	-
198	Esit Eket	2005	512,700,000	-	500,000	-	-
199	Esit Eket	2006	498,500,000	5,000,000	-	-	-
200	Esit Eket	2007	520,000,000	6,000,000	5,220,000	-	800,000
201	Esit Eket	2008	733,059,396	22,720,000	11,470,323	2,620,000	1,587,500
202	Esit Eket	2009	521,664,226	19,621,000	5,320,000	-	10,160,000
203	Esit Eket	2010	490,109,749	-	1,200,000	500,000	-
204	Esit Eket	2011	621,911.781	-	600,000	650,000	-
205	Esit Eket	2012	871,694,920	17,500,000	13,100,000	10,600,000	-
206	Esit Eket	2013	520,612,000	-	800,000	-	12,000,000
207	Esit Eket	2014	511,490,000	5,000,000	1,200,000	800,000	-
208	Esit Eket	2015	590,382,010	6,000,000	1,100,000	700,000	500,000

Source: Annual Statutory Audit Report of the selected Local Government Council's Revenue Generation and Capital Expenditure Schedules from 2003-2015.

Appendix 2
CORRELATION RESULTS
Pearson Product Moment Correlations for Hypothesis One

		REVENUE GENERATION	CAPITAL EXPENDITURE ON ROAD
REVENUE GENERATION	Pearson Correlation	1	.244[**]
	Sig. (2-tailed)		.004
	N	135	135
CAPITAL EXPENDITURE ON ROAD	Pearson Correlation	.244[**]	1
	Sig. (2-tailed)	.004	
	N	135	135

*. Correlation is significant at the 0.05 level (2-tailed). **Source: Researchers' Computation, 2017.**

Pearson Product Moment Correlation for Hypothesis Two

		REVENUE GENERATION	CAPITAL EXPENDITURE ON WATER
REVENUE GENERATION	Pearson Correlation	1	.195[*]
	Sig. (2-tailed)		.039
	N	112	112
CAPITAL EXPENDITURE ON WATER	Pearson Correlation	.195[*]	1
	Sig. (2-tailed)	.039	
	N	112	112

Pearson Product Moment Correlation for Hypothesis Two

		REVENUE GENERATION	CAPITAL EXPENDITURE ON WATER
REVENUE GENERATION	Pearson Correlation	1	.195[*]
	Sig. (2-tailed)		.039
	N	112	112
CAPITAL EXPENDITURE ON WATER	Pearson Correlation	.195[*]	1
	Sig. (2-tailed)	.039	
	N	112	112

*. Correlation is significant at the 0.05 level (2-tailed). **Source: Researchers' Computation, 2017.**

Pearson Product Moment Correlation for Hypothesis Three

		REVENUE GENERATION	CAPITAL EXPENDITURE ON ELECT
REVENUE GENERATION	Pearson Correlation	1	.061
	Sig. (2-tailed)		.564
	N	92	92
CAPITAL EXPENDITURE ON ELECTRICITY	Pearson Correlation	.061	1
	Sig. (2-tailed)	.564	
	N	92	92

*. Correlation is significant at the 0.05 level (2-tailed). **Source: Researchers' Computation, 2017.**

Pearson Product Moment Correlation for Hypothesis four

		REVENUE GENERATION	CAPITAL EXPENDITURE ON HEAL
REVENUE GENERATION	Pearson Correlation	1	.211[*]
	Sig. (2-tailed)		.014
	N	136	136
CAPITAL EXPENDITURE ON HEALTH SERVICES	Pearson Correlation	.211[*]	1
	Sig. (2-tailed)	.014	
	N	136	136

*. Correlation is significant at the 0.05 level (2-tailed). **Source: Researchers' Computation, 2017**