Evaluation of Local Government Performance through Budget Implementation and Budgetary Control

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Abstract: *This research looked at the impact of budgeting and budgetary management on local government performance in Nigeria's Osun state. The particular objectives are to investigate whether current rules are followed in the drafting of budgets in local governments in Osun State, and whether budget implementation and budgetary control contribute to effective performance in local governments in Osun State. A survey research design was used in this study. The stratified and simple random sampling methods used in this study are stratified and simple random sampling methods. This research relied on primary data. The primary data was collected via a well-structured survey. Descriptive and inferential statistical techniques were used to analyze the data. Simple frequency and percentages were utilized in descriptive statistics to answer research questions, whereas inferential statistics were used to assess the study's hypotheses. To test hypothesis one and three, regression analysis was performed. The findings revealed that budget and budgetary control have a substantial impact on performance. The study also discovered that budget monitoring and effective performance in Osun State's local government had a substantial relationship. According to the findings, local governments in Osun State, Nigeria's south-west, should develop and completely execute budgets to ensure effective control, transparency, and accountability of public monies and avoid mismanagement and theft. According to the report, the government should put in place effective mechanisms for budget compliance at local governments, and there should be no use of below-the-line accounts at local governments for the purpose of meeting the government's established targets.*

Keywords: Budget, Implementation, Budgetary control, Compliance

1. INTRODUCTION

According to the local government and accounting manual, a budget is a yearly plan for a local government's revenue from taxes, grants, and other sources, as well as how that revenue will be spent in accordance with its aims, needs, and priorities. And this is primarily about the federal government as well as state and municipal governments.

A budget is defined by the chartered institute of management accountants (CIMA) of England as a plan quantified in monetary items prepared and approved prior to a defined period of time, usually showing planned income to be generated and expenditure to be incurred during that period, as well as the capital to be employed to achieve a given objective. This definition of (CIMA) covers budgeting activities largely based on financial statements. Budgeting's main goal in both the public and private sectors is to ensure efficient and effective use of funds while also achieving the organization's or local government's objectives. However, the lack of budgeting in both local government and smaller local government will result in the government system's bad operation, as there may be no goals or objectives to be met, resulting in poor financial management.

According to the local government financial and accounting manual 2007, the budgeting process in the public sector stretches from consultation with the central government through the National budget conference to budget preparation, budget approval, and budget implementation, and all of this is carried out by both technocrats and the District Council, which is primarily entrusted with the task.

According to Qwabe (2014), the budget is becoming a more important tool for managing the economy. Modern budgeting can better enhance performance management by combining known financial outcomes with frequent budget re-forecasting and linked to analysis of performance trends without sacrificing control and accountability mechanisms. It is also acknowledged that a country can have a strong budget and financial structure yet still fall short of its goals. This implies that the rules of the game used to develop and administer the budget are equally significant and have an impact on the end result.

Most firms utilize the budgeting process and financial performance as a tool for proper resource management and activity management. Managers can readily be allocated responsibility for the use of defined financial resources to fulfill their assigned operational objectives in an organization with well-formulated budgetary controls (Owili, 2010). Actual results are compared to the budget plan during the budgeting process. Departures from budget can then be analyzed, and the reasons for the discrepancies can be classified into controllable and non-controllable elements; this is critical in decreasing inefficiencies and poor budgeting methods, resulting in efficient resource allocation (Kanyinga, 2014).

Local governments are meant to be autonomous, and they are anticipated to execute recurrent and capital projects considerably more successfully in the future. Nigeria is confronted with the task of maintaining a sound government accounting system that ensures accountability and openness. Many local governments are unable to complete or considerably complete their projects, and hence are unable to meet all of their objectives. Despite the fact that they develop and adopt attractive budgets, they are unable to satisfy their citizens on a local level. In light of this, the current study aims to investigate the impact of budgeting and budgetary management on local government performance in Osun state.

1.1 Statement of the problem

Many organizations and local governments do not actively follow their budgets, despite the fact that budgeting is a tool for effective local government operation, especially in connection to financial management. Many local government officers may not refer to their set budgets frequently when carrying out their various jobs, resulting in ineffective or poor financial management, resulting in poor operations. The local government Act allows the district council the powers and responsibility to create, draft, approve, and implement their budgets in both the local government and the smaller local government units. Even if their budgets are balanced, effective budgeting control remains a problem because what is approved as revenue and expenditure estimates within a financial year in local government and lower local government units are rarely realized or even received late, resulting in inefficient financial management implementation.

1.2 Research Objective
The major goal of this research is to look at how the state of Osun implements budgeting and budgetary management in local government performance.

The specific goals are to:

i.   Examine compliance with existing rules in the preparation of local government budgets in Osun State;
ii.   Determine whether the implementation of a budget and budgetary control in Osun State's local government contributes to effective performance;

1.3 Research Question
        In order to achieve the intended objectives, this study will proffer answer to the following questions which are:
i.   To what extent does the local government in Osun State adhere to existing budgeting rules?
ii.   To what extent is budgeting and financial management effectively implemented in Osun State's local governments?

1.4 Research Hypothesis

The following hypotheses were generated for the purpose of the study:

Ho_1: In Osun State, there is no correlation between budget and financial control and performance in local governments;

Ho_2: In Osun State, there is no correlation between budget monitoring and local government performance.

2. LITERATURE REVIEW

2.1 Conceptual Review

2.1.1 Concept of Budget

A budget is a financial plan that summarizes previous financial experience, states the present plan, and forecasts it over a set length of time in the future (Siyanbola, 2013). In this way, a financial plan becomes a foundation for monetary organization, and the various operations in the realm of money are linked by the tool of a spending plan. In this way, a financial plan is viewed as a monetary report of explanations and suggestions that is submitted to management of companies on a regular basis in order to be allowed and approved. It is a report on the organization's entire money-related operations, as well as a considered future course of action and decisions (Siyanbola, 2013). The management and employees of both public and commercial organizations have made "budget" the most well-known language or preferred medium of action or in real life. When faced with a decision, management at various levels inside organizations has used the budget as a spread or justification.

2.1.3 Budgetary Control

Siyanbola (2013) believed that once a financial plan is in place, it may be used as an instrument of regulation by coordinating real-time with planned implementation on a regular basis. The breath of control is going to be enormous when all of the organization's activities have the potential to pass on in financial terms (Adongo et al. 2013). As a result, budget control is a part of an organization's total process of obligation bookkeeping, as consumption and incomes are appraised as per zones of specific obligations of budget owners through money related evaluation. Budgetary regulation allocates costs to personnel in charge of various overheads at various expense centers, ensuring that each administrator is held accountable for the expense for which he is responsible.

2.2 Theoretical Review
The three theories related to the study are: the theory of performance and the agency theory.

2.2.1 Theory of Performance
Six basic principles (context, level of knowledge, level of abilities, level of identity, personal factors, and fixed factors) are developed and linked in the theory of performance to establish a framework that can be used to explore performance and performance improvements. To perform is for an individual or a group of individuals to deliver valuable outcomes through a collective effort. Performance can be seen of as a journey rather than a destination, with each level of performance serving as a stop along the way. The performer's mindset, immersion in a stimulating setting, and participation in reflective practice all influence the location (Elger, 2007).

2.2.2 Agency Theory
In an organization, the agency theory explains the interaction between the principle and the agent. The principals of an organization are the owners, whereas the agents are the managers (Guangdi and Fulwood, 2013). The citizens of the municipality in general, and tax payers in particular, are akin to the primary or owners of the public resources when dealing with local councils. The mayors and councillors are the agents who represent the principal's interests. Taxpayers and the general public have the right to expect accountability and transparency from the local government that administers scarce resources on their behalf (Mukah, 2016).

2.3 Empirical Studies

Siyanbola (2013) investigated the effect of budgeting and budgetary management on the performance of Cadbury Nigeria Plc, a Nigerian manufacturing firm. One of his key conclusions was that budgeting and budgetary control were too difficult for the average person to comprehend. In order for the personnel to become more devoted, he suggested that budgeting and budgetary control be streamlined.

Balogun *et al.,* (2015) used International Breweries Plc in Nigeria as a case study to conduct a preliminary investigation of budgetary control and organizational performance. Budgetary control has a high association with organizational performance, according to their findings, because a budget serves as the foundation for decision-making, performance appraisal, and resource allocation. Budgetary control, they go on to say, offers structural support for organizational performance.

Herelimana (2017) claimed that there is a strong positive association between budgetary control methods and financial management represented through returns on investment in a study conducted in Rwanda's Kigali Serena hotel to explore the effect of budgetary control on financial performance.

3. METHODOLOGY

3.1 Research Design
The study used a descriptive survey research strategy because it allows the researcher to collect data without manipulating any of the variables of interest. In addition, the survey design ensures that all respondents have an equal chance of participating in the study.

3.2 Study Area

Osun State was formed on August 27, 1991, after Oyo State was abolished. It is bordered on the northeast by the states of Kwara and Ekiti, on the east by Ekiti and Ondo, on the south by Ogun, and on the west and northwest by Oyo. The Yoruba Hills go through Osun State's northern region. The state is covered in tropical rain forest, with the Osun River being the most popular (Osun Osogbo River). Granite, kaolin, limestone, and even gold are found in Osun State's natural and human resources. Textile industry, food processing factory, Nigeria Machine tools, Osogbo Steel rolling, Ilesa Brewery, and prominent hotels are also part of Osun State's industrial set-up. Civil servants, hoteliers, petrol stations, bankers, farmers, and market women (traders) are among the taxable people in Osun State, as are private schools and higher learning institutions. The investigation was conducted throughout Osun State's thirty-one (31) local governments, including the Ife East Area Office.

3.3 Population of the Study

The entire number of objects to be investigated and for which the conclusion or generation of results will be applicable is referred to as the study's population. The population of this study includes all employees of the Account, Administrative, Budget, Water and Environmental Sanitation, Agriculture, Primary Healthcare, Works, Social, and Town Planning Departments in the Local Government Council of Osun State who are involved in budget preparation. The study's universe population consists of 592 employees (Staff Audit Report, 2019).

3.4 Sampling Size and Sampling Techniques

The research used a multistage sampling technique. The respondents were chosen using a basic random sampling procedure. This was done in order to provide every employee in Osun State, Nigeria's South West, an equal chance of being chosen for the study. Furthermore, the stratified sampling method was utilized to pick the respondents in order to reflect the strata of the Osun State Local Government Council, the gender distribution (male and female), and to ensure that the sample is a real and authentic representation of the Universe population.

For this investigation, stratified and simple random sampling procedures were used. Because the population was not homogeneous and may be separated into groups or strata to generate a representative sample, stratified random selection was used to pick 264 people from a population of 780 (Table 1). (Table 2). Stratified random sampling entails segmenting the population into homogeneous subgroups and then taking a simple random sample from each subgroup, allowing for credible estimates for each stratum as well as the entire population (Cooper and Schindler, 2003).

For this purpose, the departments in Osun State's Local Government were divided into nine strata to represent the sections involved in the budget of the Local Government under study, after which questionnaires were distributed using simple random sampling to each strata based on their percentages as shown in Table 2 below. Respondent sample sizes were calculated using Taro Yamani's formula, which was applied to the entire Universe population (1967).

$$n= \frac{N}{1+N(e)2}$$

Where n = Sample size
N = Total Population
 e = Level of significance (95%)
Therefore,
n = 780 /1 + 780(0.05)^2
=780/1+ 780(0.0025)
= 780/ 1+1.95
 = 780/2.95
 == 264.406
Approximately **264** respondents will be given questionnaire instruments,

Table 1: Estimated Total Population of the Departments involved in budget of Local Government in Osun State

S/N	Departments	Population
1	Account	105
2	Budget	115
3	Administrative	40
4	Water Environmental and Sanitation	120
5	Agriculture	90
6	Medical	125

7	Works	85
8	Social	30
9	Town planning	70
Total		780

Source: Field data, 2020

Table 2: Staff Population and Sample Size of the Departments involved in budget of Local Government in Osun State

S/N	Department	Total Population	Percentage	Number of Respondents
1	Account	105	13.46	36
2	Budget	115	14.74	39
3	Administrative	40	5.13	14
4	Water Environment and Sanitation	120	15.38	41
5	Agriculture	90	11.54	30
6	Medical	125	16.03	42
7	Works	85	10.90	28
8	Social	30	3.85	10
9	Town Planning	70	8.97	24
TOTAL		**780**	**100**	**264**

Source: Field data, 2020

The proportionate sample approach was used to pick respondents across Osun States in South-West Nigeria, based on the proportion of the Local Government population in selected public sector. The study's 264 respondents represent 45 percent of the target population in Osun-States in South West Nigeria.

3.5 Method of Data Collection
The primary data was combined with a questionnaire instrument that was distributed to thirty-one (31) local government employees in the study area. The questionnaire addressed the study's specific aims as well as work on basic, clear, and intelligible languages that only have one interpretation.

3.6 Research Instruments
Primary data was used in this study, as well as a questionnaire as a research tool. This was done in order to obtain vital data in accordance with the work's stated goals, research questions, and assumptions. The questionnaires were distributed to 264 respondents in nine (9) Osun State local government departments (Table 2). The completed (filled) surveys were collected and returned to the respondents after a few days.

3.7 Validity and reliability of research Instrument

The created questionnaire was sent to specialists for critical, analytical, and logical evaluation and assessment of the contents and statements in the instruments, and the instrument was then determined to be valid for the study. To ensure the instrument's proper reliability, the questions were not ambiguous to respondents in order to avoid the impression of different interpretation or construction in a way that could generate inaccurate and inconsistent responses when the instrument was repeatedly objectivity with no leading question as to the desired answer.

3.8 Administration of Instrument

The drop and pick method was used to distribute questionnaires to participants. Respondents completed the questionnaires at the right times; meetings were established with participants in the departments, which were preceded by a follow-up to see whether respondents had any difficulties filling out the questionnaires.

3.9 Method of Data Analysis

Descriptive and inferential statistical approaches were used to analyze the data. Simple frequency counts and percentages were employed to answer the research questions in descriptive statistics, whereas inferential statistics were utilized to assess the study's premise. Simple frequency counts and percentages were employed to answer research questions in descriptive statistics, whereas regression analysis was used to evaluate hypotheses.

4. RESULT AND DISCUSSION

4.1 Socio Demographics of Respondents

Table 3: Socio Demographics of the Respondents

S/N	CLASSIFICATION	ITEMS	FREQUENCY	PERCENTAGE (%)	TOTAL
1	Gender	Male	184	70	100
		Female	80	30	
2	Age	20-30	52	19.70	100
		31-40	132	50	
		41 and above	80	30.30	
3	Religion	Christianity	153	57.95	100
		Islam	111	42.05	
		Other specify	-	-	
4	Marital Status	Single	158	59.85	100
		Married	106	40.15	
5	Educational Qualifications	WASC/G.C.E/HND/B.Sc	224	84.85	100
		M.Sc/Ph.D	40	15.15	
6	Rank/Position	Director	34	12.88	
		Deputy Director	132	50	
		Assistant Director	66	25	
		Others specify	32	12.12	

Source: Field data, 2021

The demographic characteristics of the respondents are shown in Table 3. According to the table (Table 4.1), 184 (70 percent) of the respondents are men, while 80 (30 percent) are women. According to the respondents' ages, 52 (19.70 percent) are between the ages of 20 and 30, 132 (50 percent) are between the ages of 31 and 40, and 80 (30.30 percent) are 41 and up. In addition, 153 (57.95

percent) of the respondents are Christians, while 111 (42.05 percent) are Muslims. The respondents' marital status revealed that 158 (59.85 percent) of them are single, while 106 (40.15 percent) are married. According to the table, 224 people (84.85%) have WASC/GCE/BSC/HND and 40 people (15.15%) have M.Sc/Ph.D. The table also disclosed the respondents' rank/position: 34 (12.88 percent) are directors, 132 (50 percent) are deputy directors, 66 (25 percent) are assistant directors, and 32 (12.12 percent) are others.

4.2 Extent of Compliance of Local Governments to Existing Rule in Budget Preparation

Research question 1: To what extent does the local government in Osun State adhere to existing budgeting rules?

Table 4: Level of Compliance with Existing Budget Preparation Rule in local Government

S/N	Statement	Strongly Agree	Agree	Strongly Disagree	Disagree
1	Organization has functional budget department	200 (75.76%)	-	64 (24.24%)	-
2	Local Government has a functional finance and account department	264 (100%)	-	-	-
3	Budget call circular issued to the Local Government not later than three months.	30 (11.36%)	20 (7.58%)	190 (71.97%)	24 (9.09%)
4	Budgets of the Local Government involved various departments	18 (6.82%)	26 (9.85%)	175 (66.2%)	46 (17.42%)
5	Promotion of the staff usually put into consideration in budget preparation.	38 (14.39%)	40 (15.15%)	150 (56.82%)	36 (13.64%)
6	Programme of each action of each Local Government to be approved by the executives.	10 (3.79%)	23 (8.71%)	191 (72.35%)	40 (15.15%)
7	The legislative Arm of Local Government that passes the appropriation bill and finally approved by the chairman before implementation.	150 (56.78%)	70 (26.52%)	30 (11.36%)	14 (5.30%)
8	Top career and political functionaries are adequately involved in capital expenditure formulation and discipline to avoid budget distortions	20 (7.58%)	32 (12.12%)	168 (63.63%)	44 (16.67%)

Source: Field data, 2021

According to table (4), 200 respondents (75.76 percent) believe their local government has a functional budget department, whereas 64 respondents (24.24 percent) strongly disagree. All of the respondents strongly agree that their local government has a functional finance and accounting department [264(100%)].

Table 4 also shows that 30 percent of respondents (11.36 percent) strongly agree that the Budget Call Circular should be issued to the Local Government no later than three months, while 20 percent (7.58%) agree that the Budget Call Circular should be issued to the Local Government no later than three months. Also, 190 respondents (71.97 percent) strongly disagree, while 24 respondents (9.09 percent) dispute that the Budget Call Circular should be issued to the Local Government no later than three months.

Table 4 shows that 18 (6.82%) of the respondents strongly agree that the budgets of the local government involve many departments, while 26 (9.85%) of the respondents agree. In addition, 175 (66.2 percent) of respondents strongly disagree that local government budgets involve numerous departments, whereas 46 (17.42 percent) of respondents strongly disagree that local government budgets involve various departments.

Table 4 also shows that 38.39 percent of respondents strongly agree that staff promotion is typically taken into account when preparing budgets, while 40.15 percent of respondents agree that staff promotion is usually taken into account when preparing budgets. In addition, 150 respondents (56.82%) strongly disagree that staff promotion is frequently taken into account when preparing budgets, while 36 respondents (13.64%) disagree.

The above table (Table 4) shows that 10 (3.79%) of the respondents strongly agree that each Local Government's program should be authorized by the executives, while 23 (8.71%) of the respondents agree that each Local Government's program should be approved by the executives. In addition, 191 (72.35 percent) of respondents strongly disagree that each unit in an organization's program should be approved by management, while 40 (15.15 percent) strongly disagree that each Local Government's program should be approved by the executives.

Table 4 also revealed that 150 (56.82 percent) strongly agree that the legislative arm of local government passes the appropriation bill and is finally approved by the chairman before implementation, while 70 (26.52 percent) strongly agree that the legislative arm of local government passes the appropriation bill and is finally approved by the chairman before implementation, and 30 (11.36 percent) strongly agree that the legislative arm of local government passes the appropriation bill and is finally approved by the chairman before implementation While 14 (5.30%) of respondents disagree that the legislative arm of local government is responsible for passing appropriation bills and having them approved by the chairman prior to execution.

According to table (4), 20(7.58%) strongly agree that top management and other senior staffs are adequately involved in capital expenditure formulation and discipline to avoid budget distortions, while 32(12.12%) agree that top management and other senior staffs are adequately involved in capital expenditure formulation and discipline to avoid budget distortions, and 168(63.63%) strongly disagree.

4.3 Extent of Effective Implementation of Budget and Budgetary Control in the Local Government

Research Question 2

To what extent is budgeting and financial management effectively implemented in Osun State's local governments?
Table 5: Implementation of budget and budgetary control in the manufacturing firms

S/N	Statement	Strongly Agree	Agree	Strongly Disagree	Disagree
1	Local government adhere to the time table for the preparation and release of the budget	21 (7.95%)	19 (7.2%)	60 (22.73%)	164 (62.12%)
2	Budget statement included in annual report	75 (28.41%)	83 (31.44%)	47 (17.80%)	59 (22.35%)
3	Proper implementation of budget and budgetary controls are ingredients for organization development	264 (100%)	-	-	-
4	Income and expenditure appear in the budget statement	86 (32.58%)	80 (30.30%)	39 (14.77%)	59 (22.35%)

Source: Field data, 2021

The respondents in Table 5 responded to the issue of whether the local government sticks to the budget preparation and publishing schedule. 21.95 percent strongly agree, 19.7 percent strongly disagree, 60.25 percent definitely disagree, and 164.12 percent disagree. The outcome reveals that there are still certain gaps in the budget's execution, despite prompt development and release of the planned

budget. Table 5 shows that 75(28.41%) strongly agree that budgets are included in their annual review, 83(31.44%) agree, 47(17.80%) strongly disagree and 59(22.35%) disagree.

From Table 5, all respondents [264 (100%)] are strongly agree that proper implementation budget and budgetary controls are ingredients for organization development.

Table above (5) showed responses on whether income and expenditure appear in the budget statement. From the result, 86(32.58%) strongly agree, 80(30.30%) agree, 39(14.77%) strongly disagree and 59(22.35%) disagree that income and expenditure appear in the budget statement

4.4 Test of Hypothesis

4.4.1 Hypothesis 1

Ho: **There is no relationship between budget and budgetary control and performance in Local Government in Osun State**

The hypothesis was tested with both dependent and independent variables

Dependent variable Y= Financial performance.

Independent variables are: Budgetary control

Table 6 Reveals Square which is called coefficient of multiple determination and lies between 0 and 1. This tells how much of the variance in the dependent (performance) is explained by the model. In this study, the value of R for table 1 is 0.65 expressed as percentage multiply by 100 by shifting the decimal point two places to the right. This means the model explains 65% of the variance in performance.

Table 6 Present the statistical significance of the result. This tests the null hypothesis that multiple R in the population equals 0. The model in this study reaches statistical significance of 0.02, this really means $p<0.05$. Thus if $P<0.05$, we rejects the null hypothesis and accept the alternate hypothesis. We therefore reject the hypothesis Ho**:** There is no significant relationship between budget and budgetary control and performance in Local Government in Osun State. Therefore, there is a significant relationship between budget and budgetary control and performance.

TABLE 6

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.067[a]	.650	-.038	.69037

Source: SPSS output 2020

a. Predictors: (Constant), a. Dependent Variable: Performance control System to budget and budgetary system.

TABLE 6.1

ANOVA[a]

Model	Sum of Squares	Df	Mean Square	F	P-Value	Decision

	Regression	.099	2	.049	0.104	0.0002[b]	Ho rejected
1	Residual	22.401	47	.477			
	Total	22.500	49				

Source: SPSS output 2021

a. Dependent Variable: performance

b. Predictors: (Constant), a. Dependent Variable: Budget control.

4.4.2 Hypothesis 2

Table 7: There is no significant relationship between budget monitoring and performance of local government in Osun State.

Variables	N	Mean	SD	Calculated r-value	Critical R-value	Probability Value	Decision
Budget Monitoring (Independent Variable)	264	32.9	8.7	0.281[a]	0.119[b]	0.026	HO Rejected
Performance (Dependent Variable)	264	39.1	16.9				

The r-value obtained in table 7 of the Pearson product moment correlation is 0.281[a] which shows it is greater than what is observed for the tabulated 0.119[b]at 0.05 level of significance. From these result, a significant relationship is therefore declared between budget monitoring and effective performance in the Local Government in Osun State

5. CONCLUSION AND RECOMMENDATIONS
5.1 Summary of Findings
In the preceding section researcher presented the result of both quantitative and qualitative data and discuss some findings that are peculiar to this study with the aim of extending frontier of the study.
The synopsis of findings is highlighted as follows:
   i.   Majority of respondents (75.76%) agreed that their local government has a functional budget department
   ii.   All the respondents are strongly agreed (100%) that their local government has a functional finance and account department.
   iii. Majority of respondents (83.62%) of the respondents disagree that Budgets of the Local Governments involved various departments.
   iv.   Respondents are also strongly disagree that Top management career and other senior staffs are adequately involves in capital expenditure formulation and discipline to avoid budget distortions.
   v.   All respondents agreed that (100%) of the respondents agree that budget enhances economic development of local governments in Osun State.
   vi.   Respondents agree that budget is useful for assessing the performance in local governments.
   vii. All respondents (100%) are strongly agree that Proper implementation budget and budgetary controls are ingredients for organization development.
   viii. Respondents agreed that there are still some lapses on the implementation of the budget through timely preparation and release of the prepared budget.
   ix.   There is a significant relationship between budget and budgetary control and performance.

5.2 Conclusion
Many researchers said budget and budgetary control serve as tools of controlling finances in the public sector while other look at it as a means of regulation and control expenditure of Government and forecasting the inflow and outflow of cash or fund in the public

sector economy. Budget and Budgetary control encourages bureaucracy because it is a single line operation that possess through various authorization before cash is released to the Local Governments. However, Results of the inferential statistics also show that budget and budgetary control has blocked leakages of revenue collection; promote transparency in administration of public funds; Increase in revenue generation, reduce financial misappropriation and ensure good service delivery in the Local Governments. The study posted that Local Governments should as a matter of urgency strictly adherent to budget in its daily expenditures to avoid misappropriation of fund and enhance value for money. It would increase the level of transparency, accountability and cash management in governance.

This indicates that there may be challenges in a short-run but the benefits at a long-run will definitely out-weight the challenges. It is the conclusion in this study that Local Governments in Osun- State, South-West, Nigeria should adopt and fully implement budget for successful control, transparency and accountability of public funds so as to avoid mismanagement and misappropriation of fund.

5.3 Recommendations

This study has investigated many issues both empirically and in the literature and based on the findings certain conclusion have been drawn. This section further extends the frontier of the study by putting up some recommendations generally intended to contribute to the frontier of knowledge.

Hence, the study recommends the following:

i. Government should put in place proper mechanism for compliance with budget at Local Government, there shouldn't be operation of below the line accounts at Local Governments for the purpose of achieving the set target by the Government,

ii. The government should initiate policies and various means to make sure that proper accounting of the funds into the budget follows due process and any subsequent foul play by any Local Government should be prosecuted by appropriate legal discipline authority.

iii. The budget implementation should be in line with approved estimate for the year. Therefore no expenditure would be entertained without recourse to approve budget.

iv. Training opportunities should be regularly offer to employees to ensure that they gain competency on the financial management field.

v. Department of finance should be supported through allocating significant budget to ensure smooth running activities of the department.

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