

# Citizen-Centred Governance: What Role of Supreme Audit Institute (SAI) Nigeria

**Abubakar Amsami**

Centre for Peace, Diplomatic and Development Studies, University of Maiduguri, Maiduguri, Nigeria

**Email address:**

[abubakaramsami@gmail.com](mailto:abubakaramsami@gmail.com)

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**Abstract:** There is a particular relevance in Citizen-centred governance for individuals and groups who lives in areas far from the Centre, and for those administrators and policy-makers committed to eliminating poverty, and also reducing social injustice and inequality. A lot of new policy initiatives have been targeted at these areas over the past decade. The wave for democratisation as Huntington puts has come with new ways for citizens' engagement in the governance process towards shaping and deciding public policy, and also has created a complex governance landscape of statutory agencies, partnerships, boards, and other structures. One critical element for Citizen-centred administration and governance is making the correct regulation environment for a greater outcome. The overall outcome includes coordinating the administration's way of handling issues towards creating a participatory and localised structure through which citizens are engaged to request superior outcomes from the government. Through such a regular course of action, it is observed, that the component and motivating forces fundamental to adopting results-oriented institutions for effectiveness is participatory governance. Therefore, it is within this background that the paper will explore the role of the Supreme Audit Institution (SAI) Nigeria in promoting Citizen-Centred Governance in Nigeria. The paper asks the critical question of how the Nigerian Supreme Audit Institute created and promote a participatory and localised structure through which citizens are engaged to request superior outcomes from the government.

**Keywords:** Citizen-Centred, Governance, Participation, Accountability, Transparency

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## 1. Introduction

As a result of increased acceptance of democratic governance worldwide, demand for greater accountability and transparency in the governance process has been on the increase. This is as a result of the increasing in financial scandals. This resulted in public agitation against the inability of the various arms of government to turn things around [9, 14]. The growing need for accountability and transparency has been necessitated at all levels of the economy the work of audit institutions. Auditing, both in the public and private sector has gained considerable expansion throughout the world as it was termed the 'third eye'.

The Supreme Audit Institution (SAI) or Office of the Auditor-General for the Federation of Nigeria, plays an important role in ensuring and enforcing accountability, transparency, and judicious utilization of public financial resources within the guidelines of the national constitution and International Financial Reporting Standard. The essence of

this is to build public confidence and ensure good governance and reasonable assurance that those entrusted with public funds are complying with established rules and regulations.

Thus, these institutions should not be the focus of governance but rather an available resource provided to enquiring stewardship. Citizens' participation in governance involves the devolution of power and influence to citizens, communities, and the general population [6] by recognising the various individuals and interest groups within a nation with aim of involving them in the decision-making process, and also improving services, enhance democratic accountability and contribute to social justice.

However, there is an increasing public dissatisfaction regarding the lack of accountability and or misappropriation of public funds Such as embezzlement on the part of government officials, high cost of governance, and poor budget performance by the various government agencies among others [14].

## 2. Objective and Methodology of the Study

### 2.1. Objective of the Study

The objective of the study is to examine the role of the Supreme Audit Institute (SAI), Nigeria, in enforcing transparency, accountability, and judicious utilisation of public funds within the framework of the national constitution and International Financial Reporting Standard to promote citizen-centred governance. The essence of this is to build public confidence and ensure good governance and reasonable assurance that those entrusted with public funds are complying with established rules and regulations in Nigeria.

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### 2.2. Methodology

The paper uses the qualitative method of research. This is a review paper, which relies mainly on research works such as thesis, dissertations, research journals, newspapers, and magazines among others, and is to examine how Supreme Audit Institute (SAI) Nigeria enforces transparency, accountability, and judicious utilisation of public funds within the framework of the national constitution and International Financial Reporting Standard to facilitate citizen-centred governance.

## 3. Citizen-Centred Governance and the Role of the Supreme Audit Institute (SAI) in Nigeria

### 3.1. Background of the Supreme Audit Institute (SAI) Nigeria

The Supreme Audit Institution otherwise called the Office of the Auditor-General for the Federation (OAuGF) is a constitutional body in Nigeria. It derives its powers from the 1999 Constitution of the Federal Republic of Nigeria, Sections 85 and 86 as amended.

In Nigeria, public sector accounts auditing dates back to the beginning of the colonial era. Audits were undertaken by the Colonial Branch of the Exchequer & Audit Department at that time, which was established in 1866.

In 1910, under the Secretary of State of the Colonies, the Colonial Audit Service, was established. The heads of audit of Southern and Northern Nigeria were appointed thereafter. In 1928, after working for 27 years in Nigeria, the second Director of Colonial Audit was appointed [12].

An audit section was established as part of the Central Secretariat in Lagos after the amalgamation of Northern and Southern protectorates to become what is called Nigeria. The Directors of Audit are responsible to the Governor but were also under the general supervision of the Director-General of the Overseas Audit Service [12].

In 1956, an Audit Ordinance was issued. This Ordinance listed the main functions of the Director of Audit to include the following:

- i). safeguard the collection of revenue and the relevant laws and instructions were followed with all reasonable precautions,
- ii). ensure all payments were made in line with the annual budget and the relevant regulations, and
- iii). adequate regulations for stores were followed.

The Director of Federal Audit was required to submit the Annual Audit Report to the Minister of Finance within eight months of the end of the relevant financial year.

During the Colonial Era and Before independence, the Audit Ordinance of 1956 was in place as the statutory instrument empowering the office, especially during the regional structure of the nation.

During the second republic, appreciable progress was made through the 1979 Constitution which gave the Office extensive powers to audit all public funds and public institutions without exception. Thus; Section 79 (2) 1979 constitution:

*'The public accounts of the Federation and all offices, courts, and authorities of the Federation, including all persons and bodies established by law entrusted with the collection and administration of public money and assets, shall be audited and reported on by the Auditor-General'*

As of today, the Office of the Auditor-General for the Federation's functions are outlined in Sections 85 and 86 of the 1999 Constitution as amended.

The Auditor-General is empowered to undertake audits of all income and expenditures of the Federal Government of Nigeria. However, the Constitution prohibits the Auditor-General from auditing the accounts of "government statutory corporations, commissions, authorities, agencies, including all persons and bodies established by an Act of the National Assembly." As a result, the Office of the Auditor-General for the Federation cannot audit the accounts of agencies and parastatals, it can only undertake periodic checks on such state-owned entities [12].

The Office of the Auditor-General for the Federation has the power to audit Federal bodies. In the case of state government own agencies, the states have the Auditors-General of the State who is responsible for the audit of state institutions and the Auditor-General for Local Government who is saddled with the responsibility for the audit of local governments within the state. In total, there are 73 Auditors-General in Nigeria, more than the whole rest of Africa put together. However, nothing in the present legislation precludes the Auditor General for the Federation from tracing Federal public monies to any state of the Federation [12].

### 3.2. Features of Citizen-Centric Governance

In an autocratic and authoritarian government, citizens are not given an opportunity to understand the activities of the government so as not to demand accountability [6]: the governance process operates like a one-way traffic that is

difficult to change course, has little impact on the citizens' needs and demands. Adoption of simple, all-inclusive, citizen-friendly governance and service delivery methodologies enables nations and communities to operate more like a 'flotilla of speed boats': multiple smaller, agile projects that continuously deliver, are easy to change course, and pose fewer risks [6].

The following are features of Citizen-centric governance;

- i). Collaborative: one important feature of citizen-centred governance is to bring together various government departments and agencies with various interest groups to work as a team to achieve the desired goal. Join up and collaborative information is shared between the various agencies creating a value system that brings overall value to the citizen.
- ii). Responsiveness: Citizens-Centred governance is adaptive and responsive to change. Programmes and project must be directed toward citizens' satisfaction and the end justify the means. A truly citizen-centric government should be agile and flexible so that it can continue to adapt to the public's needs.
- iii). Insight: another important aspect of the citizen-centred governance is when decisions and or projects are undertaken, there must be preceded by insight direct from the end users. Every service within the public sector governance must have a clear insight toward achieving the end result. The needs, challenges, and feedbacks of the populace are paramount.

### 3.3. Citizen-Centred Governance

Citizen-Centred Governance can best be described as the process of decision-making and the implementation of those decisions using established institutions. Governance can take the form of national governance, local governance, and international governance among others. Furthermore, the process of all-inclusive participation in decision-making and implementation to achieve desired public objectives is referred to as citizen governance. Therefore, the government is an important instrument of governance [1]. When ethically carried out, auditing will force public institutions to act in accordance with the principles of accountability, transparency, and integrity, as well as improve their performance and earn citizens' confidence [3].

According to the Worldwide Governance Indicators (WGI) project, 'the institutions and mechanisms through which power and authority of a nation are exercised are termed governance.

To conceptualise governance, the WGI list six points;

- i). Quality regulation;
- ii). Stability in politics;
- iii). Accountability;
- iv). Eliminating corruption;
- v). Government effectiveness, and
- vi). Respect for rule of law.

However, democratization through Citizen participation in the political process spread like wildfire in developing and transition economies as a result of liberalisation, yet the fruits

of this democratic participation remain largely elusive [1]. Government fails in its obligation to provide basic services to society when citizens lack the mechanism to hold their representatives accountable. Lack of mindfulness and understanding of the regulatory system to assess government execution and hold it accountable is related to the unawareness and failure of the citizens to understand their responsibility [5]. The political and bureaucratic elites in this regard, struggle to ensure that the status quo was maintained so that the citizen will not understand government operations.

Changing this perception requires fundamental institutional and legal reforms to empower citizens to demand accountability for performance from their governments [1]. In the broader concept of its definition, Citizen-Centred governance is the formulation and execution of collective action at all levels of governance [11]. Thus, it encompasses formal institutions of government and government establishments in pursuing collective action by defining the framework for intra-citizen and inter-citizen interactions, collective decision-making, and delivery of effective public services. Therefore, Citizen-centred governance includes the diverse objectives of sound, effective, efficient working, and environmentally preserved self-governing communities.

Participatory governance is an arrangement that not only provides a variety of services but also includes preserving the needs and values of the citizens [4, 7, 11]. Democratisation and liberalisation have enforced democratic norms through the revolution on information and communication technology and have also forced a re-examination of citizen-state relations and the relationships of various agencies of government thereby enhancing public accountability and transparency. One important prerequisite for well-being for all is citizen-centred governance which creates a socially stable and culturally vibrant society, in another word, a thriving society.

The potential for citizen-centred governance which is a precondition for the sustainable development of third-world countries remains unattainable largely due to the poor accountability and misappropriation deficiencies in governance [7]. To address the such deficiency, there is a need to transform the structure of governance toward citizen-focused, and also more work needs to be done to develop an appropriate political framework that would ensure citizen-centred governance by granting more rights and privileges to the people paving the way for an inclusive democratic society.

The citizen-centred governance is considered a means as well as an end of the development process. A meaningful development outcome is also likely to make democracy stronger and more robust [7]. For those that practice an autocratic regime, citizen-centric government is likely to be unfamiliar which also appears as using old and disconnected systems. But while moving towards citizen-centric is a big adjustment, it doesn't mean it's more complicated for civil servants – rather, the opposite is true [6]. Simplification and expansion of the governance process is the important ingredient behind the citizen-centric government. This simplification and expansion allow people to interact with an

institutional framework by employing their expertise and talking to their representatives [6]. It is about reducing waste and creating a good, useful service for the people. And with the current advancement in information and communication technology, achieving the objective of citizen participation in governance is getting easier.

In an autocratic and authoritarian government, citizens are not allowed to understand the activities of the government so as not to demand accountability [6]: the governance process operates like one-way traffic that is difficult to change course and has little impact on the citizens' needs and demands. Adoption of simple, all-inclusive, citizen-friendly governance and service delivery methodologies enables nations and communities to operate more like a 'flotilla of speed boats': multiple smaller, agile projects that continuously deliver, are easy to change course, and pose fewer risks.

## 4. Findings of the Paper

The new consideration of how public governance is practised is far from ideal and is still evolving [10]. Public governance through citizen participation improves the possibility of efficiency and enhanced cost reduction by allowing more self-governance through the devolution of power under democratic values by greater public participation [8]. Another important benefit of citizen participation is to give more democratic values that empowered and enlighten society through renewed Communication technologies, which are seen as instrumental in facilitating such participation.

There are quite a several factors that altered the perception and functions of the Supreme Audit Institutions (SAIs) that enforce transformations in terms of governance as stated regarding the role they played toward citizen-centred governance within and outside government agencies [2]. The development of information and communication technologies has impacted greatly the activities of audit institutions. This has made clear, the roles and responsibilities of audit institutions against the previous unsatisfactory perception of the practices of the audit agencies [10].

The adoption of the 66th decision of the UN General Assembly in advancing adequacy, effectiveness, responsibility, and straightforwardness in public administration has strengthened supreme audit institutions, thereby expanding the role of SAIs to include performance audits from the financial audit for a better quality of governance [14]. It is pertinent to note that the critical ingredients that postulate the perception of governments and SAIs' duties and relationship by the general public concerning the nature of work have a greater impact on the role citizens play in making the government accountable on the world stage through more active participation in the governance process.

Closer collaboration between the Supreme Audit Institute (SAI) Nigeria and the general public promotes the following benefits that SAIs can generate through closer cooperation with citizens:

- i). Improve the level of awareness of government policies and programmes and the performance of various

government agencies;

- ii). Increase quality control on the accuracy, consistency, and effectiveness;
- iii). Transparency and accountability of management;
- iv). Ease assessment of the governance process by the public;
- v). Improves public participation to solve real issues;
- vi). Promote all-inclusive decision-making;
- vii). Integrating the general public with the governance structures for the meaningful result;
- viii). Promote citizens' confidence by ensuring transparency, participation, and collaboration capabilities;
- ix). Increase partnership between the public and other stakeholders in addressing mismanagement, inefficiency, and dealing with corruption; and
- x). Improve the level playing ground that will create and sustain public interest and participation [10].

## 5. Conclusion

Collaboration between the Supreme Audit Institutions or the Office of the Auditor-General with the civil society or the general public can take three major interactive forms. Thus, the Supreme Audit Institutions promote citizen engagement by proving information timely and accurately to evaluate the performance of their representative, consulting with the citizens to address the needs assessments when planning government programmes and policies, and also to promote joint decision-making at the various stages of conducting the audit.

## 6. Recommendation

Any meaningful collaboration between the general public and the Supreme Audit Institutions (SAIs) can improve the quality of assurances in the governance process. Thus, information sharing at this point was seen as a major pivotal towards collaboration between citizens and SAIs which is critically important taking into consideration the complexity of the governance process. This relationship can go a long way in un-layering the obstacles that affect the interdependent relationships that diffuse responsibility and thwart transparency in delicate matters affecting the public interest.

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