



International Journal of Geopolitics and Governance

ijgg.eanso.org

Volume 3, Issue 1, 2024

Print ISSN: 2790-9549 | Online ISSN: 2790-9557

Title DOI: <https://doi.org/10.37284/2790-9557>



EAST AFRICAN
NATURE &
SCIENCE
ORGANIZATION

Original Article

Intergovernmental Relations and the Financial Resource Allocation for the Healthcare Sector in Nairobi City County, Kenya

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Article DOI: <https://doi.org/10.37284/ijgg.3.1.2322>

Date Published: ABSTRACT

22 October 2024

Keywords:

*Intergovernmental
Relations,
Financial Resource
Allocation,
Healthcare Service
Delivery,
Nairobi City County.*

Since the beginning of devolution of health sector in Kenya in 2013, there have been several concerns regarding health care service delivery ineffectiveness, which have been attributed to strained ties between the national and county governments. There have been issues with service delivery and medical supply shortages in Nairobi City County's healthcare sector. This study sought to investigate how intergovernmental interactions have affected healthcare in Nairobi City County. Specifically, the study examined how intergovernmental relations affect the financial allocation for the sector. The study was anchored on resource-based theory. A descriptive research design was employed involving a census for all the 7 administrators working at level 4 and level 5 health facilities in Nairobi City County as well as 78 employees working in the health department of Nairobi City County Government, constituted the sample population. Descriptive analysis was done using the standard deviation and the mean while inferential analysis was done using regression, F-test and ANOVA. The analyzed data was provided as frequency tables, percentages, and charts. Before the data collection, respondents were asked to provide informed consent, and anonymity and secrecy were assured to boost the response rate. The most critical relationship was between intergovernmental relations and financial resource allocation for the healthcare sector in Nairobi City County accounting to 39.4%. The findings suggested that in order to guarantee that financial resources are allocated appropriately, the national and the county government should work to enhance intergovernmental ties. This also helps in ensuring timely release of financial resources to health facilities by the national government. The study recommends that the financial allocation for healthcare should be enhanced so as to improve service delivery. There is also need to enhance own source revenue for the City County so as supplement the shareable revenue from the national government, which collectively will increase the finances available for utilisation in the healthcare sector.

APA CITATION

Mutie, H. M. & Kiruthu, F. (2024). Intergovernmental Relations and the Financial Resource Allocation for the Healthcare Sector in Nairobi City County, Kenya. *International Journal of Geopolitics and Governance*, 3(1), 83-97. <https://doi.org/10.37284/ijgg.3.1.2322>

CHICAGO CITATION

Mutie, Hellen Mwende and Felix Kiruthu. 2024. "Intergovernmental Relations and the Financial Resource Allocation for the Healthcare Sector in Nairobi City County, Kenya". *International Journal of Geopolitics and Governance* 3 (1), 83-97. <https://doi.org/10.37284/ijgg.3.1.2322>

HARVARD CITATION

Mutie, H. M. & Kiruthu, F. (2024), "Intergovernmental Relations and the Financial Resource Allocation for the Healthcare Sector in Nairobi City County, Kenya", *International Journal of Geopolitics and Governance*, 3(1), pp. 83-97. doi: 10.37284/ijgg.3.1.2322.

IEEE CITATION

H. M., Mutie & F., Kiruthu, "Intergovernmental Relations and the Financial Resource Allocation for the Healthcare Sector in Nairobi City County, Kenya", *IJGG*, vol. 3, no. 1, pp. 83-97, Oct. 2024.

MLA CITATION

Mutie, Hellen Mwende & Felix Kiruthu "Intergovernmental Relations and the Financial Resource Allocation for the Healthcare Sector in Nairobi City County, Kenya". *International Journal of Geopolitics and Governance*, Vol. 3, no. 1, Oct. 2024, pp. 83-97, doi:10.37284/ijgg.3.1.2322

INTRODUCTION

Several nations continue to have tense relationships between the various branches of government, between levels of government, or within decentralized entities. These conflicts are a result of shared administrative, legislative, and other tasks related to resource distribution and jurisdiction that obstruct service delivery (Ajulor & Ibikunle, 2021). Intergovernmental relations are therefore is a critical approach for maintaining cooperation between governments and effectiveness in the provision of public services (Fjeldstad, 2021). Intergovernmental relations are an interconnected system of institutions that have been developed to help the work of government and delivery of services to the people at accessible points and stations.

According to Colasante (2019), different intergovernmental restrictions regarding resource allocation between the national government, cities, municipal councils, and local administrations exist in Italy and have an impact on service delivery in a number of sectors, including the health sector and road network. Benton (2020) asserts that despite the federal system of government of the United States' explicit and implicit calls for cooperation between

the federal and local levels of government while maintaining their autonomy as autonomous organisations to advance and secure the common good, there is still a great deal of pressure building at the fault lines. When problems with governance and service delivery require cooperation and action from two or more levels of government, these schisms arise. Both conflict and collaboration are interactional outcomes that have a negative impact on resource allocation in these situations.

In Nigeria, intergovernmental relations, according to Akume (2018), do not appear to have enabled the proper harmonic exchanges between and among the various governmental divisions and among groups. This has led to ongoing disagreement and discord in certain crucial areas of federal relations, which has had a detrimental effect on the populace and the federal state. Moreover, Chukwuemeka and Aniche (2016) discovered that tensions between Nigeria's three levels of government had decreased to some extent as a result of intergovernmental relations. This has been crucial in ensuring the timely release of resources, the allocation of adequate facilitation and resources to local governments, and the improvement of accountability and openness in the use of resources.

There are many statutory mechanisms and institutions that have been created to facilitate and ensure harmonious intergovernmental relations but the relationship remains poor, estranged and bumpy (Manyala, 2021). Nowadays, government bodies and levels mostly litigate issues, which is expensive and has a detrimental impact on funds set aside for development and service delivery (Yussuf & Subbo, 2019). In any case, it cannot be said that the Summit and the Council of Governors are neutral, impartial third parties capable of assisting in the efficient resolution of interstate problems. They are also not well adapted to decide on or settle disagreements resulting from solely contractual connections between devolved governments themselves or between the county and national governments.

The management of the Nairobi City County government has proven difficult in terms of service supply, revenue generation, project implementation, and County Integrated Development Plan implementation (CIDP). The implementation of CIDPs, according to Kavindu and Kimencu (2020), is hampered by insufficient financial support, poor communication, and a lack of political support from both levels of governments. Most of the projects in the County Governments are left unfinished due to insufficient funding and reallocation of resources to other initiatives, which results in inefficiency in counties and poor performance. Poor intergovernmental ties, in the opinion of Osman (2020), have a significant impact on the county governments' poor performance in terms of providing services and carrying out projects

According to Yussuf and Subbo (2019), the relations between the central and county governments in Kenya are characterized by ambiguous fiscal laws and systems, a mutually agreed-upon formula for sharing revenue, inability by the counties to absorb more funds, delayed funds' disbursement, strict tax collection requirements, borrowing restrictions, waste, and a lack of prioritization. Moreover, there is no dialogue regarding the establishment of a new government

level and the regulation, oversight, and control thereof. Furthermore, Manyala (2021) found that the provision of county government services in Kenya had a favorable and significant link with intergovernmental ties. Yet, for the particular intergovernmental relations, the influence's strength varied. The most significant impact was on fiscal relations, next economic interactions, political relations, and finally administrative relations. Osman (2020) also discovered that the usage of ADR increased resource allocation by strengthening intergovernmental ties between county administrations and the federal government

Statement of the Problem

The two tiers of government in Kenya, each with competing and frequently conflicting interests negatively impact on the efficient service provision in the health care sector. Only with an effective and efficient partnership in place to assure resource allocation and project implementation can service delivery be improved (Omoniyi & Busayo, 2021). Nonetheless, there have been issues with the healthcare system in Nairobi City County, particularly service delivery. Patient satisfaction, turnaround time, and efficiency in healthcare facilities in Nairobi City County are still low, according to Mwakuni (2020). Otieno (2016) also noted that in 2020, there were stock outs of medical supplies, pharmaceutical supplies, and medical equipment at 82.50% of the hospitals in Nairobi City County. Also, according to Karimi et al. (2020), all the facilities suffered drug shortages as well as drug expirations in 2019.

The lack of adequate resources and delays in resource allocation were blamed for drug shortages and stock outs in healthcare facilities. The delivery of services and the execution of healthcare projects in Nairobi City County are hampered by insufficient funding and their delayed distribution. Kavindu and Kimencu (2020) argue that insufficient financial resources characterize the implementation of CIDPs. Gachagua (2021) noted that there was poor service delivery at Nairobi City County's public

hospitals, which was also characterized by insufficient inventory (drugs and supplies), tardy payments, and low motivation of healthcare professionals. Poor intergovernmental ties have a significant impact on Nairobi City County's underwhelming performance in the healthcare sector in terms of service delivery and the implementation of health-related projects. The intergovernmental ties remain bad despite the existence of numerous statutory instruments for resolution of conflicts and promotion of harmony and cordial intergovernmental interactions. This study examined at intergovernmental relationships and how they affect the health care system for the City County. Their studies likely shed light on the complexities of these relationships and their effects on the health care system revealing that county governments had not executed an effective maternal healthcare program formulated by the national government. The current study sought to address the challenges of intergovernmental relations and fostering better collaboration between levels of government is essential for improving health care services in Nairobi

Justification and Significance of the Study

The City County has the highest population in Kenya compared to the other 47 Counties in Kenya, as it has 4.3 million inhabitants (Kenya National Bureau of Statistics, 2019). Having the highest population in the Country, effective use of resources in the City County would ensure that both the social and health care givers, delivers higher quality of services to its clientele. However, the healthcare sector has been experiencing challenges as most of the health facilities are characterized by inefficient service delivery characterized by long queues and stock of medical supplies and drugs (Gachagua, 2021).

The allocation of financial resources has been significantly impacted by the intergovernmental interactions between County governments and the central government. A health care system needs a financing source, a workforce that is properly

trained and paid fairly and well-maintained medical facilities that can supply high-quality pharmaceuticals and technologies. Human resources in the healthcare industry are in charge of everything from keeping a facility tidy and well-run to providing personnel with the latest and most correct training. The professional know-how, the skills, and the self-drive of the healthcare workers largely determine the nature and quality of service provided by the healthcare institutions.

Despite Nairobi City County having the highest population in Kenya, there are inefficiencies in health service delivery. Long queues, inadequate medical supplies, and drug stock outs hinder effective care provision. The challenge lies in optimizing resource utilization to ensure that both social and health care providers can deliver high-quality services to the population. These shifts impact the allocation of human resources, medical supplies, and financial resources. Effective intergovernmental interactions are crucial for coordinated health care efforts. The existing gaps in scholarship related to the health care sector in Nairobi City County provided significant insights regarding the challenges faced by the local health system. Human resources play a central role in health care institutions. Their expertise, skills, and motivation directly impact service quality. From facility management to clinical care, health care workers contribute significantly to the overall functioning of the health system. In, addressing these gaps and fostering better intergovernmental collaboration are essential for improving health care services in Nairobi City County

Due to changes in regulatory structure between nations, studies on intergovernmental interactions that have been undertaken in other nations cannot be extended to Kenya. There is little evidence of the impact of intergovernmental interactions on the health sector according to studies done in Kenya. Thus, this research contributes more expertise to the body of knowledge regarding intergovernmental relationships and their impacts on the health sector.

The study gives information to academics and other researchers that they may use to identify research gaps and as research material. Further studies on intergovernmental relations and the efficiency of Kenya's numerous County governments may build on the findings of this study

LITERATURE REVIEW

Empirical Review

Intergovernmental Relations

Intergovernmental relations refer to the relationships between different levels of government within a country. These levels can include national, regional, and local governments. Intergovernmental relations (IGR) are a crucial component of contemporary systems of politics, and they are growing increasingly important as the complexities of modern governance increase. They have developed into a distinctive characteristic of federal systems, but they remain a crucial part of any political structure with multiple tiers of government. There is sometimes a mismatch between the type of government in use with the degree of IGR centralization, or the relative power of the various governmental levels. In actuality, a few federations—such as the United Nations and Australia—have been gradually becoming more centralised, whereas several unitary nations have recently decentralised. This is true for developing nations like China, Vietnam, and Indonesia, where regional governments have expanded their financial independence and autonomous decision-making power, as well as developed nations like the United Kingdom and Spain, which have granted regional governments significant policy and political authority (Painter 2019).

There is disagreement over whether this should be accomplished by giving the states more authority or by giving the federal government more authority. Cooperative federalism is a viable option to redrawing "bright lines" between governments. However, it necessitates the establishment of a more comprehensive and cohesive set of IGR institutions

and procedures to manage the unavoidable overlap of government tasks. IGR is a multifaceted aspect of modern governance, affecting policy implementation, autonomy, and power dynamics. Its implications are evident across diverse political systems. IGR arise through both official and informal channels. Formal procedures can be based on non-statutory organizations, agreements, or processes, as well as constitutional or statutory provisions. Informal IGR are always more difficult to identify, but they are frequently just as essential, if not more, than formal techniques. Informal contacts are frequently responsible for the system's stability. Furthermore, implicit norms, traditions, or values may be critical to the operation and efficacy of IGR (Harwood & Phillimore 2017).

Intergovernmental Relations and Financial Resource Allocation

Ajolor and Ibikunle (2021) studied the connection between the allocation of budgets and the relationship between State and Federal governments in the 4th Republic of Nigeria. The research used an exploratory design approach to conduct the study and utilized secondary sources. The results of this study showed that Nigeria's income distribution formula is unable to resolve issues with fiscal federalism and relations across the three levels of government. Due to the fact that this study was conducted in Nigeria and Kenya have different regulatory frameworks for both the federal and county governments, its conclusions cannot be extended to Kenya. Moreover, no primary data were used in this investigation; only secondary data were employed.

Fjeldstad (2021) carried out a study which found that sub-national governments require access to sufficient resources in order to carry out the tasks assigned to them. They must also take responsibility for what they do with these resources at the same time. Furthermore, intergovernmental fiscal policies, like all public policies, must take into account both economic and political limits, such as the financial markets' current state of development

and the political clout of various provinces and parties. This study, however, could not demonstrate how the distribution of financial resources is impacted by intergovernmental fiscal ties. Also, the study was carried out in poor nations without targeting any particular nation.

The intergovernmental ties at the local level in the London Borough of Camden were evaluated in research by Vielba (2020). In the London Borough of Camden, 18 additional public authorities that provide services were compared to the local authority in this study. It was based on qualitative information gathered through interviews with 70 senior managers and authorities who were the subject of the research. Between 1985 and 1987, the fieldwork was completed. The available literature on horizontal inter-governmental relations at the municipal level is insufficient. The analysis showed that Camden's public service delivery was severely functionally fragmented. The socioeconomic backdrop of the region and the distribution of authority within the local government system both contributed to the high degrees of dependency among the authorities under study. Interdependence was intricate and multifaceted. This study's findings, however, may not be practical in Kenya because it was undertaken in the developed London Borough of Camden. Also, the study only used qualitative data; no quantitative data were included.

In 2016, Chukwuemeka and Aniche examined Nigeria's local government performance and intergovernmental relations. The study used a survey approach, more precisely, descriptive research. Using a questionnaire and focus group discussions, data was gathered. The Central Bank of Nigeria's records were utilized to create this information. According to the findings, Nigeria's three levels of government are less tense as a result of intergovernmental relations. Also, the Nigerian three-tiered government's fiscal relationship has been impeded by the 1999 constitution's flaws. The performance of local government, as opposed to the

performance of the health sector in Nairobi City County, was the dependent variable in this study.

Conflicts between governments and the control of resources in Nigeria's 4th republic were analyzed by Ojo (2018). The study was based on secondary sources of data collection, including academic publications, textbooks, and newspaper articles. The study discovered that political synergy between intergovernmental relationships and government policies and programs are essential for their actualization and execution. As a result, under Nigeria's federalism, fairness, equity and justice in the distribution of economic resources that outlast tolerance and collaboration are real weapons to reduce intergovernmental relationship problems. However, as this study utilised secondary sources, no primary data were included. The context (Nigeria) for this study, provided a contextual gap for the study to be conducted in Nairobi because of the difference in the macroeconomic and legal environment as well as the nature of devolution that the two countries subscribe to.

Okorafor and Thomas (2017) sought to identify appropriate resource allocation strategies in light of the nation's current fiscal federal framework in promoting equity in the allocations to the primary health care (PHC). The study interviewed government representatives who play part in allocation of resources to PHC. According to the study's findings, there are several factors that prevent a more equitable distribution of PHC allocations from being realized. These elements consist of past incremental budgeting, a lack of administrative protection for PHC funding, inadequate accounting of PHC expenditure, and weak managerial capability at lower levels of government. According to information from interviews, no particular method of allocating resources was supported by all parties. The fiscal federal system in South Africa, as opposed to Nairobi City County, was the only one covered by this study. Moreover, the study did not demonstrate

how intergovernmental ties impact the allocation of financial resources.

Watts (2019) compared the financing arrangements between levels of governments in 11 nations including United States, Brazil, Australia, Switzerland, Spain, Canada, Japan, Sweden and Germany. The study considered the contexts of the constitution, the politics, the scope and the distribution of the revenues between the municipals, states and the federal governments as well as the transfers of finances between the levels of governments. An analysis of the literature was done to gather data for the study. In order to reap the benefits of independence and fiscal prudence, the study stressed the necessity of a state level distribution of own-source tax and other income that is sufficiently significant. The study was however carried out in industrialized nations, which are distinct from developing nations like Kenya. The study included a critical literature review, and as a result no primary data collection was done.

Otieno (2016) looked at the consequences for equity of the county level allocation of financial resources to the health sector in Baringo County. Administrators of county and sub county health departments, administrators of finance departments, and healthcare professionals were among the target population. The results identified a considerable gap in the distribution and allocation of health resources among the sub-counties. As a short-term solution, the available health resources must be immediately redistributed. Long-term and medium-term solutions call for developing and using a formula for allocating resources based on need. Also, a lack of financial resources allocation decisions was attributed to intergovernmental relations. Although the study demonstrated the influence of allocating financial resources to the health sector, it did not demonstrate the impact of intergovernmental ties.

In Kenya, Kairu et al. (2021) looked at the financing of health facilities in the light of devolved system of governance. The investigation was conducted in five deliberately chosen Kenyan counties using a

cross-sectional study design. In-depth interviews and document checks were used in the study. Managers of the county departments of health and administrators of medical facilities were spoken with in each county. The partnership between the national and county governments has a big impact on how Kenya finances its health services. Standardizing budgeting procedures, enhancing financial self-reliance, as well as reforming the laws relating to the management of public finance and engaging in political activity are all necessary to improve health facility financing in Kenya. This will enable direct facility financing and the financial independence of public hospitals. This study analyzed health facility financing; however, it did not demonstrate how intergovernmental ties have an impact on it. Purely qualitative methods, such as in-depth interviews and document reviews, were used in the study. Also, the results were not unique to Nairobi City County.

Theoretical Framework

Resource - Based View Theory

The resource-based vision (RBV) was invented based on Birger Wernerfelt's work in the 1990s. This theory serves as a managerial framework for selecting the strategic assets that have the potential to give a company a competitive advantage. According to Moindi (2019), the sources of sustainability for organizations emanates from doing things better and building superior capabilities and resources. Iyi (2018) opines that there are fundamental issues for any organization under resource-based view theory which they must engage in, including profiling the potential critical resources, determining if they meet the valuable criteria to nurture and develop and protect their resources – which are key in talent management practices. A valuable resource helps a company to put plans in place that increase its efficacy and efficiency. Rare implies that resources shouldn't be accessible to rival businesses. Resources that are imperfectly imitable should not be easily implemented by others, and resources that are non-

substitutable cannot be replaced by another non-rare resource (Adedire, Bell & Ganiyu, 2023).

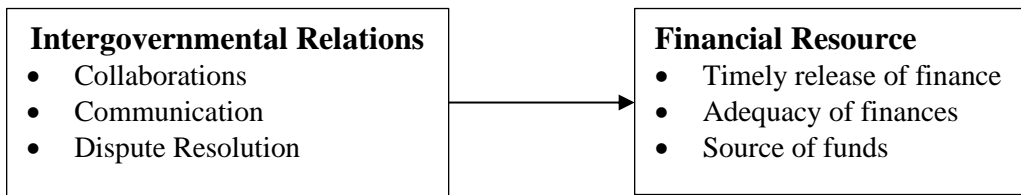
Wingender (2018) observes that understanding the causal relationship between the sources of advantage and practical solutions can be rather difficult in practice. Hence, identifying, understanding, and categorizing essential abilities require considerable managerial effort. Management must also invest in organizational learning in order to create, nurture, and maintain essential human resources, skills, know-how and competencies (Ajulor & Ibikunle, 2021).

This study showed how intergovernmental interactions affect resource allocation for the healthcare sector in Nairobi City County by utilizing the resource-based view theory. According to the resource-based perspective, organizations function better when they have control over their resources. This theory is particularly helpful in describing the process that businesses can utilize to develop distinctive resources and the manner that

these resources can be used in new organizational and structural management. Since organizational resources are the main factors influencing a firm's performance, they should be allocated in an efficient and effective way. Resource allocation can be a complicated process, but with careful planning, an organization can obtain the resources it needs. Financial resources, technology resources, human resources, and organizational structures all make to a company's resources. Since the allocation of people, physical, technological, and financial resources affect the healthcare sector in Nairobi City County, the resource-based view theory was used in this study.

Conceptual Framework

The study utilized the schematic diagram below to illustrate the relationship between the intergovernmental relations and financial resources with the healthcare sector in the City County Government.



RESEARCH METHODOLOGY

The study employed descriptive design since it provides a coherent and logical approach for proper handling of the research problem (Babbie, 2017) and at the same time ensuring that the study accurately and methodically explains the features of a phenomenon or population under study (Caine & Mill, 2016). It also helped in blending both qualitative and quantitative research. The study was conducted in Nairobi City County being the most populous with a population of 4,397,073 (KNBS, 2019) though the smallest in terms of size, hence, has the highest population density per square kilometer. The requirement for health care is the

highest with only 115 (17%) of the 681 health care facilities being managed by the County, the rest being private. The county has 4 referral hospitals, 33 health centres, 55 dispensaries and 23 clinics. The study targeted 90 staff in 5 health-related departments, which are not devolved and all level 4 and 5 hospitals. These were 5 staff from the health departments based at National government, 78 staff from health departments managed by the City County, and 7 administrators from level 4 and 5 hospitals. A census was conducted for them. The study collected primary data using a semi-structured questionnaire which was tested for validity and reliability at the health department of Kiambu County. Descriptive analysis was done using mean

and standard deviation while inferential statistics was done using ANOVA and the Fisher's test. Qualitative data analysis was conducted using content analysis.

DATA ANALYSIS AND DISCUSSION

A response rate of 66.7% was realized, making way for the analysis as argued by Babbie (2017) that a responses rate of 65% is appropriate and adequate to analyse and draw conclusion.

Demographic Data

Most of the respondents (65%) were male while the remaining 35% indicated that they were female. On their age bracket, 25% of the respondents were between 26 and 35, 40% were between 36 and 45, (20%) of the respondents were aged between 46 and 55 years while 10% indicated that they were aged under 25 years old, and the remaining 5% was 56 years old or older. In terms of the highest education level, 38% had completed their undergraduate degree, 15% had completed their master's degree, 2% had completed their PhD, and the majority of them (45%) indicated that they had a diploma as their highest academic qualification. In terms of the length of time they had served within the City County, 45% indicated that they had served the Nairobi City County Government for between 5 and 7 years, 35% for between 8 and 10 years, 15% for between 2 to 4 years and the remaining 5% had served for less than a year in the healthcare department.

Descriptive Statistics

When the study sought to know the extent of collaboration between the national and the County government, just under half of the respondents (45%) thought the governments' collaboration was good, 25% thought it was great, 15% thought it was moderate, 10% thought it was bad, and 5% thought it was poor. This implies that the government's and the County's cooperation in the health sector was positive. **The results are in tandem with the works of** Cusack and Bills (2016) which

emphasizes the need for sustainable urban planning, which includes: Nairobi requires a departure from its typically heavy-handed top-down modus operandi. It is imperative that government accountability and openness be increased. It is essential to cultivate a network of commercial, political, and community leaders who collaborate to make long-term plans for the city.

When asked about the most preferred means of communication between the 2 levels of governments regarding healthcare, the majority of the respondents (80%) indicated that the health sector of Nairobi City County government used telephone calls and teleconferences, a finding with concurs with those of Ajulor and Ibikunle (2021) who observed that in intergovernmental relations teleconferences were used as one of the communication channels. Additionally, 70% of the respondents indicated that social media platforms were used while 60% indicated that emails were used. These findings agree with Colasante (2019) who observed that emails were a common channel of communication in intergovernmental relations. Further, 40% indicated that physical meetings were used while another 35% indicated the use of videoconferences. The results suggests that telephone calls and teleconferences were mostly used as communication channel, followed by social media platforms, emails, physical meetings and videoconferences respectively for communication between the governments to the health sector.

On the frequency of communication, 60% of the respondents indicated that the frequency of communication was on need basis, 20% indicated that it was twice a month, 15% indicated that it was once a month, and 5% indicated that it was every week.

Three quarter (75%) of the respondents indicated that conciliation was used as a mechanism to resolve disputes, 73% (58) indicated that mediation was used while another 70% (56) of the respondents indicated the use of arbitration. Additionally, 40% (32) indicated that negotiation was used as a

mechanism of resolving disputes that would arise between the two levels of government. This implies that mediation was mostly used as a mechanism for dispute resolution, followed by negotiation, conciliation then arbitration respectively for addressing and resolution. These findings are in agreement with Mwasaga (2021) findings that the dispute resolution, negotiation, conciliation and arbitration were the most commonly used dispute resolution mechanisms.

Seventy five percent (75%) indicated that County and National Governments Coordinating Summit platform was used for addressing disputes while 73% (58) indicated that County Intergovernmental Forum platform was used. Additionally, 70% or 56 respondents indicated that intergovernmental budget and economic council platform was used to address the disputes while 60% (48) indicated that intergovernmental relations technical committee was the platform employed. This implies that mostly used platform for addressing disputes was County and National Governments Coordinating Summit, followed by County Intergovernmental Forum, IBEC then IRTC respectively the two level of governments in relation to the health sector. The findings are in agreement with Kavindu and Kimencu (2020) argument that County Intergovernmental Forum platform was one of the most commonly used platforms for addressing disputes

On the effects of intergovernmental relations on the financial resource allocation for the healthcare sector in Nairobi City County, 85% of the respondents, indicated that National Government allocation was the source of financial resource for the health sector, 70% indicated that own source revenue from the health facilities was the source while 65% cited donors as the source of financing. This implies that national government allocation, own-source revenue from health facilities and donations from donors provided the financial resources that for the city county health sector, in

that order. The results agree with the findings of Kairu et al. (2021) who established that the main financial resources allocated for health services in the county governments is mainly from National Government allocation.

On whether the financial resources were not promptly released by the national government, more than half of the respondents (65%) affirmed that they were not released on time while 35% indicated that they were released in a timely manner. This implies that the much-needed financial resources for the healthcare provision to the residents of the City County were released late impacting service delivery was impacted negatively. The results agree with those of Ojo (2018) who observed that financial resources were not released in a timely manner by Nigeria's federal government. The outcomes also agree with Chukwuemeka and Aniche (2016) discovery that tensions between Nigeria's three levels of government negatively affected timely release of resources.

On the adequacy of the resources from the national government, 75% of the respondents indicated that the finances released while 25% indicated that they were adequate implying that the healthcare provision is inhibited since some services would not be provided for lack of resources either human, infrastructure, equipment or even consumables. The outcomes agree with Ajulor and Ibikunle (2021) observation that finances released in the across the three levels of government is inadequate. Yussuf and Subbo (2019) also observed that relations between the central and county governments in Kenya are characterized by a lack of a mutually agreed-upon revenue-sharing formula, ambiguous fiscal laws and systems, which in turn leads to inadequate allocation of financial resources. The study also established that the budget for the healthcare services within the county has been increasing over the last five years as tabulated below, expect for 2020 (COVID – 19 period) whose budget was diminished.

Table 1: Healthcare Budget for 5 years

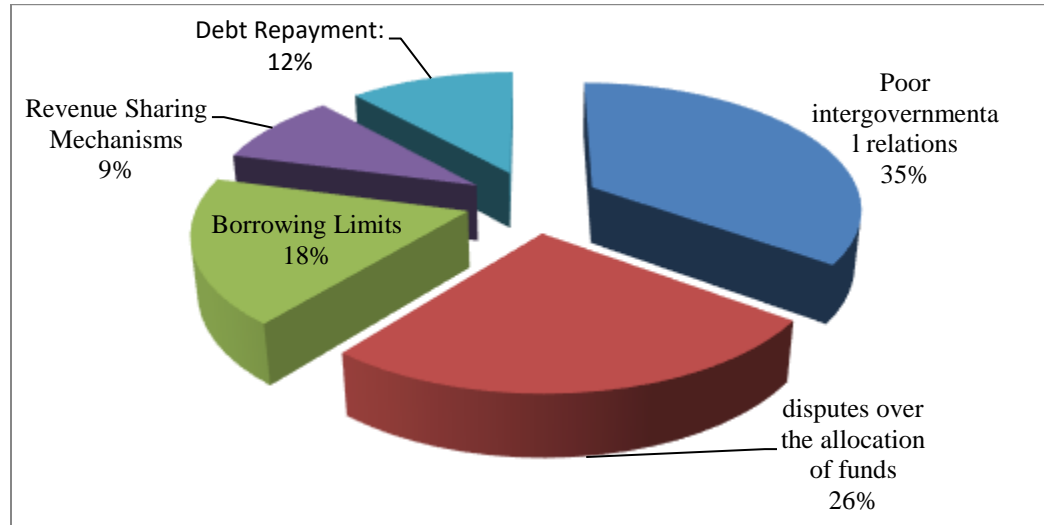
Years	2018	2019	2020	2021	2022
Amount (in millions)	6,776	7,400	7,732	6,899	7,988

Source: Ministry of Health (2024)

When the study sought to determine how else intergovernmental relations influence the financial resource for the healthcare sector in Nairobi City

County, the respondents gave various reasons as represented in the figure below.

Figure 1: Intergovernmental Relations Influence financial resources



Source: Research Data (2024)

About a third of the respondents (35%) indicated that poor intergovernmental relations result in delays and disputes over the allocation of funds between the governments leading to budgetary constraints, hindering the health sector's ability to meet the growing demands for services, invest in infrastructure, and adequately address public health issues. Another 26% of respondents cited disputes over allocation of resources as another way in which intergovernmental relations influence the financial resources allocation, 18% indicated debt repayment, 12% citing the mechanisms of sharing the shareable revenue as a reason for delayed disbursements of funds to the County governments. The findings concur with Muthathi, Kawonga and Rispel (2021) observation that weak intergovernmental ties

between Gauteng and Mpumalanga negatively affected distribution of financial resources to the health sector. Intergovernmental disagreements also lead to delays or cancellations of infrastructure projects and health service initiatives. For instance, the construction of new hospitals, clinics, and health centers might be delayed due to funding disputes, affecting the accessibility and quality of healthcare services for the population.

Inferential Statistics

The study conducted a correlation analysis on the relationship between intergovernmental relations and finance allocation for healthcare services for the Nairobi City County. The results are tabulated below

Table 2: Correlation Analysis

		Intergovernmental Relations	Financial Resource Allocation
Intergovernmental Relations	Pearson Correlation	1	
	Sig. (2-tailed)		
	N	80	
Financial Resource Allocation	Pearson Correlation	.680**	1
	Sig. (2-tailed)	0	
	N	80	80

Source: Research Data (2024)

The results show that financial resource allocation for Nairobi City County's healthcare sector and intergovernmental relations are positively correlated ($r=0.680$, $p\text{-value}=0.000$). Because the $p\text{-value}$ (0.000) was less than the significance threshold of 0.05 , the relationship was considered significant. These results are in tandem with the works of Kairu, Orangi, and Mbuthia (2021) findings that the partnership between the national

and county governments has a big impact on how Kenya finances its health services.

The study also conducted a multivariate regression analysis to examine the relationship between intergovernmental relations and the financial resource allocation for the healthcare sector in Nairobi City County. The results are presented in the model summary below.

Table 3: Model Summary

R	R Square	Adjusted R Square	Std. Error of the Estimate
.278 ^a	0.394	0.372	0.33173

a. Predictors: (Constant), Intergovernmental Relations

Source: Research Data (2024)

The $r\text{-squared}$ (R^2) = 0.394 shows that 39.4% changes in intergovernmental relations is explained by a unit change in the financial resources' allocation to the City County. This also means that 60.6% of changes in the intergovernmental relations are explained by other factors other than financial resources allocation to the City County.

The study also analysed the variances using ANOVA below. The ANOVA also helps in testing the hypothesis that Intergovernmental relations is not significantly affected by the financial resources' allocation to the City County, tested at 5% level of significance.

Table 4: ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Regression	12.576	1	12.576	67.022	.000 ^b
Residual	14.636	78	0.188		
Total	27.212	79			

a. Dependent Variable: Financial Resource Allocation

b. Predictors: (Constant), Intergovernmental Relations

Source: Research Data (2024)

The ANOVA shows how well the model fits the data (ANOVA). The F value of 67.022 is larger than the F value from the table at 3.920 indicating that the hypothesis Intergovernmental relations is not significantly affected by the financial resources' allocation to the City County, tested at 5% level of significance, is rejected since the F value shows that the variables are significantly related. The model

was deemed to be a reasonable fit for the data because the F-calculated was greater than the F-critical and the p-value (0.000) was not greater than the significance level (0.05).

The model was fitted in a regression model by determining the beta values. The results are tabulated below

Table 5: Regression Coefficients

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.139	0.245		4.64	0.000
Financial Resources Allocation	0.682	0.064	0.68	10.69	0.000

a. Dependent Variable: Financial Resource Allocation

Source: Research Data (2024)

From the regression coefficients table, the regression model for the study becomes

$$Y = 1.139 + 0.682X_1$$

and consequently, Intergovernmental Relations = 1.139 + 0.682 (Financial Resources Allocation)

The results demonstrate that financial resource allocation for the healthcare sector in Nairobi City County is positively and significantly impacted by intergovernmental ties ($\beta_1=0.682$, p-value=0.000). Because the p-value (0.000) was lower than the significance level (0.05), the connection was considered significant. The findings agree with Chukwuemeka and Aniche (2016) observation that intergovernmental relations positively affect financial resource allocation to the three levels of government in Nigeria.

CONCLUSION

The research concludes that intergovernmental relations have a positive and significant influence on financial resource allocation for the healthcare sector in Nairobi City County. The study indicated that timely release of finance, adequacy of finances and source of funds has an influence on healthcare sector in Nairobi City County. These findings show that advancing intergovernmental relations could

lead to an improvement in financial resource allocation for the healthcare sector in the County.

Recommendations

From the study findings, the following recommendations are made:

- There is necessity to enhance the financial allocation to the level 4 and 5 hospitals within Nairobi City County because these are the resources that can enhance the provision of the healthcare services by these hospitals. The sufficiency of the medical staff, largely dependent on financial resources, is fundamental in the delivery of these services to the patients. The population in the County keep increasing over time ultimately causing congestion in the medical facilities while there are many more patients from across neighbouring counties who come to seek medical attention from the hospitals in Nairobi City County.
- The allocation of the finances to the hospitals and the generation of own-source revenue is also key in ensuring that the hospitals not only become independent but self-sufficient. Therefore, the study proposes that the National

government and County government of Nairobi City County should institute an improvement in intergovernmental relations so as to ensure that financial resources are adequately allocated. This will also help in ensuring timely release of financial resources to health facilities by the national government.

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