



MEMORANDUM OF UNDERSTANDING

BETWEEN

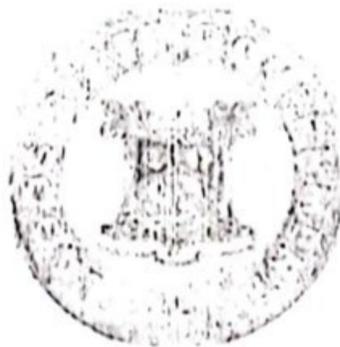
**THE GOVERNMENT OF LAGOS STATE REPRESENTED BY THE HONOURABLE
COMMISSIONER FOR ECONOMIC PLANNING AND BUDGET**

AND

**LOCAL GOVERNMENTS IN LAGOS STATE AS REPRESENTED BY CHAIRMEN
OF 20 LOCAL GOVERNMENT AREAS**

ON

**THE ADOPTION OF HARMONIZED BUDGET GUIDELINES AND THE
NATIONAL CHART OF ACCOUNTS AND BUDGET CLASSIFICATION (NCOA-BC)
AND INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARDS (IPSAS)**



MEMORANDUM OF UNDERSTANDING

BETWEEN

THE GOVERNMENT OF LAGOS STATE REPRESENTED BY THE HONOURABLE

THIS MEMORANDUM OF UNDERSTANDING (MoU) is made the 24th day of March 2025

BETWEEN

THE LAGOS STATE GOVERNMENT OF NIGERIA a duly established and existing State created under the Constitution of the Federal Republic of Nigeria, 1999 (as amended), with its seat of Government at the Secretariat Alausa Ikeja, Lagos, represented by **MR. OPE GEORGE**, the Honourable Commissioner, Ministry of Economic Planning & Budget, Lagos State, (hereinafter referred to as "the State Government" which expression shall where the context admit includes their successors -in-Office) of the one part.

AND

THE LOCAL GOVERNMENT COUNCILS IN LAGOS STATE, more particularly named in the attestation to this Memorandum of Understanding jointly and severally (hereinafter collectively referred to as 'the Councils' which expression shall where the context admit includes their respective successors- in -Office) of the other part.

The State Government and the Councils are collectively referred to as "**Parties**" and individually as "**Party**".

WHEREAS:

1. The Lagos State Government recognizes the need for all Local Governments to adopt a standardized budget framework for transparency, accountability, and efficient financial management.
2. The National Chart of Accounts & Budget Classification (NCoA-BC) and the International Public Sector Accounting Standards (IPSAS) provide a structured and harmonized approach to public financial management in line with national and international best practices.
3. The adoption of harmonized budget guidelines ensures consistency in fiscal planning, execution, and reporting across all Local Governments.
4. This MOU formalizes the commitment of all parties to align with the National Chart of Accounts and implement harmonized budget guidelines in the administration of Local Government finances.

1. OBJECTIVES

- 1.1 Ensure the uniform adoption and implementation of the National Chart of Accounts across all Local Governments in Lagos State.
- 1.2 Facilitate the harmonization of budget preparation, execution, and reporting processes.
- 1.3 Enhance financial transparency, accountability, and governance within Local Governments.
- 1.4 Improve intergovernmental fiscal relations and compliance with national financial regulations.

2. SCOPE OF AGREEMENT

- 2.1 **Budgeting Process** – All Local Governments shall adhere to the harmonized budget guidelines provided by the Lagos State Government, ensuring consistency with national policies.
- 2.2 All Local Governments must publish a Budget Call Circular (BCC), including ceilings for recurrent and capital expenditures.
- 2.3 Budgets must be prepared using the Medium-Term Expenditure Framework (MTEF) approach.
- 2.4 Budget credibility and revenue and expenditure forecasting should be realistic.
- 2.5 Public consultation and stakeholder engagement must be incorporated in budget preparation.

a. Budget Classification and National Chart of Accounts –

The financial reporting system of the Local Governments shall conform to the NCoA, ensuring alignment with national fiscal management standards.

- All local governments must adopt the National Chart of Accounts (NCoA) to ensure uniformity with the State and Federal Governments.
- Budgets must align with International Public Sector Accounting Standards (IPSAS).
- Budget classifications shall include administrative, economic, functional, and program classifications for better tracking and comparison.

b. Budget Approval and Presentation

- Budgets must be presented to the Local Government Legislative Council before the start of the fiscal year.
- Budgets should be approved and signed into law before December 31st of the preceding year.
- Performance-based budgeting is encouraged to link spending to results.

c. Budget Transparency and Publication. All Local Governments must publish:

- Approved Annual Budgets and Budget Implementation Reports (BIRs) quarterly.
- The Citizens' Budget, a simplified version for public understanding.
- The Audited Financial Statements within six months after the end of the fiscal year.
- These documents should be published on the local government's official website to enhance public access.

d. Budget Execution and Financial Management

- Cash management systems should be in place to ensure efficient expenditure control.
- Local Governments must operate a Treasury Single Account (TSA) to consolidate all revenues and expenditures.
- Commitments and procurement processes must align with Public Procurement Laws.

e. Monitoring and Compliance

- Local Governments must establish a Monitoring and Evaluation (M&E) framework to track budget performance.
- Quarterly Budget Performance Reports (BPRs) must be published.
- Regular performance audits should be conducted to assess fiscal efficiency.

3. ROLES AND RESPONSIBILITIES

3.1 Local Governments shall:

- Adopt and implement the harmonized budget guidelines and National Chart of Accounts.
- Ensure timely preparation and submission of budgets in line with the agreed framework.
- Maintain financial records in accordance with NCoA standards.
- Cooperate with the State Government in capacity-building initiatives.

3.2 The Lagos State Government shall:

- Provide technical support and necessary guidelines for implementation.
- Facilitate capacity-building programs for Local Government officials.
- Monitor compliance and provide corrective measures where necessary.
- Ensure seamless integration of Local Government finances with state and national financial reporting systems.

4. IMPLEMENTATION TIMELINE

- 4.1** The adoption and implementation of the harmonized budget guidelines and the National Chart of Accounts shall be completed within twelve (12) months from the date this MOU was signed.
- 4.2** This MOU may be renewed for a further term to ensure the fulfilment of its objectives.

5. DISPUTE RESOLUTION/ARBITRATION

- 5.1** If at any time, any question, dispute or difference shall arise between the parties, in connection with this Memorandum of Understanding, either of the Parties shall as soon as is practicable, give to the other notice in writing of the existence of such question, dispute or difference and the Parties shall use their best endeavours to settle such dispute or difference through mutual discussion.
- 5.2** Failing amicable settlement within thirty (30) days the question, dispute or difference shall be referred to an Arbitration Board of three members upon the application of either party.
- 5.3** The Arbitration Board shall consist of one representative of each Party and a third representative to be appointed by the first two members.
- 5.4** The Arbitration Board's decision on the dispute, question, or difference shall be binding on all Parties.
- 5.5** The language of the Arbitration shall be English and the seat of Arbitration shall be in Lagos State.
- 5.6** The Arbitration proceedings shall be governed by the Nigerian Arbitration and Mediation Act 2023.

6. GOVERNING LAW

This Memorandum of Understanding shall be construed and governed by the Law of the Federal Republic of Nigeria.

7. DETRIMENT ACTS

No party shall undertake any acts as would expose the other to liability or detriment. If any is in default of the foregoing, the party not in default shall be entitled to claim damages.

8. INDEMNITY

Each party shall indemnify the other party from any claims, causes of action, suits arising out of any breach of this agreement by the indemnifying party.

9. SEVERABILITY OF PROVISIONS

Any provision of this Memorandum of Understanding that is prohibited or unenforceable under Nigerian Law shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provision. The parties may in good faith replace such provision and thereby define their respective rights, interests, obligations and functions in the context of the new situation.

10. CONFIDENTIALITY

10.1 All terms and conditions of this Memorandum of Understanding and all other information pertaining hereto shall at all times be held in confidence and shall not be disclosed by any party hereto to any third party except strictly on a need-to-know basis.

10.2 Except as authorized, Parties shall during or after the expiration of this MOU keep secret and shall use its best endeavours to use or prevent disclosure of confidential information provided by either party whether or not identified as confidential to any person unless such information is already published or can otherwise be obtained independently, or is information which either party is required to disclose by law, provided that the party so affected shall notify the other of any such disclosure as soon as possible following the request for the information so that the other party may seek to rescind the request or obtain confidential treatment of the information so discussed. This clause shall survive the termination of this MOU.

11. TERMINATION

11.1 This MoU will terminate upon expiration of its term unless renewed or upon mutual agreement of Parties. This MoU can be determined by giving two (2) weeks written notice in case of breach by either of the Parties.

11.2 Except as otherwise expressly provided herein, upon termination of this Agreement, all rights and obligations contained herein shall forthwith cease, without prejudice to the rights and obligations relating to the period prior to such termination and any continuing obligations or liabilities under this Agreement.

12. ENTIRE MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding constitutes the entire understanding of the parties hereto, and it may only be altered or amended on the mutual agreement of Parties with an instrument in writing.

13. FORCE MAJEURE

13.1 Should either party to this Memorandum of Understanding fail to comply with any of the provisions herein contained by reason of "Force Majeure" such failure shall not be regarded as a breach of this memorandum of Understanding.

13.2 "Force Majeure" shall be construed as unforeseeable events or circumstances beyond the control of the party charged with noncompliance including but not limited to war, extra - ordinary flood, Act of God, fire, strikes, pandemics etc.

13.3 However, if such situation continues, in excess of fourteen (14) days, the parties shall consult with each other regarding the appropriate steps to be taken for the implementation of this Memorandum of Understanding.

14. NOTIFICATIONS

14.1 All notices, requests and demands pursuant to this Agreement shall be deemed effective only when in writing and delivered to the principal place of business of the Party to whom the notice or communication is required to be given; by hand through a registered courier service or other acceptable means, and is receipted for by the party to whom the notice, request or demand is intended to be given.

14.2 The main points of Contact for each party and the appropriate address to which any notification should be sent (unless the other party notifies the other party to the contrary in writing) shall be;

If to: LASG

.....
Ministry of Economic Planning & Budget
Block 18, The Secretariat, Alausa - Ikeja, Lagos.

If to: The Councils

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.....

Any notice shall be treated as having been served on delivery, if delivered by hand, two (2) working days after each dispatch if sent by courier and four (4) working days after posting if sent by pre-paid registered mail.

IN WITNESS WHEREOF the representatives of the Parties have set their hands hereunto the day and year first above written.

SIGNED, SEALED AND DELIVERED

BY THE WITHIN NAMED

MR. OPE GEORGE



.....

The Honourable Commissioner,
Ministry of Economic Planning and Budget,
For and on behalf of the Government
of Lagos State

IN THE PRESENCE OF:



SIGNATURE:

.....
ONIMOLE M.A.
.....

NAME:

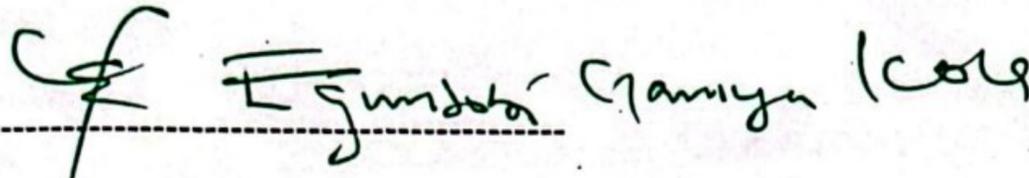
ADDRESS:

.....
MINISTRY OF ECONOMIC PLANNING & BUDGET, LAGOS STATE
.....

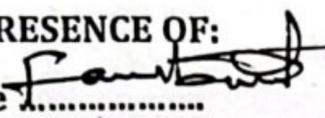
OCCUPATION:

.....
PUBLIC SERVANT
.....

THE REPECTIVE SEALS OF THE WITHIN NAMED COUNCILS ARE HERETO AFFIXED

1) 
AGEGE LOCAL GOVERNMENT COUNCIL

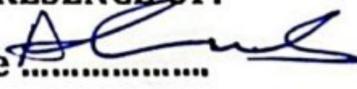
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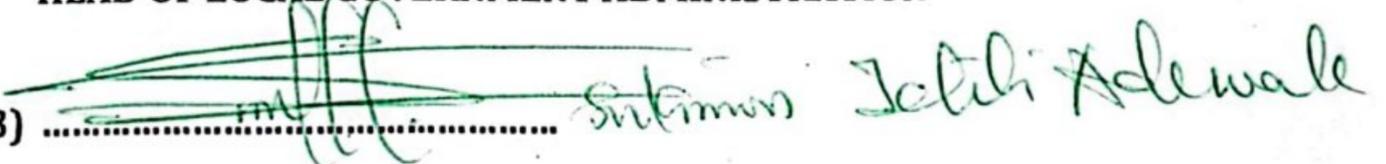
Name: FAMISODE TOYIN
HEAD OF LOCAL GOVERNMENT ADMINISTRATION

2) 
AJEROMI IFELODUN LOCAL GOVERNMENT COUNCIL

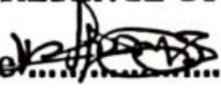
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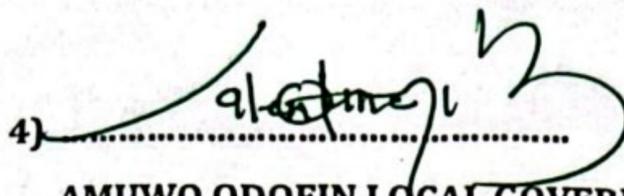
Name: IBRAHIM SHERIFAT A
HEAD OF LOCAL GOVERNMENT ADMINISTRATION

3) 
ALIMOSHO LOCAL GOVERNMENT COUNCIL

IN THE PRESENCE OF:

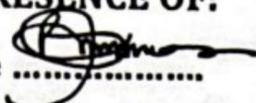
Signature 

Name: YUSUF ADEWALE
HEAD OF LOCAL GOVERNMENT ADMINISTRATION

4)  (VALENTINE O. BURATMON)
CHAIRMAN AMUWO-ODOFIN
L.G.A.

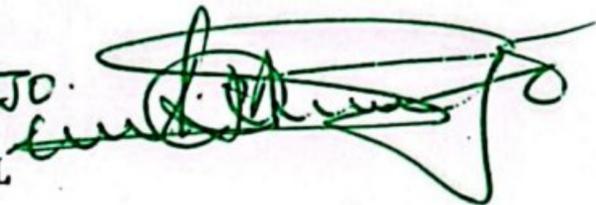
AMUWO ODOFIN LOCAL GOVERNMENT COUNCIL

IN THE PRESENCE OF:

Signature 

Name: BAKARE OLAKUNLE DAREWAJU

HEAD OF LOCAL GOVERNMENT ADMINISTRATION

5) 
IDOWU ADEFUNKE SENBANJO
APAPA LOCAL GOVERNMENT COUNCIL

IN THE PRESENCE OF:

Signature 

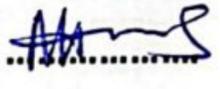
Name: Folikun Clement A.

HEAD OF LOCAL GOVERNMENT ADMINISTRATION

6) 
Honourable Olusegun Ademiran Omiluse.

BADAGRY LOCAL GOVERNMENT COUNCIL 

IN THE PRESENCE OF:

Signature 

Name: OMINU OLUSEGUN. ID

HEAD OF LOCAL GOVERNMENT ADMINISTRATION

7)

EPE LOCAL GOVERNMENT COUNCIL

IN THE PRESENCE OF:

Signature 

Name: Princess Surah Olayemi Anwashe

HEAD OF LOCAL GOVERNMENT ADMINISTRATION

8) HON. SAHEED ADESEGUN BANKOLE

ETI-OSA LOCAL GOVERNMENT COUNCIL

IN THE PRESENCE OF:

Signature [Signature]

Name: HON. SAHEED ADESEGUN BANKOLE

HEAD OF LOCAL GOVERNMENT ADMINISTRATION

9)

IBEJU-LEKKI LOCAL GOVERNMENT COUNCIL

IN THE PRESENCE OF:

Signature [Signature]

Name: Hon Abdullahi Sesan Olunla

HEAD OF LOCAL GOVERNMENT ADMINISTRATION

10) Prince Usman Harizat [Signature]

IFAKO-IJAIYE LOCAL GOVERNMENT COUNCIL

IN THE PRESENCE OF:

Signature [Signature]

Name: Prince Usman Akambi Harizat

Adegunyeto, Akeem Adegbenro
HEAD OF LOCAL GOVERNMENT ADMINISTRATION

11) Balogun, Mojeeb Alabi

IKEJA LOCAL GOVERNMENT COUNCIL

IN THE PRESENCE OF:

Signature [Signature]

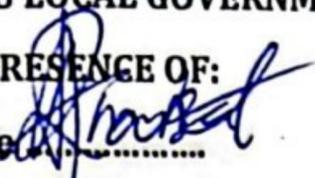
Name:

HEAD OF LOCAL GOVERNMENT ADMINISTRATION

12) ~~Abese Adekunle Wasu~~

IKORODU LOCAL GOVERNMENT COUNCIL

IN THE PRESENCE OF:

Signature 

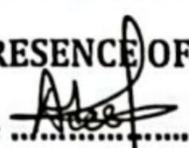
Name: AMUSA RAMAT. O

HEAD OF LOCAL GOVERNMENT ADMINISTRATION

13) ~~Ayubare Motosope. A. Ogunlase.~~

KOSOFÉ LOCAL GOVERNMENT COUNCIL

IN THE PRESENCE OF:

Signature 

Name: ADESINA ADEBOLA. A.

HEAD OF LOCAL GOVERNMENT ADMINISTRATION

14) ~~Hon. Taiwo Oyeke~~

LAGOS ISLAND LOCAL GOVERNMENT COUNCIL

IN THE PRESENCE OF:

Signature 

Name:

HEAD OF LOCAL GOVERNMENT ADMINISTRATION

15) ~~Mrs. Essien Omolola Kadijah~~

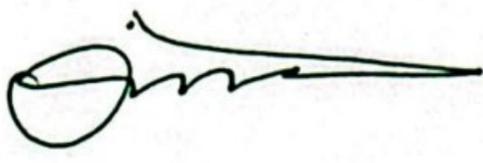
LAGOS MAINLAND LOCAL GOVERNMENT COUNCIL

IN THE PRESENCE OF:

Signature 

Name: KASUNMU J. O

HEAD OF LOCAL GOVERNMENT ADMINISTRATION

16) Samboye E o 

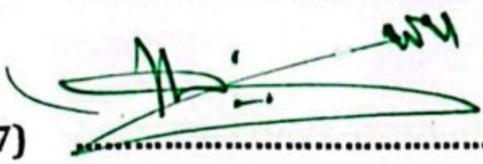
MUSHIN LOCAL GOVERNMENT COUNCIL

IN THE PRESENCE OF:

Signature 

Name:

HEAD OF LOCAL GOVERNMENT ADMINISTRATION

17)  RASIMU OLUSOLA IDOWU

OJO LOCAL GOVERNMENT COUNCIL

IN THE PRESENCE OF:

Signature 

Name: ONITIRI ADEBOLA, L

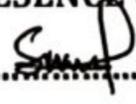
HEAD OF LOCAL GOVERNMENT ADMINISTRATION

18)  Stunba Helmale Oloyede-Almaroof

OSHODI-ISOLO LOCAL GOVERNMENT COUNCIL

IN THE PRESENCE OF:

IN THE PRESENCE OF:

Signature 

Name: Swonku O. G

HEAD OF LOCAL GOVERNMENT ADMINISTRATION



19) Abdul Hamed Salawu Dullar

SHOMOLU LOCAL GOVERNMENT COUNCIL

IN THE PRESENCE OF:

IN THE PRESENCE OF:

Signature

Name:

HEAD OF LOCAL GOVERNMENT ADMINISTRATION

20) BAMIDELE SULTANU-14545

SURULERE LOCAL GOVERNMENT COUNCIL

IN THE PRESENCE OF:

Signature

Name:

HEAD OF LOCAL GOVERNMENT ADMINISTRATION