

REPORT OF THE SPECIAL BUDGET COMMITTEE
ON THE 2019 ANNUAL BUDGET ESTIMATES OF
THE PUBLIC SERVICES COMMISSION

1.0 INTRODUCTION

The Minister for Finance, Hon. Ken Ofori Atta presented the Budget Statement and Economic Policy of the Government of Ghana for the 2019 financial year to the House on Thursday, 15th November, 2018 in accordance with Article 179 of the 1992 Constitution and The Public Financial Management Act, 2016 (Act 921).

The Rt. Hon. Speaker referred the Estimates of the Public Services Commission (PSC) to the Special Budget Committee for consideration and report in accordance with Order 140(4) of the Standing Orders of the House

2.0 DELIBERATIONS

PARLIAMENT OF GHANA LIBRARY

In the consideration of the estimates, the Committee was assisted by the Commissioner of the Public Services Commission, officials from the Ministry of Finance and the Public Services Commission (PSC).

The Committee expresses its gratitude to the officials for the assistance.

3.0 REFERENCE DOCUMENTS

The Committee made reference to the following documents during its deliberations:

- a. The 1992 Constitution of the Republic of Ghana;
- b. Public Financial Management Act, 2016 (Act 921)
- c. The Public Services Commission Act, 1994 (Act 482);
- d. The Standing Orders of the Parliament of Ghana;
- e. The Budget Statement and Economic Policy of the Government of Ghana for the 2018 Financial Year;
- f. The 2019 Medium Term Expenditure Framework (MTEF) of the Public Services Commission;
- g. National Medium Term Development Policy Framework (NMTDPF) for 2019 – 2022; and
- h. Sustainable Development Goals (SDGs).

4.0 BACKGROUND

The Public Services Commission (PSC) was established by an Act of Parliament in 1994 (Act 482) to formulate, monitor and implement Government policies and guidelines for the efficient management and development of the human resource base of the Public Service. The Vision of the Commission is to improve the capacities of public servants for increased productivity and efficient service delivery.

The Public Services Commission therefore exist to advice Government on the criteria for appointment to public offices as well as persons to hold or act in Public Services. It is also to promote efficiency, accountability and integrity in the Public Service as well

as prescribe appropriate measures and procedures for the management of personnel records within the Service.

Furthermore, PSC is mandated to explore, identify and promote the recruitment of suitable personnel into the Public Service and undertake the planning of manpower requirements of the Public Services.

The Commission is also responsible for the conduct of examinations and interviews for appointments to post and for promotions in the public service. This is to ensure uniform standard of selection and qualifications into public service.

5.0 GOALS AND POLICY OBJECTIVES

The goal of Public Services Commission (PSC) for the medium term is to promote a well-managed work force capable and committed to deliver high quality services for accelerated growth and sustainable development.

In pursuit of this goal, the PSC performs the following key activities:

- Advise Government on the criteria for appointment to public offices as well as persons to hold or act in Public Services.
- Prescribe appropriate systems and procedures for the management of personnel records within the Public Service.
- Review the organizational structure and manpower requirements of agencies and bodies in the Public Services and advise Government on such manpower rationalizations as may be necessary for optimum utilization of human resources in the Public Services.
- Oversee the Human Resource development activities of Public Service Organizations to ensure career planning and career development in the Public Services.

- Improve requirement, policies and techniques by introducing modern methods of determining suitability of officers.

6.0 PERFORMANCE IN 2018

In pursuit of the above mandate, the Commission during the year under review achieved the following among others:

6.1 *Human Resource Management Programme*

In 2018, PSC strengthened controls regarding entry, exit and promotions across the various public services, and controlled the wage bill through prudent Human Resource Management. The Commission also established a comprehensive Human Resource Management Information System (HRMIS) for all Public Service employees on a common Oracle platform.

By September 2018, Forty (40) Ministries, Departments and Agencies (MDAs), made up of three (3) Commissions, eleven(11) Ministries, two (2) Services, Twenty-two (22) agencies and Two Departments had gone live on the HRMIS. This means that the 40 MDAs can now update their HR Data on their employees, such as the processing of recruitment, promotions and exit through resignations, retirement and deaths.

6.2 *Conduct of Human Resources Audit in Public Service Organizations*

The Commission commenced the Human Resource (HR) Audit project in 2015 and continued its implementation through 2018 in collaboration with the Ministry of Finance and the Controller and Accountant-General's Department. The HR Audit is intended to provide HR Data to feed into the HRMIS for the determination of

ceilings for public service organisations. In 2018, the Commission also submitted the final report on HR Audit for three (3) MDAs including the National Population Council, Securities and Exchange Commission, and the Ghana Standards Authority.

6.3 Human Resources Management Policy Framework and Manual

The Human Resources Management Policy Framework and Manual was developed and approved by Cabinet in 2015 to standardize and harmonize the human resource management practices in the public service. In order to ensure its effective application throughout the entire public service, the Commission has since, 2015 through 2018, organised series of training and sensitization workshops for members of Governing Boards/Councils, Chief Executive Officers and HR practitioners in public service organizations in the use of the Human Resource Management Policy Framework and Manual. One hundred and twenty-seven (127) copies of the manual were printed and distributed to public service organisations for use.

6.4 Implementation of Performance Management Policy

In 2018, the Commission continued with the sensitization and training of public servants in the use of the new performance management instrument. Out of the seven (7) MDAs that requested for training on the new instrument, the Commission trained two hundred and seventy-six (276) staff of five (5) MDAs in the use of the new performance appraisal instrument to improve performance and productivity. The Commission also facilitated Train-The –Trainer Workshops for forty (40) MDAs.

6.5 Development of Schemes and Conditions of Service

Out of a total of twenty-eight (28) Public Service Organisations (PSOs) that submitted requests for support in the development of Schemes of Service, the Commission facilitated workshops for seventeen (17) in organizational developments and provision of guidelines for the development of Schemes of Service.

6.6 State of the Public Service Report (SOPSR)

To perform its regulatory, consultative and supervisory functions, the Commission initiated the annual State of the Public Service Report (SOPSR) in 2014. The report is to provide regular and reliable information on the situation of the public service relating to human resource management. In 2018, the Commission followed up on the key findings in the reports to address major issues with the relevant stakeholders.

6.7 Boards/ Corporate Governance Manual for Governing Councils

The Public Service Governance Manual was developed by the Commission to facilitate the creation of an effective human resource management structure and mechanism within public service organizations. The idea is to create effective work relationship between Governing Boards/Councils, Management, Staff and Shareholders to serve the best interest of all stakeholders. In order to ensure its effective application throughout the entire Public Service, the Commission organised a series of training and sensitisation workshops for members of Governing Boards/Councils, Chief Executive Officers and Directors in public service organisations on the Public Service Governance Manual.

6.8 Major rehabilitation works on the Commission Office Building

The Commission undertook major rehabilitation works on its office building. The scope of works includes structural rehabilitation works and upgrading of electrical installations at the Commission's office building.

7.0 2018 BUDGET PERFORMANCE

The Public Services Commission was appropriated the sum of **Seven Million, Five Hundred and Eighty-eight Thousand Six Hundred and Thirty-eight Ghana Cedis (GH¢7,588,638.00)** for its activities in 2018. As at 30th September 2018, an amount of **GH¢4,808,688.84** representing **63.37%** of the total allocation had been released to the Commission as follows:

Compensation	.	GH¢2,864,309
Good and Services	-	GH¢1,370,810
Capex	-	GH¢573,569.84
Total	-	GH¢4,808,688.84

As at 30th September 2018, the actual amount utilized by the Commission in pursuit of its objectives is **GH¢2,465,790** representing **51.28%**. The actual expenditure relates to the following:

Compensation	GH¢1,575,331.27
Goods and Services	GH¢890,459.26
CAPEX	GH¢0.00
Total	GH¢2,465,790.53

Details of resources allocated to the Commission in 2018 and actual expenditure as at 30th September, 2018 is presented in table 1.

Table 1: Summary of 2018 Budget Allocation and Expenditure Returns

Cost Centre	2018 Allocation (GH¢) (A)	Releases as at 30/09/2018 (GH¢) (B)	Actual expenditure (GH¢) (C)	Variance (GH¢) (A-B)	% Release
Compensation	4,404,618	2,864,309	1,575,331.27	1,540,309	65.03
Goods &Service	2,184,020	1,370,810	890,459.26	813,210	62.77
Capital Expenditure	1,000,000	573,569.84	0.00	426,430.16	57.36
TOTAL	7,588,638	4,808,688.84	2,465,790.53	2,779,949.16	63.37

8.0 OUTLOOK FOR 2019

In furtherance of its mandate and stated objectives, the PSC intends to undertake the following activities among others in 2019 financial year:

- a. Develop a plan for IT capacity and skills transfer amongst public sector workers to improve the use of technology in public service delivery.
- b. Institutionalise performance management as a tool to enhance service delivery in the public sector.
- c. Review and strengthen human resource management system in the public service to reduce undue interference by politicians in the work of public sector institutions.

- d. Continue the training and sensitisation drive for members of Governing Boards/Councils, Chief Executive Officers and HR practitioners in public service organizations in the use of the Human Resource Management Policy Framework and Manual in order to ensure compliance.
- e. Continue the training and sensitisation drive on Public Service Governance Manual in order to improve effective and efficient corporate governance in the Public Services.

9.0 2019 BUDGET ALLOCATION

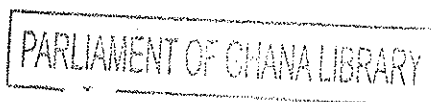
For the implementation of the above programmes and activities, an amount of ***Eight Million, Fifty-six Thousand and Forty Ghana Cedis (GH¢8,056,040)*** has been allocated in the 2019 Budget for the activities of the Public Services Commission financial year.

The allocation will be disbursed among the various cost center of the Commission as follows:

Employee Compensation	-	GH¢4,911,149
Goods and Services (GoG)	-	GH¢2,194,891
Capital Expenditure	-	GH¢930,000
Total allocation	-	GH¢8,056,040

This allocation will be further disbursed under the following core programmes of the Commission:

1. Management and Administration	-	GH¢6,452,149
2. Research, Information, Monitoring & Evaluation-		GH¢ 1,130,000
3. Public Services Human Resource.	-	GH¢ 473,891
Total	-	GH¢8,056,040



10.0 OBSERVATIONS AND RECOMMENDATIONS

The Committee after careful examination of the 2019 estimates of the Public Services Commission made the following observations and recommendations:

10.1 Inadequate Personnel

The Committee was informed that, PSC requires additional 39 staff to augment its staff strength to effectively deliver on its mandate. The PSC informed the Committee that consequent to the implementation of the HRIMS, there is the need to deploy staff to the regions to help facilitate the deployment and sustainability of the HRIMS.

The Committee was further informed that, PSC intends to decentralize its operations into four zones in the country to bring its activities and services closer to MDAs and MMDAs at the regional and District levels. The implementation of these programmes require the recruitment of additional staff to be deployed to the proposed zonal offices.

The Committee was informed that the trend of compensation expenditure shows that the 2019 allocation for compensation is sufficient to cater for the additional 39 staff required by the Commission.

The Committee is of the opinion that, since additional resources will not be required for the recruitment of the additional staff, the Minister of Finance should grant clearance to the PSC to recruit the additional staff required to support its operations.

10.2 Challenges of the Human Resource Management Information

System (HRMIS)

The Committee noted that PSC in an effort to manage the Human Resources of the Public Sector deployed a Human Resource Information Management System to some public sector institutions. In 2018, the HRMIS was extended to MDAs in some regional capitals but unreliable internet connectivity threatens the ability of RCCs to derive the desired benefits from the system.

The Committee was further informed that the erratic National Information Technology Agency (NITA) connectivity was more prevalent in the Eastern, Central and Upper East Regions.

The Committee noted that the deployment of HRMIS was intended to eliminate ghost names from government payroll and prevent delays in the payment of salaries of newly recruited public servants. Poor and unreliable internet connectivity therefore threatens the attainment of this objective.

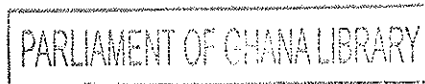
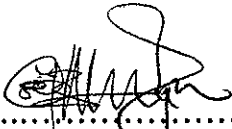
The Committee therefore urges NITA to improve connectivity to regional and district levels to facilitate the deployment of HRMIS to MMDAs and MDAs in the regions and district across the country.

11.0 CONCLUSION

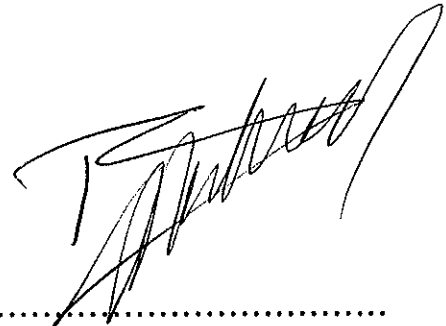
The Committee, after a careful examination of the 2019 Annual Estimates of the Public Services Commission (PSC) and having regards to the strategic role of PSC in improving Ghana's Public Services recommends to the House to adopt its report and approve the sum of ***Eight Million, Fifty-six Thousand and Forty Ghana Cedis (GH¢8,056,040)*** to enable the Public Services

Commission implement its programmes and activities for the 2019 financial year.

Respectfully submitted.



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HON. OSEI KYEI-MENSAH-BONSU
(MAJORITY LEADER & CHAIRMAN,
SPECIAL BUDGET COMMITTEE)



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INUSAH MOHAMMED (MR.)
(CLERK TO THE COMMITTEE)

December, 2018