

**IN THE FIRST MEETING OF THE SECOND
SESSION OF THE THIRD PARLIAMENT OF
THE FOURTH REPUBLIC OF GHANA**

REPORT

OF

**THE COMMITTEE ON LOCAL GOVERNMENT
AND RURAL DEVELOPMENT**

ON

**THE 2002 ANNUAL ESTIMATES FOR THE
MINISTRY OF LOCAL GOVERNMENT AND
RURAL DEVELOPMENT**

MARCH 12, 2002

1.0 **INTRODUCTION**

- 1.1 The Minister of Finance presented the Budget Statement and Economic Policy of the Government for the fiscal year to Parliament on 21st February 2002. Pursuant to Article 179 of the 1992 Constitution and Standing Orders 181, the Annual Estimates for the Ministry of Local Government and Rural Development (MLGRD) were referred to your Committee for consideration and report.

Your Committee held a full day meeting with the Minister of Local Government and Rural Development and officials of the Ministry on the budget estimates, and wishes to acknowledge their support and co-operation.

The Ministry of Local Government and Rural Development (MLGRD) is made up of the following departments:

- i. Ministry Headquarters
- ii. Department of Community Development
- iii. Department of Parks and Gardens and,
- iv. Births and Deaths Registry.

2.0 **REFERENCE DOCUMENTS**

- i. The 1992 Constitution of the Republic of Ghana
- ii. The Standing Order of the House

- iii. The Budget Statement and Economic Policy of the Government of Ghana for the 2002 Financial Year.

3.0 **MISSION STATEMENT**

The Ministry's activities in 2002 will be informed by the following broad medium term policy objectives. They are:

- i. To formulate appropriate policies and programmes to accelerate the implementation of decentralization of the machinery of government
- ii. To improve the human resource and institutional capacities of all levels of the decentralized government machinery
- iii. To improve the capacity of communities to mobilize and manage external resources for accelerated rural and urban development
- iv. To promote human development and sustain the orderly and healthy growth of human settlement in Ghana
- v. To promote community based registration, collation, analysis and publication of data on all births and deaths occurring in Ghana
- vi. To Monitor and evaluate the effectiveness of Local Government institutions for improved management performance.

3.1 To enable the Ministry carry out these objectives, the Ministry is seeking approval for the release of an amount of **One Hundred and Seventy-five Billion, Five Hundred and forty-three Million, Nine Hundred and Ninety-Nine Thousand, Eight Hundred and Ninety-One cedis (¢175,543,999,891)** under heads 220-222 and 231 for its programmes for the 2002 fiscal year. Of this amount Government of Ghana (GOG) component is 43.25% whilst 56.74% is donor funded:

TABLE I: SUMMARIES OF THE MINISTRIES BUDGET

NO.	ITEM	G.O.G	DONOR	TOTAL
1.	Personnel Emolument	¢43,893,000,000	-	¢43,893,000,000
2.	Administration	¢5,252,000,000	-	¢5,252,000,000
3.	Service	¢16,715,000,000	¢27,192,643,320	¢43,907,643,320
4.	Investment	¢10,079,000,000	¢72,412,356,571	¢82,491,356,571
	TOTAL	¢75,939,000,000	¢99,604,999,899	¢175,543,999,891

4.0 OBSERVATIONS

Judging from the next table, one realizes that, with the exception of Personnel Emolument which was exceeded by as much as 44% which was attributed to salary increases in the course of the year, service expenditure was revised downward as much as 40% per cent and even of the revised figure only 81% of it was released to the Ministry whilst only 32% of the provision for investment expenditure was released.

Summary of Budget Estimates and releases for the year 2001

ITEM	APPROVED BUDGET	REVISED BUDGET	RELEASES	REMARKS
Personnel Emolument	¢40,596,669,868	¢40,596,669,968	¢72,944,131,069	Salary Increases
Administration	¢3,534,634,142	¢5,504,000,000	¢5,504,000,000	-
Service	¢52,758,046.881	¢32,359,660,000	¢25,662,414,435	-
Investment	¢112,889,446,787	¢96,019,550,408	¢64,988,167,984	-
TOTAL	¢209,478,797,778	¢174,479,880,376	¢169,098,713,488	-

4.1 Mr. Speaker, the downward revision of the service and investment estimates of the Ministry impacted negatively on the delivery of programmes funded exclusively by the Government of Ghana for the year. For instance, the Community Population Register Programme could not take off.

4.2 Mr. Speaker, the Committee observed that, the expenditure on Personnel Emolument exceeded the provision by about 44% in general. But in some units of the Ministry it exceeded by over 50%, even though the general salary increases was about 20%. This your Committee found unacceptable and asked for a detailed account to be made of how the Personnel Emolument was espoused.

5.0 **ACHIEVEMENTS DURING THE YEAR 2001**

The Ministry, despite its numerous constraints, chalked some successes in the preceeding year which needs mentioning. Notable amongst them were:

- i. The completion of the first phase of work on the ultra modern waste disposal site in Accra to effectively manage waste in the metropolis

The Committee was pleased to note that, the disquiet expressed by some members of the public has been resolved through the dissemination of accurate information.

- ii. Work on the Subin Drainage Project and the Tamale abattoir were substantially completed during the 2001, and may be commissioned this year.
- iii. 17 urban towns were provided with markets, lorry parks, household and public toilets under the Local Government Development Project.
- iv. Ejura, Atebubu, Kintampo and Nkoranza saw their water supply distribution system completed and operationalised.

- v. Training Programmes were organized for 2350 environmental health officers, 76 Staffs of the Department of Community Development acquired skills in micro-credit enterprises, development planning, communication techniques and computer software. These skills are expected to have positive impact on the Communities within which they operate.
- vi. The District Capitals Project I, commissioned a study into gender issues by way of incorporating gender issues into activities of the project.

6.0 **PROJECTIONS FOR YEAR 2002**

- i. Mr. Speaker, for year 2002, capacity building of the staff of the Ministry is among its major objectives. To this end as many as 6173 local government practitioners and officials will benefit from various training programmes to enhance their skills in their different endeavours, these training programmes will surely have a rippling effect on the general citizenry.
- ii. The construction of landfill sites for Tamale, Kumasi and Sekondi Takoradi will commence, so will the commencement of the second phase of the Accra

landfill site. It is the hope of the Committee however that, this time the necessary homework will be done to curtail future disquiet by members of the public.

- iii. Year 2002 will also see the completion of both the Odaw and Subin drainage. The Promotion of District capitals Programme will continue to upgrade or provide Socio-economic infrastructure for about 10 beneficiary districts in Ashanti and Brong-Ahafo Regions.
- iv. The poverty reduction Programme of the sector will continue with assistance to community-based development initiatives and micro enterprises in deprived and disadvantaged communities. 2500 young women will receive formal vocational training and a further 1200 women groupings will be equipped with skills from the Departments of Community Development's Mass Education Programme to enhance their economic opportunities.
- v. The Department of Parks and Gardens is expected to train about 100 or more vegetable and horticultural farmers in the cities, in proper horticultural

practices to check the use of polluted water in vegetables farming. The use of the alternative sources of water will be explored as a way out for the various parks in the country.

7.0 RECOMMENDATIONS

- 7.1 Mr. Speaker, as it is common with the various reports, irregular releases of funds from the Ministry of Finance adversely affect the activities of the Ministry. The Committee therefore urges the Ministry of Finance to release regularly and timely monies approved, if set goals are to be met.
- 7.2 The amount allocated for national sanitation is woefully inadequate. MOF is strongly urged to raise the ceiling in future since monies cannot be diverted from other Departments to deal with sanitation problems.
- 7.3 Your Committee recommends to the Ministry of Local Government and Rural Development (MLGRD) to check its payroll to eliminate possible ghost names.
- 7.4 Mr. Speaker, the Ministry (MLGRD) should determine the location of projects in conjunction with the donor partners to avoid the current over concentration of project in a few districts.

7.5 Your Committee recommends that penalty for late registration for births should be reduced from ₦10,000 to ₦1,000 to encourage people to register after the 21 day grace period. According to the Ministry the ₦10,000 in the Registration of Births and Deaths (Amendment) Regulations 2002 (L.I. 1676) is an error which needs rectification.

7.6 Mr. Speaker, your Committee urges Ministries, Departments and Agencies to use the services of the Department of Parks and Gardens as it has the capacity to deliver better services than some expensive horticultural companies.

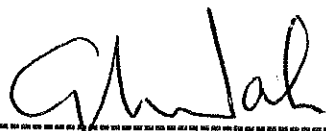
7.7 Finally the Committee urges the Ministry and other stakeholders to expedite action on the unfinished businesses in the decentralization process to allow for efficiency and effectiveness in local government administration.

8.0 CONCLUSION

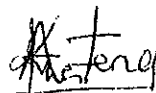
Mr. Speaker, for the country's decentralized operatives to perform effectively, there is the need to resource the Ministry adequately. It is in view of this that your Committee recommends the sum of **One Hundred and**

Seventy-Five Billion, Five Hundred and Forty-Three Million, Nine Hundred and Ninety-Nine Thousand, Eight Hundred and Ninety-One cedis (¢175,543,999,891) under heads 220-222 and 231 allocated to the Ministry of Local Government and Rural Development for the year ending 31st December 2002 for approval by this august House.

Respectfully submitted.



**GABRIEL Y. AMOAH
(CHAIRMAN)**



**AKUA DUROWAA KWARTENG
(CLERK TO THE COMMITTEE)**



**ASANTE AMOAKO-ATTA
(SUPERVISING CLERK)**