

**IN THE FIRST SESSION OF THE EIGHTH
PARLIAMENT OF THE FOURTH
REPUBLIC OF GHANA**

**REPORT OF THE
COMMITTEE ON WORKS AND HOUSING**

ON THE

**2022 ANNUAL BUDGET ESTIMATES OF
THE MINISTRY OF WORKS AND
HOUSING**

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REPORT OF THE COMMITTEE ON WORKS AND HOUSING ON THE 2022 ANNUAL BUDGET ESTIMATES OF THE MINISTRY OF WORKS AND HOUSING

1.0 INTRODUCTION

The Budget Statement and Economic Policy of the Government of Ghana for the financial year ending 31st December, 2022 was presented to Parliament by the Hon. Minister for Finance, Mr. Ken Ofori-Atta in accordance with Article 179 of the 1992 Constitution of Ghana. Pursuant to Orders 140(4) and 180 of the Standing Orders, the 2022 Budget Estimates of the Ministry of Works and Housing was referred to the Committee on Works and Housing for consideration and report.

2.0 DELIBERATIONS

The Committee was assisted during its deliberations by the Hon. Minister for Works and Housing, Mr. Francis Asenso Boakye; the Hon Minister of State at the Presidency in charge of Works and Housing, Mrs. Freda Prempeh; the Chief Director, Mr. Solomon Asoalia; and the technical teams from the Ministries of Finance, and Works and Housing.

The Committee is grateful to them for their contributions and assistance.

3.0 REFERENCE DOCUMENTS

The Committee in considering the Budget Estimates made reference to the following documents:

- i. The 1992 Constitution of Ghana.
- ii. The Standing Orders of the Parliament of Ghana.
- iii. The Budget Statement and Economic Policy of the Government of Ghana for the 2021 Financial Year.
- iv. The Budget Statement and Economic Policy of the Government of Ghana for the 2022 Financial Year.
- v. The 2021 Annual Estimates of the Ministry of Works and Housing.
- vi. The Oral and written submissions of the Minister and the technical team of the Ministry of Works and Housing.

4.0 GOALS

The Ministry of Works and Housing in line with its mandate, has three (3) broad sectoral goals which are to:

- i. reduce the national housing deficit through the provision of adequate, safe, secure, quality and affordable housing schemes in collaboration with the private sector;
- ii. reduce coastal and marine erosion and build a competitive and modern construction industry to protect life, property and the environment; and
- iii. address recurrent devastating floods and promote proper maintenance culture to protect life, property and the environment.

5.0 CORE FUNCTIONS OF THE MINISTRY

The Ministry's, department and agencies are mandated to achieve the goals and aspirations through the following core functions:

- Initiating, formulating and implementing policies and programmes to enhance service delivery in the area of works and housing;
- Undertaking development planning in consultation with the National Development Planning Commission;
- Providing, regulating and facilitating access to safe shelter, flood control systems, operational hydrological networks and drainage systems;
- Providing, maintaining and protecting public property and infrastructure;
- Supporting the private sector in the provision of safe shelter,
- Supporting creative and innovative research in the production and use of improved local building materials; and
- Coordinating, monitoring and evaluating the efficiency and effectiveness of the performance of the sector.

6.0 2021 FINANCIAL PERFORMANCE

6.1 For the 2021 financial year, the Ministry of Works and Housing was provided a budgetary amount of GH¢175,046,585.00 which was made up of GH¢21,327,732.00 as allocation for employee compensation, GH¢15,639,534 for Goods and Services, GH¢138,079,319 for Capital Expenditure. The breakdown of allocation and releases are indicated in Table 1.

Table 1**Breakdown of the 2021 budgetary allocation and releases**

Economic Classification	2021			%
	Budget GH¢	Actual GH¢	VARAINCE GH¢	Utilised
GoG Compensation	21,327,732	14,867,981	6,459,751	70%
Goods and Services				
GOG	3,231,310	2,084,230	1,147,080	65%
IGF	704,875	129,759	575,116	18%
DP FUND	11,703,349	9,532,695	2,170,654	81%
CAPEX				
GOG	81,743,185	49,386,759	32,356,426	60%
IGF	25,256	-	-	-
DP FUND	56,310,878	-	-	-
		-	-	-
TOTAL	175,046,585.00	76,001,424.00	99,045,161.00	43.42%

Source: MTEF 2022-2025 Ministry of Works and Housing Programme Based Budget Estimates

6.2 The Ministry of Works and Housing as at 31st October, 2021 had expended an amount of GH¢76,001,423.94 out of its total budgetary allocation of GH¢175,046,585.00 for 2021. GH¢14,867,981.00 out of the amount expended went into the payment of employee Compensation, GH¢2,084,230.00 on Goods and Services and GH¢49,386,759.00 on CAPEX. With respect to Internally Generated Funds (IGF), an amount of GH¢129,759.00, representing 17.7% of the allocation of GH¢730,131.00 was expended while GH¢9,532,695.00 representing 14% of GH¢68,014,227.00 sourced from Donor funding was expended.

7.0 PROGRAMMES AND ACTIVITIES CARRIED OUT IN YEAR 2021

Programmes and activities undertaken during year 2021 include the following:

7.1. Policy and Legislation

The Ministry in the year under review received Cabinet approval for the establishment of the Ghana Hydrological Authority, whose mandate will be to develop a comprehensive Drainage Master Plan for the country to mitigate the flooding effects and protect Ghana's coastlines. The Authority will be expected to provide the needed avenue to plan, mobilise private sector financing, oversee, monitor and stem the uncontrolled and improper development of drainage systems across the country.

The Ministry submitted a Memorandum to Cabinet for approval to establish a Ghana Housing Authority (GHA) to lead the supply side of the housing market. The Authority will regulate, plan, develop and manage housing.

During the year under review, the Rent Act, 1963 (Act 220) and the Building Regulations of 1996 (LI 1630) aimed at improving the legal and regulatory frameworks in the housing sector were drafted and will soon be submitted to Cabinet.

7.2 Human Settlement Management Programme

i. Affordable Housing Programme

During the year, the Tema Development Company Limited (TDCL) continued with the construction of 139 blocks made up of 3,016 housing units under the Kpone Affordable Housing Programme.

During the year under review, the Ministry engaged and collaborated with the Ministry of Lands and Natural Resources and the Lands Commission, and acquired 8,783.83 acres of land at various locations in the Greater Accra and Asante Regions to undertake a National Affordable Housing Programme.

The Phase III of the 320 housing units being constructed at the Ghana National Police Training School, Tesano is 53% complete.

ii. Housing for Security Agencies

The State Housing Company has completed 16 units of apartment under the Club House Redevelopment Project at North Kaneshie and are occupied. The State Housing Construction Gardens Project is also 90% complete. The Koforidua Affordable Housing Project which entails the construction of 342 housing units, 25 houses, 7 town homes and 40 apartments is currently 60% complete. Work on the Oyoko-Akrofrom John Agyekum Kuffour Estates is also 70% complete.

Under the Redevelopment Programme, the Ministry continued the construction of 121 housing units for public servants at Airport, Ridge, Cantonments and Labone. The project, made up of 2 and 3 bedroom apartments and townhouses is 31% complete.

7.3 Infrastructure Management Programme

i. Coastal Protection Works

Under the infrastructure Management Programme, the Ministry continued with its coastal protection works and drainage management. Construction works on the coastal protection projects are at various stages of completion as follows: Dansoman at 95%, Axim at 100%, Amanful Kumah at 100%, Anomabu at 65%, and Elmina (phase III) at 80%.

Other coastal projects pursued are progressing steadily. These projects are also at various stages of completion; Cape Coast (72%), Dixcove (35%), Komenda (85%), Aboadze Phase II (32%), and Ningo Prampram (30%).

The coastal protection projects have safeguarded lives, livelihood and strategic assets such as the Aboadze and Takoradi Thermal Power Stations in the Western Region and heritage sites like the Cape Coast Castle. It has also created calm beaches and landing bays to boost fishing and enhance economic activities in the project communities.

ii. Drainage Management

Drainage improvement works were carried out to mitigate disasters and risks associated with flooding, and thus minimise economic losses associated with floods.

Lagoons were desilted to minimise the perennial flooding in the country. Although the desilting programme is ongoing, a total of 19 km drains were constructed while 1,000km of drains have been excavated, rechannelled and maintained across the country resulting in a decrease in incidence of flooding across the project areas.

8.0 SUMMARY OF BUDGET ALLOCATION AND PERFORMANCE FOR 2022

For the implementation of its programmes and activities for the 2022 Financial Year, the Ministry of Works and Housing has been allocated a total amount of **Four Hundred and Twenty-Nine Million, Eight Hundred and Twelve Thousand Ghana Cedis (GH¢429,812,000.00)**.

The allocation comprises an amount of GH¢22,181,000.00 for Compensation, a sum of GH¢12,982,000.00 for Goods and Services, GH¢394,649,000.00 for CAPEX, and an ABFA component of GH¢19,776,000.00. Out of the amount of GH¢12,982,000.00 dedicated for Goods and Services, GH¢943,000.00 would be sourced from IGF while the total CAPEX allocation of GH¢394,649,000.00 has a Donor support component of GH¢77,827,000.00. The breakdown of the 2022 budgetary allocation to the Ministry is captured in Table 2.

Table 2

2022 Budgetary allocation by source of funding and Economic Classification

ITEMS	SOURCES OF FUNDS				
	GOG	IGF	ABFA	DP FUND	TOTAL
	GHC	GHC	GHC	GHC	GHC
Compensation	22,181,000.00	-	-	-	22,181,000.00

Goods & Services	12,039,000.00	943,000.00	-	-	12,982,000.00
CAPEX	297,046,000.00		19,776,000.00	77,827,000.00	394,649,000.00
Total	331,266,000.00	943,000.00	19,776,000.00	77,827,000.00	429,812,000.00

Source: 2022 Budget Estimates for Ministry of Works and Housing

9.0 OUTLOOK FOR 2022

For the year 2022, the Ministry intends to apply its budgetary allocation to implement the following programmes and activities:

9.1 Infrastructure Sector Management Programme

i. National Flood Control Programme

The Ministry will execute the outstanding works under the National Flood Control Programme to ensure that gains made in the implementation of the programme are not eroded. Other priority drainages would be constructed at Baale, Lafa, Zongo/Dzor and Tamale. The Kumasi West drainage works as well as the Kumasi Central Business District drainage projects would be prioritised.

ii. Dredging Programme

The performance-based dredging of the Odaw channel as well as other related civil works towards improving the drainage and flood management systems within the Odaw drainage basin will be undertaken in the year.

9.2 Human Settlement and Development Programme

i. Housing Sector

To achieve the policy objective of the housing sector, an estimated 60% of the population must have access to decent housing. In this regard, the Ministry will commence housing schemes in two designated sites on 203 acres of land at Pokuase and Amasaman in the Greater Accra Region. About 12,000 housing units for the general public will be constructed on a 200 acreage land at Dedesua in the Ashanti Region.

The Ministry will collaborate with the State Housing Company (SHC) Limited, to commence the construction of 6,584 rental housing units at the District level for public servants.

Construction of 68 housing units and shops under the Club House Redevelopment Project at North Kaneshie by the SHC is expected to be completed by 2022.

The Tema Development Company Limited (TDCL) will continue the Kpone Affordable Housing Programme which is to provide 139 blocks made up of 3,016 housing units for low to middle income earners in the country.

The Ministry, in collaboration with the Ministry of Finance, will consider options available for the completion of the Saglemi Affordable Housing Project on 1,502 housing units under Phase I of the project.

ii. Housing for Security Services

Work on Phase III of the Security Services Housing Programme which comprises 320 housing units for the Ghana Police Service at the Ghana National Police Training School, Tesano is currently at 53% completion and expected to be completed in 2022.

10.0 **OBSERVATIONS AND RECOMMENDATIONS**

10.1 **Works Sector**

The Committee observed that lack of funds for the construction of modern drainage system and the maintenance and management of drainage across the country is a great challenge. Poor execution of structural and non-structural drainage systems also aggravate the flooding situation in the country. Poor waste disposal, climate change, rising sea levels and coastal erosion cause or contribute to flooding in many parts of the Country.

The Committee observed that steps being taken by the Ministry, including construction of drainage system and dredging of the odaw, could go a long way to

mitigate flooding in certain parts of the country. The Committee therefore urges the Ministry to prioritise the execution of the outstanding works under the National Flood Control Programme to ensure their timely and successful completion. The Committee further recommends that the Ministry should prioritize the implementation of a comprehensive drainage master plan for the country to address these challenges.

10.2 Coastal Protection Works

The Committee observed that works on the sea defence projects aimed at safeguarding lives and properties of the people along the coastline is progressing steadily and are at various levels of completion. The Committee observed that the sea defence projects require huge investment. There is therefore the need to have a comprehensive and coordinated plan for the protection of the coastline. The Committee recommends that the Ministry takes a holistic approach in solving the perennial destruction caused by tidal waves in certain parts of the country.

The Committee was informed by the Ministry of Finance that a provision of GH¢10,000,000.00 has been made available for the completion of the feasibility and engineering studies for the coastal communities adversely affected by tidal waves, including Blekusu.

10.3 Addressing Affordable Housing Needs

A recent survey by Ghana Statistical Service (GSS) and the recent National Population and Housing Census held in the country, revealed that 20% of the Ghanaian population sleep in kiosks. The Committee noted that the Ministry in line with government policy of providing decent housing for Ghanaians is embarking on various affordable housing projects. To reduce the growing housing deficit, there is the need for Government to expedite action in completing these housing projects across the length and breadth of the country.

The Committee recommends that the Ministry of Finance makes the needed resources available to enable the Ministry execute the various Housing Projects planned for year 2022.

It is worth mentioning that the Ministry of Works and Housing in collaboration with the Ministry of Finance is committed to exploring options available for the completion of the Saglemi Affordable Housing Project.

The Committee expressed concern about the cost of the affordable houses which often is beyond the purchasing power of low and middle income earners. The Committee therefore urges the Ministry to find innovative ways of bringing the cost of buildings down to make it really affordable.

The Committee also observed that the State Housing Company (SHC) Limited, commenced work for the construction of 6,584 rental Housing units at the District level for public servants over the medium-term. The Committee was informed that a total funding of €160 million has been secured for the project and construction is expected to commence in 2022.

10.4 Inadequate Capacity to access Donor Funds

The Committee's attention was drawn to the lack of capacity to access donor funds for the execution of the Greater Accra Resilient and Integrated Development Project (GARID). In view of this, the Committee urges the Ministry to take steps to improve its capacity to access and utilise available donor funds.

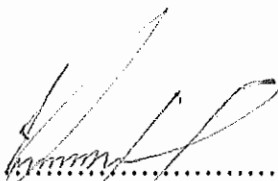
11.0 CONCLUSION

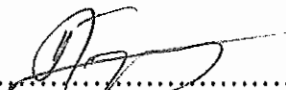
For the Ministry of Works and Housing to realise its goal of addressing the housing deficit, reducing coastal and marine erosion and addressing the pervasive drainage challenges in the country, it must be given adequate resources to operate effectively and efficiently.

The Committee therefore urges the Ministry of Finance to ensure the timely release of funds to enable the Ministry carry out its programmes.

The Committee recommends to the House, the approval of the sum of **Four Hundred and Twenty-nine Million, Eight Hundred and Twelve Thousand Ghana Cedis (GH¢429,812,000.00)** for the implementation of the programmes and activities of the Ministry of Works and Housing for the 2022 fiscal year.

Respectfully submitted.


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HON. ISAAC KWAME ASIAMAHAH
(CHAIRMAN, COMMITTEE ON
WORKS AND HOUSING)


.....
JANET FRIMPONG
(CLERK, COMMITTEE ON
WORKS AND HOUSING)

DECEMBER 2021