2021 ANNUAL COMPOSITE BUDGET PERFORMANCE REPORT

VOLTA REGION

HO WEST DISTRICT ASSEMBLY

2021

**BUDGET PERFORMANCE REPORT FOR THE PERIOD JANUARY 1ST – DECEMBER 31ST, 2021**

# **INTRODUCTION**

This report details the status of implementation of the Programme Based Composite Budget of the Ho West District Assembly for the year 2021. The aim of the Budget Performance Report is to enable Management, Budget Committee and the Finance and Administration Sub-Committee understand and scrutinize how public funds are being utilized in the Assembly. The report also helps the Regional Coordinating Council, V.R.C.C, to monitor and technically advise on Budget and Financial management in the Assembly. The report notes the key Projects and Programmes implemented over the reporting period, provides commentary on the Budget (Recurrent and Capital Expenditure) and an Outlook for the rest of the last quarter of the year.

PROFILE OF THE DISTRICT ASSEMBLY

The Ho West District Assembly was established by the Legislative Instrument, 2012 (L.I.2083) which is the highest political and administrative authority in the District. It was carved out of Ho Municipal in January, 2012 and inaugurated in June, 2012.

Ho West is located between latitudes 6.33o 32” N and 6.93o 63” N and longitudes 0.17o 45” E and 0.53o 39” E. It shares boundaries with Adaklu District to the South, Afadjato South to the North, Ho Municipal and the Republic of Togo to the East and South Dayi District to the West. It has a total land area of 1002.79 square kilometers and a population density of 111.8, which means on the average there are about 112 persons per square kilometer in Ho West District. It has about two hundred and three (203) communities.

**VISION**

A District of Choice as an Investment Destination for rapid Development.

**MISSION**

The Ho West District Assembly exists to facilitate good governance for an integrated, sustainable and holistic development through effective and efficient mobilization, utilization of human and material resources to enhance the living standard of the people.

**GOALS**

The main goal of the District Medium Term Expenditure Framework is to enhance living standards of the people through improved access to basic social services, infrastructure and creation of enabling environment for economic growth and job creation.

**CORE FUNCTIONS**

The core functions of the District Assembly as specified by the Local Governance Act, 2016 (Act 936), section 10 are as follows:

* Exercise political and administrative authority in the district, provide guidance, give direction to, and supervise the other administrative authorities in the district.
* Perform deliberative, legislative and executive functions.
* Be responsible for the overall development of the district.
* Formulate and execute plans, programmes and strategies for the effective mobilization of the resources necessary for the overall development of the district.
* Promote and support productive activity and social development in the district and remove any obstacles to initiative and development.
* Initiate programmes for the development of basic infrastructure and provide district works and services in the district.
* Responsible for the development, improvement and management of human settlements and the environment in the district.
* Responsible in co-operation with the appropriate national and local security agencies, for the maintenance of security and public safety in the district.
* Ensure ready access to Courts in the district for the promotion of justice.
* Shall initiate, sponsor or carry out studies that are necessary for the performance of a function conferred by this Act or by any other enactment.
* Perform any other functions provided for under any other enactment

**KEY ISSUES/CHALLENGES**

* Inadequate markets for produce to final consumers in order to pay market tolls.
* Inadequate spatial and land use planning in generating permits
* Lack of billing software and tracking of payment
* Inadequate data on new business and properties for billing
* Inadequate data on traders
* Inadequate enforcement of building regulation
* Inadequate promotion of domestic tourism

ADOPTED MEDIUM TERM NATIONAL DEVELOPMENT POLICY FRAMEWORK (MTNDPF)

* Deepen political and administration decentralization
* Ensure free, equitable and quality education for all by 2030
* Achieve universal health coverage, including financial risk protection and access to quality health care service
* Achieve access to adequate and equitable sanitation and hygiene
* Double agriculture productivity and income for all small scale producer for value addition
* Develop efficient land management and administration system
* Increase settlement to implement inter-climate change and disaster risk reduction

**POPULATION STRUCTURE**

The population size, structure and distribution of Ho West District provided by Ghana Statistical Service (projection for 2020) PHC a total population of the District as 119,963, this is made up of 59,030 males (49.2%) and 60,933 females (50.8 %)

The population growth rate of the District stands at 2.5 percent. The age-sex structure of the district’s population depicts relatively younger population which has serious implication for planning and decision making with regards to provision of social amenities such as school, hospital and portable water among others.

**DISTRICT ECONOMY**

**AGRICULTURE**

* The district boast of a large track record of very fertile land that can grow large varieties of crops including maize, cassava, yam, cocoyam, plantain, guinea corn, millets, all types of vegetables and fruit crops such as banana, pineapple, mango, cashew, sunflowers, pear, orange, among others.
* The District has about 74% of its population employed in the agricultural sector which continues to be the largest employer sector of the Ghanaian economy and the District as a whole since independence
* Out of total households of 23,875 in the District, 17,559 representing (73.5%) are engaged in agriculture. This implies that only (26.5%) of households are not engaged in agriculture activities.
* Despite its importance in the District’s economy, much of the agricultural potentials and irrigation potential in the District remain unutilized. For instance, out of a total of 62,261 hectares of arable land, only 23,167.6 hectares is currently utilized.
* Livestock production is one of the commercial agricultural activities in the District. Unlike crop production, livestock production is quite limited to some households. Livestock rearing is quite

**ROAD NETWORK**

* The total road network is estimated at 830km all these roads are accessible with 117km representing 14% of tarred roads while 713km representing 86% accounts for untarred roads.
* Nevertheless, there are some inaccessible communities within the District such as Kpoeta-Adorfe, Kpedze-Aflabonu, Abutia-Dzanyodake, Avetakpo, Avatime-Tanve Bunya and others.
* As part of budget implementation for 2021, the Assembly was able to reshape 8km feeder roads linking some communities.

**HEALTH SERVICE**

The table below shows the categories of institution in the district

|  |  |  |
| --- | --- | --- |
| S/N |  CATEGORY | QUANTITY |
| 1 | Polyclinic | 1 |
| 2 | Health Centers | 12 |
| 3 | CHPS Compounds | 13 |
| 4 | Christian Health Association Clinics | 1 |
| 5 | Private maternity homes | 1 |
|  Total | 28 |

Education: the table below shows the categories of Educational Institutions in the district.

|  |  |  |
| --- | --- | --- |
| S/N | TYPE OF EDUCATIONAL INSTITUTION | NUMBERS |
| 1 | College of Education  | 1 |
| 2 | Senior High School | 8 |
| 3 | Technical Institution | 1 |
| 4 | Junior High School | 64 |
| 5 | Primary School | 82 |
| 6 | Kindergarten | 83 |
| TOTAL | 239 |

**WATER AND SANITATION**

The District water coverage is 75% and Gap is 25%. This constitute of boreholes, small community pipe schemes and streams.

* 1. **Staffing of the Assembly:**

As an important component of every organization, the human resource base (staff strength) of the Ho West District Assembly for the Second Quarter of 2021 was Eighty-Nine (89). This comprised of Fifty-Six (56) males and Thirty-Three (33) females.

# **TRAINING ACTIVITIES**

The Assembly was able to organize six training programmes as outlined in the composite training plan within the year. Some trainings were held for all staff and others for only Heads of department of the Assembly. In addition, some Heads of Department/Senior Staff attended a number of short training programmes and workshops from our stakeholders in relation to their line of duties.

**3.0 INFLOW/OUTFLOW ANALYSIS**

## 3.1. All revenue sources

The table below shows the expected revenue inflows to the Assembly during the year from all sources. Thus, from IGF, DACF, DPAT, GOG Goods and Service transfers and Donor support funds.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **REVENUE SOURCE/INFLOWS** | **REVISED BUDGET FOR THE YEAR** | **ACTUAL REVENUE INFLOW GH₵** | **VARIANCE (GHS)** | **PERFORMANCE PERCENTAGE**  |
| IGF | 391,008.00 | 421,002.28 | 29,994.28 | 108% |
| GOG: |   |   |   |   |
| Compensation | 1,767,793.00 | 1,767,792.97 | -0.03 | 100% |
| Sector Transfers | 126,722.55 | 68,029.45 | -58,693.10 | 54% |
| DACF | 3,289,084.90 | 870,414.47 | -2,418,670.43 | 26% |
| DACF(MP) | 302,248.58 | 294,652.07 | -7,596.51 | 97% |
| MP's SIF2 | 50,000.00 | 60,000.00 | 10,000.00 | 120% |
| PWD FUND | 117,121.11 | 115,167.20 | -1,953.91 | 98% |
| DPAT | 1,645,820.00 | 1,653,107.00 | 7,287.00 | 100% |
| DPAT CAPACITY BUILDING | 45,859.00 |  45,859.00  | 0.00 | 100% |
| DONOR SUPP. FUNDING: |   |   |   |   |
| CIDA | 200,000.00 |  104,987.74  | -95,012.26 | 52% |
| UNICEF | 0.00 |  -  | 0.00 | 0% |
| MSHAP | 195,201.85 | 2,295.93 | -192,905.92 | 1% |
| GPSNP | 1,451,724.11 |  44,148.00  | -1,407,576.11 | 3% |
| **GRAND TOTAL**  | **9,582,583.10** | **5,447,456.11** | -4,135,126.99 | 57% |

The total revenue performance for the year stands at 57% due to delay in release of statutory funds.

The IGF Performance for the period exceeded the annual budget due to this is as a result of contracting the stone quarry to a private revenue collection company and also businesses paying their Business Operating Permit (BOP) before the year ended.

With respect to Donor funding which saw a release of GH₵44,148.00 from the GPSNP, representing 3%, GH₵104,987.74 from CIDA representing 52% and MSHAP OF GH₵2,295.93 representing 1% of the annual estimate.

 **3.2 Revenue Heads and Sub-Heads Analysis**

**IGF PERFORMANCE ONLY**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **IGF PERFORMANCE BY REVENUE HEADS** |  **REVISED BUDGET FOR THE YEAR** | **ACTUAL REVENUE INFLOW (GHS)** | **VARIANCE (GHS)** | **PERFORMANCE PERCENTAGE (100%)** |
| RATES |  90,000.00  |  109,042.86  |  19,042.86  | 121.16% |
| LANDS |  46,100.00  |  44,620.90  |  (1,479.10) | 96.79% |
| RENT |  10,000.00  |  22,925.00  |  12,925.00  | 229.25% |
| LICENSES |  81,192.00  |  100,780.00  |  19,588.00  | 124.13% |
| FEES |  147,700.00  |  139,428.52  |  (8,271.48) | 94.40% |
| FINES |  9,216.00  |  3,205.00  |  (6,011.00) | 34.78% |
| MISCELLANEOUS |  5,800.00  |  1,000.00  |  (4,800.00) | 17.24% |
| INVESTMENTS |  1,000.00  |  -  |  (1,000.00) | 0.00% |
| **TOTAL** |  **391,008.00**  |  **421,002.28**  |  29,994.28  | 107.67% |

The table above shows the performance of Internally Generated Funds **(IGF**) for the period. The performance of IGF stood at **107.67%** at the end of the year, which is higher than last year’s total IGF which was **68.37%.** This increase can be attributed to the high levels of revenue collection under the various IGF sub-heads and also revising the budget. Considering the performance for the period however, more efforts must be put into the collection of revenue, especially, those from property rates which are regarded as untapped gold mine for many MMDAs including Ho West District Assembly.

 **3.3 Expenditure Heads and Sub-Heads Analysis**

The table below shows the composite expenditure of the Assembly for the period.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **EXPENDITURE** | **BUDGET FOR THE YEAR** |  **ACTUAL EXPENDITURE (GHS)**  |  **VARIANCE (GH₵)**  | **PERFORMANCE PERCENTAGE (%)**  |
| IGF: |   |   |   |   |
| Compensation | 70,335.00 | 85,681.93 | 15,346.93 | 121.82% |
| Goods and Services: |   |   |   |   |
| Materials - Office Supplies | 51,000.00 | 64,579.37 | 13,579.37 | 126.63% |
| Utilities | 16,500.00 | 31,800.00 | 15,300.00 | 192.73% |
| General Cleaning | 0.00 |  6,416.80  | 6,416.80 | 0.00% |
| Other allowance | 28,000.00 |  13,450.00  | -14,550.00 | 48.04% |
| Travel - Transport | 75,700.00 | 111,953.07 | 36,253.07 | 147.89% |
| Repairs and Maintenance | 5,000.00 | 8,548.05 | 3,548.05 | 170.96% |
| Trainings, Seminars and Conferences | 23,000.00 | 54,788.91 | 31,788.91 | 238.21% |
| Consultancy Expenses | 10,000.00 | 15,068.06 | 5,068.06 | 150.68% |
| Special Services | 8,000.00 |  3,000.00  | -5,000.00 | 37.50% |
| Other Charges &Fees | 1,600.00 |  762.00  | -838.00 | 47.63% |
| General Expenses | 53,856.00 | 35,765.00 | -18,091.00 | 66.41% |
| support to all dept. | 0.00 | 0 | 0.00 | 0.00% |
| Fixed Assets | 48,017.00 | 0 | -48,017.00 | 0.00% |
| **TOTAL IGF** | **391,008.00** | **431,813.19** | 40,805.19 | 110.44% |
| GOG: |   |   |   |   |
| Compensation | 1,767,793.00 |  1,767,793.00  | 0.00 | 100.00% |
| Sector Transfers: |   |   |   |   |
| Goods and Services | 97,376.00 | 50,283.55 | -47,092.45 | 51.64% |
| Assets |   |   |   |   |
|   |   |   |   |   |
| MP's COM. FUND |  352,248.58  | 367,918.74 | 15,670.16 | 104.45% |
| DACF |  |   |   |   |
| Goods and Services | 1,206,015.00 | 442,248.63 | -763,766.37 | 36.67% |
| Assets | 2,081,557.56 | 475,152.24 | -1,606,405.32 | 22.83% |
|   |   |   |   |   |
| DPAT : |   |   |   |   |
| DPAT Cap. Building | 45,859.00 | 45,921.97 | 62.97 | 100.14% |
| Investment | 1,691,679.00 | 1,368,134.31 | -323,544.69 | 80.87% |
| PWD FUND | 117,121.11 | 31,431.10 | -85,690.01 | 26.84% |
| GPSNP | 1,543,580.00 |  41,000.00  | -1,502,580.00 | 2.66% |
| MSHAP | 180,201.85 | 1,118.00 | -179,083.85 | 0.62% |
| CIDA-MAG | 108,144.00 | 111,099.30 | 2,955.30 | 102.73% |
| UNICEF | 0.00 | 0 | 0.00 |  0% |
| **TOTAL IGF** | **391,008.00** | **431,813.19** | 40,805.19 | 110.44% |
| TOTAL GRANTS | 9,191,575.10 | 4,702,100.84 | -4,489,474.26 | 51.16% |
| **GRAND TOTAL** | **9,582,583.10** | **5,133,914.03** | -4,448,669.07 | 53.58% |

The Composite expenditure performance was within the annual estimated expenditure for the year. This was influenced by expenditures on programmes and sub- programmes that have been appropriately budgeted.

Although the overall expenditure for the year was within budget, the IGF, MP’s CF and MP’s SIF exceeded their budget by 10.4%, 1.9% and 19.8% respectively.

The IGF for the year exceeded its budget because expenditures on training, seminars and conferences under IGF exceeded its budget due to staff attending more training for the year than budgeted for. In addition, arrears paid on Utility and Repairs and Maintenance caused a budget over-run.

Delay in release of other statutory funds led to poor implementation of Assembly projects.

 **3.4 Summary of Expenditure-All Sources**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **S/N** | **Expenditure details** | **REVISED Budget**  |  **Actuals**  |  **Variance**  | **%** | **Remarks** |
| 1 | Compensation | 1,838,128.00 | 1,853,474.93 | 15,346.93 | 100.83 | Within budgetary limit |
| 2 | Goods and services | 3,923,201.54 | 1,437,152.55 | -2,486,048.99 | 36.63 | Below budgetary limit |
| 3 | Assets | 3,821,253.56 | 1,843,286.55 | -1,977,967.01 | 48.24 | Below budgetary limit |
|   | **Total** | **9,582,583.10** | **5,133,914.03** | -4,448,669.07 | 53.58 | **Below budgetary limit** |

The composite expenditure is below budgetary target.

**IGF ONLY**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **S/N** | **Expenditure Details** |  **Budget**  |  **Actuals**  |  **Variance**  | **%** | **Remarks** |
| 1 | Compensation | 70,335.00 | 85,681.93 | 15,346.93 | 121.82 | Exceeded budgetary limit |
| 2 | Goods and services | 272,656.00 | 346,131.26 | 73,475.26 | 126.95 | Exceeded budgetary limit |
| 3 | Assets | 48,017.00 | 0.00 | -48,017.00 | 0.00 | Below budgetary limit |
|   | **Total** | **391,008.00** | **431,813.19** | 40,805.19 | 110.44 | **Exceeded budgetary limit** |

From table above, no funds was spent on Asset from Internally Generated Funds which does not order well on the Assembly and per the PFM Act 2016, Act 921 this should not be so in the future.

**ACHIEVEMENTS FOR THE YEAR**

#### Administration

In 2021, the Assembly achieved the following:

1. Completion of the Fire Service Station in Dzolokpuita.

2. Completed renovation works on bungalows at Kpedze for staff.

3. Training on income generation activities for two gender groups on a variety of detergents and soap making.

5. HIV/AIDS Advocacy and Testing as well as COVID-19 Sensitization Programme for Community Members of Tsito, Dzolokpuita and Students of Kpedze Senior High School respectively.

**Health**

In the area of health,

1. HIV/AIDS Advocacy and Testing as well as COVID-19 Sensitization Programme for Community Members of Tsito, Dzolokpuita and Students of Kpedze Senior High School respectively.

 2. The Assembly organized HIV Aids screening activities for the public including first and second cycle institutions within the district.

3. The Assembly was able to complete the furnishing of 3No. CHPS Compound at Anyirawase, Luvudo and Avenui.

**Agriculture**

1. Under the Planting for Food and Jobs programme, about 4,100 farmers were supplied with inputs (Fertilizer and seeds) for farming in farming season comprising of 2,400 males and 1,700 females.

2. Under the Planting for Export and Rural Development Programme, the District was able to raise nurseries of cocoa and coffee for distribution to farmers. The breakdown is as follows;

* Cocoa seedlings – 283,000
* Coffee seedlings – 67,000
* Cashew seedlings – 8,400
* Citrus seedlings – 1,200

3. Awarding of farmers on Farmer’s Day.

**CHALLENGES**

1. Lack of logistics (Vehicle for revenue mobilization)

2. Poor data availability for collection of rates

3. Lack of Internally Generated Funds

# **BUDGET PERFORMANCE OF OPERATION AND MAINTENANCE PLAN**

The 2021 Operation and Maintenance Plan was prepared and much attention was given to maintenance of official vehicles, and Renovation of Office Buildings. However, its implementation was very poor.

# **OBSERVATIONS**

* The collection of property rate within the year was limited to telecommunication companies and some few other established companies.
* Management could not monitor and supervise the collection of IGF effectively as stated in the 2021 RIAP.
* Much of the IGF was spent on goods and services. This is largely attributed to the fact that it is the main source of funding for administrative expenditure.
* Monitoring of projects and programmes by DPCU was conducted for all the quarters for the year.

# **RECOMMENDATIONS**

* Management should direct more efforts in collating a comprehensive data on ratable items to improve the collection of IGF.
* Efforts should be directed in collecting property rates in 2022.
* The collection of IGF should be automated as soon as possible to reduce leakages associated with its collection.
* The collection of IGF should be monitored effectively.
* The utilization of DACF quarterly releases should be guided by a payment schedule.
* Payments on IGF should equally be guided by a payment schedule, prepared weekly. This would enable management plan and take care of important expenditures that are pressing and plan for emergencies.
* Management should never relax over the internal control mechanisms in keeping expenditure under control.
* Management should make efforts to reserve 20% of IGF collected to undertake capital projects as required by the Public Financial Management Act, Act 921 and the composite budget guidelines.
* On-going projects should be completed before new projects are awarded.
* Management must ensure that all payments pass through the GIFMIS as required by law.
* Major revenue collection lines should be outsourced to private companies for collection.
* Revenue collectors should be trained on revenue mobilization and recording.
* Vehicles should be dedicated for revenue mobilization.

#  **CONCLUSION**

The Assembly is making conscious efforts to provide the needs of the District by implementing the years’ Budget and ensuring there is value for money in the delivery of service. This should obviously be the way forward in 2022.

1. **PROJECT MANAGEMENT REPORT**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **S/N** | **Project description** | **Location** | **Start date** | **Expected date of completion** | **Funding source** | **Contract sum** | **Revised contract sum** | **Amount paid to date** | **Outstanding balance** | **Status** |
| 1 | Construction of 4-seater wc and 2-unit urinal with hand washing facilities | Kpedze & Vane market | 15/04/2020 | 15/06/2020 | DPAT | 91,000.00 | 91,000.00 | 91,000.00 | - | Completed |
| 2 | Construction of 2No. 2-unit urinal with hand washing facilities | Dededo & Tsito markets | 15/04/2020 | 15/06/2020 | DPAT | 63,280.00 | 63,280.00 | 63,280.00 | - | Completed |
| 3 | Supply of 600 dual desk to some selected schools |  | 08/04/2020 | 08/07/2020 | DPAT | 252,000.00 | 252,000.00 | 252,000.00 | - | Completed |
| 4 | Construction of "U" drain & spot improvement | Kpedze-Todze | 08/04/2020 | 08/10/2020 | DPAT | 368,926.25 | 368,926.25 | 368,926.25 | - | On-going |
| 5 | Construction of 1No. 2bedroom apartment for Head of Decentralised Department | Dzolokpuita | 08/04/2020 | 08/10/2020 | DPAT | 221,281.77 | 221,281.77 | 221,281.77 | - | On-going |
| 6 | Construction of Theater at Kpedze | Kpedze | 26/09/2019 | 26/03/2020 | DPAT | 320,006.00 | 320,006.00 | 255,000.00 | 65,006.00 | On-going |
| 7 | Construction of National Health Insurance Office | Dzolokpuita | 02/12/2019 | 02/06/2020 | DACF | 303,410.72 | 303,410.72 | 104,309.00 | 199,101.72 | On-going |
| 8 | Extension of Electricity | Dzolokpuita & Kpedze |  |  | DACF | 60,000.00 | 60,000.00 | - | 60,000.00 | On-going |
| 9 | Construction of "U" drain & spot improvement and Additional Works | Kpedze-Todze | 08/04/2020 | 08/10/2020 | DACF | 450,000.00 | 450,000.00 | 450,000.00 |  | On-going |
|  | **TOTAL** |  |  |  |  | **2,129,904.74** | **2,129,904.74** | **1,805,797.02** | **324,107.72** |  |