**HO WEST** **DISTRICT ASSEMBLY, DZOLOKPUITA**

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**2021 FOURTH QUARTER BUDGET PERFORMANCE REPORT**

**BUDGET PERFORMANCE REPORT FOR THE PERIOD OCTOBER 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 fourth quarter of 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 next 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 communitie.

### 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.

## 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**

There was only one training organized for this quarter and it was on data and records management for core staffs.

# **3.0. INFLOW/OUTFLOW ANALYSIS**

## 3.1. All revenue sources

The table below shows the expected revenue inflows to the Assembly during the Third Quarter of the year from all sources. Thus, from IGF, DACF, DDF, GoG Goods and Service transfers and Donor support funds.

**All Revenue Sources**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **REVENUE SOURCE/INFLOWS** | **REVISED BUDGET FOR THE YEAR** | **BUDGETED REVENUE (OCT 1ST –DEC31ST) GH₵** | **ACTUAL REVENUE INFLOW GH₵** | **VARIANCE (GHS)** | **PERFORMANCE PERCENTAGE** |
| IGF | 391,008.00 | 97,752.00 | 153,612.20 | 55,860.20 | 157% |
| GOG: |  |  |  |  |  |
| Compensation | 1,767,793.00 | 441,948.25 | 441,948.24 | -0.01 | 100% |
| Sector Transfers | 126,722.55 | 31,680.64 | 0.00 | -31,680.64 | 0% |
| DACF | 3,289,084.90 | 822,271.23 | 805,414.47 | -16,856.76 | 98% |
| DACF(MP) | 302,248.58 | 75,562.15 | 171,870.39 | 96,308.25 | 227% |
| MP's SIF2 | 50,000.00 | 12,500.00 | 60,000.00 | 47,500.00 | 480% |
| PWD FUND | 117,121.11 | 29,280.28 | 82,850.32 | 53,570.04 | 283% |
| DPAT | 1,645,820.00 | 411,455.00 | 65,000.00 | -346,455.00 | 16% |
| DPAT CAPACITY BUILDING | 45,859.00 | 11,464.75 | - | -11,464.75 | 0% |
| DONOR SUPP. FUNDING: |  |  |  | - |  |
| CIDA | 200,000.00 | 50,000.00 | - | (50,000.00) | 0.0% |
| UNICEF | 0.00 | 0.00 | - | - | 0.0% |
| MSHAP | 195,201.85 | 48,800.46 | 2,145.93 | (46,654.53) | 4.4% |
| GPSNP | 1,451,724.11 | 362,931.03 | - | (362,931.03) | 0.0% |
| **GRAND TOTAL** | **9,582,583.10** | 2,395,645.78 | **1,782,841.55** | (612,804.23) | 74.4% |

The total revenue performance for the period stands at **74.40%** of the total budgeted estimate. This is as a result of the Assembly not generating much revenue from IGF and most of the statutory sources (GoG) and all of the DACF were not released.

The IGF Performance for the period exceeded the quarterly target. The total IGF revenue realized within the period was **GH₵153,652.20 out** of the expected **GH₵97,752.00** representing **157%**, 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 Donor funding only a portion was received for MSHAP and the rest was not released.

**Revenue Heads and Sub-Heads Analysis,**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **IGF PERFORMANCE BY REVENUE HEADS** | **REVISED BUDGET FOR THE YEAR** | **QUARTERLY BUDGETED REVENUE** | **ACTUAL REVENUE INFLOW (GHS)** | **VARIANCE (GHS)** | **PERFORMANCE PERCENTAGE (100%)** |
| RATES | 90,000.00 | 22,500.00 | 34,000.00 | 11,500.00 | 151.11% |
| LANDS | 46,100.00 | 11,525.00 | 34,768.90 | 23,243.90 | 301.68% |
| RENT | 10,000.00 | 2,500.00 | 1,280.00 | (1,220.00) | 51.20% |
| LICENSES | 81,192.00 | 20,298.00 | 44,800.00 | 24,502.00 | 220.71% |
| FEES | 147,700.00 | 36,925.00 | 37,913.30 | 988.30 | 102.68% |
| FINES | 9,216.00 | 2,304.00 | 850.00 | (1,454.00) | 36.89% |
| MISCELLANEOUS | 5,800.00 | 1,450.00 | - | (1,450.00) | 0.00% |
| INVESTMENTS | 1,000.00 | 250.00 | - | (250.00) | 0.00% |
| **TOTAL** | **391,008.00** | **97,752.00** | **153,612.20** | **55,860.20** | **157.14%** |

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**ANALYSIS OF IGF REVENUE DATA FOR FOURTH QUARTER 2021**

* Licenses had the highest collection due to a private company collecting on behalf of the Assembly at the Stone Quarry.
* Rent performed poorly due to lack of collection
* Investment performed badly because the Assembly Grader was down.

**Table 3.3:** **COMPARISON OF 2020/2021 IGF QUARTERLY PERFORMANCE**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Items | Budget 2020 | Actual-2020 | Budget 2021 | Actual-2021 |
| OCT-DEC | OCT-DEC | OCT-DEC | OCT-DEC |
| Rates | 22,500.00 | - | 22,500.00 | 34,000.00 |
| Lands & royalties | 24,000.00 | - | 11,525.00 | 34,768.90 |
| Rent of land, building &houses | 10,200.00 | - | 2,500.00 | 1,280.00 |
| Licenses | 25,040.00 | 17,520.00 | 20,298.00 | 44,800.00 |
| Fees | 30,750.00 | 55,844.10 | 36,925.00 | 37,913.30 |
| Fines, penalties-forfeits | 4,920.00 | - | 2,304.00 | 850.00 |
| Investment | 2,400.00 | - | 250.00 | - |
| Misc./unidentified rev. | - | - | 1,450.00 | - |
| **Total** | **119,810.00** | **73,364.10** | **143,774.49** | **71,573.46** |

**REVENUE ANALYSIS FOR 2020/2021 IGF 4th QUARTER PERFORMANCE**

On the whole, 2020 4th quarter revenue collection was better than 2021.

From the table above, we can see that 2020 fees were better than that of 2021. Rates, lands and royalties, licenses, rent and fines collection in 2021 was better than 2020.

From this, collection must be improved in the coming year to achieve the targets of the Assembly.

However we can conclude that the breakdown of the grader is really having a big toll on IGF generation and must be repaired at as soon as possible.

* 1. **Expenditure Heads and Sub-Heads Analysis**

The table below shows the composite expenditure of the Assembly for 2nd quarter 2021.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **EXPENDITURE** | **BUDGET FOR THE YEAR** | **BUDGETED EXPENDITURE (OCT-DEC) GHS** | **ACTUAL EXPENDITURE (GHS)** | **VARIANCE (GH₵)** | **PERFORMANCE PERCENTAGE (%)** |
| IGF: |  |  |  |  |  |
| Compensation | 70,335.00 | 17,583.75 | 26,154.33 | 8,570.58 | 148.74% |
| Goods and Services: |  |  |  | - |  |
| Materials - Office Supplies | 51,000.00 | 12,750.00 | 17,028.12 | 4,278.12 | 134% |
| Utilities | 16,500.00 | 4,125.00 | 0.00 | -4,125.00 | 0% |
| General Cleaning | 0.00 | 0.00 | 31.00 | 31.00 | 0% |
| Other allowance | 28,000.00 | 7,000.00 | - | -7,000.00 | 0% |
| Travel - Transport | 75,700.00 | 18,925.00 | 49,378.77 | 30,453.77 | 261% |
| Repairs and Maintenance | 5,000.00 | 1,250.00 | 4,932.96 | 3,682.96 | 395% |
| Trainings, Seminars and Conferences | 23,000.00 | 5,750.00 | 21,068.91 | 15,318.91 | 366% |
| Consultancy Expenses | 10,000.00 | 2,500.00 | 15,068.06 | 12,568.06 | 603% |
| Special Services | 8,000.00 | 2,000.00 | 2,000.00 | 0.00 | 100% |
| Other Charges &Fees | 1,600.00 | 400.00 | 176.00 | -224.00 | 44% |
| General Expenses | 53,856.00 | 13,464.00 | 4,915.00 | -8,549.00 | 37% |
| support to all dept. | 0.00 | 0.00 | 0 | 0.00 | 0% |
| Fixed Assets | 48,017.00 | 12,004.25 | 0 | -12,004.25 | 0% |
| **TOTAL IGF** | **391,008.00** | 97,752.00 | **140,753.15** | 43,001.15 | 144% |
|  |  |  |  |  |  |
| **GOG**: |  |  |  |  |  |
| Compensation | 1,767,793.00 | 441,948.25 | 441,948.30 | 0.05 | 100% |
| **Sector Transfers**: |  | 0.00 |  | - |  |
| Goods and Services | 97,376.00 | 24,344.00 | 0.00 | -24,344.00 | 0% |
| **Assets** |  | 0.00 |  | - |  |
|  |  | 0.00 |  | - |  |
| MP's COM. FUND | 352,248.58 | 88,062.15 | 241,368.20 | 153,306.06 | 274% |
| DACF |  |  |  |  |  |
| Goods and Services | 1,206,015.00 | 301,503.75 | 361,620.63 | 60,116.88 | 120% |
| Assets | 2,081,557.56 | 520,389.39 | 550,210.44 | 29,821.05 | 106% |
|  |  |  |  |  |  |
| **DPAT** : |  |  |  |  |  |
| DPAT Cap. Building | 45,859.00 | 11,464.75 | 45,921.97 | 34,457.22 | 401% |
| Investment | 1,691,679.00 | 422,919.75 | 20,800.00 | -402,119.75 | 5% |
| PWD FUND | 117,121.11 | 29,280.28 | 0.00 | -29,280.28 | 0% |
| GPSNP | 1,543,580.00 | 385,895.00 | 0 | -385,895.00 | 0% |
| MSHAP | 180,201.85 | 45,050.46 | 1,100.00 | -43,950.46 | 2% |
| CIDA-MAG | 108,144.00 | 27,036.00 | 0.00 | -27,036.00 | 0% |
| UNICEF | 0.00 | 0.00 | 0 | 0.00 | 0% |
| **TOTAL IGF** | **391,008.00** | 97,752.00 | **140,753.15** | 43,001.15 | 144% |
| TOTAL GRANTS | 9,191,575.10 | 2,297,893.78 | 1,662,969.54 | -634,924.24 | 72% |
| **GRAND TOTAL** | **9,582,583.10** | 2,395,645.78 | **1,803,722.69** | **-591,923.09** | **75%** |

The overall expenditure was below budget, however other expenditure items like Material –Office Supplies and Travel and Transport exceeded its budget by 34% and 161% respectively.

* 1. **SUMMARY OF EXPENDITURE ALL SOURCES**

**All Funding Sources**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **S/N** | **Expenditure details** | **REVISED Budget** | **BUDGET FOR THE QUARTER** | **Actuals** | **Variance** | **%** | **Remarks** |
| 1 | Compensation | 1,838,128.00 | 459,532.00 | 468,102.63 | 8,570.63 | 101.87 | Within budgetary limit |
| 2 | Goods and services | 3,923,201.54 | 980,800.39 | 764,609.62 | -216,190.77 | 77.96 | Below budgetary limit |
| 3 | Assets | 3,821,253.56 | 955,313.39 | 571,010.44 | -384,302.95 | 59.77 | Below budgetary limit |
|  | **Total** | **9,582,583.10** | **2,395,645.78** | **1,803,722.69** | **-591,923.09** | **75.29** | **Below budgetary limit** |

The overall expenditure is below budget due to the statutory funds like DACF not released.

**SUMMARY OF EXPENDITURE -IGF ONLY**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **S/N** | **Expenditure Details** | **Budget** | **budget for the month** | **Actuals** | **Variance** | **%** | **Remarks** |
| 1 | Compensation | 70,335.00 | 17,583.75 | 26,154.33 | 8,570.58 | 148.74 | Exceeded budgetary limit |
| 2 | Goods and services | 272,656.00 | 68,164.00 | 114,598.82 | 46,434.82 | 168.12 | Exceeded budgetary limit |
| 3 | Assets | 48,017.00 | 12,004.25 | 0.00 | -12,004.25 | 0.00 | Below budgetary limit |
|  | **Total** | **391,008.00** | 97,752.00 | **140,753.15** | 43,001.15 | 143.99 | **Exceeded budgetary limit** |

The overall expenditure exceeded its budget.

**ACHIEVEMENTS FOR THE FOURTH QUARTER**

1. All payments were made through the GIFMIS.
2. Construction of waiting shed in front of the assembly.
3. Nursery of seedlings for farmers by Agric. Department:

Cocoa – 27,000

Citrus – 3,500

Coconut – 3,500

Oil palm – 50

Cashew – 2,500.

1. Awarding of farmers on farmer’s day.
2. Training of two Gender groups on income generation through soap making and variety of detergents.
3. HIV/AIDS Advocacy and Testing for students of Kpedze Senior High School and the community members of Tsito and Dzolokpuita respectively.

**CHALLENGES**

1. Lack of logistics (Vehicle for revenue mobilization)
2. Poor data availability for collection of IGF
3. Inadequate data on ratable items to improve the collection of rates

**RECOMMENDATIONS**

1. Revenue Data should be updated.

2. Revenue collectors should be trained on revenue mobilization, record keeping and given monthly targets

3. Revenue collection strategies should be put in place to generate more IGF

4. The Assembly should appoint a Revenue Superintendent who supervise the activities of the revenue collectors

5. Plans should be put in place to reward highest revenue collector at the end of the year

6. Vehicles should be dedicated for revenue mobilization.

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

The operation and maintenance plan was prepared for the period. However, much attention was on the maintenance of official vehicles and fixtures and fittings.

# **OBSERVATIONS**

* Budget implementation within the period was average due to the flow of funds.
* The collection of IGF was very poor compared to 2020 2nd Quarter due to poor collection.
* 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.
* Some of the on-going projects are behind Scheduled and should be completed as soon as possible.

# **RECOMMENDATIONS**

* Management should direct more efforts in collating a comprehensive data on ratable items to improve the collection of IGF.
* Management should implement the 2021 RIAP religiously to improve the collection of IGF.
* Efforts should be directed in collecting property rates in 2021.
* 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.
* 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 in to reserve 20% of IGF collected in the second quarter to undertake capital projects as required by the Public Financial Management Act, Act 921 and the composite budget guidelines.
* Management should ensure ongoing projects are completed as soon as possible, as most of the projects are far behind schedule otherwise, this might attract an additional cost to the Assembly. Otherwise, this would amount to financial loss to the Assembly.
* 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.

# **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.