

# **WASSA AMENFI MUNICIPAL ASSEMBLY**

## **2021 BUDGET STATEMENT**

### **1.0. Introduction**

- 1.1.** Honourable Presiding Member, Honourable Municipal Chief Executive, Honourable Member of Parliament, Honourable Assembly Members, Municipal Coordinating Director (Secretary to this august house), Heads of Departments, the Press, Ladies and gentlemen; I humbly stand before you to present the 2021 Composite Budget Estimates on behalf of the Honourable Municipal Chief Executive.
- 1.2.** Honourable Presiding Member, the importance of financial stability to enable an organization to function efficiently and maximize the potential for service delivery cannot be underestimated. The quest for better service delivery necessitates the need for Wassa Amenfi East Municipal Assembly to have proper financial standing in order to improve its service delivery to citizens within its jurisdiction.
- 1.3.** Honourable Presiding Member, I move for the discussion and adoption of the 2021 Composite Budget Estimates, the 2021 Fee-Fixing and Rate Impost and the 2021 Budget Statement as working documents for the Wassa Amenfi East Municipal Assembly.
- 1.4.** Honourable Presiding Member, the Assembly's primary focus in the coming years is on how to improve the Internally Generated Revenue while ensuring efficient expenditure performance that would help improve the lives of the citizenry whom we are all here to serve.

### **2. Activities Undertaken from January - September, 2020**

- 2.1.** Honourable Presiding Member, the Assembly from January to September, 2020 undertook various activities for which Honourable Members need to be briefed on some of those activities.

Honourable Presiding Member, the Assembly held a meeting with Rate Payers at the Manso Amenfi to present the Assembly's financial performance including projects being undertaken by the Assembly. The meetings focused mostly on the Implementation of the Assembly's 2020 AAP and the 2019 and 2020 Budget Implementation.

#### **b. Update on the Tax Revenue for Economic Enhancement (TREE) Project**

Honourable Presiding Member, with support from the Netherlands International under the

TREE Project, the Assembly's Data Collection exercise on ratable items in piloted Electoral Areas such as Bawdie, Wassa Akropong and Old Town are yet to begin. It is however hoped that the exercise would be completed and the bills prepared by December, 2020. A rate billing software which forms part of the project will be in operation by the close of the 2020 fiscal year.

There would be an orientation for the Revenue Collectors on the bill distribution and how to capture new data for input for billing in January, 2021.

- c. Honourable Presiding Member, seminars would be organized for Honourable Members and the Unit Committees/Zonal Council Members' in the coming year to build their capacity to help the Assembly in its revenue mobilization and on the **Public Sector financial Management Act, 2016, Act 921**.

**2.1.2.** Honourable Presiding Member, it is being suggested that quarterly social accountability on the financial performance should be undertaken to keep the citizenry abreast with the various activities being undertaken by the Municipal Assembly especially on the Assembly's financial performances. The Finance and Administrative Sub-Committee and the MPCU should be tasked to lead and submit quarterly report to the House through the Honourable Municipal Chief Executive.

**2.1.3.** It is also being proposed that from 2021, the Assembly should organize Community Participatory Budgeting where Citizens are briefed on the Assembly's entire Budget for Public input before approval at both the Regional Coordinating Council and the General Assembly.

**a. Projects**

Honourable Presiding Member, the following projects were completed within the period under review while some are yet to be completed

**1. Health (Environmental Health):**

- i. Construction of Refuse Collection points at Bawdie and Japa have been Completed
- ii. Supplied and Delivered 10 No. Refuse Containers

- iii. Construction of a 10 No. mechanized boreholes have been completed and currently in-use in various communities.
- iv. The construction of a 3 No mechanized boreholes and the provision of hand washing facilities in selected market centres are at various stages of completion
- v. Rehabilitation of a 1 No Slaughter House at Wassa Akropong is almost complete. This project is being funded by our IGF

## **2. Education:**

- a. Construction of 6 Unit classroom block with ancillary facilities at Marfo is Completed
- b. Constructed 1 No 3-unit classroom block at Ntowkrom
- c. Supplied and Delivered 1000 dual desks
- d. Supplied and delivered 600 mono desks to the various educational institutions
- e. The construction of a 1 No. 3-unit classroom block at Abreshia is at an advanced stage of completion. This project is also being funded from our IGF
- f. The construction of a 1 No. 6 unit classroom block with office, store, library and other Ancillary Facilities at Moseaso is also at an advanced stage of completion

## **3. Law and Security**

- i. The renovation of Nkonya police post is completed and arrangements are still ongoing with the Regional Police Command to assign police officers to man the facility
- ii. The Wassa Akropong Magistrate Court has been renovated and court sessions are currently under way

## **4. Road**

The Assembly was able to reshape about 96 Kilometers of Roads during the period under review.

## **5. Physical Planning**

Honourable Presiding Member, the Assembly in its effort to improve revenue generation,

has in collaboration with the local authorities completed the development of a Community Layout, with a Local plan for the Nkonya and Abrokyere Krobo communities. It is our hope that a lot more communities will have their local plans developed by the end of the 2021 fiscal year. Funds have also been earmarked in the 2021 budget for the scanning and retracing of the Wassa Akropong old planning scheme. The office of the departmental Head of Physical Planning is being furnished with various logistics to enhance service delivery.

### **3.0. Financial Performance**

#### **3.1. Revenue**

##### **3.1.1. DACF & DACF-RFG**

The Assembly has received from January – September 2020, a total amount of GH¢1,797,370.74 for utilization. This consist of GH¢520,587.09 from the DACF-RFG while GH¢1,276,783.65 was from the DACF.

##### **3.1.2. Internally Generated Revenue**

Total internally generated revenue mobilized as at 30<sup>th</sup> September, 2020 was GH¢**533,300.00** representing about **48.4%** of the Annual Estimate.

The table shows the Internally Generated Revenue performance from 2018 to 30<sup>th</sup> September, 2020.

**Table 1: Summary of Revenue Performance 2018 – 30<sup>th</sup> September, 2020**

No.	Revenue Head	31 <sup>st</sup> December, 2018		31 <sup>st</sup> December, 2019		30 <sup>th</sup> September, 2020		% Perform.
		Budget	Actual	Budget	Actual	Budget	Actual	Budget
1	Lands & Royalties	112,960.00	46,160.00	292,567.55	156,900.00	172,000.00	12,350.00	7.2
2	Rates	433,455.00	326,872.48	434,000.00	292,216.40	445,000.00	221,000.00	49.7
3	Rent	7,700.00	4,510.00	4,500.00	2,478.00	5,000.00	13,568.00	271.4
4	License	344,900.00	304,226.69	370,000.00	290,256.00	380,000.00	227,986.00	60
5	Fees	67,000.00	37,066.00	74,000.00	51,287.00	72,000.00	29,716.00	41.3
6	Fines	3,000.00	250.00	3,000.00	330.00	5,000.00	1,730.00	35
7	Sundry Recoveries	25,000.00	22,670.00	22,000.00		24,000.00	26,950.00	112.3
	<b>TOTAL</b>	<b>995,015.00</b>	<b>741,755.17</b>	<b>1,200,067.55</b>	<b>793,467.40</b>	<b>1,103,000.00</b>	<b>533,300.00</b>	<b>48.4</b>

Source: **Wassa Amenfi East Municipal Assembly**

The revenue from 2018 to 2019 recorded a growth of about **7%** and in real terms was about **GH¢51,712.23**.

It is however expected that with the financial status as at September, 2020, much effort would be directed into the traditional revenue mobilization to help exceed the 2019 Actual Revenue Generated.

Honourable Presiding Member, some of the factors attributable to the low revenue performances can be summarized as follows:

- The low inflows from the building permits which also affects other three revenue items (i.e. sales of building permit jacket, environmental waste management levy and submission fees)
- Non-prosecution of Rate defaulters
- Non-Public education on rate payments especially Property and Basic Rates

#### **4.0. Outlook for 2021 fiscal year**

**4.1.** Honourable Presiding Member, the 2021 Capital Budget Estimate was prepared with the assumption that the Assembly would continue to monitor its projects and ensure payments are made on schedule. It is also believed that Management and for that matter Works Sub-Committee and the Works Department would ensure contractors work within the stipulated time frame. The Assembly must also ensure it pays all outstanding commitments including retentions for effective Financial Planning and Reporting.

#### **4.2. 2021 Fee-Fixing and Rate Impost**

Honourable Presiding Member, the Assembly's Fee-Fixing and Rate Impost has been restructured and reviewed to help improve the Assembly's revenue generation. There has been proposed rate for unassessed properties, especially individual properties for Members discussion and approval.

Honourable Presiding Member, there would be the need to undertake some selective valuation of properties to help impose realistic rate on those properties.

However, certain Fees have been adjusted upwards while others remain unchanged as was approved by Honourable Members in 2019 for implementation in 2020 (**a copy of Draft 2021 Fee – Fixing and Rate Impost has been attached for Members**)

Honourable Presiding Member, when the discussion process of the new Fees and Rates are completed it would be appropriate the Fees and Rate Impost Resolutions are submitted for ratification and subsequently gazette by the Assembly. This is in accordance with Section 80 (4) of the Local Governance Act, 2016, Act 936 which states *“The by-laws shall not have effect until they have been published in the daily newspaper of national circulation or in the Gazette”*.

#### **4.3. The 2021 Budget Estimates**

The 2021 Annual Budget Estimates were prepared based on several factors among which are:

- a. The level of the 2020 Budget Implementation as at 30<sup>th</sup> September, 2020 with projections for the remaining months to year end
- b. Policy decisions and Resolutions of the Wassa Amenfi East Municipal Assembly (Executive Committee and General Assembly Meetings) to be implemented in the course of 2021 to enhance improved revenue mobilization and efficient Expenditure.
- c. Strategies to enhance Revenue Mobilization.
- d. Effective supervisory roles by the various Sub-Committees
- e. Adopt a billing and tracking software to improve revenue collection and tracking
- f. Regular Accountability on the Assembly's Financial Performance
- g. Completion of Selective Property Valuation of Companies and some Individual Properties
- h. Any other resolution that might be passed in the course of the 2021 Budget Implementation that would enhance maximum revenue mobilization and expenditure control.

#### **4.4. 2021 Estimated Income:**

Honourable Presiding Member, financing projects and programs successfully and carrying out other responsibilities by the Wassa Amenfi East Municipal Assembly has been one of the powers conferred on the Assemblies by the Local Governance Act, 2016, Act 936. The ability to mobilize funds depends on the sources from which the Assembly derives its revenue, how the Assembly enforces its bye-laws, educates the citizens on their social responsibilities to the Assembly and how accountable the Assembly is to the citizenry.

Honourable Presiding Member, revenue generation from the Assembly's traditional source is a daunting task that is confronting the Assembly. I must say that revenue generation is everyone's duty, hence the Honourable Municipal Chief Executive expects Management, Honourable Members, Opinion Leaders and all stakeholders to assist in educating the citizenry to pay their Rates and Levies and on time.

The 2021 fiscal year estimates were based on actual incomes received as of December, 2019 and actual as of 31<sup>st</sup> September, 2020 with projections to year end.

The total Revenue Estimate to be generated and received in the 2021 financial year amounts to **GHC9,188,287.77**. This includes Salaries, Stool Land Revenue, DACF, DACF-RFG, MP's Common Fund, Donor Funds and the Assembly's traditional revenue.

From the Assembly’s traditional source, an estimated revenue of **GHC1,044,300.00** is expected to be generated in the 2021 fiscal year. This is about **11.37%** of the total revenue expected in the 2021 fiscal year.

The breakdowns of 2021 traditional Revenue is as follow:

	<u>Annual Estimates</u>	<u>% of Annual IGR Estimates</u>
Lands & Royalties	GHC172,000.00	16.47%
Rates	GHC445,000.00	42.61%
Rent	GHC 5,000.00	0.48%
Licenses	GHC341,300.00	32.68%
Fees	GHC66,000.00	6.32%
Fines	<u>GHC 15,000.00</u>	<u>1.44%</u>
<b>TOTAL IGR</b>	<b><u>GHC1,044,300.00</u></b>	<b><u>100.00%</u></b>

#### **4.5. Factors underpinning the 2021 Budget Implementation**

The 2021 Budget will focus on the following policy measures: -

- a. Adherence to basic issues of improvement in the revenue generation, expenditure control, environmental and sanitation and the continuous provision of social amenities.
- b. Accountability on the utilization of resources and the Implementation status of the 2020 AAP and Budget through public fora
- c. Ensure effective monitoring of revenue mobilization
- d. Improved project management, monitoring and evaluation
- e. Capacity building for Assembly Staff, Hon. Members and Unit Committee Members for effective Local Governance, Revenue Mobilization and Monitoring and Evaluation
- f. The under-listed strategies will be adopted in the area of revenue mobilization in the – 2021 fiscal year: -
  - 1- To undertake Selective Property Valuation of some Companies and Individual Properties in the Municipal
  - 2- To undertake quarterly fora on social accountability on the uses of Assembly resources and the challenges
  - 3- To involve Chiefs, CSO and the Media in educating the Citizenry on rate payment
  - 4- Print Property Rate and Business Operating Permit Bills using current data by the end of December, 2020 for early distribution in 2021



- 5- To continue with the public education on the need to acquire permit before building
- 6- To develop Comprehensive Revenue Mobilization, Monitoring and Evaluation Plan by the end of December, 2020
- 7- To undertake quarterly review of Revenue Collectors' performance based on their set targets
- 8- To start night toll collection. Sensitization on night toll collection is to commence as soon as possible
- 9- Issuing of Business Operating Permit Certificates and Stickers for rate payers especially those whose payments are annual
- 10- To ensure Assembly bye-law and Fee-Fixing and Rate Impost Resolutions are in the gazette
- 11- To ensure all commercial vehicles operating in the Municipal acquire the Assembly's Embossment
- 12- To prosecute Rate defaulters by the end of 3<sup>rd</sup> quarter of the year 2021
- 13- To undertake regular Public Education on rate payments using the various community Addressing Systems

**The achievement of these and other strategies is dependent on the commitment of Management, Revenue Collectors', Area Council Members and Assembly Members on Revenue Mobilization related issues.**

#### **4.6. Assembly Members & Unit Committees**

Honourable Presiding Member, Assembly Members have a critical role in ensuring the development of the Assembly; their role must go beyond making laws to the performance of other supervisory roles, exhibiting their knowledge and skills in their various Committee levels that would bear a positive impact of the discharge of duties of the Assembly as stated in the Act 936 of 2016.

- a. Honourable Presiding Member, Assembly Members are expected for that matter the various Sub-Committees to act as boards of directors to the Assembly and craft out strategic plans that would help in the development of the Municipal through in-depth planning and developing

strategies as stipulated in the Local Government Act, Act 462 of 1993 Section 10 Sub-Sections 3 (b-d) and Section 46, 1-2.

- b. Honourable Presiding Member, the time has also come for Honourable Members to act as mouthpiece of the Assembly in their various Electoral Areas most especially in educating their electorate to pay their levies to improve revenue mobilization, to practice cleanliness, among others.

#### **4.7. Investment**

Honourable Presiding Member, the location of Wassa Amenfi East Municipal is very strategic and would require strategic investment planning for the next 5 – 10 years to ensure the Assembly takes advantage of its strategic location.

It is my hope that Honourable Members would critically discuss this proposal and make the necessary recommendations for implementation to enhance the revenue performance of the Assembly and to also attract investors into the Municipality that would help create jobs for the populace. The Finance and Administration Sub-Committee should be tasked with this responsibility and report to the Honourable Chief Executive and the Honourable Presiding Member.

Honourable Presiding Member, the following are being proposed for consideration and for further discussion;

1. Drafting of Investment Proposals on investment areas so as to take advantage of the 1DIF initiative by the Government
2. It is also being proposed that, a proposal for the Construction of a modern market at Wassa Akropong (Using Public Private Partnership) should be considered. There is however the need to know the actual land size of the Market and necessary documentation on the land completed. This improvement in the state of our markets should be considered so as to woo a lot of traders to do business in the Municipality not only on market days
3. A comprehensive data of all potential tourist sites should be gathered and strategies put in place to develop these sites so as to take commercial advantage of the influx of foreigners who would be patronizing these sites

#### **4.8. Marketing the Wassa Amenfi East Municipal**

Honourable Presiding Member, given a wider publicity of every organization and its activities helps in putting such organization the limelight and to also project its achievements.

Honourable Presiding Member, I would propose for your consideration that the Assembly's information on the website should highlight on the investment potentials of the Municipality. These marketing activities can be done with the support of organizations and individuals in and out of the Municipal.

#### **4.9 Education**

Honourable Presiding Member, it is expected that the following would be undertaken under the Education Sector in the 2021 fiscal year:

- a. Financial Assistance to Needy but Brilliant Students from both DACF, IGF and MPCF
- b. Construction of 1 No 6 Unit Classroom Block with Ancillary facilities at Nsuopon to be funded from DACF-RFG,
- c. The construction of the KG block at Wassa Saa being funded from the DACF-RFG would be completed and handed over by first quarter of 2021
- d. Organisation of Annual Mock Examinations will continue to be funded by the Assembly
- e. The Assembly will also support some Educational Activities as requested by the education directorate

#### **4.8.1. Health**

Honourable Presiding Member, safe health service delivery to the citizenry is one of the objects of the Wassa Amenfi East Municipal Assembly. Considering the nature of the Municipal, the provision of these CHPS Compounds and other Health Facilities would go beyond Electoral Areas. Currently the Municipality has about 64 private and public Health facilities but the Assembly's objective is to ensure that by the end of 2027, Health Facilities would be provided within the catchment areas of the Electorates, to ensure optimum health delivery service. It is also necessary to ensure the facilities are equipped while personnel manning these facilities are accommodated. The Assembly would financially support the Health Service to undertake some sensitization programmes in the Municipality to help

reduce HIV and AIDs Prevalence, Malaria and Measles and also support other activities by the department of Health.

#### **4.8.2. Management of Disability Fund**

Honourable Presiding Member, it is being proposed that the Social Services Sub-Committee and the department of Social Welfare and Community Development should liaise with the management of the disability fund to come out with proposals that would help invest funds into income generating activities which in the future would help our physically challenged not to depend solely on the DACF. The proposal should also consider supporting other members who are engaged in income generating activities.

#### **4.8.3. Agriculture**

##### **a. Modernizing Agriculture**

Honourable Presiding Member, agriculture currently employs about 72% of the population and needs to be developed for sustainable job opportunity and food security in the Municipal. To this effect, among other interventions by the Assembly, an amount of about **GH¢600,000.00** would be utilized in the various sectors of Agriculture to comply with the policy direction of the Planting for food, jobs and exports. Consideration would also be made in the subsequent Budgets for the acquisition of farm and settlement lands.

#### **4.8.4. Environmental Sanitation**

Honourable Presiding Member, the Assembly in an attempt to reach the open defecation free status and also to improve sanitation related issues considered the following for the approval of the August house:

- i. Support other Environmental Health activities at a cost of GH¢40,000.00
- ii. An amount of GH¢10,000.00 is to be set aside to undertake Community Led Total Sanitation (CLTS) in various communities

- iii. Manage solid and liquid waste in the Municipality with an amount of about GH¢750,260.00

#### **4.8.5. Works**

Honourable Presiding Member, the Assembly in enhancing its developmental agenda has made the following recommendations:

- i. Amount in excess of **GH¢375,000.00** have been budgeted from DACF and MPCF to support community-initiated projects
- ii. **GH¢150,000.00** has been budgeted for the Procurement of a 1 No. Pick-up to aid in development control activities. This is being funded from our IGF.
- iii. Phase 1 of the construction of Staff Quarters' have been considered and an amount of **GH¢180,000.00** have been earmarked

#### **4.8.6. Physical Planning**

Honourable Presiding Member, the Assembly in 2021 would continue with efforts to develop a reliable database for financial planning; an amount of about a **GH¢100,000.00** would be spent on data collection and on Street Naming and Property Addressing Systems. Also, **GH¢14,000.00** would also be spent on educating the public on the need to acquire permit before building and also to provide other logistics for the office of the Departmental Head to augment service delivery. The sensitization is to ensure enough revenue is generated from building permits.

Honourable Presiding Member, to ensure compliance with the acquisition of permit before building, it is being proposed that the Assembly liaise with utility providers to demand building permit before providing services to new customers; Works Sub-Committee and Statutory Planning Committee should be tasked to have the discussion with the Utility Companies.

Honourable Presiding Member, there would be the need for the Assembly to strategize on how to grant permit to those at the hinterlands so they don't necessarily have to travel to Wassa Akropong to obtain permit.

## **5.0. Conclusion**

Honourable Presiding Member, to conclude, I must say a budget is much more than a statement of public expenditure and income. It is after all, the most potent policy instrument of an organization to achieve its long-term economic goals and fulfill the aspirations of the populace. But the most important aspect of a Budget is for all stakeholders to have understanding of how things work and take effective decisions that would help improve the lives of the people we serve.

Honourable Presiding Member, the hour has struck for seriousness and hard work. The time has come when we must go forward in development. We have the strength and power in our hands if we act rightly. It may entail suffering and sacrifice and plenty of hard work, but it can be achieved if we all put our shoulders to the wheel. In our quest for development, either we work together to achieve our basic developmental goals or we work separately and lose out on the available opportunities. I pray that the Assembly works within its Budget to achieve its basic developmental goals.

Honourable Presiding Member, I hereby moved before this august house for discussion:

1. The 2021 Budget Statement
2. The 2021 Fee-Fixing and Rate Impost
3. The 2021 Revenue Budget Estimates
4. The 2021 Expenditure Budget Estimates

**Thank you.**