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## **Members of Parliament examine matters relating to local government and rural development in Ghana**

### **Introduction**

Representatives of the Committee on Local Government and Rural Development of the Parliament of Ghana toured three Districts in the Volta Region in February 2006. The team made up of five Members of Parliament (MPs), two Ghana Parliament staff members, and a representative from the Parliamentary Centre's GPCSP II undertook a tour of Kpando District, the Hohoe District and the Ho Municipality in the Volta region over a five-day period. The field visit forms part of the committee's oversight responsibilities, examining matters relating to local government and rural development in Ghana. A key focus of the visit was to monitor the implementation of the current decentralization program introduced in 1988 and the functioning of laws passed by Parliament including Local Government Act 1993. The committee among other things assessed 1) Gender equality in the development process 2) Institutional development within the local governance system 3) Local revenue mobilization and utilization 4) Intergovernmental Fiscal Transfer and Utilization 4) the implementation of various development programs and 4) The extent of consultation and community involvement in program planning and implementation.

The regional tour forms part of the poverty reduction monitoring initiative by parliamentary committees under the CIDA funded GPCSP II; a process that aims at increasing parliament's effectiveness in monitoring the implementation of poverty reduction programs through field visits. ( See the Government Assurances Committee visit in July 2005 to the three northern regions in Ghana).

The field visit in the Volta Region contributed toward the following GPCSP II project results:

- Continued achievement of co-operation and cross partisan effectiveness within a select number of key parliamentary committees, including the Gender and Children's committee
- Increased attention to gender equality in the work of key parliamentary committees in Ghana
- Improved social interaction strategies and structures as they relate to the Ghana Parliament through building on the results of the northern outreach pilot project and through connecting such work to district assemblies as well.
- Significant parliamentary contributions to the Ghana PRSP process particularly through well supported and functioning monitoring and evaluation systems for tracking and assuring implementation of PRSP commitment and results, including those relating to gender.

The Members of Parliament held meetings with the district/municipal chief executive and staff of the district administration including the district/municipal coordinating director in each of the districts visited. They also met with a cross section of the community, including representatives of market women, chiefs, opinion leaders, representatives of CBO and CSOs and staff of the assembly; Meetings were also held with heads of decentralized departments /organizations and central and regional departments in the district. These meetings were complemented with visits to project sites to see first hand development projects initiated as well as engage with the beneficiaries of the project.

### **Summary of Issues and recommendations that emerged from discussions:**

The following is a summary of key issues and recommendations that emerged during these discussions.

#### **1. Gender equality and development**

In some districts there are some initiatives, albeit unsystematic, which include giving women a priority in the disbursement of funds under schemes such as the Poverty Alleviation Fund and Food and Agriculture Budgetary Support program. Indeed, one of the assemblies, namely, the Kpando District assembly, supports the Women's Pottery Association; additionally, the Ho Municipal Assembly is currently collecting data with the view of providing micro-credit to market women in order to improve their level of productivity and increase their profit margin. In spite of these efforts it was obvious that none of the three districts had a systematic process for improving gender disparities; and gender mainstreaming may at best be described as embryonic.

#### Recommendations

- All three DAs were encouraged to recognize the need for sustained efforts to encourage women to do their best to contribute to development by participating in decision making processes.
- Suggestions were made to the DAs to include Gender analysis in initiatives to ensure that programs impact positively on both male and female. For example, Kpando district was encouraged to consider proper gender analysis in their planned afforestation program.

#### **2. Status of implementation of the decentralization system especially the functioning of the sub-structures**

In all three districts the proposed sub-structures had been established and inaugurated including the unit committees. Kpando has 1 urban and 8 area councils, Hohoe has 1 urban and 12 area councils and Ho Municipal assembly has 13 zonal councils. These councils are, currently, at varying degrees of functionality.

#### Recommendations

- The District assemblies were encouraged to hold frequent interactions and meetings with the substructures to improve communication and collaboration in the development process.
- Suggestions were made to reduce the size of unit committees either by making the *size* proportional to the population of the community or electing only 2-3 members per unit committee.

#### **3. Staffing situation**

The three districts continue to perform their functions in spite of the challenges faced in attracting qualified technical staff.

- The districts are not able to attract qualified staff; additionally, there is a high turnover with the few qualified staff that they are able to employ. All three districts needed additional staff:
- Additionally, the slow implementation of the Local Government Service Act has pushed some workers into a state of limbo and this has adversely affected productivity.

#### Recommendation

- In the light of the accumulation of salary arrears combined with the inability of all three district assemblies to generate enough revenue to rectify this situation, suggestions were made for the central government to pay remuneration and salaries for the affected staff.

#### **4. District assembly relationship with decentralized departments and organizations<sup>1</sup>, and central and regional departments**

In all three districts there is some level of collaboration especially in the implementation of national programs such as teachers' day celebrations, immunization programs and farmers' day celebrations. In Hohoe district the heads of the units praised the practice where they are able to make inputs and participate in the planning process with the DA.

#### Recommendations

- There is the urgent need to address the question as to the exact nature of the District Assembly's financial obligations towards district offices of sector ministries in the light of national budgetary provisions for their activities and programs.
  - It was advocated at all the meetings that the DAs and district departments should be guided by the importance of consultation, coordination and collaboration, at and across all levels of the decentralization process to achieve the desired developmental changes in the districts.
- 5. Operational dynamics, including review of special programs such as the CIDA supported Food and Agricultural Budgetary Support (FABS) program; the Capitation Grant scheme, the Poverty Alleviation Fund and the National Health Insurance scheme<sup>2</sup>.**

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<sup>1</sup> Schedule eight of the Local Government Act, 1993 list 22 departments and organizations that cease to exist at the district level; their functions and staff transferred to relevant departments of DA and form part of the local government service.

<sup>2</sup> **FABS** aims at improved economic growth through provision of credit for production, processing, storage and marketing of agricultural produce, each DA is to receive ₵350M for projects identified by Farmer-Based Organizations. The **Capitation Grant** scheme provides a grant figure of approximately ₵30,000 per child to cover fees aimed at removing the burden of user fees from parents. The **Poverty Alleviation Fund** is designed to be a revolving fund for the provision of credit to the poor and the vulnerable as seed money in order to enhance their ability to improve their income levels and through that gradually move out of poverty. **NHIS** is designed to offer affordable medical care to Ghanaians especially the poor, the aged and the vulnerable.

- All three districts have in place their health insurance schemes and they are at different stages of the implementation of other poverty reduction initiatives such as the Food and Agricultural Budgetary Support Program (FABS). The Capitation grant for example has led to an increase in enrollment in almost all the schools.

#### Recommendations

- There is the urgent need to expand capacity building initiatives on processes and requirements for accessing the Capitation grant to all heads of institutions.
- The districts were encouraged to shift from disbursing the poverty alleviation fund to individuals to providing loans to organized community-based groups to help improve recovery rate of loans granted.

### **6. Financial Resources of DAs: Local Revenue Mobilization, Utilization of the District Assembly Common Fund (DACF) and other resources.**

In all the three districts important infrastructural developments have been undertaken with funding mainly from the assemblies' share of the DACF and some from the HIPC funds; these included pavilion structures for a nursing training school at Ho, and an Art Gallery for Artists at Kpando. Some DAs continue to experience delay in the receipt of DACF and other funds which slows down considerably the progress of development projects. Local revenue mobilization continues to be a challenge for all three DAs<sup>3</sup>;

#### Recommendations:

- There were suggestions for DAs and UTAs to come to a compromise and agree on the roles and responsibilities in revenue collection since UTAs are better placed to provide more efficient revenue collection with minimum cost.
- There was general agreement on the need for DAs to continue to explore ways to improve local revenue mobilization. To this end, it was suggested that one of the strategies is for the existing laws to be reviewed in order to ensure clear definition of roles and responsibilities for the different groups including the DA and UTA councils.

### **7. Community participation in local governance and development processes and activities**

District assemblies continue to undertake regular tours to engage with community leaders, educate citizens, as well as familiarize themselves with community developments. Efforts are made through assemblymen and other members of councils and unit committees to include community concerns in the development agenda. The Hohoe district for example has an NGO/CBO desk which is seen by many as useful.

Despite the above, community participation in the decentralization process is not at its optimum for these reasons: First, communities perceive the decentralization process as a government-owned program mainly because of the top-down

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<sup>3</sup> An ADB supported analysis by Inanga E.L. and Osei-Wusu D. (2004) on Financial resource base of sub-national governments and fiscal decentralization in Ghana which identified these challenges also concluded that sub national governments do not support fiscal autonomy instead they prefer being served by the central government.

approach adopted during the initial roll out of the process; thus the expectation was that their participation would earn them some remuneration (this is especially the case at the unit committee level); the second, relates to citizen's unmet expectations, for example, the lack of control by DAs over major development initiatives, prepared from the central or regional level and carried over to the district level, makes it difficult to integrate community needs into such initiatives, and this numbs community participation.

#### Recommendation

- It was stressed that community involvement is essential in achieving the objectives of decentralization. The districts were called upon to initiate special processes to include the vulnerable and the excluded such as citizens in remote locations, the poor, the aged, and people living with disability in development processes.