

IN THE THIRD SESSION OF THE
SEVENTH PARLIAMENT OF THE
FOURTH REPUBLIC OF GHANA

REPORT OF THE SPECIAL
BUDGET COMMITTEE

ON THE

2020 BUDGET ESTIMATES OF THE PUBLIC
SERVICES COMMISSION

DECEMBER 2019

IN THE THIRD SESSION OF THE SEVENTH PARLIAMENT OF THE FOURTH
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1.0 INTRODUCTION

The Minister for Finance, Hon. Ken Ofori Atta presented the Budget Statement and Economic Policy of the Government of Ghana for the 2020 financial year to the House on Wednesday, 13th November, 2019 in accordance with Article 179 of the 1992 Constitution and Section 21 (3) of the Public Financial Management Act, 2016 (Act 921).

The Rt. Hon. Speaker referred the Estimates of the Public Services Commission (PSC) to the Special Budget Committee for consideration and report in accordance with Order 140(4) of the Standing Orders of the House

2.0 DELIBERATIONS

In the considering the estimates, the Committee was assisted by the Chairman of the Commission, Madam Janet-Ampadu Fofie of the Public Services Commission, officials from the Ministry of Finance and the Public Services Commission (PSC).

The Committee expresses its gratitude to the Chairman and officials for the assistance.

3.0 REFERENCE DOCUMENTS

The Committee made reference to the following documents during its deliberations:

- a. The 1992 Constitution of the Republic of Ghana;
- b. Public Financial Management Act, 2016 (Act 921)
- c. The Public Services Commission Act, 1994 (Act 482);
- d. The Standing Orders of the Parliament of Ghana;
- e. The Budget Statement and Economic Policy of the Government of Ghana for the 2019 Financial Year;
- f. The 2020 Medium Term Expenditure Framework (MTEF) of the Public Services Commission;
- g. National Medium Term Development Policy Framework (NMTDPF) for 2020 – 2023; and
- h. The Sustainable Development Goals (SDGs).

4.0 BACKGROUND

The Public Services Commission (PSC) was established by an Act of Parliament in 1994 (Act 482) to formulate, monitor and implement Government policies and guidelines for the efficient management and development of the human resource base of the Public Service. The Vision of the Commission is to improve the capacities of public servants for increased productivity and efficient service delivery.

The Public Services Commission therefore exist to advice Government on the criteria for appointments to public offices as well as persons to hold or act in Public Services. It is also to promote efficiency, accountability and integrity in the Public Service as well

as prescribe appropriate measures and procedures for the management of personnel records within the Service.

The Public Service Commission is also mandated to explore, identify and promote the recruitment of suitable personnel into the Public Service and undertake the planning of manpower requirements of the Public Services.

The Commission is also responsible for the conduct of examinations and interviews for appointments to post and for promotions in the public service. This is to ensure uniform standard of selection and qualifications into public service.

5.0 GOALS AND POLICY OBJECTIVES

The goal of Public Services Commission (PSC) for the medium term is to promote a well-managed work force capable and committed to deliver high quality services for accelerated growth and sustainable development.

In pursuit of this goal, the PSC performs the following key activities:

- Advise Government on the criteria for appointment to public offices as well as persons to hold or act in Public Services.
- Prescribe appropriate systems and procedures for the management of personnel records within the Public Service.
- Review the organizational structure and manpower requirements of agencies and bodies in the Public Services and advise Government on such manpower rationalizations as may be necessary for optimum utilization of human resources in the Public Services.

- Oversee the Human Resource development activities of Public Service Organizations to ensure career planning and career development in the Public Services.
- Improve requirement, policies and techniques by introducing modern methods of determining suitability of officers.

6.0 PERFORMANCE IN 2019

In pursuit of the above mandate, the Commission during the year under review achieved the following among others:

6.1 Development of Human Resource Management Information system

To strength control around entrance, exit promotions and positions across the various public services, Public Services Commission commenced the process of establishing a comprehensive Human Resource Management Information System (HRMIS) of all public service employees on a common oracle platform. As at September, 2019 sixty-three (63) Ministries, Departments and Agencies (MDAs) made up of ten (10) commissions and agencies have gone live on HRMIS.

The 63 MDAs that have gone live on the system included the office of the president, Office of the administrator of stool lands, Hydrology Department, Electoral Commission, National Commission on culture, Ghana Education Service, Ghana Audit Service, Ministry of Education , Ministry of Health, Ministry of Justice and Attorney General, Ministry of Employment and Labour Relations, Ministry of Foreign Affairs and Regional integration, Ministry of Works and Housing, Ghana News Agency, Ghana

Highway Authority, Ghana Standard Authority, Ghana Library Authority, Public Procurement Authority, National Disaster Management Organisations and Nursing and Midwifery Council, GRATIS, EOCO, NABTEX and Food and Drugs Authority.

6.2 Conduct of Human Resource Audit in Public Service Organisations.

The Commission commenced the Human Resource Audit project in 2015 and continued its implementation through 2016, in collaboration with the Ministry of Finance and the Controller and Accountants-Generals Department, employees details were submitted and reviewed by the HR Audit Quality Assurance Team (QAT).

In 2019, final reports on HR Audit were submitted for two (2) MDAs namely the securities and Exchange Commission and Ghana Standard Authority. Final draft HR Audit reports were submitted and reviewed per the project quality standard by the HR Audit Quality Assurance Team (QAT). Establishment ceilings for the Security and Exchange Commission was approved, whilst processes are underway to get the ceilings for Ghana Standard Authority approved.

6.3 Implementation of the Human Resource Management Policy Framework and Manual.

The Public Services Commission continued with the sensitization and training of public servants in the use of the Human Resource Management Policy Framework and Manual. The Commission continued with the sensitization and training of Boards and Senior Management teams of some public service organisations.

Five hundred and twelve (512) copies of the manual were printed and distributed to public service organisation for use.

6.4 Implementation of the New Performance Management System

In 2019, the Commission continued with the sensitization and training of public servants in the use of the new performance management instrument. Out of the ten (10) MDAs that requested for the training on the new instrument, the Commission trained three hundred and seventy-seven (377) Human Resource Directors and Managers from eight (8) MDAs in the use of the new performance appraisal instrument.

6.5 Development of Schemes and Conditions of Service

The Commission by its mandate, is required to provide guidance for the development of Schemes and Conditions of Services for Public Services Organisations to facilitates effective recruitment, career development and progression, as well as motivate staff for effective service delivery. It also provides the framework that regulates the relationship between the employer and the employees with regards to right and responsibilities, working conditions, labour relations and related issues. Out of a total of twenty- one (21) Public Service Organisation (PSOs) that submitted requests for support in the development of Schemes Services, the Commission facilitated workshops for sixteen (16) organisations for the development of Schemes of Service.

Fifteen (15), out of seventeen existing schemes of service were reviewed by the Commission. Out of this number, seven schemes of service were completed and five of them were approved.

7.0 2019 BUDGET PERFORMANCE

To undertake its planned programmes and activities the Public Services Commission was appropriated the sum of ***Eight Million, Fifty-six Thousand and Forty Ghana Cedis (GH¢8,056,040)*** for its activities in 2019. The allocation was disbursed among the various cost center of the Commission as follows:

Employee Compensation	-	GH¢4,911,149
Goods and Services (GoG)	-	GH¢2,194,891
Capital Expenditure	-	GH¢930,000
Total allocation	-	GH¢8,056,040

As at 30th September 2019, an amount of GH¢5,540,795.84 representing 68.78% of the total allocation had been released to the Commission as follows:

Compensation	.	GH¢2,997,760.00
Good and Services	-	GH¢1,593,035.84
Capex	-	GH¢950,000.00
Total	-	GH¢5,540,795.84

The actual amount utilized by the Commission in pursuit of its objectives is GH¢4,519,479.49 representing 56.10% of the appropriation and 81.57% of releases. The actual expenditure relates to the following:

Compensation	-	GH¢2,943,524.67
Goods and Services	-	GH¢1,593,035.84
CAPEX	-	GH¢0.00.
Total	-	GH¢4,536,560.51

Details of resources allocated to the Commission in 2019 and actual expenditure as at 30th September, 2018 is presented in table 1.

Table 1: Summary of 2019 Budget Allocation and Expenditure Returns

Cost Centre	2019 Allocation (GH¢) (A)	Releases as at 30/09/2019 (GH¢) (B)	Actual expenditure (GH¢) (C)	Variance (GH¢) (A-B)	% Released
Compensation	4,911,149	2,997,760	2,943,524.67	1,913,389	61.04
Goods & Service	2,194,891	1,593,035.84	1,593,035.84	601,855.16	72.58
Capital Expenditure	950,000	950,000	0.00	0.00	100.00
TOTAL	8,056,040	5,540,795.84	4,536,560.51	2,515,244.16	68.78

8.0 OUTLOOK FOR 2020

In furtherance of its mandate and stated objectives, the PSC intends to undertake the following activities among others in 2020 financial year:

- a. Train Chief Executive Officers, Board/Council Members of Public Service organisations on Good Corporate Governance and rules and regulations governing Human Resource Management in public institutions.
- b. Interview prospective candidates for Appointment as Chief Executive Officers for State Owned Organisations through open, competitive and transparent process.

- c. Sensitize and build capacity of end user MDAs on the Human Resource Management Information System.
- d. Monitor and evaluate the performance of the Human Resource Management Information System (HRMIS).
- e. Facilitate review and development of scheme of service for public service organisations.
- f. Conduct Human Resource Audit of three (3) Public Service Organisations.

9.0 2020 BUDGET ALLOCATION

For the implementation of the above programmes and activities, an amount of **Eleven Million, Two Hundred and Fifty-One Thousand Five Hundred and Thirty-Seven Ghana Cedis (GH¢11,251,537)** has been allocated in the 2020 Budget for the activities of the Public Services Commission. Out of this amount, **GH¢8,392,187** is from GoG and **GH¢2,859,350** is from Development partners.

The allocation will be disbursed among the various cost center of the Commission as follows:

Employee Compensation	-	GH¢4,350,733
Goods and Services (GoG)	-	GH¢3,041,454
Capital Expenditure (GoG)	-	GH¢1,000,000
Sub Total (GoG)	-	GH¢8,392,187
Capital Expenditure (DP)	-	GH¢2,859,350
Sub Total (DP)	-	GH¢2,859,350
Grand Total	-	<u>GH¢11,251,537</u>

10.0 OBSERVATIONS AND RECOMMENDATIONS

The Committee after careful examination of the 2020 estimates of the Public Services Commission made the following observations and recommendations:

10.1 *Inadequate Personnel*

The Committee as part of its report on the 2019 Estimates of PSC recommended to the Minister of Finance to grant clearance to the Commission to recruit some addition 39 staff required to augment its staff strength to effectively deliver on its mandate.

The Committee further noted at the time that, PSC intended to decentralize its operations into four zones in the country to bring its activities and services closer to MDAs and MMDAs at the regional and District levels. The implementation of the decentralization programmes requires the deployment of the additional staff to the proposed zonal offices.

The Committee noted that though the Ministry of Finance allocated resources in the 2019 budget to meet the compensation requirements of the additional staff, clearance was not granted to enable the Commission to recruit the staff required.

The Committee was informed that, the services of the additional staff is urgently required for the successful implementation of the HRMIS. Also, the creation of six (6) new regions has made it necessary for the Commission to increase its additional Staff requirement from the original 39 to 62.

The Committee therefore urges the Minister of Finance to grant the needed clearance to the Commission to enable it recruit the additional staff to ensure the successful implementation of the HRMIS and to improve efficiency in Human Resource Management in the Public Service.

10.2 Slow Pace of Migration of Public Service Institutions unto the Human Resource Management Information System (HRMIS)

The Committee noted that the slow pace at which the PSC is able to deploy the HRMIS system in public service institutions. Deployment of the system commenced in 2018 where the HRMIS was extended to all MDAs in some regional capitals. However, only four (4) additional institutions were migrated to the HRMIS platform as at September 2019.

Officials from the Commission explained to the Committee that, the slow pace of migration of public service institutions was as a result of the need to reconfigure the HRMIS to address some challenges identified during implementation. As a result of the review and reconfiguration.

The Committee was assured that work on the reconfiguration will be completed on the by end of December, 2019 for migration to resume.

The Committee urges the Commission to expedite action on the reconfiguration and migration so as to ensure that all public service institutions are migrated to the HRMIS platform to reduce the abuse in the Human Resource management in the public services.

11.0 CONCLUSION

The Committee, having carefully examined the 2020 Annual Estimates of the Public Services Commission (PSC) and having regards to the strategic role of PSC in improving service delivery in the Public Services, recommends to the House to adopt its report and approve the sum of ***Eleven Million, Two Hundred and Fifty-One Thousand, Five Hundred and Thirty-Seven Ghana Cedis (GH¢11,251,537)*** to enable the Public Services Commission implement its programmes and activities for the 2020 financial year.

Respectfully submitted.

for Osei Kyei-Mensah-Bonsu

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HON. OSEI KYEI-MENSAH-BONSU
(MAJORITY LEADER & CHAIRMAN,
SPECIAL BUDGET COMMITTEE)



Inusah Mohammed
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INUSAH MOHAMMED (MR.)
(CLERK TO THE COMMITTEE)

December, 2019