



**IN THE SECOND SESSION OF THE  
SIXTH PARLIAMENT OF THE FOURTH  
REPUBLIC OF GHANA**

**REPORT OF THE SPECIAL BUDGET  
COMMITTEE**

**ON THE**

**2015 ANNUAL BUDGET ESTIMATES OF  
THE OFFICE OF THE ADMINISTRATOR  
OF THE DISTRICT ASSEMBLIES  
COMMON FUND**



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BUDGET ESTIMATES OF THE OFFICE OF THE ADMINISTRATOR OF  
THE DISTRICT ASSEMBLIES COMMON FUND**

**1.0 INTRODUCTION**

1.1 The Budget Statement and Economic Policy of the Government for the year ending 31<sup>st</sup> December, 2015 was presented to Parliament on Wednesday, 19<sup>th</sup> November, 2014 by the Hon. Minister for Finance, Mr. Seth E. Terkper, in accordance with Article 179 of the 1992 Constitution.

Pursuant to Order 140(4) of the Standing Orders of the House, the Speaker referred the Draft Annual Budget Estimates of the Office of the Administrator of the District Assemblies Common Fund (OADACF) to the Special Budget Committee for consideration and report.

1.2 The Committee met with the Administrator, Mr. Kojo Fynn and the accountant of the Office of the Administrator of the District Assemblies Common Fund, Mr. Ebenezer Yemofio and considered the said Estimates.

The Committee extends its appreciation to the above mentioned persons for their input at the Committee's meeting.

## **2.0 Reference Documents**

The following documents were used by the Committee as reference materials:

- The 1992 Constitution of the Republic of Ghana.
- The Standing Orders of the Parliament of Ghana.
- The Budget Statement and Economic Policy of the Government of Ghana for the 2014 Financial Year.
- The Budget Statement and Economic Policy of the Government of Ghana for the 2015 Financial Year.
- The Report of the Special Budget Committee on the 2014 Budget Estimates the Office of the Administrator of the District Assemblies Common Fund

## **3.0 MISSION**

The Office of the Administrator of the DACF exists to essentially disburse and manage the District Assembly Fund effectively and efficiently through the use of information technology to Metropolitan, Municipal, and District Assemblies.

## **4.0 CORE FUNCTIONS OF DACF ARE:**

- To propose a formula annually for the distribution of the DACF for parliamentary approval
- To administer and distribute the monies paid into the DACF among MMDA's in accordance with approved formula
- To report in writing to the Minister for Local Government and Rural Development on how allocations made to MMDAs have been utilized

- To perform any other function that may be directed by the President

## **5.0 PERFORMANCE IN 2014**

5.1 The allocation and releases to the Office of the Administrator of the DACF for year 2014 for its planned programmes and activities was Three Hundred and Eleven Thousand, Eight Hundred and thirty three Ghana Cedis (**GH¢311,833.00**).

### 5.2 The office was able to execute the under-listed programmes

- Prepared and installed MIS Software System for capturing expenditure returns and supplementary budgets from MDAs
- Refurbished the DACF Office
- Organized review Regional Coordinating Councils (RCCs)
- Procured of two (2) Monitoring Vehicles for monitoring projects and programmes of MMDAs
- Presented 2014 DACF sharing formula for approval and transfer of quarterly allocations to MMDAs, RCCs and MPs
- Presented 2013 Audited Accounts and Annual Reports
- Trained staff
- Procured Electricity Generation Plant for Office use to ensure constant power supply

## **6.0 OUTLOOK FOR 2015**

For the year 2015, the Office intends to step up its activities as follows:

- To procure two (2) additional cross country vehicles for Monitoring and Evaluation purposes.

- Increase the number of visits to Metropolitan/Municipal District Assemblies in collaboration with the Regional Co-ordinating Councils
- Present formula for approval
- Report promptly to parliament on the activities of the Fund
- Continue to improve skills and knowledge of staff
- Development of new modern office building between 2015 and 2016 fiscal years
- Sponsor staff for external capacity building/training

#### 8.0 **PROVISION FOR 2015 BUDGET**

The Office of the Administrator of the District Assembly Common Fund has been allocated a sum of ***Two Hundred and Twenty Two Thousand, Eight Hundred and Fifty Ghana Cedis (GH¢222,850.00)*** for 2015. This allocation is meant only for employee compensation.

#### 8.0 **OBSERVATIONS AND RECOMMENDATIONS**

##### 8.1 **Allocation for 2014**

With regards to compensation of employees in 2014, an amount of GH¢311,833.00 was allocated. However, the total allocation for compensation of employees for the year 2015 is GH¢222,850.00 leading to a fall in Budget allocation from the subsequent year.

The Committee was concerned about the expenditure trend and the basis for the reduction in the budgetary allocation for employee compensation to the OADACF for year 2015 as compared to that of 2014.

It was also noted that no allocation was made for Goods and Services and Assets expenditure although the OADACF had submitted a proposal for an amount of GH¢6,333,596.00 for its operations. The Committee is of the opinion that, although the Office always relies on the retention of a percentage of the total DACF approved by Parliament for its goods and service expenditure, it was necessary that these expenditure be met from the GOG funds so that the retention of the 0.5% of Common Fund by the Office could be used for other operational purposes.

The Committee deemed it very important for the Ministry of Finance to include the Estimates for items 2 and 3 of the OADACF in the Annual Budget Statement to streamline its operations. In doing so, OADACF must make projections by taking into consideration the previous year's expenditure in making budget proposals for the two expenditure items.

## 8.2 Delays in the Release of Funds to the MMDAs

Whilst the Committee focused mainly on the allocation to the Office of the District Assembly Common Fund, it also expressed displeasure about the continual delay in the release of funds on quarterly basis from the Ministry of Finance as directed by Article 252 (2) of the 1992 Constitution of Ghana and the DACF Act, 1993, Act 455 (3) which states that "the allocation made by Parliament under Section 2 (of the Act) be paid into the Common Fund in quarterly installments".

The Committee strongly believes that, these delays and late releases do not only frustrate and impede development in the MMDAs but also perpetuate and escalate poverty among deprived communities.

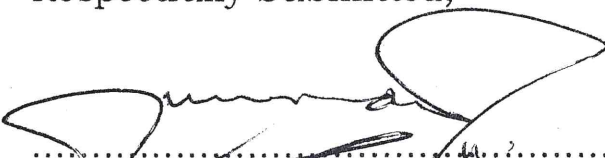
It is however disturbing to note that the Ministry of Finance has not made any effort to rectify the anomaly. As a result, there is an outstanding arrears in the statutory payments of the quarterly releases for about a year.

The Committee once again requests that the process for the release of the DACF allocation for 2014 be expedited to enable the Administrator of the DACF make disbursement.

## **9.0 CONCLUSION**

The Special Budget Committee recommends to the House to approve the sum of **Two Hundred and Twenty Two Thousand, Eight Hundred and Fifty (GH¢222,850.00)** to cater for Employee Compensation expenditure of the Office of the Administrator of the District Assemblies Common Fund for the 2015 financial year.

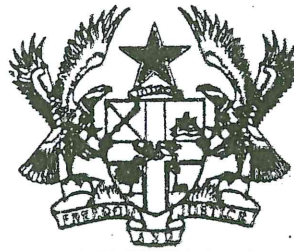
Respectfully Submitted,

  
.....  
**HON. ALBAN S.K. BAGBIN**  
**MAJORITY LEADER &**  
**CHAIRMAN, SPECIAL BUDGET COMMITTEE**

  
.....  
**MRS. AKUA DUROWAA OWUSU AGYEKUM**  
**CLERK, SPECIAL BUDGET COMMITTEE**

**10<sup>th</sup> December, 2014**





Republic of Ghana

3<sup>rd</sup> November, 2014

**THE RIGHT HON. SPEAKER OF PARLIAMENT  
OFFICE OF PARLIAMENT  
PARLIAMENT HOUSE  
ACCRA**



**Right Honourable Speaker,**

In accordance with Section 27 of the Audit Service Act 2000, Act 584 and Section 156(3)(4) of the Financial Administration Regulations, 2004 (LI 1802), I submit herewith the 2015 Budget of the Audit Service for the attention of the House.

The estimates amount to One Hundred and Fifty Two Million, One Hundred and Sixty Five Thousand, Six Hundred and Ninety Seven Ghana Cedis (GH¢152,165,697.00).

However, I recommend to the House to approve the sum of One Hundred and Twenty-Five Million, Five Hundred and Twenty Seven Thousand, Six Hundred and Ten Ghana Cedis (GH¢125,527,610.00) for the Audit Service for 2015.

The breakdown is as follows:

| GoG Funding               |                            |             | Public | Funding                     |             |
|---------------------------|----------------------------|-------------|--------|-----------------------------|-------------|
| Compensation of Employees | Goods and Services & CAPEX | Sub Total   | IGF    | Development Partner Funding | Grand Total |
| GH¢                       | GH¢                        | GH¢         | GH¢    | GH¢                         | GH¢         |
| 105,483,176               | 20,044,434                 | 125,527,610 | -      | -                           | 125,527,610 |

Please accept, Right Honourable Speaker, the assurance of my highest esteem.

**JOHN DRAMANI MAHAMA  
PRESIDENT OF THE REPUBLIC OF GHANA**

② clerk  
PP. Let's speak

③ DC/PAC-Table  
PL discuss with chairman of

