

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

**REPORT OF THE
COMMITTEE ON WORKS AND HOUSING**

ON THE

**2023 ANNUAL BUDGET ESTIMATES OF
THE MINISTRY OF WORKS AND
HOUSING**

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REPORT OF THE COMMITTEE ON WORKS AND HOUSING ON THE 2023

ANNUAL BUDGET ESTIMATES OF THE MINISTRY OF WORKS AND HOUSING

1.0 INTRODUCTION

The Hon Minister responsible for Finance, Mr Ken Ofori-Atta, on Thursday, 24th November 2022, presented to Parliament the Budget Statement and Economic Policy of the Government for the 2023 financial year in accordance with article 179 (1) of the 1992 Constitution of the Republic of Ghana and Order 140(2) of the Standing Orders of Parliament.

The 2023 Annual Budget Estimates of the Ministry of Works and Housing were referred to the Committee on Works and Housing for consideration and report pursuant to Orders 140(4) and 180 of the Standing Orders of Parliament of Ghana.

On Friday, 9th December 2022, the Committee met the Deputy Minister for Works and Housing, Hon Abdulai Abanga, officials of the Ministry as well as representatives of the Ministry of Finance and considered the referral. The Committee is grateful to the Deputy Minister and the team as well as officials of the Ministry of Finance for their cooperation.

The Programme-Based Budget for 2023 covers the Headquarters and the under listed Agencies of the Ministry of Works and Housing:

1.1 WORKS SUB – SECTOR

- i. Public Works Department (PWD)
- ii. Hydrological Services Department (HSD)
- iii. Engineering Council (EC)
- iv. Architectural and Engineering Services Limited (AESL)

1.2 HOUSING SUB – SECTOR

- i. Rent Control Department (RCD)
- ii. Department of Rural Housing (DRH)
- iii. Public Servants Housing Loan Scheme Board (PSHLSB)
- iv. Architects Registration Council (ARC)
- v. State Housing Company Limited (SHC)
- vi. Tema Development Company (TDC)

2.0 REFERENCE DOCUMENTS

The Committee referred to the underlisted documents during its deliberations:

- i. The 1992 Constitution of Ghana;
- ii. The Standing Orders of the Parliament of Ghana;
- iii. The Budget Statement and Economic Policy of the Government of Ghana for the 2022 Financial Year;

- iv. The Budget Statement and Economic Policy of the Government of Ghana. for the 2023 Financial Year;
- v. The 2022 Annual Budget Estimates of the Ministry of Works and Housing; and
- vi. The 2023 Annual Budget Estimates of the Ministry of Works and Housing.

3.0 GOALS OF THE MINISTRY OF WORKS AND HOUSING

The Ministry of Works and Housing in accordance with its Sector Medium Term Development Plan has three (3) broad sectoral goals in line with its mandate.

These goals are:

- i To reduce the national housing deficit through the provision of adequate, safe, secure, quality, and affordable housing schemes in collaboration with the private sector;
- ii To reduce coastal and marine erosion and build a competitive and modern construction industry to protect life, property, and the environment; and
- iii To address recurrent devastating floods and promote proper maintenance culture to protect life, property, and the environment.

4.0 CORE FUNCTIONS OF THE MINISTRY OF WORKS AND HOUSING

The Ministry's departments and agencies are mandated to achieve their goals and aspirations through the following core functions:

- Initiating, formulating and implementing policies and programmes to enhance service delivery in the area of works and housing;
- Undertaking development planning in consultation with the National Development Planning Commission;
- Providing, regulating and facilitating access to safe shelter, flood control systems, operational hydrological networks and drainage systems;
- Providing, maintaining and protecting public property and infrastructure;
- Supporting the private sector in the provision of safe shelter,
- Supporting creative and innovative research in the production and use of improved local building materials; and
- Coordinating, monitoring and evaluating the efficiency and effectiveness of the performance of the sector

5.0 FINANCIAL PERFORMANCE IN 2022

For the year 2022, the Ministry of Works and Housing was initially allocated a total budgetary amount of GH¢429,812,000.00. This amount was subsequently revised to GH¢336,965,843.00. However, an amount of GH¢82,206,926.00 representing 24.39 per cent had been released as at 30th September, 2022. The actual payment to the Ministry was GH¢65,886,019.00 representing 19.6 per cent of the revised budget.

Table 1 gives a breakdown of the total budgetary allocation and expenditure as at 30th September 2022.

Table 1: 2022 Budgetary Allocation by to Economic Classification and Sources of Funding

Fund Source	Expenditure Classification	2022 Approved Budget/ Appropriation GH¢	2022 Revised Budget GH¢	2022 Amount Released GH¢	Actual Payments For 2022 GH¢
GoG	<i>Compensation of Employees</i>	22,181,000.00	22,181,001.00	14,867,981.00	14,867,981.00
	<i>Goods & Services</i>	12,039,000.00	8,584,990.00	381,022.00	381,022.00
	<i>Capital Expenditure</i>	297,046,000.00	207,653,852.00	41,109,730.00	40,735,308.00
	Sub-Total (GoG)	331,266,000.00	238,419,843.00	56,358,733.00	55,984,311.00
IGF	<i>Goods & Services</i>	943,000.00	943,000.00	156,435.00	156,435.00
	Sub-total (IGF)	943,000.00	943,000.00	156,435.00	156,435.00
ABFA	<i>Capital Expenditure</i>	19,776,000.00	19,776,000.00	23,519,087.00	7,572,602.00
	Sub-total (ABFA)	19,776,000.00	19,776,000.00	23,519,087.00	7,572,602.00
DONOR	<i>Capital Expenditure</i>	77,827,000.00	77,827,000.00	2,172,671.00	2,172,671.00
	Sub-Total (Donor)	77,827,000.00	77,827,000.00	2,172,671.00	2,172,671.00
Total		429,812,000.00	336,965,843.00	82,206,926.00	65,886,019.00

Source: Presentation by the Ministry of Works and Housing, 2022

6.0 PERFORMANCE OF THE MINISTRY FOR YEAR 2022

6.1 Policies and Regulations

The Ministry in year 2022 carried out the following activities:

- Presented the Ghana Hydrological Authority Bill, 2021 to Parliament which was passed on 28th July, 2022;
- Secured policy approval from Cabinet for the establishment of the Ghana Housing Authority;
- Received policy approval from Cabinet for the review of the Rent Law; and
- Presented the Revised Ghana Building Regulations to Parliament.

6.2 Coastal Protection Works

6.2.1 The Ministry of Works and Housing continued with its coastal protection works to protect the coastal settlements against beach erosion and flooding and the livelihood of inhabitants.

6.2.2 The coastal protection projects across the country are at various levels of completion. Dansoman is at 97 per cent completion, Komenda Coastal Protection Project is 95 per cent complete, Elmina (Phase III) 92 per cent complete, Cape Coast 80 per cent complete and Anomabo is at 75 per cent completion.

Other coastal protection works at various stages of completion include, Dixcove (40 per cent), Aboadze Phase II (45 per cent) and Ningo-Prampram (50 per cent).

6.3 Drainage and Flood Control

6.3.1 The Committee noted that the Ministry undertook drainage improvement works to mitigate the disaster risks associated with flooding in various parts of the country with a focus on minimising the economic losses associated with floods.

6.3.2 The Ministry informed the Committee that a total of 61 desilting contracts were completed while 56 out of 93 construction works representing 60 per cent have been completed. Under the 2020 Programme, a total of 301 out of 312 desilting contracts were completed representing 96 per cent of the total number. The Ministry also indicated that 25 out of 110 construction works were completed among others.

6.3.3 The Ministry through the National Flood Control Programme (NFCP) completed the construction of 35km of drains. More than 1,000km of other drainage channels were excavated, rechannelled and maintained across the country towards reducing the perennial floods.

6.4 Human Settlement and Development Programme

6.4.1 The Committee noted that the Ministry continued work on Phase III of the Security Services Housing Programme which comprises the construction of 320

housing units for the Ghana Police Service at the Ghana National Police Training School, Tesano. The overall progress of work stands at 90 per cent.

6.4.2 The Ministry through the Tema Development Company Limited (TDC) continued the construction of 139 Blocks made up of 3,016 housing units under the Kpone Affordable Housing Programme. The project which is at 50 per cent complete will continue in 2023.

6.4.3 The Ministry of Works and Housing implemented some housing projects across the country through the State Housing Company (SHC) Limited. The Ministry informed the Committee that the Urban Premier Project comprising 40 housing units at Adenta has been completed. The Koforidua Affordable Housing Project which entails the construction of 342 housing units is ongoing.

6.4.4 The Legacy Court Project which involved the construction of 12 houses, 7 town homes and 40 apartments is 75 per cent complete.

6.4.5 The SHC Limited also continued the construction of 120 housing units each of Sefwi- Wiawso and Pwalugu which are at 45 per cent and 60 per cent complete, respectively.

6.4.6 The Ministry also informed the Committee about the progress of the construction of 121 housing units for public servants comprising two- and three-bedroom apartments as well as Townhouses at Ridge, Airport and Roman Ridge. The Ministry indicated that the projects are at various stages of completion and the installation of fittings and fixtures are ongoing.

7.0 OUTLOOK OF THE MINISTRY FOR YEAR 2023

In year 2023, the Ministry intends to implement the underlined programmes and projects.

7.1 Infrastructure Sector Management

7.1.1 Commence additional coastal protection works at Blekusu (Phase II), Apam, Axim (Phase II), La and Teshie, Dansoman (Phase II), Shama, Ningo-Prampram (Phase II), Tema New Town, Anloga, Takoradi and the Maritime University.

7.1.2 Continue the implementation of the remaining 67 construction works under 2018 and 2020 National Flood Control Programme across the country.

7.1.3 Commence additional works under the 2023 National Flood Control Programme across all the 16 regions of the country to improve resilience to flooding.

7.1.4 Pursue other priority projects including the Baale, Lafa, Zongo/Dzor, Tamale, Takoradi, Kumasi West, Kumasi East and the Kumasi Central Business District Drainage.

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7.2 Human Settlement and Development Programme

7.2.1 Complete Phase III of the Security Services Housing Programme at the Ghana National Police Training School, Tesano. Work on Phase IV of the programme will commence in 2023 for the Ghana Prisons Service.

7.2.2 Continue the construction of the Kpone Affordable Housing by Tema Development Company Limited (TDC).

7.2.3 Continue the construction of 121 housing units for public servants comprising two- and three-bedroom apartments and Townhouses at Ridge, Airport and Roman Ridge and the construction of additional 68 housing units at Lartebiokorshie, under the Redevelopment Programme.

8.0 BUDGET ALLOCATION TO THE MINISTRY FOR YEAR 2023

A total amount of Four Hundred and Seventy-Four Million, Two Hundred and Seventy-Two Thousand, Six Hundred and Eighteen Ghana Cedis (**GHC474,272,618.00**) has been allocated to the Ministry of Works and Housing to execute its planned programmes for the 2023 fiscal year.

Table 2 gives a breakdown of the total budgetary allocation by Economic Classification and Sources of funding.

Table 2: 2023 Budgetary Allocation

ECONOMIC CLASSIFICATION	GoG	IGF	ABFA	DONOR PARTNERS	TOTAL
	GHC	GHC	GHC	GHC	GHC
EMPLOYEE COMPENSATION	23,511,860.00				23,511,860.00
GOODS AND SERVICES	1,190,850.00	6,928,261.00		79,000,000.00	87,119,111.00
CAPEX	34,831,403.00	2,054,070.00	326,756,174.00		363,641,647.00
TOTAL	59,534,113.00	8,982,331.00	326,756,174.00	79,000,000.00	474,272,618.00

Source: Ministry of Works and Housing Programme Based Budget Estimates for 2023

9.0 OBSERVATIONS AND RECOMMENDATIONS

9.1 Blekusu Sea Defence Project

The Committee noted that Tidal Waves had posed threats to lives and properties at Blekusu and hence required immediate intervention. In light of this, the

Blekusu Sea Defence Project was initiated to mitigate the effects of coastal erosion and flooding in the communities along the Blekusu coastal stretch.

It came to the attention of the Committee that an amount of GH¢10 million was allocated for the Blekusu Sea Defence Project in year 2022. The Ministry indicated that feasibility studies have been completed and the report is currently under review.

The Committee therefore recommends that the Ministry takes urgent steps to commence work on the Blekusu Phase II Project in order to mitigate the risks posed by flooding to save lives and properties.

9.2 Inadequate and Untimely Release of Funds

The Committee observed that a revised amount of GH¢336,965,843.00 was allocated to the Ministry of Works and Housing for year 2022. However, as at 30th September 2022, an amount of GH¢82,206,926.00 representing 24.39 per cent of the allocation had been released.

The Committee further observed an increase in the outstanding bills and commitments of the Ministry to the tune of GH¢2.76 billion. It was noted that the budgetary allocation of the Ministry for the 2023 fiscal year cannot adequately settle the outstanding bills of the Ministry.

The Committee therefore recommends that the Ministry of Works and Housing collaborates with the Ministry of Finance to structure a debt management strategy for the Ministry to settle its outstanding bills.

The Committee also urges the Ministry of Finance to ensure the timely release of funds to enable the Ministry undertake its activities.

9.3 Housing Deficit

The Committee was informed that the housing deficit of the country is estimated to be in excess of 1.8 million. The huge housing deficit is as a result of weak settlement planning, high cost of land, building materials and interest rate on loans.

The impact on the housing and construction sectors are attributed to weak regulatory and institutional framework as well as poor urban settlement planning leading to the formation of slums.

The Committee recommends that the Ministry of Works and Housing develop a social housing policy and also consider acquiring land banks that could be serviced by Government and given out to private developers for the construction of housing units to help address the housing needs of the country.

9.4 Saglemi Housing Project

The Committee raised concerns about the absence of expression of the Saglemi Housing Project in the 2023 Annual Budget Estimates of the Ministry. However, the Committee was informed that the status of the Saglemi Housing Project would be determined in due course as the Ministry had not yet concluded on the arrangements regarding the project.

9.5 Coastal protection Works and Flood Control

The Committee observed that in 2022, the Ministry undertook some drainage improvement works and coastal protection works geared towards mitigating the disaster risks associated with beach erosion and flooding in parts of the country including Dansoman, Komenda, Elmina, Anomabo, Cape Coast, Dixcove and Ningo Prampram.

Nonetheless, the Ministry had challenges with funding for construction, maintenance and the management of drainage and coastal protection infrastructure. Uncontrolled development has also resulted in encroachment on waterways and wetlands.

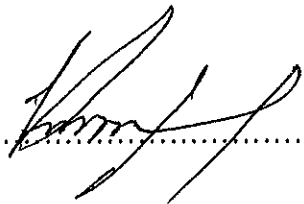
The Committee therefore recommends that the Ministry should be provided with adequate funds to enable it construct and maintain durable drainage systems and coastal protection infrastructure the country.

10.0 CONCLUSION

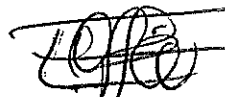
The Ministry of Works and Housing plays a critical role in facilitating access to safe shelter and ensuring mechanisms for flood control systems to enhance development. The Ministry is keen on seizing every opportunity, given the requisite funding and support by Government and the private sector, to ensure a robust and sustainable Works and Housing infrastructure for national development.

The Committee hereby recommends to the House to adopt its report and approve the sum of **Four Hundred and Seventy-Four Million, Two Hundred and Seventy-Two Thousand, Six Hundred and Eighteen Ghana Cedis (GH¢474,272,618.00)** for the implementation of the programmes and activities of the Ministry of Works and Housing for the financial year ending, 31st December, 2023.

Respectfully Submitted.



**HON ISAAC KWAME ASIAMAH
(CHAIRMAN, COMMITTEE ON
WORKS AND HOUSING)**



**MRS EUNICE K ABEKA
(SENIOR ASSISTANT CLERK,
COMMITTEE ON WORKS AND
AND HOUSING)**

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DECEMBER, 2022

