

IN THE FIRST SESSION OF THE EIGHTH PARLIAMENT OF THE FOURTH  
REPUBLIC OF GHANA

**REPORT OF THE SPECIAL BUDGET COMMITTEE**  
**ON THE 2021 ANNUAL BUDGET ESTIMATES OF**  
**THE PUBLIC SERVICES COMMISSION**

**1.0 INTRODUCTION**

The Hon Majority Leader and Minister for Parliamentary Affairs Mr. Osei Kyei-Mensa-Bonsu presented the Budget Statement and Economic Policy of the Government of Ghana for the 2021 financial year to the House on Friday, 12<sup>th</sup> March, 2021 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 consideration of the estimates, the Committee was assisted by the Chairperson of the Public Services Commission and other Commissioners of the Public Services Commission, officials from the Ministry of Finance and the Public Services Commission (PSC).

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

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### **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 2020 Financial Year;
- f. The 2021 Medium Term Expenditure Framework (MTEF) of the Public Services Commission;
- g. National Medium Term Development Policy Framework (NMTDPF) for 2021 – 2024; and
- h. 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 appointment 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.

Additionally, the Commission is 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 2020**

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

### **6.1 Development of Human Resource Management Information system (HRMIS)**

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 December, 2020 sixty-three (63) Ministries Departments and Agencies (MDAs) made up of ten (10) Commissions, Eighteen (18) Ministries, Six (6) Services, three (3) Departments and Twenty-six Agencies have gone live on HRMIS. The 63 MIDAs that have gone live on the system include, the following: 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 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. Employee details were submitted, reviewed and audited by the HR Audit Quality Assurance Team (QAT).

In 2020, HR Audit was conducted for the National Inspectorate Board (NIB). Final draft of HR final audit report was submitted and reviewed by the HR Audit Quality Assurance Team (QAT) and a draft interim report was submitted to the NIB for validation.

## **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. Two hundred and two (202) copies of the manual were printed and distributed to public service organisation for use.

#### **6.4 Implementation of the New Performance Management System**

In 2020, the Commission continued with the sensitization and training of public servants in the use of the new performance management instrument. Out of the six (6) MDAs that requested for the training on the new instrument, the Commission trained One hundred and seventy-six (176) 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- four (24) Public Service Organisation (PSOs) that submitted requests for support in the development of Schemes of Service, the Commission facilitated workshops for sixteen (13) organisations for the development of Schemes of Service. Out of this number, three schemes of service were completed and five of them were approved.

#### **7.0 2020 BUDGET PERFORMANCE**

To undertake its planned programmes and activities for 2020 the sum of **Eleven Million, Two Hundred and Fifty-One Thousand, Five Hundred and Thirty-Seven Ghana Cedis (GH¢11,251,537)** was

appropriated to the Public Services Commission in 2020. Out of this amount, GH¢8,392,187 was from GoG and GH¢2,859,350 was from Development Partners Fund. The development partners fund amounting to GH¢2,859,350 was to support the capital expenditure requirements of the Commission in 2020. The GoG allocation was disbursed among the various cost centers of the Commission as follows:

Employee Compensation	-	GH¢4,350,733.00
Goods and Services	-	GH¢3,041,454.00
Capital Expenditure	-	GH¢1,000,000.00
<b>Total</b>	-	<b><u>GH¢8,392,187.00</u></b>

As at 31<sup>st</sup> December, 2020, an amount of GH¢8,209,631.17 representing 98.82% of the total GoG allocation had been released to the Commission as follows:

Compensation	.	GH¢4,250,733.00
Good and Services	-	GH¢3,041,454.00
Capex	-	GH¢1,000,000.00
<b>Total</b>	-	<b><u>GH¢8,292,187.00</u></b>

The actual amount utilized by the Commission in pursuit of its objectives was GH¢8,209,631.17 representing 97.82% of the appropriation and 99% of releases. The actual expenditure relates to the following:

Compensation	-	GH¢4,174,370.00
Goods and Services	-	GH¢3,035,261.17
CAPEX	-	GH¢1,000,000.00
<b>Total</b>	-	<b>GH¢8,209,631.17</b>

Details of resources allocated to the Commission in 2020 and actual expenditure as at 31<sup>st</sup> December, 2020 is presented in table 1.

**Table 1: Summary of 2020 Budget Allocation and Expenditure Returns**

<b>Cost Centre</b>	<b>2020 Allocation (GH¢) (A)</b>	<b>Releases as at 30/09/2019 (GH¢) (B)</b>	<b>Actual expenditure (GH¢) (C)</b>	<b>Variance (GH¢) (A-B)</b>	<b>% Released</b>
<b>Compensation</b>	4,350,733	4,250,733.00	4,174,370.00	100,000.00	<b>97.70</b>
<b>Goods &amp; Service</b>	3,041,454	3,041,454.00	3,035,261.17	0.00	<b>100.00</b>
<b>CAPEX</b>	1,000,000	1,000,000.00	1,000,000.00	0.00	<b>100.00</b>
<b>TOTAL</b>	<b>8,392,187</b>	<b>8,292,187.00</b>	<b>8,209,631.17</b>	<b>100,000.00</b>	<b>98.82</b>

## **8.0 OUTLOOK FOR 2021**

In furtherance of its mandate and stated objectives, the PSC intends to undertake the following activities among others in 2021 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. Build Capacity of Human Resource Managers and Directors in public service organisations on procedures and practices in the appointment and recruitment of staff
- d. Sensitize end user MDAs on the establishment of the Human Resource Management Information System (HRMIS).



- e. Build capacity of end users on the Human Resource Management Information System (HRMIS).
- f. Monitor and evaluate the performance of the Human Resource Management Information System (HRMIS).
- g. Conduct monitoring and evaluation of Human Resource practices in public service organisations.
- h. Review Public Service Commission Act, 1994 (Act 482).

## **9.0 2021 BUDGET ALLOCATION**

For the implementation of its programmes and activities for 2021, an amount of **Twelve Million, Four Hundred and Seventy-Nine Thousand, Eight Hundred and Thirty-three Ghana Cedis (GH¢12,479,833)** has been allocated in the 2021 Budget for the activities of the Public Services Commission. The activities of the Commission are to be financed solely by resources allocated by the Government of Ghana.

The 2021 allocation will be disbursed among the various cost centers of the Commission as follows:

Employee Compensation	-	GH¢4,350,733
Goods and Services	-	GH¢4,036,600
Capital Expenditure	-	GH¢4,092,500
<b>Grand Total</b>	-	<b><u>GH¢12,479,833</u></b>

## **10.0 OBSERVATIONS AND RECOMMENDATIONS**

The Committee after careful examination of the 2021 estimates of the Public Services Commission made the following observations and recommendations:

### **10.1 Inadequate Logistics**

The Committee noted that the Public Services Commission lack adequate resources to enable it perform its functions efficiently. The Commission currently operates with overaged vehicles most of which have become more expensive to maintain than the actual value of the vehicles. This makes it difficult for the Commission to run its activities efficiently.

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The Committee also noticed a significant increase in Capital Expenditure allocation to the Commission. The capital expenditure allocation increased from GH¢1,000,000 in 2020 to GH¢4,092,500 in 2021, an increase of GH¢3,092,500 or 300.25% increase over the 2020 allocation.

The Commission informed the Committee that, the increased capital expenditure allocation will be expended on some critical capital expenditure requirements of the Commission including the procurement of additional vehicles and the renovation of its office building.

The Committee is of the view that, efficient Human resource management in the public service is important in improving the efficiency of public service delivery by public sector institutions. There is therefore the need to equip PSC with adequate logistics to enable it deliver on its mandate to improve human resources administration in public sector institutions and to ensure efficiency in public service delivery.

The Committee therefore wishes to recommend to Government and the Commission to consider reviewing the Public Service Commission Act 1994 (Act 482) in order to update its provision to enable meet the changing demands of modern human resource development.

The Committee is therefore gratified by the increased capital budget allocation to PSC and urged the Minister of Finance to ensure timely and adequate release of funds to enable the Commission deliver on its mandate.

#### **10.2 Outmoded Legislation**

The Committee noted that the Public Services Commission Act, Act 482 was promulgated in 1997 and has since not been amended to bring it in tune with modern trends. The Committee further noted that though Article 197 of the Constitution made provision for the Public Services Commission (PSC) to make regulations by Constitutional Instrument for the effective and efficient performance of its functions, this requirement has not been complied with since the coming into force of the 1992 Constitution. The absence of a Constitutional Instrument further inhibits the Commission from effectively performing its duties.

Officials of the Commission explained that, processes are under way to come out with a Constitutional instrument, review the existing legislation to, among others, empower the Commission to perform its functions and to allow it engage in income generating programs to augment its finances.

The Committee whilst agreeing with the need to amend the existing legislation also urged the Commission to assert itself and play an active role in the determinations of conditions of service of public sector institutions as required by the 1992 Constitution.

## 11.0 CONCLUSION

The Committee, having carefully examined the 2021 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 **Twelve Million, Four Hundred and Seventy-Nine Thousand, Eight Hundred and Thirty-three Ghana Cedis (GH¢12,479,833)** to enable the Public Services Commission implement its programmes and activities for the 2021 financial year.

Respectfully submitted,



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HON. HARUNA IDDIRISU  
(MINORITY LEADER & VICE CHAIRMAN,  
SPECIAL BUDGET COMMITTEE)

FOR : HON. KYEI-MENSAH BONSU  
THE CHAIRMAN



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

March, 2021