

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

REPORT OF THE COMMITTEE ON
WORKS AND HOUSING

ON THE

**ANNUAL BUDGET ESTIMATES
OF THE MINISTRY OF WATER
RESOURCES, WORKS AND
HOUSING FOR THE YEAR 2011**

1.0 INTRODUCTION

The Hon. Minister for Finance and Economic Planning, Dr. Kwabena Duffuor in fulfillment of Article 179 of the 1992 Constitution, presented the Budget Statement and Economic Policy of the Government for the fiscal year ending 31st December 2011 to the House on Thursday, 18th November 2010.

In accordance with Orders 140(4) and 180 of the Standing Orders of Parliament, the Rt. Hon. Speaker referred the Annual Budget Estimates of the Ministry of Water Resources, Works and Housing to the Committee on Works and Housing for consideration and report.

The Committee met with the Hon. Minister for Water Resources, Works and Housing, Mr. Alban S.K. Bagbin, his Deputy, Hon. Alhaji Dr. Maj. Mustapha Ahmed (Rtd.) and officials from the Ministry of Water Resources, Works and Housing, its Departments and Agencies. The Committee is grateful to the Hon. Minister and his team for their assistance.

2.0 REFERENCE DOCUMENTS

The Committee availed itself of the following reference documents during deliberations on the Budget Estimates:

- a. The 1992 Constitution of the Republic of Ghana.
- b. The Standing Orders of the House.
- c. The Budget Statement and Economic Policy of the Government for the 2011 Financial Year.
- d. Report of the Committee on Works and Housing on the 2010 Annual Budget Estimates of the Ministry of Water Resources, Works and Housing.

3.0 MISSION STATEMENT OF THE MINISTRY

The Ministry of Water Resources, Works and Housing exists to formulate and implement policies and programmes for the provision of adequate housing, other landed properties, potable water and development of infrastructure facilities in the areas of Water and Flood Control Systems, Drainage and Coastal Protection Works and Operational Hydrology for the benefit and improvement of the welfare of people living in Ghana.

4.0 OBJECTIVES OF THE MINISTRY

The following are some objectives outlined by the Ministry for the attainment of its Mission:

- a. To accelerate the provision of safe water.
- b. To promote rural and urban infrastructure development and the provision of basic services.
- c. To strengthen and support human resources training.
- d. To promote and facilitate private sector participation in housing and portable water delivery and
- e. To strengthen the data base for policy formulation and decision making.

5.0 DEPARTMENTS AND AGENCIES UNDER THE MINISTRY

The Ministry seeks to achieve its objectives through the combined efforts of the under-listed Departments and Agencies:

- a. Rent Control Department.
- b. Hydrological Services Department.
- c. Ghana Water Company Limited.
- d. Department of Rural Housing.
- e. Public Servants Housing Loan Scheme.
- f. Water Resources Commission.
- g. Community Water and Sanitation Agency.
- h. Architects Registration Council.
- i. Public Works Department.

6.0 PERFORMANCE FOR YEAR 2010

The Committee noted that the untimely release and in some cases, the non-release of funds to the Ministry, its Departments and Agencies affected the

attainment of some objectives in year 2010. Nevertheless, the following projects were carried out among others:

- a. The Ministry through the Community Water and Sanitation Agency (CWSA), constructed 64 new boreholes, 58 small town pipe systems, 2 small community pipe systems and 2 hand dug wells. 36 existing boreholes were rehabilitated while 18 rainwater catchment systems, 2,318 household latrines, and 172 institutional KVIP latrines commenced during the year.
- b. Under the Kwanyarko-Kosoa Water Supply Interconnection Project, construction works on the 500m³ reservoir, interconnecting new pipelines and town distribution networks at Kasoa, Gomoa Nyanyano, and Senya Bereku were completed. Main works on the Koforidua water supply project phases I and II were also completed. The extension of water supply to New Tafo and its immediate environs with the construction of transmission and distribution pipelines, booster station and reservoirs was about 90% completed.
- c. The Ministry continued to explore avenues to secure funding to construct safe, decent, and low income housing for the citizenry. The affordable housing programme is now on course at Borteyman-Nungua, Kpone-Tema, Asokore-Mampong, Tamale, Koforidua and Wa.
- d. The Ministry through the Public Servants Housing Loan Scheme, provided 225 houses for various categories of public servants in year 2010.

7.0 BUDGETARY ALLOCATION FOR YEAR 2011

7.1 A total sum of **Five Hundred and Fifty-Eight Million, Six Hundred and Twenty-Five Thousand, Eight Hundred and Ninety Ghana Cedis (GH¢558,625,890.00)** has been allocated to the Ministry of Water Resources, Works and Housing for the implementation of its programmes and activities for the 2011 financial year. Below is the breakdown of the allocation.

Table 1
**TOTAL BUDGETARY ALLOCATION TO THE MINISTRY OF WATER
RESOURCES, WORKS AND HOUSING**

ITEM	AMOUNT (GH¢)
Government of Ghana(GOG)	16,618,212.00
Internally Generated Funds(IGF)	1,165,842.00
Social Intervention Programmes(SIP)	10,938,410.00
Donor	529,903,428.00
TOTAL	GH¢558,625,890.00

7.2 Table 2 below shows the detailed allocation to the various Departments and Agencies.

Table 2

Cost Center	PE	Adm.	Service	Investment	Total GoG	Total IGF	SIP	Donor	Grand Total
Gen. Adm.	273,143	160,707	224,838	1,915,679	2,574,367	514,731	10,938,410	273,393,672	287,421,180
RCD	153,849	14,641	7,108	59,559	235,156	-	-		235,156
HSD	404,382	53,001	25,587	570,270	1,053,240	-	-		1,053,240
GWCL	-	-	7,689	1,020,680	1,028,369	-	-	223,248,500	224,276,869
DRH	445,319	40,956	8,142	177,033	671,450	-	-		671,450
PSHLS	43,355	10,793	10,662	340,227	405,036	-	-		405,036
WRC	157,668	14,462	9,386	102,068	283,585	651,110	-	652,500	1,587,194
CWSA	2,349,906	485,372	37,154	1,901,633	4,774,065	-	-	32,608,756	37,382,820
ARC	34,523	21,336	21,194	42,717	119,770	-	-		119,770
PWD	4,870,540	48,730	15,765	538,136	5,473,172				5,473,172
Grand Total	8,732,686	850,000	367,526	6,668,000	16,618,212	1,165,840	10,938,410	529,903,428	558,625,890

8.0 OBSERVATIONS AND RECOMMENDATIONS

8.1 Main Ministry/Headquarters

The Main Ministry has been allocated an amount of GH¢287,421,180.00 comprising a GOG allocation of GH¢2,574,367.00, an IGF of GH¢514,731.00, SIP of 10,938,410.00 and a Donor component of 273,393,672.00 for the 2011 fiscal year.

In the ensuing year, the Main Ministry will among others facilitate the construction of 10,000 affordable housing units at Nsakina-Amasaman in the Ga West District and establish the Keta Basin Development Authority to supervise all developments in the Keta area.

It came to the notice of the Committee that quite a number of the Heads of the various Department's and Agencies under the Ministry are in acting positions. The Committee is of the view that this situation generally affects morale and strongly recommends as a matter of priority that steps should be taken by the appropriate bodies/authorities to regularise such appointments.

8.2 Rent Control Department

The Committee observed that the Department is confronted with human resource and infrastructure issues. The Department has inadequate staff to effectively manage the forty rent offices in the country. Consequently, it plans to recruit thirty rent officers in year 2011 to effectively perform its functions.

The Department has only two offices in the Greater-Accra Region to deal with the numerous rent cases in the region. Office accommodation allocated by some Metropolitan, Municipal and District Assemblies (MMDAs) to the Department are in a deplorable state and require urgent renovation. The Department has no office in Wa in the Upper West Region where rent related cases are very high. It therefore intends in year 2011 to

purchase land to construct a regional rent office in Wa, in the Upper West Region.

The Committee urges the Ministry of Finance and Economic Planning (MOFEP) to give approval for the recruitment of additional staff to enable the Department perform efficiently. Funds allocated to the Department should also be released fully and on time to enable it undertake its planned activities for year 2011.

8.3 Hydrological Services Department

A total amount of GH¢1,053,240.00 has been provided for the programmes and activities of the Hydrological Services Department for the 2011 financial year.

The Committee observed that there is a 14% decrease in the Administration vote from GH¢61,390.00 in year 2010 to GH¢53,001.00 for year 2011. The Committee noted that the Department has a high component of field work that involves a lot of travels, vehicle maintenance and the use of fuel and lubricants which are all catered for from the Administration vote. The Committee therefore recommends that Administration vote for year 2011 should be increased to the year 2010 level to enable the Department carry out its field activities.

The Committee further observed that there has been a substantial decrease in Investment allocation from GH¢1,140,540.00 in year 2010 to GH¢570,270.00 for year 2011. The 50% reduction in Investment vote will pose a serious challenge to the Department considering its activities for the year.

The Committee recommends that MOFEP should allocate additional funds to the Department should there be a supplementary budget to enable it undertake its Investment activities.

8.4 **Ghana Water Company Limited (GWCL)**

The Ghana Water Company Limited (GWCL) has been allocated an amount of GH¢224,276,869.00 for the 2011 fiscal year.

The Company in year 2011 will continue with the fencing of the Weija Dam Catchment area, pipeline extension works countrywide, ATMA Rural Water Supply project and the expansion of the Kumasi Barekese water treatment plant among others.

The Committee noted that GOG Investment allocation to the Company has been reduced from GH¢2, 041, 359.00 in year 2010 to GH¢1,028,369 for year 2011. Approximately, the 50% reduction in the Investment allocation for year 2011 will hinder the smooth execution of projects by GWCL. The Committee urges MOFEP to consider providing extra funds for GWCL in its supplementary budget.

8.5 **Department of Rural Housing.**

The Department has been allocated a total budgetary amount of GH¢671,450.00 for its operations in year 2011. It will among others undertake to:

- i. rehabilitate some office buildings, stores and bungalows nationwide;
- ii. continue with the construction of training/production workshops in 9 regions which are at various stages of completion; and
- iii. train youth to acquire employable skills in construction and in the production of improved local building materials.

The Committee observed that inadequate funding for Investment activities resulted in the Department's inability to achieve its target for year 2010. A 50% reduction in the Investment vote from GH¢354,066.00 in 2010 to GH¢177,033.00 for year 2011 will have serious repercussions on Investment activities.

The Committee therefore appeals to MOFEP to consider providing extra funds to the Department for its Investment expenditure.

8.6 Public Servants Housing Loan Scheme Board

For year 2011, the Public Servants Housing Loan Scheme Board has been allocated an amount of GH¢405,036.00 for the performance of its programmes and activities as against a total allocation of GH¢744,992.00 for year 2010, representing a shortfall of 46%. While the Board in year 2010 was allocated an amount of GH¢680,453.00 for Investment, its allocation for year 2011 has been reduced to GH¢ 340,227.00 representing a 50% shortfall.

The Committee noted that there are a growing number of applicants who need financial support to acquire their own houses. The reduction in the Investment vote will undoubtedly affect the Board's ability to assist beneficiaries.

The Committee is of the view that this facility is a source of incentive to Public and Civil servants and therefore recommends that the Board should be adequately resourced and funds released on time to enable it meet the requirements of the growing number of applicants.

8.7 Water Resources Commission

The Commission for year 2011 has been allocated a total amount of GH¢1,587,194.00 comprising a GOG allocation of GH¢283,585.00, an IGF of GH¢651,110.00 and a Donor component of GH¢652,500.00. The Donor component and the 50% increase in IGF, accounts for the substantial increase in the total budgetary allocation for year 2011.

In the ensuing year, the Commission will continue to undertake the inspection of water abstraction points, process and approve water use applications and issue licenses to users among others.

The Committee observed that the Commission is confronted with the challenge of inadequate staff to undertake regular inspections and monitoring to ensure that water users comply with regulations.

The Committee therefore recommends that MOFEP should give approval for the Commission to engage additional personnel for the effective performance of its inspection and monitoring work.

8.8 Community Water and Sanitation Agency

For year 2011, CWSA will accelerate the provision of safe and potable water in rural communities by constructing 20,000 new boreholes, 20 hand dug wells, 35 small community pipe systems and 2 small town pipe systems among others.

The Committee observed that the Agency has been allocated an amount of GH¢1,901,633.00. for its Investment activities for year 2011 as against an amount of GH¢3,803,265.00 for year 2010.

The Committee noted that inadequate GOG funding and the non release of funds prevented the Agency from executing some activities. The Committee therefore recommends that MOFEP should endeavour to provide adequate funds and also ensure the timely release of funds for the execution of the Agency's activities.

8.9 Architects Registration Council

The Council has been allocated a sum of GH¢119,770.00 for its activities for year 2011 as against an amount of GH¢163,432.00 for year 2010 representing a decrease of 27%.

The Committee noted that for year 2011, the Council plans to organise workshops and training programmes to enhance the capacity of architects, technicians and contractors to enable them render professional services. It

will also undertake its yearly event of inducting newly registered architects and publish the list of registered architects and architectural firms in good standing.

The Council has set up a Board of control for building technicians. The Board is however yet to be inaugurated to commence work due to lack of staff, office space and other logistics. In year 2011, the Board intends to complete the renovation of a premise provided for its operations. However, a 50% reduction in the Investment allocation from GH¢85,434.00 in year 2010 to GH¢42,717.00 may make it impossible for the Council to achieve the above objective.

The Committee recommends that adequate funds should be provided by MOFEP for the above purpose.

8.10 Public Works Department

A total amount of GH¢5,473,172.00 has been provided for the activities of the Public Works Department (PWD) for the 2011 financial year.

The Public Works Department has programmed to undertake routine maintenance or minor works on 1500 bungalows and periodic maintenance or major rehabilitation of 100 bungalows nationwide in year 2011. It also plans to purchase a vehicle for routine inspection to enhance its work.

The Department will continue to undertake activities such as renting of carpentry and joinery workshops, warehouses, protocol materials, hiring and the maintenance of equipment (Low Loader, Excavator, Roller, Grader) to generate revenue.

The Committee observed that over the years, services rendered by the Department are not always paid for thereby denying it of substantial IGF to boost its activities.

The Committee urges the Sector Minister to put the necessary measures in place to ensure that services rendered by PWD are paid for. The Committee also recommends that MOFEP should consider providing adequate funds to cater for the activities of the Department.

9.0 CONCLUSION

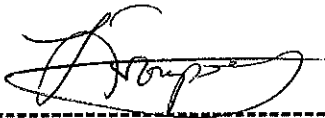
Projects in the Water, Works and Housing Sub-Sectors are capital intensive and provide important physical and social infrastructure for the development of the economy. The Ministry must therefore be given adequate resources to provide these essential facilities.

The Committee hereby recommends to the House, to approve the sum of **Five Hundred and Fifty-Eight Million, Six Hundred and Twenty-Five Thousand, Eight Hundred and Ninety Ghana Cedis (GH¢558,625,890.00)** for the programmes and activities of the Ministry of Water Resources, Works and Housing for the 2011 financial year.

Respectfully submitted.



HON. DAVID TETTEH ASSUMENG
(CHAIRMAN, COMMITTEE ON WORKS
AND HOUSING)



JANET FRIMPONG
(CLERK TO THE COMMITTEE)

DECEMBER 2010