

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

REPORT OF THE SPECIAL BUDGET COMMITTEE

ON

**THE 2016 ANNUAL BUDGET ESTIMATES OF THE
PUBLIC SERVICES COMMISSION**

DECEMBER, 2015

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

**REPORT OF THE SPECIAL BUDGET COMMITTEE ON THE 2016
ANNUAL BUDGET ESTIMATES OF THE PUBLIC SERVICES
COMMISSION**

1.0 INTRODUCTION

In accordance with article 179 of the 1992 Constitution, the Hon. Minister for Finance, Mr. Seth Terkper presented the Budget Statement and Economic Policy of the Government for the year ending 31st December, 2016 to Parliament on Friday, 13th November 2015.

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

2.0 DELIBERATIONS

The Committee met with the Board Secretary, Mr. Michael Owusu Nimako and other officials of the PSC and the Ministry of Finance on Wednesday, 9th December, 2015 and considered the referral.

The Committee extends its appreciation to all the officials who participated at the Committee's sitting for their input.

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. The Standing Orders of the Parliament of Ghana
- c. The Budget Statement and Economic Policy of the Government of Ghana for the 2015 Financial Year
- d. The Public Services Commission Act, 1994 (Act 482)
- e. The Budget Statement and Economic Policy of the Government of Ghana for the 2015 Financial Year

4.0 Mission of the Public Services Commission

The mission of the Public Services Commission (PSC) is to safeguard and promote integrity, accountability and competence in the public service organizations in Ghana, through the provision of advisory, consultative, regulatory and supervisory services.

4.2 Mandate of the Public Services Commission

The Public Services Commission (PSC) is the central management and governance agency responsible for effective and efficient human resource management of the Public Services of Ghana.

Its responsibilities impact the country's public administration system, especially in the thematic areas of human resource management, and transparent and accountable governance.

4.3 Functions of the Commission

- To advise Government on the criteria for appointment to public offices as well as persons to hold or act in public offices;
- To promote efficiency, accountability and integrity in the Public Services;
- To prescribe appropriate systems and procedures for the management of personnel records within the Public Services;
- To identify, explore and promote the recruitment of suitable personnel into the Public Services, acting in collaboration with educational institutions; and,
- To undertake planning of the manpower requirements of the Public Services, using data from educational institutions and other sources.

5.0 PERFORMANCE IN 2015

In the 2015 financial year, PSC achieved the following:

5.1 Improvement in Human Resource Management

- As part of the implementation of the reform programme aimed at improving human resource management and development in the public service, the Commission developed a Human Resource Policy Framework and Manual which was approved by Cabinet, with over 800 copies distributed to public service organizations.
- The commission organized a training of trainers' course in the new Performance Management System for 471 HRM Directors,

Managers and Staff from 10 agencies to enable them train other employees of their respective organizations in the use of the system.

- Data of eight (8) out of the nine (9) piloted MDAs were collected and are being validated for capturing unto the HRMIS. The system set-up was completed and is currently being used to generate positions and position hierarchy for pilot MDAs whose data are complete.
- A number of capacity building programmes were organized for the HRMIS functional and technical teams of the Commission. User Acceptance Test (UAT) for the three (3) HR functionalities, namely Establishment Management, Employee Profile and Employee Cost Management, were also carried out. The UAT for the payroll is about 90 percent complete.
- The Commission began a process to produce the maiden edition of the State of the Public Service Report (SoPSR) which will provide evidence-based and comprehensive information on the State of the Ghana Public Service to the Government and other relevant Stakeholders.
- Guidelines for the Human Resource Audit was developed and 35 selected public servants were trained. A Technical Committee with membership from PSC, MOF, CAGD, IAA, FWSC and OHCS was constituted to guide the implementation of the HRMIS Project.

6.0 OUTLOOK FOR 2016

For year 2016, the PSC plans to undertake the following programmes among others:

➤ Human Resource Management Policy Framework and Manual

The Commission will fully roll out the implementation of the comprehensive Human Resource Management Policy Framework and Manual across the public services by undertaking training and sensitisations for selected MDAs in 2016.

➤ Training on Performance Management System

The Commission will also continue its training programme on the Performance Management System for MDAs to improve performance and productivity in the Public Service.

➤ Human Resource Management Information System (HRMIS)

It is envisaged that all MDAs on the Controller and Accountant-General's Department payroll will be rolled onto the HRMIS.

7.0 OBSERVATIONS AND RECOMMENDATIONS

7.1 2016 BUDGETARY ALLOCATION

Two Million, Two Hundred and Fifty Thousand, and Ninety Nine Cedis (GH¢2,250,099.00) has been allocated for the implementation of the programmes and activities of the PSC.

The breakdown is as follows:

Item	Amount (GH¢)
1. GoG	2,234,389.00
2. IGF	<u>15,710.00</u>
TOTAL	<u>2,250,099.00</u>

TABLE 1
BUDGETARY ALLOCATION FOR 2016

Item	Compensation	Goods and Services	Total
GOG	1,606,425	627,964	2,234,389
IGF	-	15,710	15,710
GRAND TOTAL	1,606,425	643,674	2,250,099

Table 2:

SUMMARY OF 2015 AND 2016 ESTIMATES CEILING

Item (funding source)	2015 Approved Estimates GH¢	2016 Ceilings GH¢	2015/2016 DIFFERENTIALS
Compensation Of Employees (PE)	1,950,655	1,606,425	(344,230)
Goods And Services	10,255,927	643,674	(9,612,253)
Capex	450,000	-	(450,000)
Total	12,656,582	2,250,099	(10,406,483)

7.2 Compensation

An amount of GH¢1,950,655 was allocated for compensation of employees in 2015. However, in 2016, the allocation for Employee Compensation was slashed to GH¢1,606,425 representing 18% decrease in the previous year's allocation. The Committee noted that the decrease on the 2016 allocation for employee compensation would affect Employee Compensation and some salary related allowances for staff of the Commission.

7.3 Goods and Services

For Goods and Services an amount of GH¢10,255,927 was allocated for 2015. The Committee noted a drastic reduction in the 2016 Goods and Service allocation to GH¢643,674 which represents a reduction of 93.7% compared to that of the previous year. The Commission Members expressed their concern about the reduction because it would significantly affect the implementation of certain pertinent programmes, such as phase 2 of the Human Resource Audit Programme which was planned at targeting 30% of the Human Resource capacity of the public sector.

Certain Arrears for the services rendered by the HRMIS Consultants cannot be honoured with this budget. In the view of the Committee, if MOF does not make arrangements to offset this debt, it might mean a judgment debt in waiting.

7.4 Capex

The Commission was also allocated an amount of GH¢450,000 for Capex in 2015. The Committee regrettably observed that no funds have been allocated for Capex in the 2016 budget. The situation according to the Commission is quiet disturbing, because certain projects that have begun would be stalled and so also would the plan for the procurement of office equipment for the 2016 fiscal year.

7.5 Rehabilitation of Office Accommodation

The Committee is aware of the deplorable condition of the PSC office building. The Commission is of the view that lives of users

will continue to be endangered if rehabilitation works are not carried out as soon as possible.

It was disappointing to note that the Commission would not be able to start any form of refurbishment on the deplorable building in 2016 due to the inability of MOF to allocate some funds for that purpose. However, the Committee suggested to the Commission to be proactive in its quest for funds to rehabilitate its office building. The Commission was advised to start negotiations with the Ghana Investment Promotion Council (GIPC) and other co-tenants of the facility to acquire funds for the rehabilitation works.

7.6 Policy challenges with the Human Resource Management Information System (HRMIS)

The Committee noted that as part of the efforts at rationalizing the manpower needs of the country through the implementation of the Human Resource Management Information System (HRMIS), data was to be collected from nine piloted MDAs including the Police Service, for validation and for capturing unto the HRMIS. The Police Service having the largest number of personnel among the security services, was selected to be part of the Pilot Programme. The Committee was informed however that, the Police Service proved most uncooperative with an unfounded apprehension of losing their financial independence when made part of the System and also cited fears of security breaches.

The Commission explained to the Committee that, the inclusion of the police service in the pilot programme was because the service has the largest personnel among the security services. The idea

was to create a sample size with public institutions with different numerical strength. However, the Commission encountered a lot of opposition from the Police Service which largely affected the implementation of the programme.

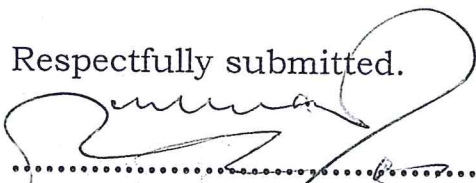
7.7 Underscoring the importance of the PSC

In the view of the Committee, the importance of the Public Services Commission cannot be over emphasized. Every public institution needs the support of the Commission in the establishment of its optimal human resource needs. The Parliament of Ghana is no exception, currently Parliament needs the services of the PSC to establish its optimum administrative support needs to function effectively. The Commission therefore needs to be adequately resourced to carry out its mandate.

8.0 CONCLUSION

In the light of the above, the Committee recommends to the House to approve, the sum of **Two Million, Two Hundred and Fifty Thousand, and Ninety Nine Cedis (GH¢2,250,099.00)** for the implementation of the programmes of the Public Services Commission for the year 2016.

Respectfully submitted.



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



.....
AKUA DUROWAA OWUSU AGYEKUM (MRS)
(CLERK TO THE COMMITTEE)

14th December, 2015

