

Making Decentralisation Work for the Poor



SEND GHANA, 2010

Preface

Unfolding events and processes in Ghana's political arena during the last half of 2010 into 2011 make this an opportune moment for discussion of public policy reform. The public sphere has recently been filled with exercises that consider changes to existing policy frameworks, including the ongoing Constitutional Review, the conclusion of the Decentralisation Review and the proposals emanating from it, the efforts to pull together a new Medium Term Development Plan (the Ghana Shared Growth and Development Agenda), and ongoing public agitation for the early passage of the Right to Information Bill and bills establishing a legal framework for the management and utilisation of the newly found oil and gas resources.

In this context of fervent policy debate, SEND's assessment report on the District Assemblies' Common Fund (DACF) comes at a particularly auspicious moment. The report speaks to some of the broad issues that have been raised in recent years around decentralisation, and that should inform any attempts to push decentralisation further in Ghana. Some of the key issues it touches on are those related to budgets and fiscal policy, the power of citizens to participate in their governance, transparency of government and citizen's access to information, effectiveness of service delivery and the achievement of the Millennium Development Goals, and issues of equity and social exclusion.

The report offers a window into Ghana's decades-old pursuit of effective decentralisation. It confirms that the DACF is an important means to realising deeper fiscal decentralization in Ghana. However, more needs to be done to enhance its effectiveness in this regard. The recommendations of this report provide realistic and practical options and alternatives to government on how to achieve this. SEND-Ghana will continue to use our constructive engagement model to dialogue with diverse levels of government and other policy actors to achieve the desired policy change and practice.

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I wish to thank my colleagues: Jeremiah Achumware Atengdem, George Osei-Bimpeh and Benjamin Addo for leading this research in SEND.

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Table of Content

Preface.....	2
List of Tables and Figures.....	5
Appendix.....	7
List of Acronyms.....	8
Executive Summary.....	9
Introduction:	
Background and Overview of Study.....	13
An Overview of the District Assemblies Common Fund.....	14
Purpose of the Study.....	16
Methodology:	
Sampling.....	18
Method of Data collection.....	18
Quality Assurance.....	19
Limitations of Study.....	19
Findings of the Study:	
Management and Utilisation of 2 percent share of DACF by PWDs.....	20
Awareness of the 2 percent share of the DACF.....	20
Disability Fund Management Committee.....	21
Access to DACF by PWDs.....	22
Utilisation of PWDs Share of the DACF.....	23
Management and Utilisation of the MPs Common Fund.....	24
Citizens Awareness and Access to Information on DACF.....	27

Citizens Awareness.....	27
Access to information.....	29
Sources of Information.....	30
Community Participation in DACF Projects.....	32
DACF Disbursements and Utilisation.....	34
DACF Disbursement	34
Accounting for DACF Funds.....	35
Preparation of Cash Budgets.....	38
Relationship between District Budgets, Medium Term Development Plans and Expenditure Returns.....	40
Supervision and Monitoring of DACF Projects.....	42
Procurement.....	42
Conclusion.....	44
Recommendation.....	45
Appendix.....	46

List of Tables

Table 1: Activities undertaken by PWDs with the 2 percent share of the DACF

Table 2: Challenges faced by MPs in the management and utilization of the MPs Fund

Table 3: Citizens awareness on DACF

Table 4: Sources of information on DACF

Table 5: Disbursements of DACF Funds to District Assemblies by the Administrator of the DACF (2005 – 2009)

Table 6: Do you have separate bank accounts for DACF, Constituency Labour Project and Disability Funds?

Table 7: Presence of District Disability Fund Account by MMDAs

Table 8: Frequency of submission of expenditures returns, budgets and trial balances to the Administrator of DACF and C&AGD by MMDAs

Table 9: Community views on Effectiveness of DACF in addressing their development needs

List of Figures

Figure 1: Trends in the DACF disbursements (1994-2009)

Figure 2: Awareness of the 2% share of DACF for PWDs

Figure 3: Access to 2% share of the DACF by PWDs (2003 – 2009)

Figure 4: Utilisation of MPs Fund by Sectors

Figure 5: Reasons for the effective management and utilisation of the MPs Fund by MPs

Figure 6: Perceptions of community leaders about expenditure areas of the DACF

Figure 7: Rating of community access to information on DACF

Figure 8: Community involvement in DACF projects

Figure 9: Satisfaction with level of community participation in DACF projects

Figure 10: How often are your accounts audited

Figure 11: Do you prepare cash budgets/cashflows for the District Assembly

Figure 12: Matching supplementary budgets with priorities of DMTDP (2006 – 2009) of Kasena Nankana East District

Figure 13: Supervision of DACF projects

Figure 14: Major methods of procurement for DACF projects by MMDAs (2005-2009)

List of Boxes

Box 1. Utilisation Guidelines for the District Assemblies Common Fund for 2010

Box 2. Responsibilities of the Disability Fund Management Committee

Box 3. Relationship between Budgets and DMTDPs- the case of Kasena Nankana East District Assembly

Appendix

Table A: Is the utilisation of MPs share of the DACF in line with the priorities of the MTDP

Table B: Awareness of DACF among community members

Table C: Knowledge of community leaders on DACF

Table D: Attendance of fora organised by the district assembly to discuss DACF

Table E: Public fora organized by DA to discuss DACF with citizens

Table F: Ways of improving community involvement in DACF projects

Table G: Do you have a separate cash book for recording DACF transactions

Table H: Requirements for receipt of DACF by District Assemblies

Table I: Role of Assembly Members in the management and Utilisation of the DACF

Table K. Awareness of PWDs on utilization guidelines of 2 percent share of DACF

Table J: Presence of District Disability Fund Management Committee

Table K: Access to PWDs 2 percent share of DACF by Region

Table L: Disbursements of DACF Funds to District Assemblies by the Administrator of the DACF

List of Acronyms

CSOs – Civil Society Organisations

DACF -District Assemblies Common Fund

DBO – District Budget Officer

DCD – District Coordinating Director

DCEs – District Chief Executive

DCMCs – District Citizens Monitoring Committee

DFMC - Disability Fund Management Committee

DMTDP – District Medium Term Development Plan

DPO – District Planning Officer

GLSS – Ghana Living Standard Survey

IGF – Internal Generated Funds

MMDAs – Metropolitan, Municipal and District Assemblies

MPs – Members of Parliament

MTDP – Medium Term Development Plan

NCPWD – National Council on Persons with Disability

OPWDs – Organisations of Persons with Disability

PWDs – Persons with Disability

Executive Summary

The last several decades have seen countries around the world decentralizing key services to the local level. Decentralisation has been seen as a way to improve efficiency of state structures, and bring decision-making closer to the people affected by policymakers' decisions. In Ghana, the process of decentralisation began in 1988.

In 1993, the Districts Assemblies' Common Fund was established to give Metropolitan, Municipal and District Assemblies more financial autonomy to actually make decisions at the local level. It has since become an important tool for the achievement of fiscal decentralisation in particular and overall decentralisation in general. To ensure prudent use of the DACF, the Ministry of Local Government and Rural Development, Ministry of Finance and Economic Planning, and the Administrator of the DACF set out clear guidelines for the utilisation of the fund by MMDAs to ensure value for money. Some of these guidelines relate to procurement, while others relate to special allocations, such as a 2 percent earmarked to reduce poverty among Persons With Disability and a 7 percent earmark for Members of Parliament to use for development purposes in their constituencies.

While decentralisation has been tried in many countries, the results have not always been satisfactory. Decentralisation has sometimes fallen short of expectations because local governments are given new responsibilities, but insufficient resources to carry them out. Though decentralisation has sometimes been touted as a way to reduce inefficiency and corruption, in some cases, it seems rather to only decentralise corruption and inefficiency to the local level.

The study focused on some of the key elements of the DACF. These include: the extent of community participation in DACF sponsored projects; the level of citizens awareness and access to information on the DACF by communities; the degree to which DACF sponsored projects are awarded in line with National Procurement Law; and finally, the utilisation of 7 percent MPs and PWDs 2 percent share of DACF.

The study was conducted in the second and third quarter of 2010 covering 50 districts across four administrative regions in Ghana. Information for the study was gathered by grassroots civil society actors.

Generally, the findings reveal that there has been non adherence to the guidelines for the utilisation of the DACF funds by MMDAs, particularly the 2 percent share of the fund for PWDs. The use of DACF money is not transparent, and frequently is decided without meaningful

community participation. Access to information on and community participation in DACF projects have become very problematic to the extent that responsiveness of MMDAs to the local needs of citizenry has been affected. The main findings of the study are as follows:

1.1 Main Findings

Management and utilization of DACF for PWDs and by MPs

- More than two-thirds of PWDs were aware of their 2 percent share in the DACF.
- Access to the 2 percent-share of the DACF for PWDs from 2003 to 2008 was less than one-third of sampled PWD Associations. Access in the Northern Region was more than 50 percent. However, in the Upper East, Upper West and Greater Accra regions less than one-third of PWDs successfully accessed the funds in 2009. The establishment of the National Council for Persons with Disability could have contributed to the relative high access in 2009.
- About 44 percent of PWDs who successfully accessed the 2 percent share of the DACF between 2003-2009 expended the fund on the celebration of the International Day for the Disabled and attendance of meetings/conferences.
- Contrary to guidelines, about 55 percent of MMDAs sampled do not have the mandated Disability Fund Management Committees in place. Per the new guidelines the existence of these committees is a pre-requisite to accessing the PWD-share of the DACF.
- Nearly two-thirds of MMDAs do not have separate bank accounts for the management of the PWD-share of the DACF. The absence of these bank accounts prevents disbursement of the PWDs' share of the DACF with reference to the new guidelines for the management and disbursement of the DACF.
- Nearly 36 percent of MPs have had conflict(s) with their respective DCEs over the appropriation of MPs Fund since 2005. According to the MPs, this has adversely affected the implementation of projects in the constituencies.

Awareness and Access to information

- More than two-thirds of community leaders have heard of the DACF.
- The study observed that the major source of information on DACF for communities was through the Assembly Members.
 - Radio which in recent times has become an effective channel for communication, particularly with rural populations was the least used by MMDAs.

- MMDAs are required by Law to prepare Medium Term Development Plans and Budgets to guide the overall development of their areas. MTDPs are means by which citizens needs and aspirations are translated into implementable programmes and projects. Out of the 29 district assemblies that responded to the study more than two-thirds did not provide their MTDPs and supplementary budgets for the period 2005-2009. None of the district assemblies could provide information on DACF expenditure returns.

Community Participation

- The study revealed that about half of community members were involved in the planning, implementation, and monitoring and evaluation of the DACF projects as reported by community leaders. For those community members who did not participate in the planning, implementation and monitoring of DACF projects, the key reasons reported by community leaders was lack of access to information on DACF projects; and ineffective communication system employed by the MMDAs.

Disbursement and Utilization of DACF

- The study observed that about 50 percent of community leaders sampled do not believe that, MMDAs have effectively used the DACF to address their development needs. According to these community leaders, their limited involvement in DACF projects has made it difficult for the MMDAs to be responsive to their needs.
- Though 62 percent of MMDAs recognised the importance of cash flows, 45 percent of them actually prepare it.
- More than two-thirds of all procurements by MMDAs are through Competitive Bidding. According to the MMDAs, this method of procurement is used because contracts are within the threshold of the District Tender Committee. Also, it provides opportunity to ensure that there is value for money.

Recommendation

Based on the findings of our study, we make the following recommendation for policy consideration with a view to improving the access and utilisation of the DACF by the poor and the marginalised.

- i. As a matter of priority, the Ministry of Local Government and Rural Development should ensure that all MMDAs comply with the guidelines for the disbursement and utilisation of the DACF for PWDs by establishing District Disability Fund Management Committees and opening separate bank accounts for the fund to enable PWDs access their 2 percent share of the DACF.
- ii. District Assemblies should pursue innovative measures that ensure access to information on DACF by citizens to elicit their support and participation in the implementation of DACF projects. Currently, communities rely on their Assembly Members for information which is not very effective. MMDAs should therefore explore the option of relying on community radio station for the dissemination of information on the DACF.
- iii. To ensure sustainability and community ownership of DACF projects, District Assemblies should increase community participation at all stages of the project since communities are currently dissatisfied with their level of participation in DACF projects.
- iv. In view of the inconsistencies between projected allocations and actual disbursement of DACF, it is strongly suggested that MMDAs prepare cash budgets to ameliorate the effect of the inconsistencies in implementation of projects.

2.0 Introduction

2.1 Background and Overview of the Study

The last several decades have seen countries around the world decentralising key services to the local level. Decentralisation has been seen as a way to improve the efficiency of state structures and bring decision-making closer to the people. While decentralisation has been tried in many countries, the results have not always been satisfactory. Decentralisation has sometimes fallen short of expectations because local governments are given new responsibilities, but insufficient resources to carry them out. Though decentralisation has sometimes been touted as a way to reduce inefficiency and corruption, in some cases, it seems rather to only decentralise corruption and inefficiency to the local level.

For decentralisation to work, it may not be enough to simply shift responsibilities from central to local level. Financing must be available and must be timely and consistent. New regulations may be required to ensure that local governments are following common minimum standards. If citizens are to participate more actively at local level, information may need to become more accessible and transparent.

In Ghana, the process of decentralisation began in 1988. The 1992 constitution provided the legal basis for decentralisation¹. In 1993, the DACF was introduced to give districts more financial autonomy to make decisions at the local level. The Ghana Poverty Reduction Strategy II, adopted in 2006 emphasised the relevance of grassroots participation in strengthening local governance². Today, decentralisation remains on the political agenda as many aspects including fiscal decentralisation, have not been realised. The Ministry of Local Government and Rural Development has drafted a Comprehensive Decentralisation Policy which is under consideration by cabinet³. In addition, a number of issues related to decentralisation reforms have been referred to the Constitutional Review Commission for consideration.

Ghana's decentralisation was meant to achieve, among others goals: participatory democracy, increased local resource mobilisation, balanced development and better coordination of development initiatives⁴. In 2010, government undertook a review of Ghana's decentralisation process and concluded that the objectives of decentralisation have not been achieved in their entirety. This study attempts to bring grassroots perspectives to the discussion on

¹ The legislation sought to strengthen local governance by devolving power and authority, means and resources, competence and capacity from the national level to the local level.

² NDPC (2009), GPRS II Annual Progress Report. Accra, Ghana

³ *ibid*

⁴ Ahwoi K. (2010), Local Government and Decentralisation in Ghana, Unimax Macmillan Ltd, Accra

decentralisation. It does so by focusing on one of the key tools of fiscal decentralisation, the District Assemblies Common Fund. In this study, we ask whether the way that the DACF functions is consistent with the broad goals of decentralisation: increasing efficiency, increasing citizens participation in decision-making, and better alignment of spending with citizens' needs.

The next section provides an overview of the DACF on the basis of which the specific objectives of this study are defined.

2.2 An Overview of the District Assemblies' Common Fund

Under Article 252 of the 1992 Constitution, a District Assemblies' Common Fund⁵ was established to make available to the Assemblies additional resources for development. The same Article further provides that Parliament shall annually make provision for the allocation of not less than 7.5 percent of total national revenue to be shared among District Assemblies on the basis of a formula approved by Parliament annually.

The DACF was created for the following reasons⁶:

- To encourage local governance and deepen Government's commitment to decentralisation in general, and fiscal decentralisation in particular and promote sustainable self-help development
- Complement the internally generated funds of the District Assemblies to undertake development projects
- To ensure equitable distribution of development resources in every part of Ghana.
- To make up for development deficiencies in deprived communities
- To support creation and improvement of socio-economic infrastructure in Ghana.

The DACF has since 2006 been the leading revenue contributor to the MMDAs and has continued to increase on an annual basis⁷ (see figure 1). In 2008, the DACF constituted 43 percent of the overall resources to the MMDAs.⁸ Since the inception of decentralisation, the government, through the District Assemblies Common Fund (DACF), has disbursed a total of GH¢1, 024,755,220.00 to the various Metropolitan, Municipal and District Assemblies (District Assemblies) at the end of 2009.⁹

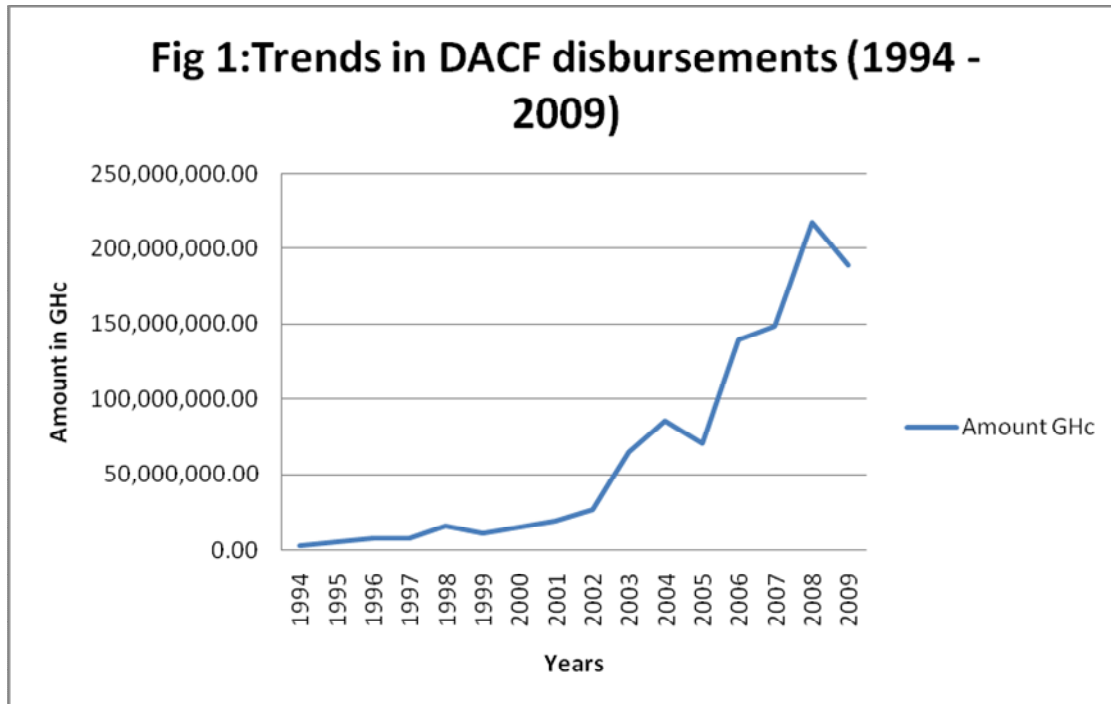
⁵ District Assemblies Common Fund Act ,1993, Act 455

⁶ District Assemblies Common Fund Act, 1993 Act 455

⁷ NDPC(2009). GPRS II Annual Progress Report. Accra, Ghana.

⁸ Ibid

⁹ Mr. Joshua Nicol, the Administrator of the DACF, speaking at a local economic development workshop in Sunyani organised by NALAG. <http://www.ghanadistricts.com/news/?read=36022> Date accessed :24th September 2010



Source: DACF, Annual Report 2009

Through the DACF, MMDAs have, among other things created jobs through cottage industries, built and improved health facilities, constructed schools, built houses, and supported community initiated projects¹⁰.

Box 1. Utilisation Guidelines for the District Assemblies Common Fund for 2010

- 10 percent is allocated to Reserve Fund. The breakdown is as follows:
 - o 7 percent is allocated to MPs
 - o 1.5 percent is allocated to the Regional Coordinating councils
 - o 0.5 percent is allocated to the DACF Administrator for Monitoring
 - o 0.5 percent is allocated for Training of District Assemblies staff and other stakeholders
 - o 0.5 percent is allocated to Cured Lepers
- 25 percent is allocated to the National Youth Employment Programme
- 2 percent is allocated to PWDs
- GHc 15,000 per district is allocated for Fumigation of Flies and other pests
- 61 percent is allocated to the District Assemblies

As per the guidelines for the utilisation of the DACF, there are special allocations for different groups. These include 7 percent for Member of Parliament (MPs) and 2 percent¹¹ for Persons With Disabilities (PWDs).

Some studies have suggested that there may be challenges with the implementation of the DACF.¹² These include: lack of stability and transparency in the transfers, lack of a legislative basis to guide and ensure equitable distribution of the transfers, and the continued offloading of services and function onto local governments, which has not necessarily been matched with corresponding resources.

In addition, a tracking study of the DACF¹³ in four districts in 2003 by a group of Civil Society Organisations in Ghana noted that there were delays and shortages in disbursements, misuse of DACF by MMDAs, discrimination in the selection of projects (mainly on a partisan basis), lack of community participation in projects, poor documentation on the DACF projects, low involvement of community members in the selection of DACF projects, and absence of transparency in procurement related to DACF projects. Some of these challenges were also confirmed by the Joint Government of Ghana and Development Partner Decentralisation Policy Review¹⁴.

2.3 Purpose of the study

The purpose of this study is to bring civil society perspectives to bear on the implementation of the DACF. This implies a focus on citizens' participation, transparency, equity, and compliance with implementation guidelines.

The specific objectives of this study were to:

1. Assess the extent of community participation in DACF sponsored projects
2. Assess the level of awareness and access to information on the DACF by communities.
3. Assess the degree to which DACF sponsored projects are awarded in line with National Procurement Law

¹¹ The figure has been revised upwards to 3 percent as contained in the 2011 Economic Policy and Budget Statement.

¹² Ahwoi K. (2010), Local Government and Decentralisation in Ghana, Unimax Macmillan Ltd, Accra Pp 166.

¹³ Azeem A. V et al. (2003), Financing Decentralised Development: How well does it work. A pilot tracking of the District Assemblies Common Fund in four districts, Accra, pp 24 and 25

¹⁴ NCG/DEGE Consult (2007), Joint Government of Ghana and Development Partner Decentralisation Policy Review Report.

4. Examine the degree to which disbursement to MMDAs vary from allocations and why this occurs, if does.
5. Assess the utilisation of the 7 percent MPs Fund and the 2 percent share of DACF for PWDs

3.0 Methodology

This section covers the sampling procedure, methods of data collection, and data quality and assurance issues.

3.1 Sampling

The three regions in the Northern sector of Ghana were purposively selected based on their high incidence of poverty as per the Ghana Living Standard Survey V (GLSS V) and the active presence of SEND Ghana. These regions are Upper East, Upper West, and Northern Region. Greater Accra the fourth region, was selected against the backdrop of growing urban poverty noted by GLSS V. Purposive sampling procedure was used to select 50 districts from the four regions based on the GLSS V. Sample frames of beneficiary communities of DACF sponsored projects in the 50 districts were obtained from the participating District Assemblies in the study. Using a simple random sampling method, one community out of the DACF beneficiary communities in each district was selected for the Focus Group Discussions.

3.2 Method of data collection

The study employed both primary and secondary data collection techniques. The primary data collection techniques used were key informant interviews using semi structured questionnaires and focus group discussions. The semi structured questionnaires were used to obtain information on DACF between 2005 and 2009 from key staff of the District Assemblies who included: District Chief Executives, District Coordinating Directors, District Planning Offices, District Budget Office, Presiding Members, and District Budget Officers. Others interviewed were the Chairpersons of the District Disability Associations, Chairpersons of the Finance and Administration Sub-Committee and Members of Parliament. The tool allowed respondents to express their views on the administration of the DACF.

Focus Group Discussions were held with beneficiary communities of DACF sponsored projects to gain insight into the community leaders' opinions, views and understanding of the administration of the DACF. The Focus Groups had membership between 5 and 12, allowing for diverse interest groups in the communities to participate. The composition included: assembly persons, representatives of women's groups, youth groups, PWDs, traditional leaders, opinion leaders and small-scale food crop producers.

The secondary data collection involved review of relevant documents including Medium Term Development Plans, expenditure returns, and annual budget estimates obtained from the offices of the Administrator of DACF and Municipal/District Assemblies.

3.3 Quality assurance

To ensure data quality all programme staff of SEND Ghana were trained by the Administrator of the District Assemblies Common Fund on the administration and operations of the Fund to enable them to deepen their understanding to facilitate the monitoring and evaluation of the DACF. Training sessions were organised for all 50 District Citizens' Monitoring Committees in the districts to enable them to undertake effective Participatory Monitoring and Evaluation. DCMCs and Focal Non-Governmental Organisations were also trained on the assessment tools to enhance data collection. Data was cleaned and edited for errors and logical inconsistencies. In addition, preliminary results of the study were validated with major stakeholders at community, district and national levels.

3.4 Limitations of study

The key challenge of this study was the difficulty in getting staff of the District Assemblies to provide information, particularly relating to financial data on allocations and disbursements of DACF, which slowed down the research process. However, the information provided was triangulated and validated to ensure that it was reliable and accurate.

Efforts to reach the DCEs yielded limited results as only 10 out of 50 responded to the survey. As a result, the perspectives of DCEs regarding issues peculiar to their role in the management of the DACF were not adequately captured. For instance, their perspectives on the utilisation of the MPs Common Fund were general lacking. This notwithstanding; the observations made regarding the utilisation of the DACF in general were not affected because of response from other stakeholders such as DCDs, DPOs and DBOs.

4.0 Presentation of Findings and Discussions

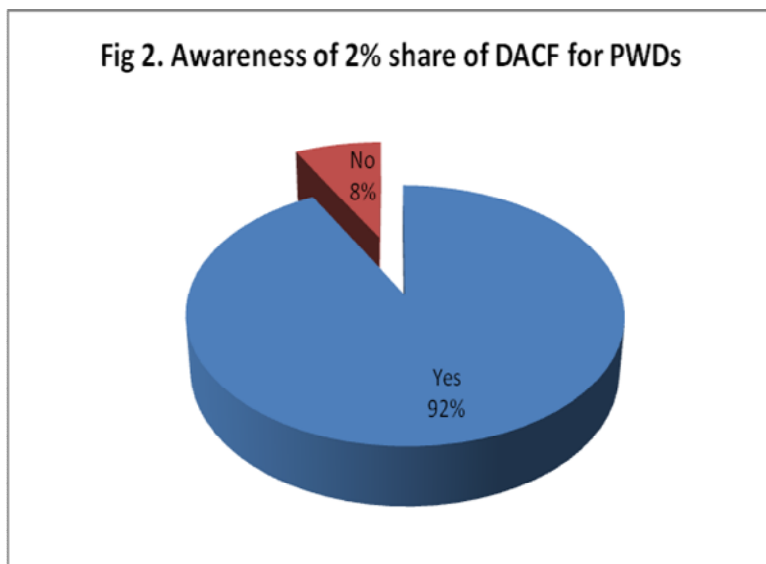
This chapter presents an analysis and discussion of the study's findings.

4.1 Management and Utilisation of 2 percent share of DACF by PWDs

Article 41 of the Persons with Disability Act of 2006, Act 715 provides for the establishment of the National Council on Persons with Disability (NCPD), whose object is to propose and evolve policies and strategies to enable PWDs enter and participate in the mainstream of national development process. In pursuit of this, NCPWD in collaboration with other Ministries developed guidelines¹⁵ for the disbursement and management of the 2 percent share of the DACF for PWDs. The aim of the PWDs 2 percent share of DACF is to minimise poverty among all PWDs, particularly those outside the formal sector, and to enhance their social image through dignified labour.¹⁶

4.1.1 Awareness of the 2 percent share of the DACF

The guidelines for the disbursement and utilisation of the 2 percent- share of the DACF provide that the beneficiary PWDs of the DACF should be well sensitised about the actual purpose of the DACF allocated to PWDs¹⁷. Awareness level among PWDs on the 2 percent share of the DACF for PWDs was generally high. More than nine out of ten District PWDs Associations interviewed indicated their awareness of the 2 percent share of DACF for PWDs. (See Figure 2).



¹⁵ NCPD/GFD(2010). Guidelines for the Disbursement and Management of the DACF for PWDs

¹⁶ Ibid

¹⁷ Ibid

Source: PM&E Survey, SEND Ghana, 2010

Out of the 92 percent of District PWDs Associations that were aware of the 2 percent share of the DACF, nearly 34 percent did not have any knowledge on the guidelines for its disbursement and utilisation. The situation throws into question the meaning of the high level of awareness on the 2 percent share of DACF among the PWDs, given that they do not know how to access the fund.

4.1.2 Disability Fund Management Committee

Each District Assembly should form a special committee- the Disability Fund Management Committee (DFMC) for the purpose of managing the PWDs 2 percent share of DACF.¹⁸

Box 2. Responsibilities of the Disability Fund Management Committee

- Vet and approve applications received from PWDs and Organisations of Persons With Disability (OPWD)
- Monitor and supervise the utilisation of the funds
- Sensitise all relevant stakeholders at the District Level
- Present quarterly report on the management of the fund to MMDAs and NCPD representative

Source: Guidelines for the Disbursement and Management of the DACF Allocation to

More than half of MMDAs sampled do not have the mandated Disability Fund Management Committees in place. Some of these include West Mamprusi, Bolgatanga, Ashaiman, and Jirapa. Examples of MMDAs that have established these Committees are Yendi, Dangbe West, Kasena Nankana East, and Wa. (See Table J in appendix for the full list). Per the new guidelines for the disbursement and management of the DACF, the existence of these committees is a pre-requisite to accessing the PWDs' share of the DACF.

As shown in box 2 the functions of these committees include among others vetting and approving applications received from PWDs and OPWDs. Per the new arrangement this

¹⁸ NCPD/GFD(2010), Guidelines for the Disbursement and Management of the DACF Allocation to PWDs, Accra

function is expected to be exercised in accordance with the areas of expenditure indicated in box 3.¹⁹

Box. 3 Areas for Support under the PWDs 2 percent share of DACF

- Advocacy/awareness raising on the rights and responsibilities of PWDs
- Strengthening of OPWDs (Organizational development)
- Training in employable skills/apprenticeship
- Income generation activities (input/working capital)
- Some educational support for children, students and trainees with disability
- Provision of technical aids, assistive devices, equipment and registration of NHIS.

Source: Guidelines for the Disbursement and Management of the DACF Allocation to PWDs, NCPD/GFD 2010

Given the significance of the DFMC, the PWDs and OPWDs may find it difficult to successfully request for the release of the 2 percent share of the DACF from the MMDAs. Prior to the use of this new guideline which set up the DFMC, access to the PWDs' share had been at the discretion of the respective MMDAs. The lack of a uniform arrangement at the local level for vetting and approving request by PWDs/OPWDs limits their access to the fund. The next section examines the extent to which PWDs had access to the fund under the previous regime (2005-2009).

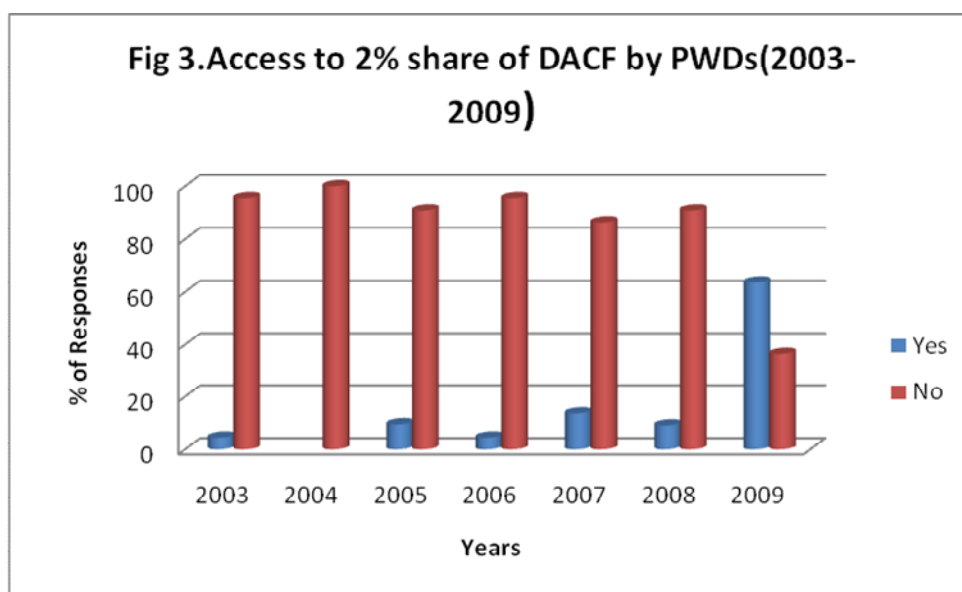
4.1.3 Access to DACF by PWDs

The DACF disbursements to MMDAs started in 1995. However, access to the 2 percent share of the DACF by PWDs has not been encouraging. As shown in Figure 3, between 2005 and 2008 about one-third of PWD/OPWD had access to the PWD-share of the DACF. PWDs were of the opinion that delays in the release of the fund by the MMDAs and lack of information on DACF transfers may have contributed to low access to the fund. However, in 2009 more than half of PWDs/OPWD sampled had access to the Fund. This improvement correlated with the growing national attention given to disability issues in 2009 following the establishment of the National Council for Persons with Disability which is mandated to guide the implementation of the

¹⁹ Ibid

Disability Act. Also, the 2010 National Population and Housing Census had separate variables to count PWDs in Ghana. Additionally, the government has revised the PWDs share of the DACF from 2 percent to 3 percent in 2011.

Notwithstanding the improvement in national level access, there were regional variations. For instance, while more than half of PWDs in the Northern region had access to their share of the fund, less than one-third of their counterparts in the Upper East, Upper West and the Greater Accra regions had access. (See Table K in Appendix for distribution). Given the high level of awareness among sampled PWDs/OPWD on the DACF (see figure 3), it is unclear what explains the observed regional level variations.



Source: PM&E Survey, SEND Ghana 2010

Despite the regional variations in the PWDs/OPWD access to the DACF, an assessment of the utilisation of their share also shows interesting variations. The next section examines utilisation at the level of PWDs/OPWD.

4.1.4 Utilisation of PWDs Share of the DACF

About 50 percent of PWDs Associations interviewed expended the fund on attendance of meetings and celebration of the International Day for the Disabled. Skill training and support for income generation activities accounted less than 10 percent and 15 percent respectively (see table 1). Majority of PWDs are concentrated in the informal sector. The distribution in

table 1 shows that about 45 percent of total expenditure goes into the celebration of the International Day for the Disabled and meetings.

Table 1: Activities undertaken by PWDs with the 2 percent share of the DACF

Activities	Responses	
	Frequency	Percent
Skills training	4	9.8 percent
Educational Support	7	17.1 percent
Celebration of International Day for the Disabled	6	14.6 percent
Attendance of meetings/conventions/congresses	12	29.3 percent
NHIS registration	1	2.4 percent
Construction of a resource centre	1	2.4 percent
Disabled sports activities	2	4.9 percent
Awareness creation on rights of disabled	2	4.9 percent
Support for Income Generation Activities (IGA)	6	14.6 percent
Total	41	100.0 percent

Source: PM&E Survey, SEND Ghana, 2010

This is intriguing when compared to investment in support for income generation activities and skills acquisition which account for less than 10 percent and 15 percent respectively. This is of particular importance taking into consideration the need to reduce poverty among PWDs.

Another area of the DACF utilisation is the MPs' share of the DACF and this is discussed in the next section.

4.2 Management and Utilisation of the MPs Common Fund²⁰

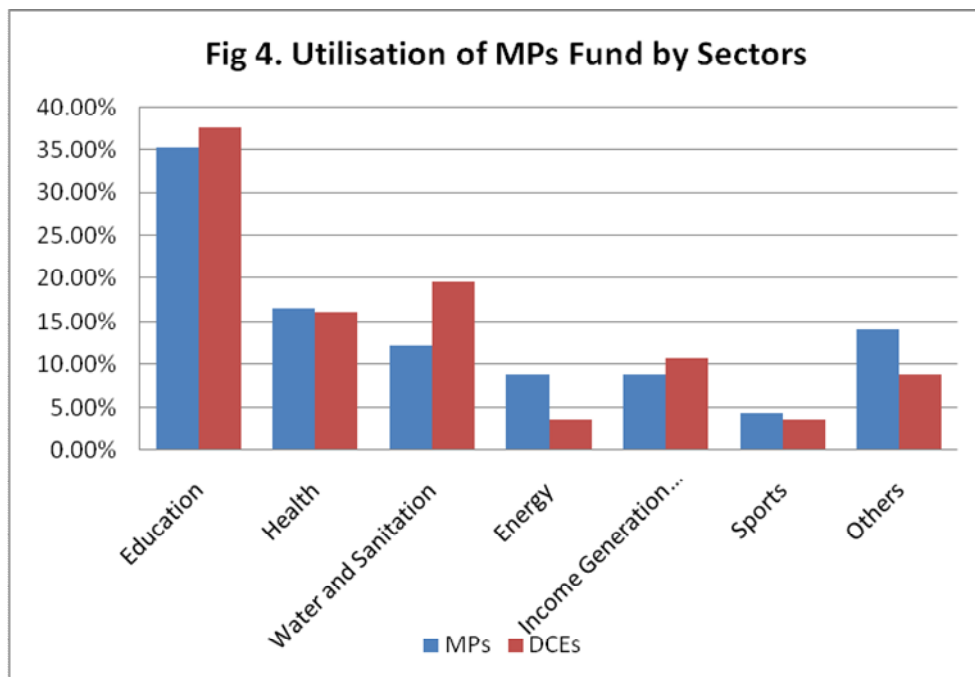
The MPs Common Fund (as it is commonly called) was created as a source of funding for the MPs to implement projects for their constituents to complement efforts of the District Assembly. The MPs are expected to use their share of the Fund, which is currently 7 percent of the DACF, to initiate and finance projects that usually do not involve huge capital outlay in their respective constituencies.

²⁰ It is also known as the Constituency Labour Project Fund

All MPs sampled claim that the fund has been in line with priorities in the District Medium Term Development Plan (DMTDP) priorities.²¹ This was also confirmed by 84 percent of DCEs interviewed. (See Table A in appendix). According to sampled DCEs and MPs, expenditures from the fund are consistent with District Development Plans because projects implemented are derived from these Plans.

The study showed that the educational sector has benefited the most from the MPs Fund, followed by Health and Water and Sanitation, as observed by MPs and DCEs (see Figure 4). The energy, income generation activities and sports sectors received the least support from the MPs Fund. While these projects may be good ones, a number of questions remain unanswered, due to the limited information available about the projects. First of all, how are these projects selected? Do they respond to the needs of those who need them most? A related set of questions concerns the issue of coordination. Even if these funds are expended in line with the MTDPs, is the spending coordinated with the other spending undertaken by the district? How can these parallel sources of funding be made to work together smoothly?

The evidence suggests that coordination between MPs and district officials is not always smooth.



Source: PM&E Survey, SEND Ghana, 2010

²¹ The District Medium Term Development Plan (DMTDP) is a document that translates the district development agenda into programmes, projects and activities to be implemented to benefit the people.

About one-third of MPs also believed that poor cooperation from DCEs and overdependence on MPs Fund by constituents for development affect their management of the fund. This raises some concern. Is it the case that citizens are losing confidence in MMDAs' ability to address their needs, such that they are turning to MPs for development in their communities?

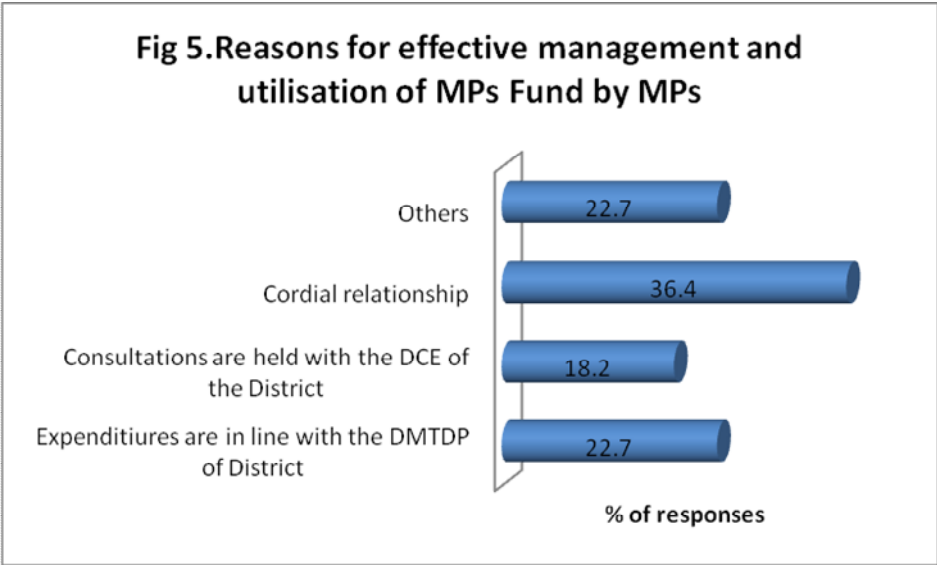
Table 2. Challenges faced by MPs in the management and utilization of the MPs Fund

Challenges	Frequency	Percent
Delays in release of DACF from Administrator of DACF	2	8.7
Inadequate funds	12	52.2
Overdependence on MPs Fund by constituents for development	3	13.0
MP and DCE belong to different political parties	1	4.3
Poor cooperation from MMDAs particularly DCEs	3	13.0
Others	2	8.7
Total	23	100.0

Source: PM&E Survey, SEND Ghana, 2010

Besides the issue of coordination, more than half of MPs sampled observed that their biggest challenge in the management and utilization of the MPs Fund was its inadequacy (see table 2 for distribution). To address this challenge it would require that the MP's share is increased. However, this raises question about the larger role of the MP: legislative, oversight and development. Would the expansion of the development role of the MP not affect the discharge of the legislative function? How effective would the MP be in the exercise of the oversight responsibility when directly involved in the implementation process?

Apart from the challenges already discussed, the occurrence of conflict between MPs and DCEs was investigated. Out of the 22 MPs who did not experience any conflict, 36 percent attributed it to the cordial relationship that existed with the DCEs as shown in Figure 5. Nearly 18 percent of MPs attributed the absence of conflict to effective consultation with their respective DCEs. Also, for 23 percent of MPs interviewed, the reason for their effective management and utilisation of the fund is the alignment of expenditures with the DMTDP.



Source: PM&E Survey, SEND Ghana 2010

4.3 Citizens Awareness and Access to Information on DACF

For decentralisation to bring decision-making closer to citizens, they should be aware of the availability of resources and the opportunities for participation at local level. Awareness is just a first step, however; communities also need regular access to information about ongoing projects and decision-making opportunities. Community sensitisation programmes designed to inform and educate potential recipients about projects promote increased project awareness among community people, facilitate access to the project and proper identification of target groups and their needs²².

4.3.1 Citizens Awareness

The awareness level among sampled community leaders on DACF was generally high. Almost all community leaders have heard about the DACF (see Table 3). However, awareness about DACF sponsored projects among the sampled community leaders was about 70 percent. (See Table B in Appendix for details).

²² Kokor J. Y (2001), Local Governance of Development in Ghana, **Spring** Research Series No. 30, Dortmund

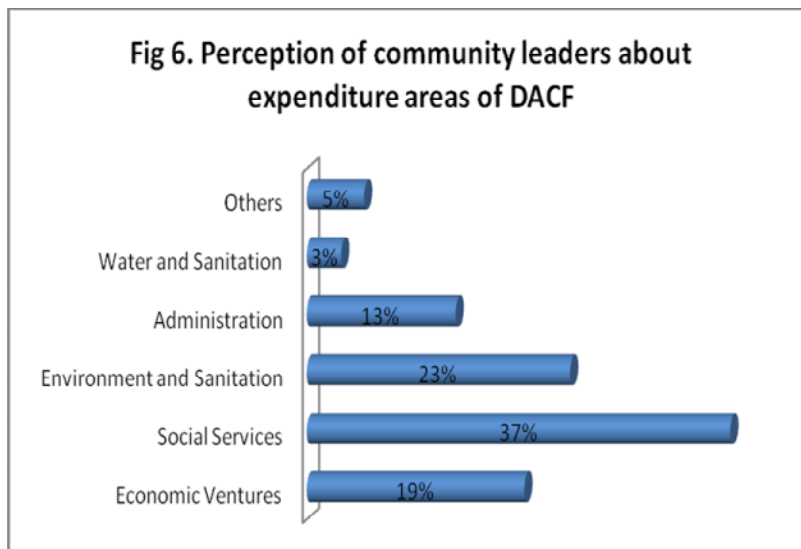
Table 3: Citizens awareness on DACF

		Frequency	Percent
Valid	Yes	41	97.6
	No	1	2.4
	Total	42	100.0

Source: PM&E Survey, SEND Ghana, 2010

The understanding of DACF also varied among key informants in the communities. About 27 percent understood DACF to be the largest source of resources available to the MMDAs. Almost 23 percent conceded that the DACF was to make up for the development deficiencies in the communities. For about 20 percent of sampled community leaders, the DACF was to complement IGF of MMDAs (See Table C in Appendix for distribution)

The Minister for Local Government and Rural Development, in collaboration with the Minister of Finance and Economic and Planning issues guidelines for the utilisation of the funds by MMDAs, including sectors of spending. The four main sectors are: Economic Venture, Social Services, Administration and Environment.



Source: PM&E Survey, SEND Ghana 2010

As shown in Figure 6, an assessment of the perception of community leaders regarding DACF expenditure areas indicated that nearly 79 percent believe that the DACF should be spent on economic ventures, provision of social services, environment and sanitation. The rest, representing about 20 percent, suggested areas such as: Administration, wages and salaries and others.

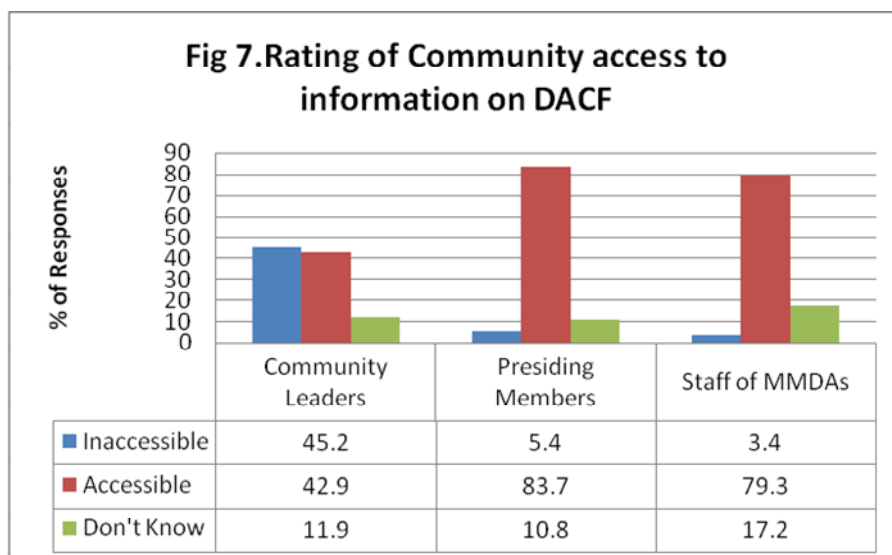
Another important factor for the promotion of citizens’ participation in the decision-making process regarding DACF is the timely access to information. The next section discusses Citizens’ access to information on the DACF.

4.3.2 Access to information

Access to information requires that government makes information available pro-actively putting it into the public sphere by making it available at public buildings or on the internet. But citizens must also demand this information. An important element of access to information is that citizens are more likely to ask for information and find it available. This is particularly important in contexts where access to information has typically been low, and citizens therefore assume that information is generally not available, even if it may be in certain cases.

Our findings indicate that citizens by and large do not feel that they have access to information. This may indicate lack of access, or a failure on the part of government officials to sensitize communities to the fact that information has been made accessible. Further research would be needed to know which of these is the case, but, either way, there is room for improvement.

About 45 percent of sampled community leaders think that communities do not have access to information on the DACF as shown in Figure 7. However, more than two-thirds of Presiding Members and Staff of MMDAs respectively were of the opinion that communities have access to information.



Source: PM&E Survey, SEND Ghana, 2010

Although 45 percent of sampled MMDAs indicated that they have organised public fora to discuss the DACF, they could not adduce evidence about the time, form, and structure that the discussions took. This is supported by the observation that nearly 81 percent of sampled communities did not participate in such meetings. About 17 percent of community members have admitted participated in the meetings. Nearly 2 percent of communities did not know about these meetings.(See table D and E in Appendix for details). This raises fundamental questions about the manner in which these meetings were organised and who participated.

If genuine access to information implies that information is available and that communities know it is available, then there are still major challenges for citizens accessing information about the DACF.

4.3.3 Sources of Information

As shown in Table 4, information on DACF is accessed from varied sources. The major source from which DACF information is accessed by communities as expressed by all categories of sampled respondents is through Assembly Persons. The experience or knowledge base required for Assembly Members to be effective in their designated roles as stipulated by legislation is limited.²³ Therefore, the reliability and accuracy of information transmitted by Assembly Members to communities is in doubt. Also, the study revealed that there is limited use of community radio stations for the dissemination of information on the DACF to citizens. The evidence, as indicated in table 4, is that radio accounts for less than 10 percent of sources of information on the DACF.

²³ Kokor J.Y (2001), Local Governance of Development in Ghana, Spring Centre, University of Dortmund, Germany

Table 4: Sources of information on DACF

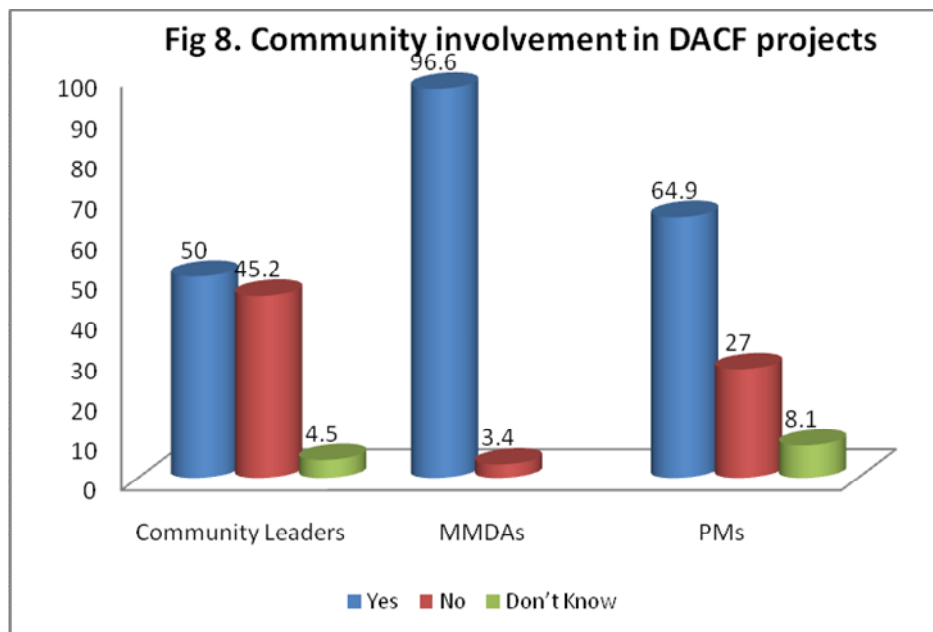
Source of information	Percentage of Responses		
	Community Leaders	Presiding Members	Staff of MMDAs
MMDAs Notice Boards	12.1	20.5	17.8
Local Radio Stations	8.6	2.6	7.5
MDAs Sessions	17.2	35.5	24.3
Assembly Members	41.4	20.5	18.7
Newspapers	-	12.8	16.8
Area/Town Councils	5.2	5.1	10.3
Chiefs	8.6	1.3	2.8
Television	-	-	9
MDAs Sub-Committee meetings		1.3	-
Internet	1.7	-	9
Others	5.2	-	-
Total	100.0	100.0	100.0

Source: PM&E Survey, SEND Ghana, 2010

In spite of the growing number of radio stations, it is surprising that the MMDAs have not utilised the potential of existing commercial and community radio stations to communicate information on the DACF to the citizenry. The extent to which citizens participate in the planning, implementation and monitoring of development projects depends largely on the availability, access to and reliability of information. In view of this, the section that follows discusses community participation at all levels of DACF projects.

4.4 Community Participation in DACF Projects

Communities must be involved at all stages of projects if they are to succeed in promoting community development.²⁴ It has been empirically proven that programmes with citizens participation coordinated by community level officials have generally been more successful than those without it²⁵. The study revealed that about half of community members were involved in the planning, implementation, and monitoring and evaluation of the DACF projects as reported by community leaders. (See Figure 8 for distribution). For those community members who did not participate in the planning, implementation and monitoring of DACF projects, the key reasons reported by community leaders was lack of access to information on DACF projects; and ineffective communication system employed by the MMDAs.



Source: PM&E Survey, SEND Ghana, 2010

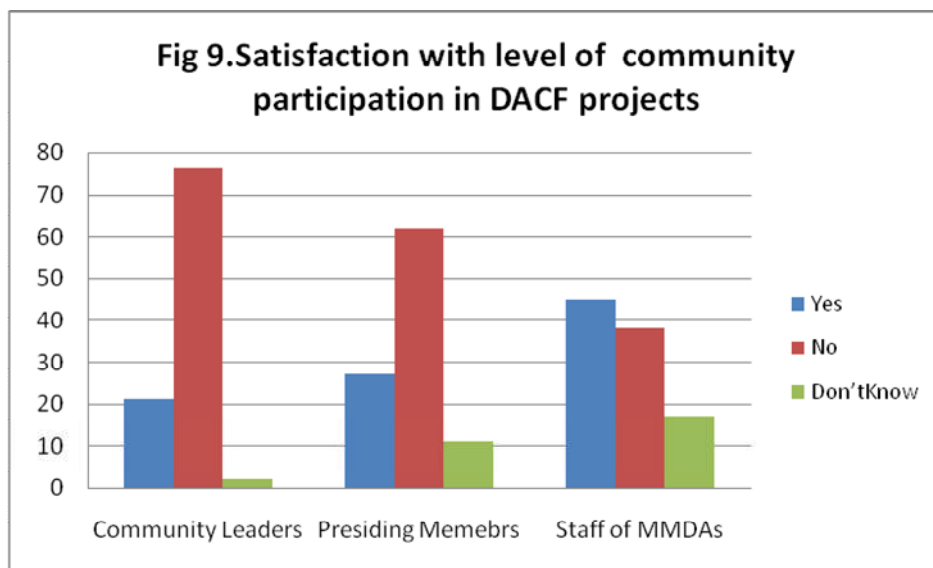
On the other hand, about 97 percent and 65 percent of MMDAs and Presiding Members sampled respectively indicated that communities were involved in the planning, implementation and monitoring and evaluation of DACF as shown in Figure 8. This implies that there is apparent divergence of views on community participation. Thus, it is unclear as to what constitute community participation from the perspective of these stakeholders. What is critical,

²⁴ Kroes G. and Kokor J.Y.(2001), Community Development in Sub-Saharan Africa, SPRING Centre, University of Dortmund.

²⁵ Ahwoi K. (2010), Local Government and Decentralisation in Ghana, Unimax Macmillan Ltd, Accra

however, is that when local people participate in identifying, designing, implementing and managing projects and programmes, they would become satisfied that their needs have been into considered²⁶. In this regard, the study discusses the level of community satisfaction on the participation in the planning, implementation and monitoring of DACF projects below.

Nearly two-thirds of community leaders are dissatisfied with their level of involvement in DACF projects as shown in Figure 9. This was supported by about 62 percent and 38 percent of Presiding Members and Staff of MMDAs respectively who admitted that the level of community involvement in DACF projects was low.



Source: PM&E Survey, SEND Ghana, 2010

In view of these finding, respondents were asked to suggest ways for improving citizens' participation in DACF projects. All categories of respondents agreed on the following measures: increase access to information; promotion of effective community leadership, enhance MMDAs communication system, and the promotion of bottom-up planning approach (See table F in appendix).

²⁶ Ibid,

4.5 DACF Disbursement and Utilisation

The DACF constitutes the major source of revenue for MMDAs to implement development projects to benefit the citizenry. The Administrator of the DACF disburses the Fund to the various MMDAs in the country based on the formula approved by Parliament.

4.5.1 Disbursements of DACF

At the beginning of every year, based on the projected DACF by the government, the Administrator of the DACF applies the formula in determining the allocations to every district. Actual disbursements by the Administrator of the DACF to District MMDAs should be done on a quarterly basis²⁷. See table L in appendix for the list of MMADs and the respective DACF allocations and receipts.

Table 5. Disbursements of DACF Funds to District Assemblies by the Administrator of the DACF (2005 – 2009)

Year	Projected(Ghc)	Actual(Ghc)	Variance(Ghc)	Percentage of Variance
2005	5,328,893.24	878,764.56	(4,450,128.68)	(83.51 percent)
2006	6,442,577.05	22,455,554.40	16,012,977.35	248.55 percent
2007	8,152,334.45	3,516,188.25	(4,636,146.20)	(56.87 percent)
2008	18,131,454.51	25,662,787.86	7,531,333.35	41.54 percent
2009	146,476,911.71	220,782,829.45	74,305,917.74	50.73 percent

Source: PM&E Survey, SEND Ghana, 2010

In the context of inconsistency between projected allocation and actual disbursement, the need for planning and forecasting is critical to the utilisation of the DACF.

²⁷ District Assemblies Common Fund Act, 1993 Act 455.

4.5.2 Accounting for DACF Funds

The Local Government Act of 1993,(Act 462) and the District Assemblies Common Fund Act of 1993, (Act 455) provides for the keeping of separate bank accounts in respect of the DACF and MPs Fund.

It turned out from the study, that all MMDAs sampled have separate bank accounts for receipt of DACF Funds. This was confirmed by more than two-thirds of Presiding Members. (See Table 6). When probed for reasons for opening the accounts, MMDAs were not forthcoming with any answer. Could this be a lack of understanding of the DACF guidelines?

Table 6. Do you have separate bank accounts for DACF, Constituency Labour Project and Disability Funds?

Categories of respondents	Percentage of Responses	
	Yes	No
DACF	100.0	-
MPs Fund	100.0	-
Disability Fund	21.4	69.9

Source: PM&E Survey, SEND Ghana 2010

Every MMDA is required to open a separate bank account for the purposes of managing the PWDs 2 percent share of DACF.²⁸ Table 7 reveals that, generally these accounts have not been opened by MMDAs sampled. Out of the 25 MMDAs that responded to the study, only 6 representing less than one-third have opened bank account or at various stages of account application These MMDAs include: Central Gonja, Bunkpurugu Yunyoo, Dangbe West, Kasena Nankana West, Builsa and Bawku. In table 7, a comprehensive list of MMDAs which do not have District Disability Fund Account is depicted. Information obtained indicates that the opening of the DFMC involves a number of processes. These include: application to the Controller and Accountant General' department; approval by the Controller and Accountant General's department and onward submission to the Bank of Ghana; communication from the

²⁸NCPD/GFD(2010), Guidelines for the Disbursement and Management of the DACF Allocation to PWDs, Accra

Bank to Ghana to the Headquarters of proposed banks by MMDAs, communication from the headquarters of proposed banks to respective branches; and finally account details communicated to the DACF administration for disbarment.

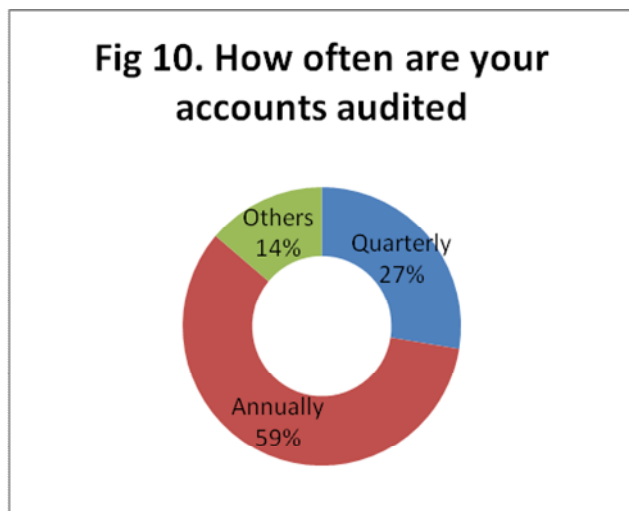
		Do you have a separate account for District Disability Fund/Are you in the process of acquiring separate Account for District Disability Fund?		Total
		Yes	No	
District	East Mamprusi	0	1	1
	West Mamprusi	0	1	1
	East Gonja	0	1	1
	Central Gonja	1	0	1
	Savelugu Nanton	0	1	1
	Nanumba North	0	1	1
	Kpandai	0	1	1
	Tolon Kumbungu	0	1	1
	Bunkpurugu Yunyoo	1	0	1
	Ga West Municipal	0	1	1
	Dangbe West	1	0	1
	Lezorkuku Krowor Municipal	0	1	1
	Bawku Municipal	1	0	1
	Builsa	1	0	1
	Talensi Nabdam	0	1	1
	Kasena Nankana West	1	0	1
	Lambussie Karni	0	1	1
	Sissala East	0	1	1
	Sissala West	0	1	1
	Wa East	0	1	1
	Jirapa	0	1	1
	Nadowli	0	1	1
	Lawra	0	1	1
	Wa Municipal	0	1	1
	Bole	0	1	1
Total		6	19	25

Source: PM&E Survey, SEND Ghana 2010

These MMDAs could not adduce any reason why the District Disability Fund Account has not been opened. The implication is that PWDs are denied access to the Fund. In situations whereby the District Disability Fund Accounts are not in place, it becomes pertinent to question how the PWDs share of the DACF is utilised.

Another requirement for the utilisation of the DACF by MMDAs is the keeping of a separate cashbook²⁹ for recording of DACF transactions. As shown in Table G in Appendix, about 97 percent of MMDAs sampled have separate cash books for recording DACF transactions which were made available to the District Citizens Monitoring Committees for inspection. The major reasons given by MMDAs for keeping separate cash books were to comply with the Financial Administration Act and to enable them to track expenditure trends.

The Auditor-General by law has the responsibility to ensure that MMDAs use the Common Fund according to detailed guidelines by undertaking annual and special audits. The study showed that 59 percent of sampled MMDAs DACF accounts are audited annually. About 27 percent of the accounts are audited on quarterly basis. Only 14 percent of DACF accounts are audited at irregular intervals. (See Figure 10).



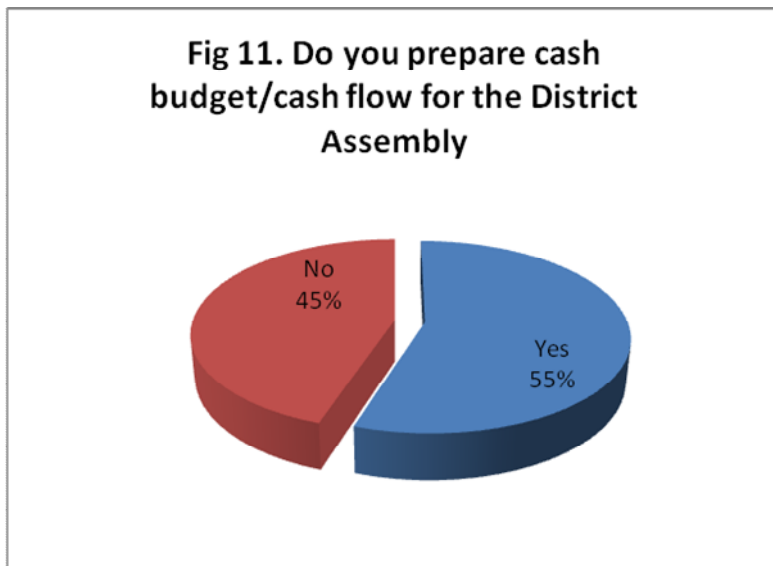
Source: PM&E Survey, SEND Ghana, 2010

Additionally, MMDAs are required to prepare Supplementary Development Budgets to cover the DACF allocations annually. About 93 percent of MMDAs sampled confirmed the preparation of budgets on an annual basis, while nearly 7 percent reported the preparation of these budgets monthly. (See Table 12). According to the MMDAs, the need to comply with the Financial Administration Act and meeting the requirement for receipt of DACF have largely accounted for the preparation of budgets annually.

²⁹ This is a book in which all cash transactions (either cash is received or paid) relating to the DACF are recorded.

4.5.3: Preparation of Cash Budgets

A cash budget helps an institution to control its financial resources by planning expenditure based on available cash. While 62 percent of sampled MMDAs underscored the importance of cash budgets in the management of DACF, almost 45 percent of MMDAs do not prepare cash budgets. MMDAs cited compliance with the Financial Administration Act as the reasons for its preparation. (See Figure 11 for distribution).



Source: PM&E Survey, SEND Ghana 2010

Moreover, MMDAs are required to submit monthly returns covering the use of the fund to the Administrator of DACF. As shown in Table 8, nearly 97 percent of District Assemblies interviewed confirmed the submission of these returns to the Administrator of the DACF. However, copies of these reports were not made available when requested for by the DCMCs. Trial Balances were also submitted monthly to the Controller and Accountant General as reported by about 90 percent of MMDAs in Table 8.

Table 8: Frequency of submission of expenditures returns, budgets and trial balances to the Administrator of DACF and C&AGD by MMDAs

Types of Reports	Percentage of responses					
	Monthly	Quarterly	Bi-annually	Annually	Others	Total
Expenditure Returns	96.6	3.4	-	-	-	100.0
Supplementary Budgets	6.9	-	-	93.1	-	100.0
Trial Balance	89.7	-	-	-	10.3	100.0

Source: PM&E Survey, SEND Ghana 2010

Sampled District Assemblies and Presiding Members interviewed concurred that the preparation and submission of expenditure returns and supplementary budgets are the most important requirements for receipt of DACF. According to them, the non-submission of these reports would deny them their DACF transfers. Thus, the prompt submission of expenditure returns and budgets to the DACF Administrator to some extent contributes to the timely release of DACF to MMDAs (See table H in appendix). Also, it is commendable to note that there is high level of compliance with requirements for the receipt of DACF transfers although there is room for improvement, especially in the case of irregular auditing of DACF accounts. This notwithstanding, it is significant to know how community leaders assess the effective of the DACF in addressing their development needs.

The study observed that about 50 percent of community leaders do not believe that, MMDAs have effectively used the DACF to address their development needs. According to them, their limited involvement in DACF projects have largely accounted for their unmet needs.

Table 9. Community views on Effectiveness of DACF in addressing their development needs

		Frequency	Percent
Valid	Yes	15	35.7
	No	21	50.0
	Don't know	6	14.3
	Total	42	100.0

Source: PM&E Survey, SEND Ghana, 2010

On the other hand, 35 percent believe that the DACF has been used effectively to develop their Districts.(See Table 9)

4.6 Relationship between District Budgets, Medium Term Development Plans and Expenditure Returns

The Local Government Act of 1993, Act 462 section (10) (3) (a) (ii) *provides that a District Assembly shall be responsible for the overall development of the district, and shall ensure the preparation and submission through the Regional Coordinating Council of the development plans of the district to the National Development Planning Commission for approval, and of the budget of the district related to the approved plans to the Minister of Finance for approval.*

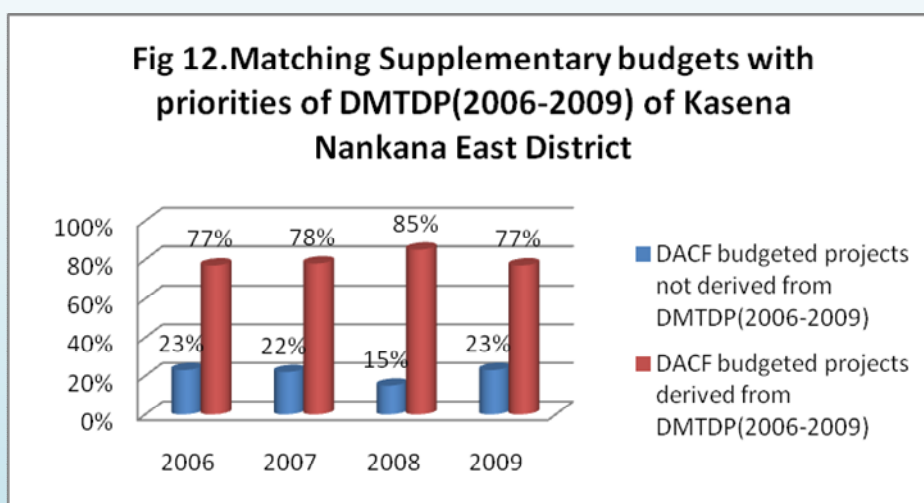
MMDAs, in the exercise of their planning function, formulate MTDPs that must involve the participation of local people to translate their needs and aspirations into implementable programmes, projects and activities to benefit them. The district budget is the financial expression of the Assembly's development plan to effect a qualitative and quantitative change in the living conditions of the people in its area of jurisdiction. It is a process whereby the objectives of district development plan are quantified and operationalised fiscally; the priced mirror of the district plan.³⁰ In essence there should a close relationship between the district budget and the district medium term development plan.

Out of the 29 MMDAs, more than two-thirds did not provide their MTDPs their supplementary budgets for the period 2005-2009. In addition none of the MMDAs could provide DACF expenditure returns for the same period. This invariably makes it difficult to track the management and the utilisation of the DACF.

³⁰ Ahwoi K. (2010), Local Government and Decentralisation in Ghana, Unimax Macmillan Ltd, Accra, pp183

Box 3. Relationship between Budgets and DMTDPs- the case of Kasena Nankana East District Assembly

The Kasena Nankana East District is one of the nine districts in the Upper East Region created in 1988 through Legislative Instrument (LI) 1445. The population of the District according to the 2000 Population and Housing Census is estimated at 151,176. The mainstay of the local economy is agriculture, which accounts for about 68.7 per cent of the labour force. The development focus of the Kassena-Nankana District is to ensure improvement in the quality of life of all the people in the district by providing basic socio-economic services such as health care, quality education, potable water, ensuring food security and the creation of an enabling environment for private sector participation and sustainable development (According to the DMTDP).



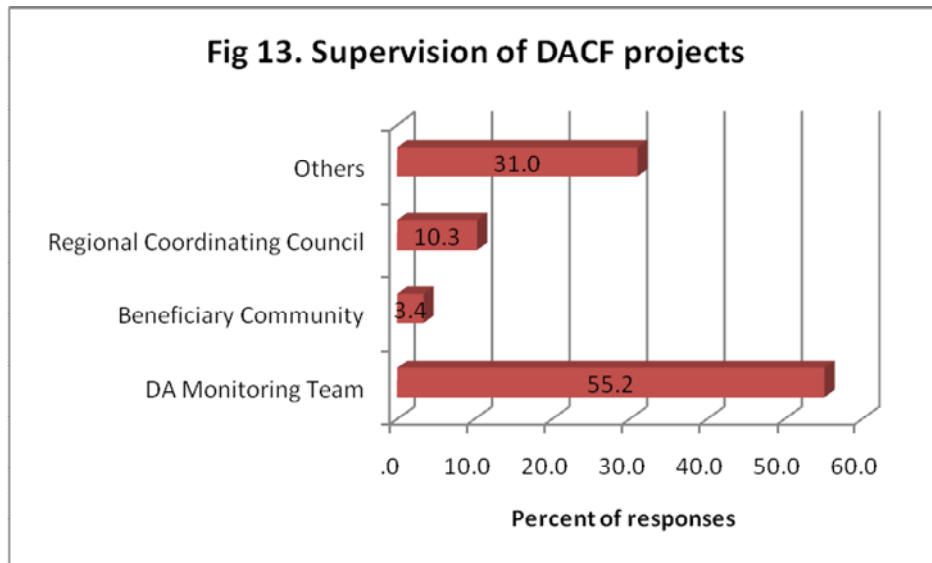
Source: KNDAs DMTDP (2006-2009), DACF Budgets estimates for 2006, 2007, 2008, and 2009.

As shown in the Figure 12, about one-third of the Districts' supplementary budget items were not derived from the District Medium Term Development Plan (DMTDP) 2006 – 2009. According to some staff of the Assembly interviewed, this is due to the high frequency of expenditure issues as result of natural disasters; and a change in government policy direction.

In this case, supplementary budgets which are prepared annually make room for new priority projects to be taken on board. Under normal circumstance, MTDPs and supplementary budgets are subject to mid-year and end of year reviews to reflect emerging issues. However, this seldom takes place because of inadequate funds. This variation between MMDAs Budgets and Medium Term Development Plan makes tracking of budgets and MTDPs by citizens difficult.

4.7 Supervision and Monitoring of DACF Projects

District Assemblies, through their monitoring teams, are required to supervise DACF projects to ensure value for money. As shown in Figure 13, nearly 55 percent of staff of MMDAs interviewed reported that DACF sponsored projects are monitored by District Assemblies Monitoring Teams³¹. The monitoring covers key areas such as compliance of project with project specifications, assessment of progress of work, and suitability of project site.



Source: PM&E Survey, SEND Ghana, 2010

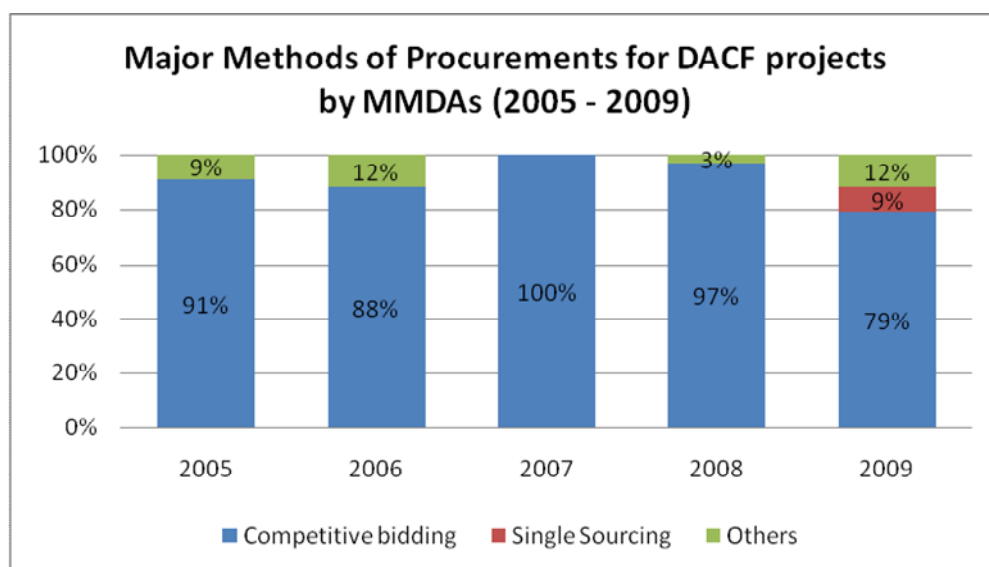
Only 3 percent of MMDAs' staff claims that beneficiary communities monitor DACF projects (see figure 13). This low involvement of communities in the monitoring of DACF projects could affect the quality of projects since MMDAs need community support to compensate for their inability to monitor regularly all projects in the district.

4.7 Procurement

All public institutions including District Assemblies must procure their goods, works, and services under the Public Procurement Act of 2003 (Act 663). As shown in Figure 16, Competitive Bidding was the dominant method of procurement of sampled District Assemblies accounting for above 80 percent of procurements in all the years.

³¹ This comprise the District Planning Officer, District Engineer, Chairperson of the Works Sub-committee, District Coordinating Director, and District Budget Officer

Figure 14



Source: PM&E Survey, SEND Ghana, 2010

According to sampled staff of the District Assemblies, competitive bidding was commonly used because contracts were within the threshold of the District Tender Committees. They also emphasised the need to ensure value for money as a motivating factor to use competitive bidding. In 2009, almost 10 percent of goods, works and services were procured through Single Sourcing. A higher degree of compliance with the Procurement Act, as being claimed by the MMDAs, is commendable; although a verification from independent sources such as the Auditor-General's report would be required to provide insight into award of contract. Also, an indication that almost 10 percent of procurement was done through single sourcing in 2009 has not been thoroughly probed to find out whether the circumstances warranted such actions.

5.0 Conclusion

The DACF continues to be the leading source of revenue for MMDAs and represents government commitment to fully implementing the decentralisation policy.

However, the findings reveal that there has been non-adherence to the guidelines for the utilisation of the DACF funds by MMDAs, particularly the 2 percent share of the fund for PWDs. Access to information on and community participation in DACF projects have become very problematic to the extent that responsiveness of MMDAs to the local needs of citizenry has been affected.

Notwithstanding, DACF remains a viable option for achieving fiscal decentralization, provided all stakeholders work together to ensure the prudent use of the funds in addressing the needs of the poor and marginalized in the country to reduce poverty.

6.0 Recommendations

Based on the findings of our study, we make the following recommendation for policy consideration with a view to improving the access and utilisation of the DACF by the poor and the marginalised.

- v. As a matter of priority, the Ministry of Local Government and Rural Development should ensure that all MMDAs comply with the guidelines for the disbursement and utilisation of the DACF for PWDs by establishing District Disability Fund Management Committees and opening separate bank accounts for the fund to enable PWDs access their 2 percent share of the DACF.
- vi. District Assemblies should pursue innovative measures that ensure access to information on DACF by citizens to elicit their support and participation in the implementation of DACF projects. Currently, communities rely on their Assembly Members for information which is not very effective. MMDAs should therefore explore the option of relying on community radio stations for the dissemination of information on the DACF.
- vii. To ensure sustainability and community ownership of DACF projects, District Assemblies should increase community participation at all stages of the project since communities are currently dissatisfied with their level of participation in DACF projects.
- viii. In view of the inconsistencies between projected allocations and actual disbursement of DACF, it is strongly suggested that MMDAs prepare cash budgets to ameliorate the effect on the inconsistencies in implementation of projects.

APPENDIX

Table A. Is the utilisation of MPs share of the DACF in line with the priorities of the MTDP

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	21	84.0	84.0	84.0
	No	3	12.0	12.0	96.0
	Don't Know	1	4.0	4.0	100.0
	Total	25	100.0	100.0	

Table B. Awareness of DACF among community members

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	41	97.6	97.6	97.6
	No	1	2.4	2.4	100.0
	Total	42	100.0	100.0	

Table C. Knowledge of community leaders on DACF

		Responses		Percent of Cases
		N	Percent	
DACF ^a	DACF constitute the largest chunk of resources available to DAs	17	27.0 percent	45.9 percent
	DACF was established through an Act of Parliament(DACF Act 455, 1993)	6	9.5 percent	16.2 percent
	DACF was to make up for development deficiencies in deprived communities	15	23.8 percent	40.5 percent
	DACF was to encourage local governance at the grassroots	4	6.3 percent	10.8 percent
	DACF was to ensure equitable distribution of resources in every part of the country	2	3.2 percent	5.4 percent
	DACF was to complement IGF of DAs to undertake development projects	14	22.2 percent	37.8 percent
	Others	5	7.9 percent	13.5 percent
Total		63	100.0 percent	170.3 percent

a. Dichotomy group tabulated at value 1.

Table D. Attendance of fora organised by the district assembly to discuss DACF

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	7	16.7	16.7	16.7
	No	34	81.0	81.0	97.6
	Don't Know	1	2.4	2.4	100.0
	Total	42	100.0	100.0	

Table E. Public fora organized by DA to discuss DACF with citizens

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	13	44.8	44.8	44.8
	No	14	48.3	48.3	93.1
	Don't Know	2	6.9	6.9	100.0
	Total	29	100.0	100.0	

Table F: Ways of improving community involvement in DACF projects

Ways	Percentage of Responses		
	Community Leaders	Presiding Members	Staff of District Assemblies
Increased access to information on DACF	32.4	31.3	30.8
Decentralised planning approach should be adopted by District Assemblies	20.3	23.4	19.2
Effective community leadership	16.2	18.8	15.4
Effective system of communication between communities and District Assemblies	31.1	23.4	29.5
Others	-	3.2	5.1
Total			

Table G: Do you have a separate cash book for recording DACF transactions

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes, seen	28	96.6	96.6	96.6
	Yes, not seen	1	3.4	3.4	100.0
	Total	29	100.0	100.0	

Table H: Requirements for receipt of DACF by District Assemblies				
		Responses		Percent of Cases
		N	Percent	
Requirements	Early submission of monthly expenditures returns	22	36.1 percent	78.6 percent
	Early submission of supplementary budgets	23	37.7 percent	82.1 percent
	Compliance with utilisation guidelines	5	8.2 percent	17.9 percent
	Submission of trial balances	2	3.3 percent	7.1 percent
	Utilisation of DACF must be in line with MTDP	2	3.3 percent	7.1 percent
	Submission of monitoring reports	7	11.5 percent	25.0 percent
Total		61	100.0 percent	217.9 percent
a. Group				

Table I :Role of Assembly Members in the management and Utilisation of the DACF				
		Responses		Percent of Cases
		N	Percent	
Role	Approve Supplementary budgets	2	22.2 percent	66.7 percent
	Monitor Assembly Projects in their electoral areas	2	22.2 percent	66.7 percent
	Agree on and submit their projects request to the DA for DACF funds	1	11.1 percent	33.3 percent
	Participate in the selection of projects	1	11.1 percent	33.3 percent
	Ensure proper utilisation of DACF Funds	1	11.1 percent	33.3 percent
	Make recommendations for improving the utilisation of funds	2	22.2 percent	66.7 percent
Total		9	100.0 percent	300.0 percent
a. Group				

Table K. Awareness of PWDs on utilization guidelines of 2 percent share of DACF

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	23	60.5	60.5	60.5
	No	15	39.5	39.5	100.0
	Total	38	100.0	100.0	

Table J: Presence of District Disability Fund Management Committee

Count		Presence of District Disability Fund Management Committee		Total
		Yes	No	
District	East Mamprusi	1	0	1
	West Mamprusi	0	1	1
	East Gonja	1	0	1
	Central Gonja	1	0	1
	Savelugu Nanton	0	1	1
	Zabzugu Tatale	1	0	1
	Nanumba North	1	0	1
	Kpandai	0	1	1
	Saboba	1	0	1
	Chereponi	1	0	1
	Yendi	1	0	1
	West Gonja	1	0	1
	Gushiegu	1	0	1
	Tolon Kumbungu	0	1	1
	Bunkpurugu Yunyoo	1	0	1
	Ga West Municipal	0	1	1
	Dangbe West	1	0	1
	Ablekuma South Sub- Metro	0	1	1
	Ashedu Keteke Sub-Metro	0	1	1
	Ashaiman Municipal	0	1	1
	Osu Klotey Sub-Metro	0	1	1
	Bolgatanga Municipal	0	1	1
	Bawku Municipal	0	1	1
	Kasena Nankana East	1	0	1
	Builsa	0	1	1
	Talensi Nabdum	0	1	1
	Kasena Nankana West	0	1	1
	Wa West	1	0	1
	Lambussie Karni	0	1	1
	Sissala East	1	0	1
	Sissala West	0	1	1
	Wa East	0	1	1
	Jirapa	0	1	1
Nadowli	0	1	1	
Lawra	0	1	1	
Wa Municipal	1	0	1	
Sawla-Tuna-Kalba	0	1	1	
Bole	1	0	1	
Total		17	21	38

Table K: Region * Access to PWDs 2 percent share of DACF Cross tabulation				
Count				
		Access to PWDs 2 percent share of DACF	Total	
		Yes		
Region	Greater Accra	3	3	
	Northern	12	12	
	Upper East	1	1	
	Upper West	6	6	
Total		22	22	

Table L: Disbursements of DACF Funds to District Assemblies by the Administrator of the DACF (2005 – 2009)				
MMDA	Year	Projected Allocation(GHc)	Actual Allocation(GHc)	Variance(GHc)
	2005			
Wa East		850,000	531,116.85	4,219.45
Yendi Municipal		608,400.00	544,809.17	63,590.83
Wa Municipa		616,000.00	946,770.70	46,753.72
Talensi Nabdam		2,505,600.00	626,400.00	136,235.00
	2006			
Talensi Nabdam		2,445,600.00	611,400.00	215,938.00
West Mamprusi		968,412.04	673,864.80	294,547.24
Yendi Municipal		606,000.00	526,698.45	19,711.18
Bole		513,325.88	513,325.80	
Jirapa		732,000.00	19,454,079.35	6,030,557.11
Wa East		750,000.00	658,075.28	100,363.70
	2007			
Bawku		747,439.78	446,541.30	300,898.48
Bole		584,194.67	584,194.67	
Yendi		965,900.00	766,148.68	199,751.12
	2008			
Lekma		3,132,113.00	17,942,381.00	1343875
Wa East		1,464,393.60	1,473,334.89	158,724.45
Bawku		1,168,004.25	495,154.70	672,849.55
Jirapa		927,945.08	970,733.48	42,788.30
Bole		960,332.02	960,332.02	

Yendi		1,118,332.00	16,989,932.00	51,567.30
Adenta		1,766,943.64	1,851,618.92	202,132.75
Lawra		988,892.52	48,074.64	940,817.88
	2009			
Lekma		204,315.60	103,035.60	1,012,800.00
Bawku		1,013,420.78	430,782.89	582,637.89
Jirapa		867,784.71	867,784.71	
Bole		2,143,908.38	1,399,154.64	744,753.68
Adenta		1,275,905.52	9,609.72	1,266,295.80