

IMANI
Center for Policy & Education

PROMOTING SOCIAL ACCOUNTABILITY TO ENHANCE SPENDING EFFICIENCY AT LOCAL GOVERNMENT LEVEL

IMANI CENTRE FOR POLICY AND EDUCATION

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This document contains the findings of a research project that seeks to assess spending efficiency at the local level, particularly Internally Generated Funds, and how best demand side accountability could be enhanced. The project focuses on 15 MMDAs in Ghana.

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LIST OF ABBREVIATIONS

APRs	Annual Progress Reports
BPEMS	Budget and Public Management Systems
CSOs	Civil Society Organisations
DACF	District Assembly Common Fund
DCD	District Coordinating Director
DCE	District Chief Executive
DDF	District Development Facility
DDF	District Development Fund
DLT	District League Table
DMTPs	District Medium Term Development Plans
DPAT	District Assembly Performance Assessment Tool
ERP	Economic Recovery Programme
FOAT	Functional Organisational Assessment Tool
GCRs	General Counterfeit Receipts
GIFMIS	Ghana Integrated Financial Management Information System
IGF	Internally Generated Fund
IMF	International Monetary Fund
KMA	Kumasi Metropolitan Assembly
LGCSP	Local Government Capacity Support Project
LGS	Local Government Service
MDGs	Millennium Development Goals (MDGs)
MLGRD	Ministry of Local Government and Rural Development
MMDAs	Metropolitan, Municipal and District Assemblies
MoFEP	Ministry of Finance and Economic Planning
MPs	Members of Parliament
MTEF	Medium Term Expenditure Framework
NDPC	National Development Planning Commission
PE	Personnel Emolument
PEM	Public Expenditure Management
PFM	Public Financial Management
PNDC	Provisional National Defence Council
PUFMARP	Public Financial Management Reform Programme

RCC	Regional Coordinating Council
RHCs	Regional House of Chiefs
RIAP	Revenue Improvements Action Plan
SAP	Structural Adjustment Programme
SDGs	Sustainable Development Goals
SPEFA	Social Public Finance Expenditure and Financial Accountability
SPSS	Statistical Package for Social Scientists
SSA	Sub-Saharan Africa
STMA	Sekondi Takoradi Metropolitan Assembly
TaMA	Tamale Metropolitan Assembly
TAs	Traditional Authorities
TCPs	Transaction Processing Centres
ToC	Theory of Change
UDG	Urban Development Grant

EXECUTIVE SUMMARY

Inclusive development has become a popular development mantra across the globe, at least from the perspective of achieving the Sustainable Development Goals (SDGs) by 2030. Emphasis has therefore been placed on the need for Governments across the world to initiate development interventions that seek to incorporate the real needs of their citizens in a sustainable manner. In line with this, the ruling party for the 2017-2021 term of Ghana unraveled its commitment to pursue a development agenda that seeks to create the right partnerships and development synergy with other countries, especially the developed economies instead of the 'so-called' popular traditional dependency relationships that exist between developing and developed countries---where the developed countries continuously give aid to the developing ones, which in the long run, undermines all-inclusive growth and development. The new pathway popularly spearheaded as "Ghana Beyond Aid" is expected to support development initiatives that empower local actors [individuals, institutions] to make effective and efficient use and allocation of resources in a manner that meet the needs of Ghanaians without any form of hegemonic influence from other countries.

The central proposition is to bring the real needs of the people to the fore so that state bodies can respond to them in a comprehensive manner to ensure that "*no one is left behind*" in the efforts to achieve the Sustainable Development Goals (SDGs). In this development regime, decentralisation undeniably becomes the requisite path, as the strengthening of local government institutions will ensure that development services really reach every citizen in the country.

To this effect, the first point of call is to assess the financial proficiency of local government institutions, and to establish how financial resources can best be dispensed in a manner that meets the divergent needs of local members. Empirical studies have confirmed the over-reliance of local government institutions on external packages for development, which in itself defeats the very aim of the new development pathway Ghana is pursuing now.

The focus should therefore be on the need for local government institutions in Ghana to be self-sustaining---that is, generate the commensurate financial resources and utilise them effectively and efficiently for local development. It is ascertained in the empirical studies on local government systems in Ghana that the over-reliance of local government institutions tends to discourage them from generating their own-resources (IGF) for development that is in the best interest of the constituents.

Currently, there are vast studies on revenue management at the local government level of Ghana that can inform policy actions; however, the expenditure side has received very limited empirical studies to complement the efforts on local revenue management to inform concrete policy actions. This project then seeks, to assess the expenditure regime of local government institutions in Ghana, especially in relation to own revenue generation in order to ensure that such institutions deliver services that are in the best interest of their constituents.

The project is aimed at three main objectives to enhance accountability and transparency in the expenditure of local government authorities; to increase citizens' participation in project and programme selection, design and implementation, and to improve citizens' demand for accountability on the use of local revenues for development. In order to achieve the objectives, the project used a framework that entailed ;

[i] the identification of key actors who are involved and/have extensive knowledge and understanding on local government expenditure in Ghana (stakeholder mapping),
[ii] strategic selection of sample districts (15 MMDAs) based on the distance of MMDAs from regional capitals, the regional development belt, the FOAT score of the MMDAs, the status of the MMDAs (metropolitans, municipalities, districts) and records of expenditure mismanagement as reported by the Auditor General;
[iii] design of data collection instruments; and [iv] data collection involving data from local government officials and citizens including the poor, women, the aged and the disabled. The 15 MMDAs were Bawku Municipality, Bodi District, Central Gonja District, Kintampo North District, Krachi West District, Kumasi Metropolitan, Kumbungu District, Nkwanta South District, Offinso North District, Prestea Huni Valley Municipality, Sekondi Takoradi Metropolitan, Sawla-Tuna-Kalba Ditrict, Sene East District, Tamale Metropolitan and Techiman North District. The focal period for analysis was the 2014-2017 planning period since it is the most recent period of plans completed by the MMDAs. The analysis however has implications and insight into the current planning period 2018-2021 to inform current local revenue and expenditure management.

The findings from all the MMDAs, though divergent to certain extent revealing peculiarity of revenue and expenditure anomalies of each selected MMDA, they generally indicated a similar situation of limitations in accountability and transparency in the management of local expenditure despite the Ghana Integrated Financial Management Information System (GIFMIS) in place.

Local participation in expenditure planning and development projects was generally low, caused by the failure of local authorities to engage their constituents, but also, the deficiencies in the current sub-district structures (the Assembly and Unit Committee members) as well as the adamant attitude of greater number of citizens including key local members such as traditional authorities, opinion leaders and religious leaders to get involved.

This has made the demand-side accountability which serves as the basis for enhancing accountability, very weak. As a result, Internally Generated Funds (IGFs) are generally utilised in a manner that has no direct and positive relationship with service delivery. Other issues worth noting were the mismatch between the District Medium Term Development Plans (DMTPs) and Annual Progress Reports (APRs) of the Metropolitan, Municipal and District Assemblies (MMDAs); and the District Medium Term Development Plans (DMTPs), Annual Progress Reports (APRs), Composite budgets of MMDAs and Audit Reports having different figures for revenues and expenditure for the same period. Based on the findings gathered, the study proposed a conceptualised theory of change for local expenditure management by MMDAs in Ghana that ensures effective participation, comprehensive understanding of local members in budgeting and as well, ensures efficiency in the use of revenues for all-inclusive growth and development. The theory of change was used as the model to drive advocacy for change for the management of revenues by MMDAs in Ghana.

1.0 GENERAL BACKGROUND: LOCAL GOVERNMENT AND EXPENDITURE INEFFICIENCIES IN GHANA

1.1 Introduction

Since the 1980s, decentralisation has been identified as a path to greater allocative efficiency of public resources, and received remarkable endorsement by many countries in Africa, including Ghana. This has largely been driven by the general understanding that local government institutions are in a better position to provide public goods and services that are directly aligned with the real needs of citizens; they have better information about the locals and can easily engage with them on local needs when initiating development programmes and projects. However, in order to reap the full gains of decentralisation to foster growth and development, local governments should have greater fiscal discretion and autonomy to allocate resources to priority areas that are in their best interests, and meet the needs of local members. To this effect, the ability of local government (composed of Metropolitan, Municipal and District Assemblies [MMDAs]) to generate adequate internal financial resources is a requisite, as they can decide on how best to utilise their 'own' resources for commensurate development.

The Ghanaian experience is such that, local governments largely depend on external resources, including central government transfers and donor support that come with their own guidelines and priorities, often times, different from the real needs of the concerned local governments. Mogues and Benin (2012) examined how external grants to district governments discourage own revenue generation in Ghana. This was done using panel data on all of Ghana's districts' local public finances over 11 years. They established that external transfers to district governments in Ghana [apart from distorting development priorities as they often come along with their own set of projects to be used for] tend to discourage own-revenue generation [Internally Generated Funds (IGF)] which can be used to meet the actual development needs of the people. It was therefore seen as a rightful call by many when the ruling party for the 2016-2020 term of Ghana reiterated its commitment to pursue a new development path that will make the country self-sustaining

and less dependent on foreign aid. This vision has popularly been fronted by the sitting president, Nana Addo Dankwa Akufo Addo, in the mantra "*Ghana Beyond Aid*"; attracting a lot of attention globally.

It is obvious that the attainment of the vision rests on proactive and cautious efforts in the management of in-country resources to fuel the engine of economic growth and development. At the centre of this development agenda is the quest to effectively and concisely offload public goods and services to the local level to drive local development initiatives to push for a self-reliance regime in the country. The Local Government System of Ghana undoubtedly forms an integral part of this development agenda; hence, its transformation is very critical. Although, the local government system has experienced some reforms to improve efficiency and effectiveness, there are critical challenges including the abusive and unscrupulous utilisation of the limited financial resources in a manner that contributes very minimal to local level development. For instance, in 2016 alone, "*deficiencies in the operations of MMDAs created avenue for some officials of the assemblies to mismanage funds and resources valued at approximately GHC70.1 million*"[1]. In the following year, Williams (2017) published the results of a study focusing on MMDAs' projects to find out the proportion of finished projects in relation to unfinished projects. This study confirmed that nearly one-third of the projects that get started actually never get finished, and they also consume almost 20 percent of all local government investments. It established that the fiscal institutions (particularly, around project selection and implementation as well as stakeholder buy-in) remain the cornerstone for successful project completion and efficiency in the use of financial resources by MMDAs. These confirm that steps need to be taken to ensure that the spending inefficiency of MMDAs can advance local level development, especially as the local government insntitutions will determine the self-reliance of Ghana within the broader vision '*Ghana beyond aid*'.

Interventions to rectify expenditure inefficiencies are critical, especially in the current development dispensation, where redistricting has become a common practice amongst

[1] Cititfmonline (2017). MMDAs 'chop' money – 2016 Auditor-General's report reveals. Available at: http://citifmonline.com/2017/08/12/ mmdas-chop-money-2016-auditor-generals-report-reveals/

Ghanaian governments. Since 1988, when Ghana endorsed a decentralised system to deepen participation and ensure equitable spread of development, the number of districts has increased from 110 to 216 in 2012, and then to 260 in 2017. This, according to some empirical studies (Resnick, 2017; Ayee, 2012; Oquaye, 2001), has negative implications on local governance, rather than strengthening participatory and inclusive development to make efficient use of local resources. In a related study on the subject, Lorenzo (2009) (*whose study was focused on Italy*) indicated that the more autonomous local government authorities are, the less likely they will be to exhibit inefficiency in their spending. The study further identified that (*in consistency with findings from Williams, 2017*), fiscal rules at the local government level enhance efficient spending proportionate to advancing development as well as accountability highlighted in the consultative electoral budget cycle.

It has become very necessary to assess the entire expenditure management value chain to ensure the delivery of value for the country, with the potential of influencing revenue generation, even if in subtle terms.
This report has presented the findings of such a holistic assessment, to inform the government's broader strategy on efficiency of expenditure management at the local government level.

1.2 Purpose and Objectives of the study

This study proposes interventions to improve the efficiency of spending by local government authorities, with the subtle possibility of influencing citizens' willingness to contribute toward local level revenue mobilisation. Specifically, the objectives of the study are:

a) *To enhance accountability and transparency in the expenditure management of local government authorities;*
b) *To increase citizens' participation in project and programme selection, design and implementation; and;*
c) *To improve citizens' demand for accountability on the use of internally generated funds (IGFs).*

1.3 Scope and Limitations

1.3.1 Scope of the study

The scope of the study is divided into three (3): [i] Geographical scope; [ii] Contextual scope; [iii] Time scope.

The geographical scope is composed of the location of the study, and this comprises of 15 MMDAs selected in the three (3) regional development belts of Ghana (*coastal, middle and northern development belts*). The selected MMDAs are: Krachi East District, Kumbungu District, Offinso North District, Sekondi Takoradi Metropolis, Bodi District, Nkwanta South Municipality, Bawku Municipality, Central Gonja District, Prestea Huni Valley Municipality, Sawla-Tuna Kalba District, Tamale Metropolis, Kumasi Metropolis, Kintampo North District, Techiman North District and Sene East District [***see Figure 1.1***]. These MMDAs have been selected from the ten (10) regions[2] in Ghana.

The contextual scope is made up of issues studied in the 15 MMDAs. The issues largely focused on MMDAs' expenditure and efficiency performance. The efficiency performance was measured using the Ministry of Local Government and Rural Development's Functional Organisational Assessment Tool [FOAT], which is a performance-based grant system that measures MMDAs in terms of efficiency, accountability and delivery of basic community services (Ministry of Local Government and Rural Development, 2013)[3]. Also included is the extent to which MMDAs had been cited for financial irregularities in the annual Auditor General's reports on Accounts of District Assemblies and the Management

[2] The Government of Ghana has created new regions in 2019, making the number of regions sixteen (16). However, since this project is premised on the use of 2014-2017 data, the former ten (10) regions have been considered.

[3] Ministry of Local Government and Rural Development (2013). Functional Organisational Assessment Tool Operational Manual: 7th Cycle. Available at: http://www.mlgrd.gov.gh/ctn-media/filer_public/8d/9f/8d9f6278-c9b9-499b-ae4533cafa2dcf56/2013_foat_assessment_operational_manual_7th_cyclelatest_050614.pdf

and Utilisation of District Assemblies' Common Fund and Other Statutory Funds[4]. The findings on these assessments of the selected MMDAs, and subsequent recommendations are part of the contextual scope.

The time scope is made up of the period under review for the study, as well as the period for the conduct of the study. The study reviews data from 2014-2017, as this was the most recent period of completion of Medium-Term Development Plans for the MMDAs. The entire duration of the study is 12 months, involving preliminary activities of engaging key stakeholders, desk study, study design, field work, analysis, discussions and drawing of inferences to inform policy action points needed to streamline development in a sustainable manner. The exact period for the conduct of the study is November 2018-September, 2019.

[4] Ghana Audit Service (2018). Auditor General's report on the Management and Utilisation of District Assemblies' Common Fund and Other Statutory Funds for the Year Ended 31 December 2017

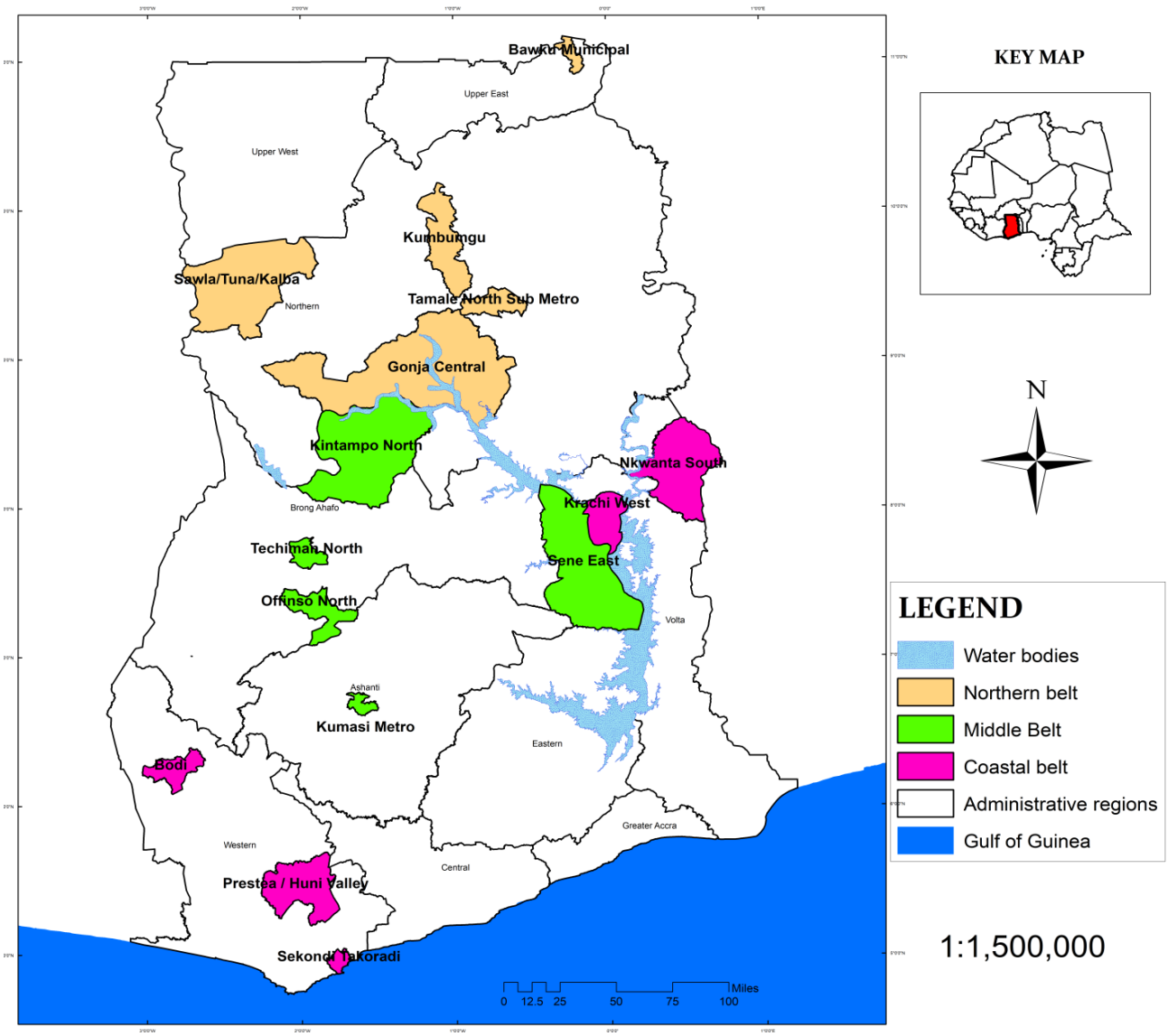


Figure 1.1: Map of Ghana highlighting the selected MMDAs

Source: Authors' Construct 2019

1.3.2 Limitations

The limitations were many, notable ones include, the unavailability of some APRs of some districts. Some Assemblies could not provide some required annual plans with the excuse that the Planning officers for the plan period (2014-2017) have been transferred and they have no copies of the APRs. As going concerns, the Assemblies should aim to follow succession plans for handing over all documents to ensure sustainable development of local government in Ghana. Again, the unpreparedness of local government officials to respond the questions impressed on the team of researchers to find unorthodox means of securing data and responses. Local government officials in some instances were not willing to disclose information and in other cases did not respond at all to the questionnaires. These were anticipated by the research team, and corrective measures were instituted. Finally, there was a mismatch between the Medium MTDPs and the APRs of the MMDAs. This affected the ability to track all projects in some selected districts and their associated expenditure. The RCC and NDPC should develop a mechanism to ensure that MTDPs are fully followed and implemented, while ensuring consistency between APRs and MTDPs of local government in Ghana.

2.0 LOCAL GOVERNMENT SYSTEM IN GHANA AND EXPENDITURE DYNAMICS: AN INSIGHTFUL REVIEW OF RELATED STUDIES

2.1 Introduction

Over the last few years, the idea of putting '*people*' at the centre of development has been overly intensified in order to ensure inclusive growth and development. In fact, '*inclusive development*' has become a '*burning issue*' ignited by the view of engaging all and sundry in development processes and interventions. This is further underscored by the transition of the Millennium Development Goals (MDGs) to Sustainable Development Goals (SDGs) by the United Nations, with a common emblematic theme "*leave no one behind*" in development service delivery (United Nations General Assembly, 2015). Governments, development partners, civil society organisations and others are increasingly making efforts to ensure that the SDGs are achieved with the '*commoner*' never excluded from the benefit attributions.

Local government institutions provide a pathway of advancing inclusive governance and development. Alam and Nickson (2006) refer to them as '*government for the locals*', since they work at the grassroots level, and could easily engage the local people in decision-making during project and programme design and/or selection, implementation and monitoring and evaluation to ensure an all-inclusive development approach, in pursuit of '*leaving no one behind*'. To this effect, building local government institutions can serve as a strong base to deliver development to everyone, allowing citizens to make direct contributions to development. The Cocoyoc declaration signed on the 23rd October, 1974 has previously identified the need to put "*people at the centre of development*", paving way for decentralisation to be further pursued globally.

The declaration states that:

> *"...the first point to be underlined is that the failure of world society to provide 'a safe and happy life' for all is not caused by any present lack of physical resources. The problem today is not primarily one of the absolute physical shortages but of economic and social maldistribution and misuse; mankind's predicament is rooted primarily in economic and social structures and behaviour within and between countries"*[5].

Alam and Koranteng (2011) have indicated that, the dynamic role of the state to meet citizens' needs and to placate regional differences, and the failure of centralised mechanisms of planning in delivering development services to citizens, undergirds the need for decentralisation and the emergence of local governance in many countries. The attempts are laudable, but efficiency and effectiveness of local governance systems are increasingly constricted by mechanisms for adequate financial resource mobilisation; the resource distribution from central authorities, and the inefficiency of local spending.

The review in this section focuses largely on the expenditure management of local government institutions in Ghana. This is organized according to; historical trajectories, reforms of local the government system, and MMDAs expenditure management highlighting crucial lessons for future expenditure management reforms and citizen engagement for local governance.

2.2 Historical route of Local Government System in Ghana

2.2.1 The pre-colonial era

The proposition of bringing governance '*down to earth*' has long been acknowledged, even before the arrival of the Europeans to Ghana. In fact, in those periods, local communities had peculiar governance systems, usually through chiefs, who served as the

[5] Cocoyoc Declaration (1974). Available at: https://helsinki.at/projekte/cocoyoc/COCOYOC_DECLARATION_1974.pdf

heads of government, with support from community elders. The chiefs were thus, largely responsible for law making, interpretation and enforcement. This approach to governance has been argued by Frimpong (2006), who was studying the nexus between democracy and human rights in pre-colonial Ghana, as representing deep democratic systems and delivery of development services through traditional networks of culture, values and traditions, giving local communities insightful meaning of their existence and for collaborative development.

In addition, chiefs had economic responsibilities in communities. Odotei and Awedoba (2006) state a number of methods chiefs used to raise funds from their territories. Chiefs held monopolies over scarce commodities in their communities, such as gold and gunpowder. Other common methods used were taxation, fines imposed by courts and the collection of tributes. 'Death duties', where a percentage of land was appropriated by the chieftaincy from the inheritance of a deceased elder, was also used to generate revenue. Expenditure during this time was mostly directed to buying war equipment for the armies, as well as the upkeep and maintenance of the palace (Assimeng 1981). During that period, misappropriation of stool funds was considered a grievous offence and could result in destoolment of a chief.

2.2.2 The colonial era

The arrival of Europeans, particularly the British, completely changed the dynamics of the local government system that Ghana was exposed to during the pre-colonial period. The British introduced the '*Indirect Rule System*'. This system acknowledged the power of local government administration in chiefs, while the power to take decisions that shape local development rested on the shoulders of colonial government. The colonial government selected some influential people and local elites to support the administration of law and order. Local government in Ghana was developed along two parallel lines; one line composed of Municipal Council Ordinances that regulated local government in major municipals; and the other aligned itself with Native Jurisdiction Ordinances that regulated local government in the remaining parts of the country through the State Councils and Native Authorities (Ahwoi, 2010).

In 1951, there was the commission of the first Local Government Ordinances incited by the works of the Coussey Committee in 1949 which ultimately identified some lapses in local government administration calling for the need for reforms (Ahwoi, 2010). Though, these Ordinances did not have any effect on the major councils, but led to the creation of 252 Local and Urban Councils and 26 District Councils. Further, it built on the undemocratic powers possessed by chiefs, where a chief was pronounced the President of the New Councils, but with very fragile power. In 1956, another proposal for reform in the local government system came to light, focusing on the relevance of an effective and efficient local government financial regime. Among other things, it called for a revenue control system, expenditure control provisions, taxation and local government financing. These proposed reforms were unfruitful as the fight for independence materialised a year after.

2.2.3 The post-colonial era

During this era, the country was first divided into five (5) administrative regions to ensure a more decentralised development. Northern, Ashanti, Eastern, Western and the Trans-Volta Togoland Regions emerged as a result. With the exception of the Ashanti Region where the 'Asantehene'[6] was the head, the remaining four regions saw representatives of the Regional Houses of Chiefs (RHCs) as heads of the regions. There were Regional Assemblies with the core responsibility to spearhead the development of the region. The Local, Urban and District Councils which emerged in 1951 through the Coussey Committee were maintained as Local Government Councils. Although these local authorities were given the mandate to deliver municipal amenities, there was no clear strategy on how to deliver these services or how they would be funded. Thus, the Councils were unable to meet their intended obligations. The Councils also lacked competent personnel to raise funds (Ahwoi 2010; Alam, 2011).

[6] The Asantehene is the absolute monarch of the Ashanti Kingdom, its cultural attributions and people's ethnic group. He has over-arching control over the Asante Kingdom, and is an influential person in national discourses and even beyond Ghana.

The promulgation of the 1960 Republican Constitution (replacing the 1957 Constitution) expanded the number of regions from five (5) to seven (7) through the creation of the Central Region and the Upper Regions. A Local Government Act (1961), Act 54 further divided Ghana into Cities, Municipal and Local Area Councils. The Local Administration Act in 1971, Act 359 which was later amended in 1974 created Regional Councils, District Councils, Area, Municipal, Urban and Local Councils, as well as the Town/Village Development Committees. Again, new districts and Municipal/Area/Urban/Local Councils were created, expanding the number to 58 [previously, 26] and 273 [previously, 252] accordingly to take control of advancing local level development. The Act also resulted in the abolition of the separation of the central and local governance structures; District Assemblies were given the responsibility of providing basic services and infrastructure with certain functions, while all financial administration was centralised in Accra (Ofei-Aboagye, 2014).

2.2.3.1 The birth of the current decentralisation in Ghana

The Provisional National Defence Council (PNDC) Law 207 of 1988 sets the plank upon which the current local governance system sits in Ghana. The law sets forth the framework under which the new decentralisation and Local Government policy operates despite being repealed by an Act of Parliament (Act 462) of 1993. As opined by Korsah-Dick and Mensah (2010), the seeds of the new local government system for Ghana were contained in a major policy paper issued by the Government of the PNDC, with some commitments to restructure the country's governance machinery. In the policy guidelines, the government declared that:

> [*1] "there is the urgent need for participatory democracy to ensure that the bane of remote government that has afflicted Ghanaians since independence is done away with effectively, to render government truly responsive and accountable to the governed"; [2] "the assumption of power by the people cannot be complete unless a truly decentralised government system is introduced, that is, the Central Government, in all its manifestations, should empower Local Government Councils to initiate, coordinate and execute policies in all matters affecting them within their localities".*

Ahwoi (2010) indicates that the emergence of the current decentralisation is driven by economic and political motivations. The imposition of the Structural Adjustment Policies through the framework of the Economic Recovery Programmes by donors was aimed at concurrently liberalising the Ghanaian economy and limiting central government's control in running the economy. The Economic Recovery Programme (ERP) II (1986-92) for instance, favoured policies geared towards, infrastructural expansion and public sector efficiency. This drove the need to streamline local government and other sub-national institutions to play the key role in achieving the aims of ERP II. Within that period, the ruling government (PNDC) adopted a central phrase "*give power to the people*" and promised to embrace participatory governance to spearhead growth and development of the country (Lentz, 2006). A mixed system of sub-national governance was driven through two pathways: [i] local level institutions with legal status and assemblies of elected councilors to directly respond to grass root issues; and [ii] councilors and government officials appointed by central government.

During this period, there were 110 districts in Ghana, after the government created 25 additional MMDAs.

Article 34 Section (d) of the 1992 Constitution required the State to:

> "*make democracy a reality by decentralising the administrative and financial machinery of government to the regions and districts and by affording all possible opportunities to the people to participate in decision-making at every level in national life and in government".*

This intervention spread-out in sub-Saharan Africa (SSA), where it was believed that many countries[7] were encouraged to concretise decentralisation efforts.

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[7] These countries entail: Botswana, Benin, Burkina Faso, Cameroon, Côte d'Ivoire, Ethiopia, Guinea, Kenya, Mali, Mauritania, Niger, Nigeria, Rwanda, Senegal, Sudan, Tanzania, Uganda, Zambia and Zimbabwe. [Check the opening paragraph of the paper prepared by Adamolekum, L. entitled "Decentralisation Policies in sub-Saharan Africa: An overview".

The establishment of 110 districts was congruent to the quest of the country to gain dominating control over collective decision-making, as well as ensuring political equality in exercising controls through representation (Crawford, 2004). The structure of the local government institutions in Ghana has been indicated in Figure 2.1.

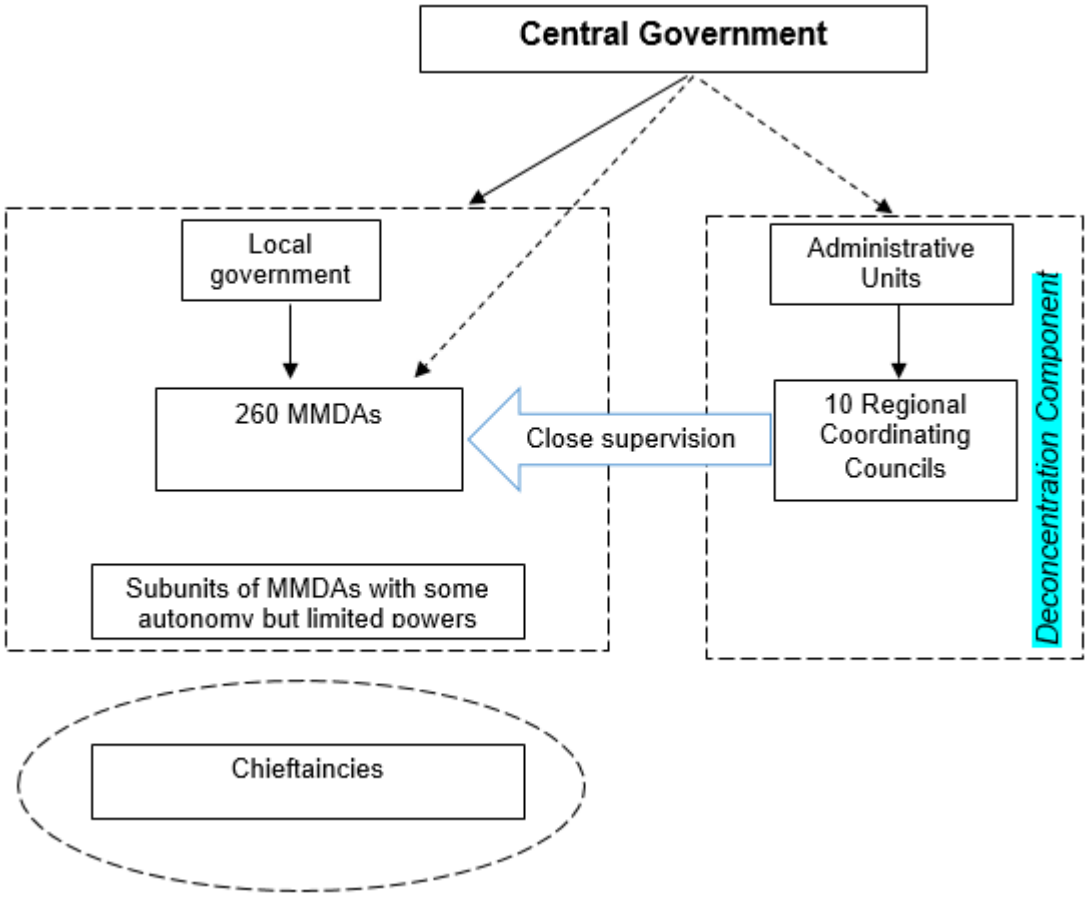


Figure 2.1: Structure of local government institutions in Ghana

Source: Adapted from Gilbert, G., Hugouneng, R. and Vaillancourt, F. (2013). Local Public Finances in Ghana, Chapter 3 in Dafflon, B., & Madies, T. (Eds.). (2012). The political economy of decentralisation in sub-Saharan Africa: A new implementation model in Burkina Faso, Ghana, Kenya, and Senegal. The World Bank.

2.2.3.2 Decentralisation and concerns for the proliferation of districts

The current decentralisation strategy has been characterised by persistent creation and expansion of districts. This has become a worrying situation and is of concern to development practitioners who tend to question the motivation for redistricting in Ghana. In 2003, 28 additional districts were created; increasing the number of districts from 110 to 138; and this was further increased to 170 in 2007 through creation of thirty-two (32) additional districts. The number has since increased to 216 in 2012 and to 254 in 2017, and now, to 260 MMDAs. Many have argued that the proliferation of districts has been deliberate as an attempt by governments to generate political gains and to bid for donors (Pinkney, 1997; Oquaye, 2001; Osei Kwadwo and Buadi Mensah, 2016; Resnick, 2017; IMANI, 2018). For instance, Osei Kwadwo and Buadi Mensah (2016) in testing the motives for the creation of districts in Ghana argued that redistricting was a trapping mechanism, which maintained the poverty status quo rather than alleviation. They also identified a negative and significant correlation between a district's resource endowments (internally generated funds (IGF)) to its level of poverty. Resnick (2017) conducted a study to delve into democracy, decentralisation, and district proliferation in Ghana. The study also found that the redistricting by the government was a tactical approach to malapportionment with the aim of targeting non-competitive districts where gaining additional legislative seats in subsequent elections was more probable. In 2018, Imani Centre for Policy and Education conducted a study on the '*proliferation of new districts and constituencies in Ghana: the mismatch between policy objective, outcome and impacts*'[8], which questioned the factors considered in the creation of new districts according to the Local Government Act 2016 (Act 936). Ultimately, the findings of these previous studies support the argument of Ayee's study in 2012 which contended that: "*Ghana's decentralisation with respect to the creation of districts as a tool for strengthening democracy, fostering local development and subsequent poverty reduction (Republic of Ghana, 1992; 1993) is marred by nothing more than political convenience*".

[8] See event report on project at: https://imaniafrica.org/2018/06/14/proliferation-new-districts-constituencies-ghana-mismatch-policy-objectives-outcomes-impacts/

2.3 Fiscal Decentralisation in Ghana

Decentralisation has popularly been spearheaded as a way to advance economic growth and development through efficient use of resources with '*people*' at the centre. As a result, the concept of decentralisation has been widely endorsed across the globe. Dick-Sagoe (2012), studying fiscal decentralisation as a tool for sustainable local development, found that decentralisation has been informed by: [i] a consequence of the aim of Structural Adjustment Programmes (SAP) to reform the public sector in the 1980s; and [ii] an imminent need to integrate democratisation and competitive politics, which began in the 1990s. Fiscal decentralisation is seen as the devolution of taxing and spending powers from the central government to its sub-national government institutions (either regional, provincial or municipal) (Ackah et al., 2018). To put it differently, fiscal decentralisation entails entrusting local government units with the authority and ability to generate, allocate and spend financial resources for local development. It concerns itself with the extent to which local governments are empowered, the extent of authority and control they exercise over the use and management of financial resources, measured in terms of their control over—the provision of local services for which they are mandated to perform; the level of local taxes and revenue (rates, fees, fines and other collections), and the nature of government financial support.

The legal basis of fiscal decentralisation is rooted in section 27, parts IV and VIII of the Local Government Law 1988; the PNDC law 207 and Articles 245 and 252 of the 1992 constitution (see Government of Ghana, 1988; 1992; 1993 and 2003), the 1992 Constitution-Chapter 20 (Articles 240-256), Local Government Act 462 of 1993 (Part VII), Financial Memorandum by the Minister for Local Government under powers conferred on him/her under Section 91 of Act 462, District Assemblies Common Fund (DACF) Act 455 of 1993; Guidelines, Practice Notes and instructions on fund management, Financial Administration Act of 2003, Act 654, Internal Audit Agency Act of 2003, Act 658, Public Procurement Act of 2003, Act 663, and Audit Service Act 462.

According to Osae-Frimpong (2012), fiscal decentralisation in the area of spending can be effective, provided the following guiding principles are observed: (i) the assignment of expenditure responsibilities must comply with the 'subsidiarity principle' (the functions

and expenditure responsibilities of each level of government), and (ii) the assignment of tax and revenue sources to execute the assigned expenditure responsibilities.

By far, spending patterns of revenues are such that DACF and donor funding are usually on local development projects while IGF in most cases, is used for recurrent spending (in terms of operational cost). Mogues and Benin (2012) highlighted that the critical issue facing local government spending/expenditure is that expenditure assignments have often remained quite narrowly circumscribed as large number of public services especially those with direct economic implications are provided by the central government ministries, in part through their de-concentrated local level offices.

2.3.1 Local Government Budgets and Accounts

Local Government institutions in Ghana are expected to be financially sound in order to advance growth and development in their jurisdiction. They prepare and approve their own annual budgets for the planning period, which give them some degree of autonomy over utilisation of resources. Therefore, they have the residual power to allocate expenditure financed by their own funds [Internally Generated Funds], over which they have discretionary power. The budget is prepared by the Budget Committee, through the use of the guidelines issued by the Ministry of Finance and the Administrator of DACF. The budget contains the estimated revenue and expenditure of all departments and organisations under the control of the Assembly as well as those of the District Coordinating Directorate (DCD), which usually entails inflows and outflows of the annual investment programmes of all departments and organisations under the authority of the Assembly (Local Government Act, Article 92). Budgets are submitted to the Regional Coordinating Council (RCC) before the end of the financial year, and then collated for submission to the MoFEP and the Ministry of Local Government and Rural Development (MLGRD). From the perspective of Gilbert et al. (2012), this arrangement of RCC's consolidation process at the regional level and the endorsement of the MoFEP somewhat constrains the budgetary autonomy of local government which is guaranteed by Article 11 of the Local Government Act of 1993 in both law and practice. According to the MoFEP (2004), the preparation of local budgets must: [i] under the revenue section---show the variations in surplus balance over the year, IGF and transfers received; and [ii] under expenditure section---show recurrent and capital expenditure linked to previously

approved budgets. The Assembly must also approve the budget before the start of the financial year [January 1], and there should be items such as the summary of revenue for the year, the summary of expenditure for the year, estimated revenue for the coming year, estimated expenditure for the coming year and receipts and payments recognising loans. The MMDAs are authorised to open bank accounts for their revenues such that an account must be opened exclusively for IGF and another exclusively for DACF. All other government transfers are also expected to have one account. In practice, MMDAs have many separate accounts for revenues depending on the rules and regulations governing donor transfers, who in most cases expect their transfers to be kept in a separate account for specific interventions. Budget monitoring usually involves the comparison of budgeted revenue and expenditure with actual revenue and expenditure for every month (Gilbert et al., 2011).

It must be noted that a monthly balance is established to check consistency and to consolidate the ledger balances, and the resulting items are compared against the corresponding budget items. Any variances are required to be accounted for by the heads of the departments concerned. This could, under very strict situations, result in the revision of the budget which has already been approved by the Assembly and submitted to the RCC and concerned government ministries such as the MoFEP. There are **six (6)** administrative units that control the expenditure of local government. This starts with the approval of expenditure by the District Chief Executive (DCE), then the Coordinating Director (DCD), the Finance Officer, the Budget Officer, the Internal Auditor and the Department Heads [see *Figure 2.2*].

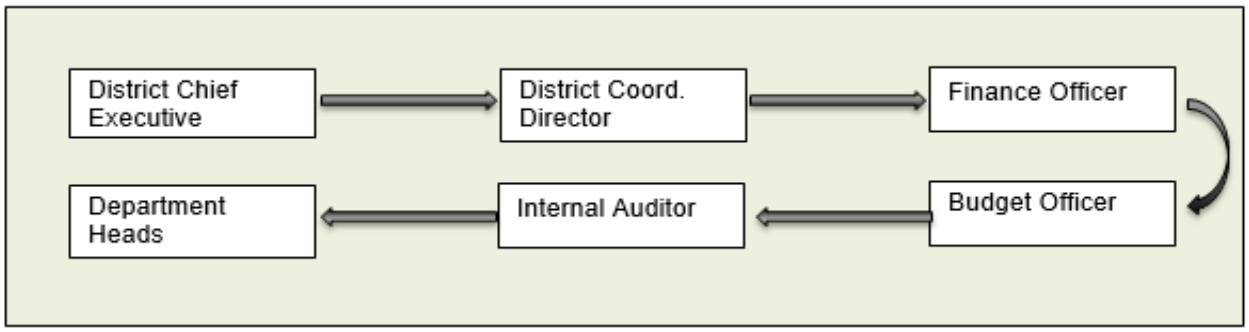


Figure 2.2: The local government's expenditure approval chain in Ghana
Source: Authors' construct, insight from literature works

The Financial Memoranda for District Assemblies (2004) defines the books of accounts, classifications and conventions for local government. The books entail a treasury cash book (must balance at the end of every month) and the treasury ledger composing of four sub-headings which are: [1] revenue; [2] expenditure; [3] revenue, expenditure, and balance; and [4] "below the line" accounts for other operations. The revenue and expenditure statement for the financial year and the balance sheet as of the year ending, 31st December are produced yearly and published by the MMDAs, and submitted to the Office of the Auditor General and the Ministry of Local Government and Rural Development (MLGRD) by 31st March following the closure of the financial year. The submissions to the Auditor General are for verifications of the MMDAs financial statements in order to ensure that funds are used in compliance with the law, for investment expenditure and not for '*recurrent*' expenses. The audit results are then submitted to the Parliament and later published by the Auditor General.

2.3.2 Local Government's Internally Generated Funds (IGF)

Internally Generated Fund (IGF) is an integral component of MMDAs revenues, and its effective and efficient mobilisation and utilisation has strong positive implications on achieving a self-reliance regime in Ghana. Notwithstanding, issues surrounding IGF have been given very limited attention compared to central government's transfers to the MMDAs. IGF is composed of: property rates, royalties from natural resources such as land; levies from commercial activities and businesses, fines and fees, rent from local government properties/facilities, and other miscellaneous revenues. Rates, fines, fees, charges and rents are fixed and approved by MMDAs through its annual fee-fixing and rate imposition resolutions. Among all the sources of IGF, property taxes usually constitute the major component of the local tax revenue [see *Articles 94-119 of the Local Government Act which defines the general framework*]. It is worth noting that land; places of worship, cemeteries public educational institutions, public hospitals and clinics, public charitable organisations, palaces and premises of foreign embassies approved by the Ministry of Foreign Affairs are excluded from property taxation.

2.3.3 Delving into the expenditure dynamics of MMDAs in Ghana

Despite MMDAs' inability to raise enough funds to support local level development, utilisation of funds has been considered to be indiscriminate, with little regard for efficiency considerations (Williams, 2017; Auditor-General's Report, 2016[9]). Ensuring efficiency in public spending became a major issue during the 1993 public expenditure review, which identified, amongst other weaknesses, the archaic incremental budgeting technique[10]. The Medium-Term Expenditure Framework (MTEF) was introduced with the intention of transforming the traditional incremental but fragmented annual budgeting exercise to a performance-based budgeting system (World Bank, 2001). MTEF was a component of a broad macro-level budgeting reform known as the Public Financial Management Reform Programme (PUFMARP) introduced in mid-1996. PUFMARP also came along with a Budget and Public Management Systems (BPEMS) which ensured that the entire public expenditure management cycle was computerised. MTEF was implemented in the 1999 government budget, with the expectation that it could offer support for the devolution of functions within central government ministries to the local government level in order to link performance to resource utilisation, providing an easier and clearer platform for spending assessments. Despite the gains made through MTEF implementation, there are still critical issues of inefficiencies at the central level with multiplier outcomes on the local government institutions (Osei-Akoto et al., 2007).

Spending patterns of the local government authorities are informed by priorities and development needs of the MMDAs [see *Figure 2.4 for service delivery details of MMDAs, that is; expenditure assignment*]. The development priorities are set by an Executive

[9] Citifmonline (2017). MMDAs 'chop' money – 2016 Auditor-General's report reveals. Available at: http://citifmonline.com/2017/08/12/mmdas-chop-money-2016-auditor-generals-report-reveals/

[10] Incremental budgeting is a type of budgeting that adds a certain amount of capital to a previous period's budget in order to allow for slight increases. This type of budget is simple, but it also is not generally recommended by most professionals. One of the biggest problems with this type of budgeting is that it often leads departments to spend more money.

Committee (District Chief Executive serving as the Chair) comprising of not more than one-third of all Assembly members [*see Figure 2.5 for planning and budgeting process of MMDAs, of which the Executive Committee plays an integral role*]. Sub-committees exist to make recommendations to the Executive Committee, who report to the plenary of the District Assembly. Based on the priorities and the guidelines of the National Development Planning Commission (NDPC, an organisation that oversees development planning related issues in Ghana), Medium Term Development Plans (MTDPs) are prepared, which specify specific projects, locations, duration, spending amounts, start and end dates, amongst others, that should be undertaken in a specified medium term of the MMDAs. With the exception of the Executive Committee and its sub-committees, there are five mandatory subcommittees for [i] development planning; [ii] social services; [iii] works; [iv] justice and security; [v] finance and administration.

Exploring the expenditure framework of the MMDAs shows two (2) main budget expenditure classification systems. These include: [i] the main budget expenditure classification financed through Internally Generated Funds (IGFs, often times with a mix of external sources such as donor funding); and [ii] the supplementary budget expenditure classification for access and use of DACF. The main budget expenditure classification covers the following expenditure headings; (i) travelling and transport expenditure; (ii) general expenditure; (iii) maintenance, repairs and renewals; (iv) miscellaneous expenditure; (v) subventions and (vi) capital expenditure whilst the supplementary expenditure classification covers: (i) education, (ii) health and sanitation; (iii) local government and rural development; (iv) agriculture; and (v) economic activities. The supplementary budget is the DACF expenditure budget which covers projects planned by the MMDAs in the ensuing year.

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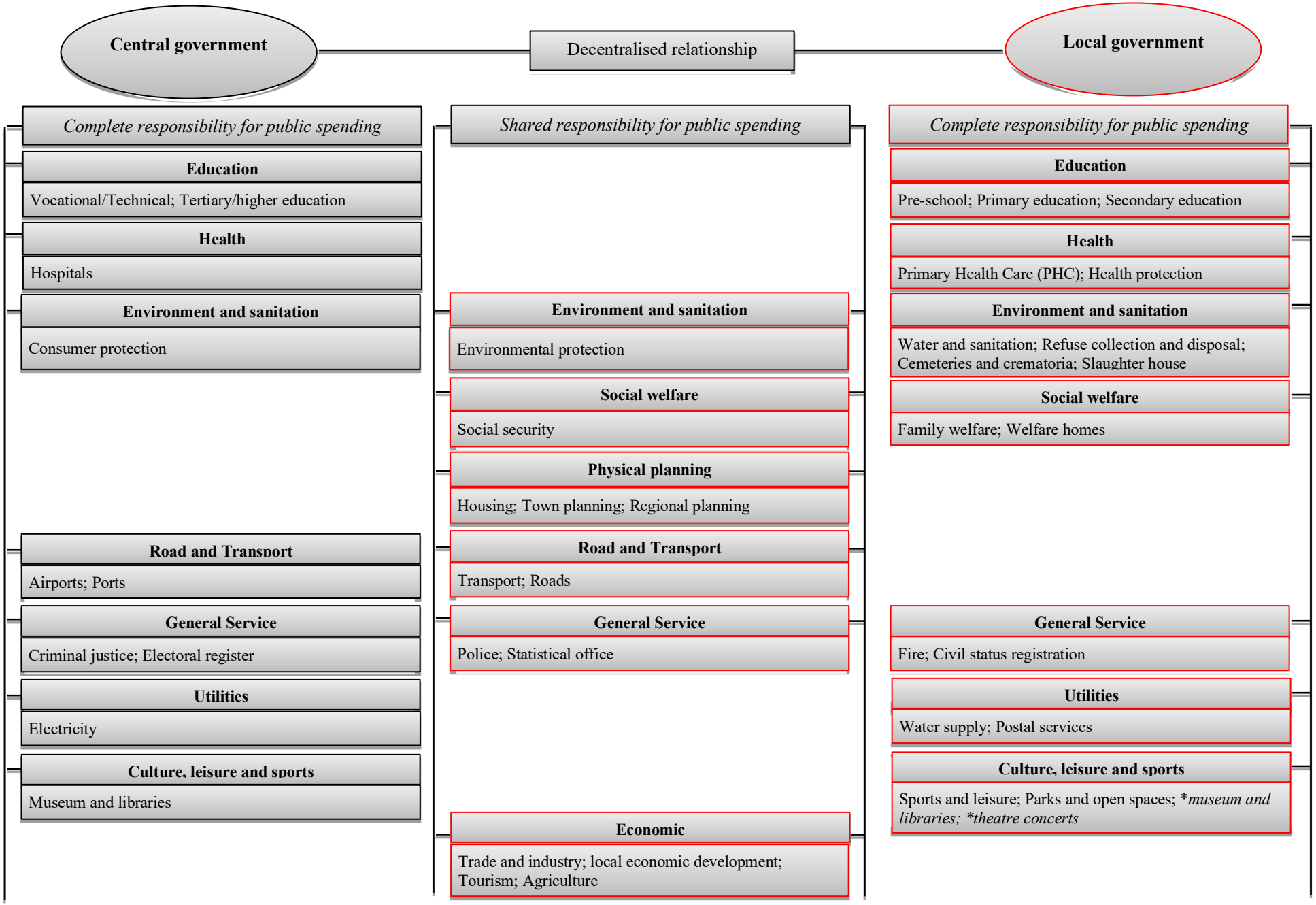


Figure 2.4: Scope of delivery of work for spending (expenditure assignment)
Source: Author's construct, 2019; Modified data from Commonwealth Local Government Forum (CLGF, 2014), the Local Government System in Ghana.

NB: Red outline=emphasis of research; * =discretionary responsibility

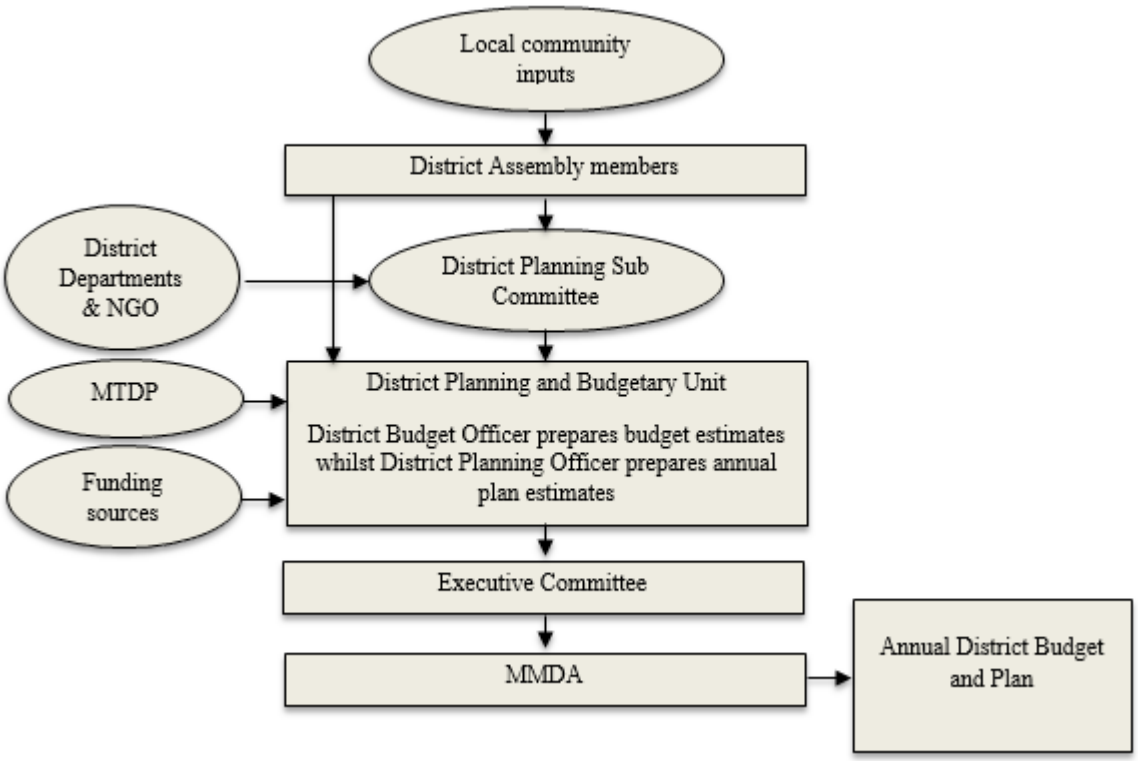


Figure 2.5: MMDAs' planning and budgeting process

Source: Author's construct (modified from: Naab, M.Z. (2014), Decentralisation and democratic local governance in Ghana: Assessing the performance of District Assemblies and exploring the scope of partnership (PhD Dissertation, University of Pittsburg, USA)

2.3.3.1 Components of the Capital and Recurrent Expenditures of the MMDAs

Based on the accounting system used at the local government level, expenditure is categorised as capital and recurrent. The components of capital expenditure include social expenditure (health, education, water and sanitation), self-help projects, and construction of sub-district structures, micro-projects and matching funds for externally funded development projects. Components of recurrent expenditure include personnel emoluments, transportation (allowances, running vehicles, maintenance of vehicles), night allowances and transfer grants, general expenditure (entertainment, protocol, stationery, office facilities, bank charges, library and accommodation), miscellaneous (utility payments, expenditure on public information, ex-gratia awards and anniversaries) and maintenance and repair (payments for maintenance of office machines, furniture and property). Osei-Akoto et al. (2007), examining spending patterns of some selected MMDAs in Ghana found that the recurrent expenditure items were higher than capital

expenditures, with personnel emoluments consuming the highest proportion of recurrent expenditure.

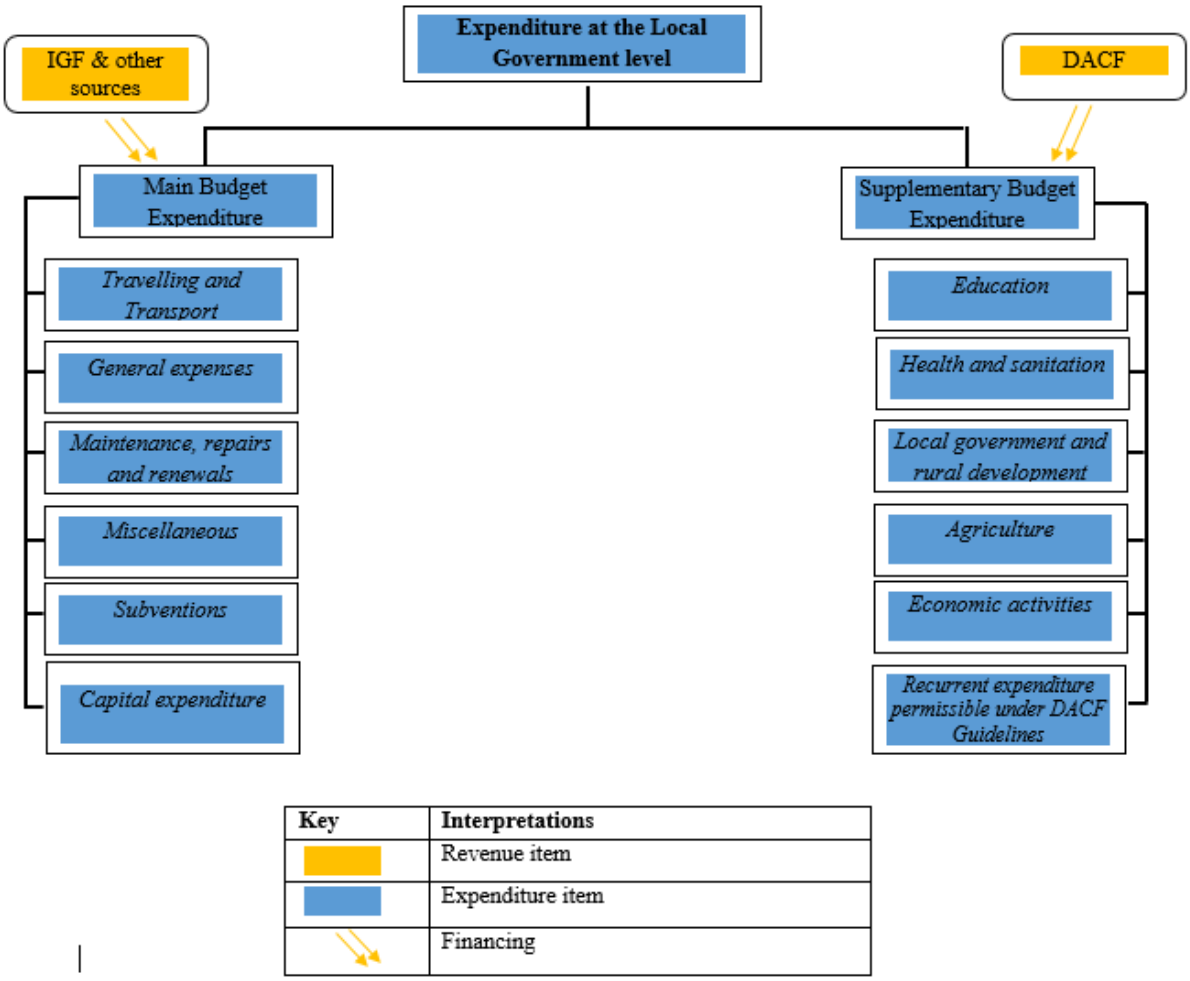


Figure 2.6: A conceptual diagram of MMDAs' expenditure patterns in Ghana
Source: Author's construct (2019) with insight from literature

2.4 The Local Government System in Ghana: MMDAs' spending and social accountability nexus

The emergence of decentralisation in 1988 was premised on the bedrock of creating a local government system [see *Figure 2.7*] that supports participatory governance and improves service delivery and financial management in order to facilitate socio-economic growth and development (Ohene-Konadu, 2001).

Central to Ghana's decentralisation efforts is the need for central and local government to be socially accountable to Ghanaians (NDPC, 2003). As defined by the World Bank (2006:3), social accountability is "*the broad range of actions and mechanisms (beyond voting) that citizens can use to hold the state to account, as well as actions on the part of government, civil society, media and other social actors that promote or facilitate these efforts*".

It is expected that the transfer of financial resources from the national government to the sub-national government (MMDAs) is transparent in order to help citizens demand accountability from their local governments. To this end, in the performance of their role (as enshrined in the Local Government Act, 1993, Act 462), MMDAs must have the requisite capacity to manage financial resources, and also maintain a high sense of accountability to citizens and the central government. Social accountability in spending of public resources by MMDAs in Ghana is informed by the framework summarised in Figure 2.7.

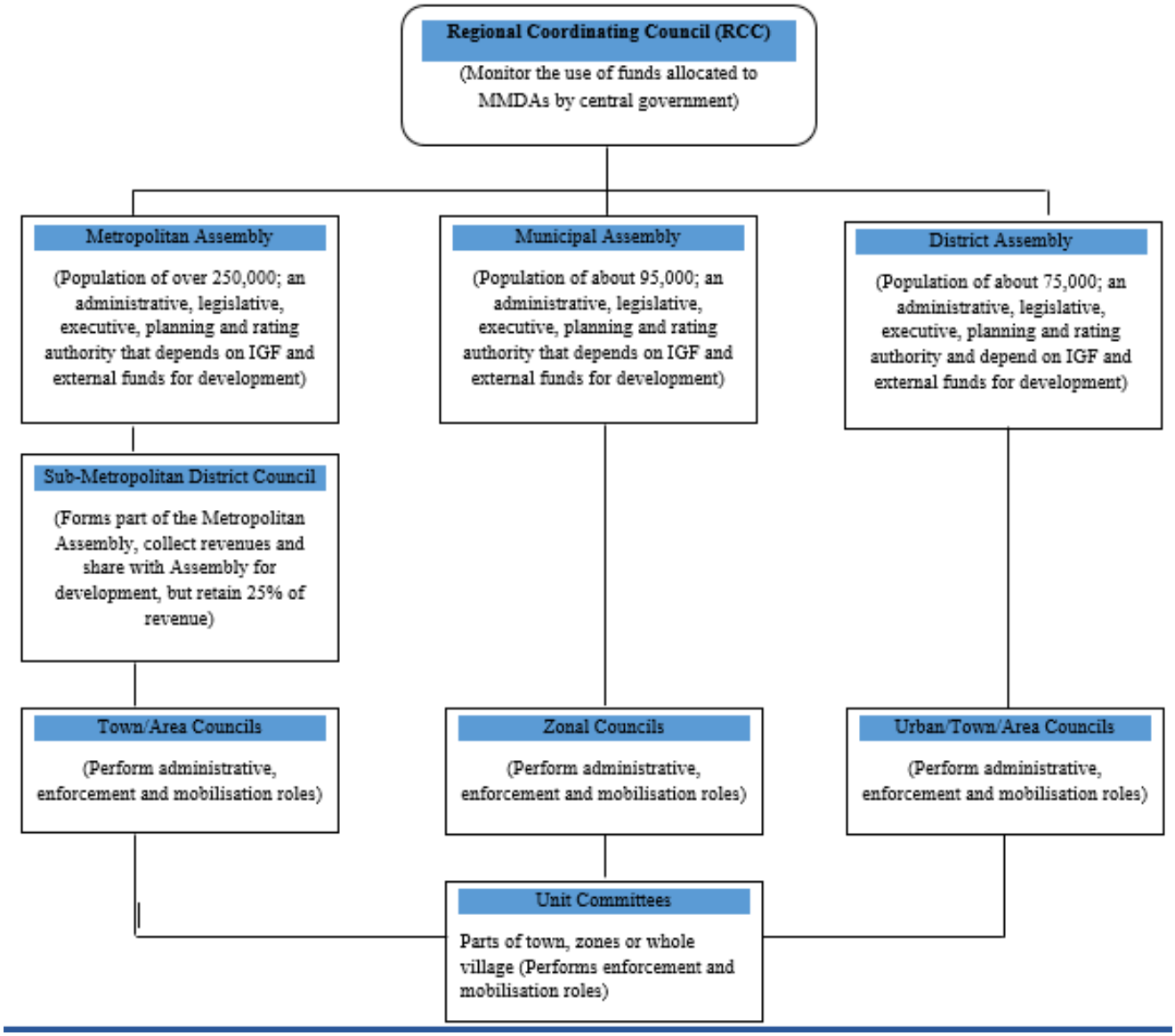


Figure 2.7: Local Government System in Ghana; emphasis on financial roles in local development

Source: Koranteng, R. 'Decentralised Administration: The experience of Ghana' (modified) as in Alam, M., & Koranteng, R. (2011). Decentralisation in Ghana: Papers presented at workshops held at GIMPA, Ghanafrom 2007â2010. London: Commonwealth Secretariat

2.4.1 Brief tracking of MMDAs' IGF spending in Ghana: past reviews

Past efforts studying district spending have focused largely on DACF and other external funding sources. Studies tracking district spending of IGF have been very minimal. There are virtually absent of studies on citizens' participation in IGF spending decisions, and how best to enhance citizens demand for accountability in the utilisation of IGF. This makes a study of this kind unique and very relevant in the current development discourse.

In 2003, King et al. conducted a pilot study that focused on only four (4) district assemblies (Savelugu Nanton District Assembly, Suhum/Kraboa/Coaltar District Assembly, Mpohor Wassa East District Assembly, and Ejisu-Juaben District Assembly) in terms of the utilisation of DACF (no emphasis was placed on IGF). The objectives were amongst others, [a] to find out if the resources allocated to the administrator of the DACF actually get released in full to the MMDAs; [b] to find out if the monies received by the MMDAs are utilised for the purpose for which they are meant; [c] to find out if the processes for disbursements of the monies are transparent and follow laid down procedures; and [d] to examine the extent of community engagement and level of understanding of DACF and its project implementation. The findings, confirmed a degree of compliance, to the laid down procedures for the use of DACF, highlighting several problems with the administration of the fund. Delays in release of funds were very common and variances were identified in the amounts allocated, disbursed and actually received by Assemblies. Some shortages were partly attributed to the fact that some expenditure categories are incurred on behalf of the Assemblies with deductions at source. Concerns about project selection, contract awards, costs and quality of projects, were also identified. Amongst the several proposals made, only one emphasised strengthening mechanisms for mobilisation of IGFs.

In another study by Otoo in 2017 (unpublished) investigating the effects of fiscal decentralisation on efficiency of local service delivery (spending) of MMDAs in Ghana, it was established that MMDAs that heavily depended on statutory funding and donor support were likely to be inefficient in spending whilst those that are able to generate local resources for development were efficient in spending decisions. To this end, emphasis was also placed (as King et al., 2003 had previously suggested) on efficient and effective mobilisation of IGFs as key recommendation.

In Osei-Akoto et al (2007), MMDAs' total spending (2000-2004) shows that in 2000, total spending accounted for 4.2 percent of total expenditures of government and 0.4 percent of GDP; 2001, MMDAs' spending declined to 4.0 percent as a percentage of total government expenditure but increased to 0.7 percent as a share of GDP; 2002, the spending of MMDAs increased to 4.5 percent as a percentage of total government expenditure and subsequently to 6.5 percent as a percentage of total government expenditure in 2004, accounting for 0.9 percent of GDP in 2002 and 1.8 percent of GDP in 2004. Data for 2003 was non-existent. The results also showed that between 1994 and 1998, and also from 2001 to 2002, recurrent expenditure was higher for all MMDAs compared to capital expenditure. The average recurrent expenditure declined between 1994 and 1999, and rose sharply in 2000, and then declined again in 2003. On average, capital expenditure trended upward after 1997. By 2000, average recurrent and capital expenditures for the MMDAs were almost equal. After 2000, average capital expenditure outpaced recurrent expenditure, due to the persistent increase in capital spending vis-à-vis a continuous decline in recurrent spending. Examining recurrent spending, Osei et al. found that personnel emolument (PE) comprising salaries, wages, allowances and commissions, from 1994 to 2004, formed the largest portion (over 43 percent) of total recurrent expenditures. Additionally, transport spending declined from 22.9 percent of recurrent expenditure in 1994 to about 15 percent in 2004; miscellaneous expenses have generally increased from 14.9 percent to 24.6 percent in the same period. Repairs and maintenance formed the smallest component assuming its highest proportion of 2.5 percent only in 2004. The limited expenses in terms of repairs and maintenance point to the poor maintenance culture, which affects the quality and lifespan of capital investment. The study could not examine the dynamics of capital spending due to limited data. Hence, it is unknown which area/component of capital expenditure (health, education, water and sanitation and others) consumed the largest and the lowest of capital spending; another limitation which ultimately endorses the need for the foregoing study. The study also found that IGF ranged from less than GH₵100 million to about Gh₵250 million in 2004, translating to a poor reduction of the ratio of IGF to total spending between the period of

1994 and 2004 (Figure 2.9) amongst all categories of district based on the administrative classification by the MLGRD[11].

Clearly, IGF has been inadequate. This calls for the need to strengthen mechanisms for IGF mobilisation so that in cases of delayed transfer, Assemblies can somewhat rely on such funds for development.

2.5 Summary of Literature

Inferring from the literature, the main points that informed our study, tracking IGF spending to establish efficiency discrepancies, are inferred from the following key points:

[1] Most of the examined studies on assessment of IGF have focused on spending patterns with very few touching on assessment of spending efficiency;

[2] Existing studies are limited in time scope, and provide reason for a more current assessment of spending efficiency going into 2020/21 when emphasis on development will appear to be on the local governments, as representatives will be elected.

[3] Spending efficiency assessments have generally touched on the legal rationale that mandate MMDAs to engage communities, without on-the ground studies to assess legal compliance to that effect.

[11] The administrative classification by MLGRD invariably reflects the size of the districts and other socio-economic differences. The first group is termed 'Metropolitan District Assemblies', which are assemblies with population of over 250,000. They also served as regional capitals. The second classification is termed 'other regional capitals' which represents assemblies that serve as regional capitals but are not metropolis. The third group represents districts that do not have a single urban locality.

3.0 MATERIALS AND METHODS

3.1 Introduction

The study's operational process is indicated in Figure 3.1. The problem statement informed the questions and objectives of the study, which, in turn, advised the literature review and study design.

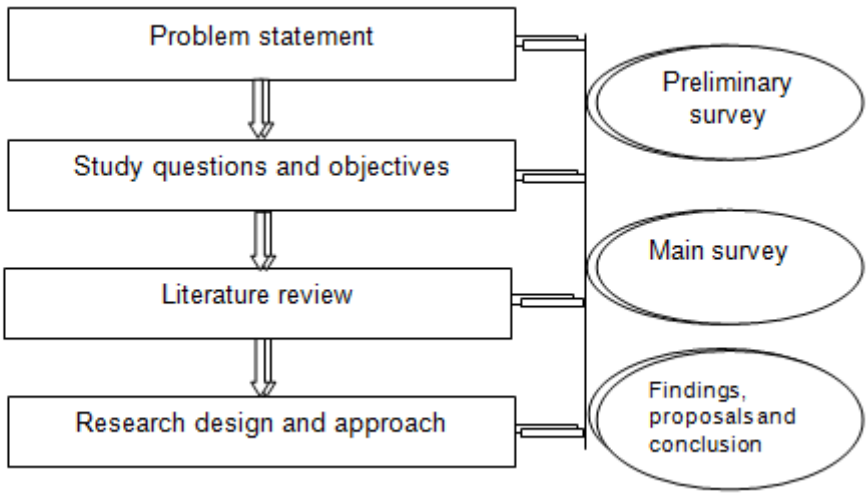


Figure 3.1: Study Operational Process
Source: Author's conception based on work plan, 2019

The methodology for the study involved:

1. The identification of the key actors who are involved and/or have extensive knowledge and understanding of local government spending in Ghana (stakeholder mapping);
2. The determination of sample districts for the study;
3. The design of data collection instruments for the study; and
4. Data collection (involving preliminary survey and main survey)

3.2 Stakeholder Mapping

The study mapped out stakeholders in Ghana who have an extensive theoretical and working knowledge and information on local government spending efficiency in Ghana. The purpose for stakeholder mapping is to account for the perspectives of key stakeholders in Ghana. This mapping was undertaken for a month and includes the following experts as indicated in Table 3.1.

Table 3.1: Stakeholder Mapping

Name	Position/ Institution	Expertise/ Background	Reason for engaging stakeholder / Relevance to this study
Mr. Mawuena Dotse	Managing Director, MAPLE Consult	MAPLE Consult is a private development consultancy that provides cutting edge solutions in institutional development, management and socio-economic development issues for the private sector, public sector, bilateral and multilateral institutions. As the Managing Director, Mr. Dotse has experience in the development of policy documents and plans in Ghana's decentralisation/local government sector, amongst other topics.	MAPLE Consult, in collaboration with VGN International (International Cooperation Agency of the Association of Netherlands Municipalities), are currently undertaking a the Tax Revenue for Economic Enhancement (TREE) project which analyses the efficiency of revenue mobilisation through the use of technology and innovation, with specific focus on IGF, in 33 MMDAs in Ghana.
Mr. Peter Jongkind **Mr. Henri ten Broeke**	Project Director of Local Taxation, VGN International Senior Programme Manager, VGN International	VNG International is the International Cooperation Agency of the Association of Netherlands Municipalities (VNG). Mr. Jongkind formerly worked at the Ministry of Finance in the Netherlands and the Dutch Tax and Customs Administration (DTCA), where he was responsible for change programmes such as the modernisation of the revenue collection. Since 2016, he has been a senior project director for VNG International, developing and implementing solutions for enhanced	As the Association of Netherlands Municipalities, we deemed it important to engage these stakeholders to learn the insights they have garnered from their wealth of experiences advising the municipalities in the Netherlands and in other countries, such as Ghana. Mr. Jongkind and Mr. ten Broeke are

		revenue collection. Projects in Ghana, Palestinian Territories, Kosovo and Ethiopia. Mr. Henri ten Broeke also has expertise in local government finance and technology, assisting VGN in projects implementation.	currently part of the Tax Revenue for Economic Enhancement (TREE) project, implemented in collaboration with MAPLE Consult, analysing the efficiency of IGF mobilisation in 33 MMDAs in Ghana.
Hon. Professor Kwamena Ahwoi	Former Minister of Local Government and Rural Development; Centre for Democratic Transitions-Ghana (CDT-GH)	As a former Minister of Local Government and Rural Development (1990-2001), Professor Kwamena Ahwoi has a plethora of experiences in the selection, design and implementation of projects and programmes in MMDAs. He also drafted the Consolidated Local Government Act 936, which was passed in 2016.	His experience and the extensive work on decentralisation makes Hon. Prof. Ahwoi, a relevant thought leader in the area worthy of consideration. He has published extensively in the area of relevant to this project. In a number of publications, Hon. Prof. Ahwoi has advocated for Participatory Planning and Budgeting, which is relevant to one of the aims of the project, namely, '*Increase citizens' participation in project and programme selection, design and implementation*'.

Dr. Eric Oduro Osae	Dean of Studies and Research, Institute of Local Government Studies; Consultant at the Ministry of Local Government and Rural Development (MLGRD)	Dr. Eric Oduro-Osae is one of the popular local governance experts in Ghana. As a researcher and consultant, his interests lie in decentralisation, local resource management, local economic development, governance and economic management. He has a number of research publications on local governance in Ghana.	As the Dean of Studies and Research, Dr. Oduro Osae has extensive wealth of research and experience to share having published a book on: *Fiscal Decentralisation and Financial Management*. These will be helpful to the understanding of efficiency of expenditure in the project.
Professor Dr. Joseph R.A. Ayee	Senior Fellow at the Institute of Economic Affairs (IEA); Retired Professor and Independent Scholar	Professor Ayee has written over 150 books, articles, papers, chapters and book reviews covering topics such as policy implementation, decentralisation, civil service, public finance, elections, the environment, governance, leadership and politics in Ghana.	Professor Ayee has written a number of relevant papers to this project including '*The Political Economy of the Creation of Districts in Ghana*' (2012).

Dr. Esther Ofei-Aboagye	Former Director of the Institute of Local Government Studies (ILGS); Chairperson of STAR Ghana Foundation	Dr. Ofei-Aboagye worked with the Ghana Institute of Management and Public Administration (GIMPA) from 1990 to 1999; and the Institute of Local Government Studies from 1999 to 2015, where she was the Director of the Institute for over a decade. Dr. Ofei-Aboagye has consulted widely for several national and international organizations. She has been involved in the development of a number of national policies; and has various publications to her credit. She was also previously the Vice-Chairperson of the National Development Planning Commission (NDPC) and serves on the boards of several other public and civil society organisations, including STAR Ghana Foundation, the University of Ghana Council and the Civil Service Council.	Dr. Ofei Aboagye has previous experiences in relevant government agencies, civil society organisations and academia, as well as publications in decentralisation and local government. Based on these factors, it was deemed necessary to meet with Dr. Ofei Aboagye.
Hon. Ing. Dr. Stephen Nana Ato Arthur	Head of the Local Government Service (LGS); Development Consultant	Dr. Arthur was the former District Chief Executive of Komenda-Edina-Eguafo-Abrem Assembly (KEEA) (2001-2005), as well as the Central Regional Minister (2006-2009). He was the MP of KEEA (2013-2017). Dr. Arthur became the Head of the Local Government Service in 2017.	As part of his role as the Regional Minister in the Central government, Dr. Arthur was responsible for monitoring, evaluation, and coordination of the performance of all the 17 MMDAs and the decentralized departments in the Central region. As part of his role as the Head of Local Government Service, he oversees its

			mandate, which includes providing technical assistance to MMDAs and RCCs to enable them to effectively perform their functions.
Dr. Callistus Mahama	Former Head of the Local Government Service; Centre for Democratic Transitions-Ghana (CDT-GH)	From the time of its inception in 2007, until 2017, Dr. Mahama was the Head of the Local Government Service. In that capacity, he initiated and supervised the implementation of Ghana's new Administrative Decentralisation policy and oversaw the capacitation of the Local Authorities to be able to effectively perform their new decentralised functions. He was at the same time the Coordinator of the Inter-Ministerial Coordinating Committee on Decentralisation (IMCC) Secretariat, an apex body created in 2011 to drive Ghana's decentralisation agenda.	Dr. Mahama's insights are important for the project based on his professional experiences overseeing the decentralisation agenda in Ghana for a decade, including during the time under review of the project.
Mr. Jens Kambeck	Team lead (Improving the planning and budgeting of districts (Support for	The Support for Decentralisation Reforms programme (2016-2019) focused on increasing the awareness of decentralisation in 40 districts and developing expertise in financial management, service delivery and local development planning.	It was important to speak to this stakeholder to determine whether there were similarities in that programme and our study and to ascertain whether insights from the

	Decentralisation Reforms (SfDR) in Ghana Focal 2)), GIZ	It also supported the implementation of the Ghanaian decentralisation reforms at local level and developed capacities of the districts. One of the focal areas of the programme was IGF.	experiences of the programme could be gained.
Ms. Nathalie Bouchez	Project Advisor (IGF: Improving revenue generation and management of districts; Focal 1, SfDR), GIZ	This phase of the SfDR aimed to strengthen decentralisation at the regional level and improve the collection, administration and planning of IGF in the programme's intervention districts.	It was important to speak to this stakeholder to determine whether there were similarities in that programme and our study and to ascertain whether insights from the experiences of the programme could be gained.
Mr. Joseph Antwi	Head of the Fiscal Decentralisation Unit, Ministry of Finance and Economic Planning	The Fiscal Decentralisation Unit works with the Ministry of Local Government and Rural Development, the Local Government Service, the National Development Planning Commission and any other institution or body that has a role to play in fiscal decentralisation. It is composed of five important areas: Expenditure responsibility; Revenue assignment; Transfers (from the central government to	Although the Fiscal Decentralisation Unit has no control over how MMDAs send their IGF, because of the inter-agency collaboration and close coordination with MMDAs, it was deemed necessary to meet with the head of this unit to gain insights.

		the local government), Borrowing, and Public Financial Management System.	
Hon. Hajia Alima Mahama	Ministry of Local Government and Rural Development	Hajia Alima Mahama is a lawyer and development practitioner by profession and current Minister of Local Government and Rural Development. She has over 10 years of experience as Senior Development planner and gender/development coordinator for the Northern Region Rural Integrated Programme. She was the Deputy Minister for Local Government and Rural Development from May 2001 to April 2003, responsible for policy direction on Rural and Urban Development of the Ministry. She led the team on the development of the Comprehensive Policy and Plan of Action on Decentralisation. She is currently the Minister of Local Government and Rural Development	It is important to ascertain the views of Hon. Hajia Alima Mahama, as the Minister of Local Government and Rural Development, overseeing the decentralisation in the country and coordinating with the various metropolitans, municipals, and district assemblies (MMDAs).
Professor Stephen Adei	Chairman of the National Development Planning Commission (NDPC)	Professor Stephen Adei is a chartered marketer and chartered company secretary. He has expertise in leadership, governance, public management, finance, economics, marketing and marriage counselling. Since 2013, he has been with Ashesi University College where he is currently Dean of Arts and Sciences and	The NDPC oversee development in various areas (Social, Economic, Environmental and Institutional). They also work closely with MMDAs to produce the Annual Progress Reports, among other duties. Due to

		Professor of Leadership and Economics, after being with Pentecost University College, Accra from 2009 to 2013. He is currently the Chairman of the National Development Planning Commission.	these duties, it is important to garner the opinions and experiences from NDPC.
Prof. Ransford Edward Van Gyampo	Department of Political Science, University of Ghana	Prof. Ransford Edward Gyampo is an Associate Professor within the Department of Political Science in the University of Ghana, Legon. As such, he has written and published extensively on issues related to political affairs, governance and decentralisation.	It was important for the project to elicit the views on expenditure in MMDAs from academia to ascertain a range of different opinions. Discussing such issues with Professor Gyampo would be invaluable to the study, given his experiences.
Mr. Jonathan Azasoo	Deputy Director, National Development Planning Commission	Mr. Azasoo has extensive experiences in national development planning and management in Ghana. He has worked with local government officials throughout his professional life, making him an astute development planner in Ghana.	Through the Institute for Democratic Governance's (IDEG) round table discussions on "*Strengthening the Sub-District Structures in a reformed decentralised local governance system in Ghana*", it was deemed relevant to extract useful information to inform the findings of the study.

Prof. Emmanuel Kojo Sakyi	University of Ghana Business School	Prof. Sakyi holds a Ph.D. in Development Policy and Management from the University of Manchester, UK; M.Phil in Administration and Organisations from the University of Bergen, Norway, M.A. in Development Studies from University of Dalhousie, Canada and a Bachelor degree (First Class Honours) from the University of Ghana. He has several academic publications and has taken part in applied public policy evaluation research projects. He has great expertise in local, district, regional and national development planning and management in Ghana.	These individuals made presentations on core issues surrounding the effectiveness of the sub-Structures and how best to strengthen them as part of effort to enhance demand side accountability which is an integral component of our study.
Mr. Andrews Bediako	Administrative Officer, National Association of Local Authorities in Ghana (NALAG)	Through his position as an Administrative Officer for NALAG, Mr. Bediako has had closed engagements with local officials and their scope of work. This has made him to have practical understanding of local government practices in Ghana.	IDEG is an independent, not-for-profit policy and advocacy organisation that aims to contribute to the "establishment of a just and free society" in Ghana that is democratic, prosperous, integrated and secure in the West African sub-region and beyond. Through IDEG's round table discussions on "*Strengthening the Sub-District Structures in a reformed decentralised local governance system in Ghana*", the perspective of this person was solicited.

Source: Authors' Compilation

3.3 The determination of sample of districts for the study

Ghana currently has a total of 260 districts, out of which 15 have been selected for this study based on five criteria [see Table 3.2], with the below context.

The Local Governance Act, 2016 (Act 936) (1(4)) states that population of the area, as well as how economically viable it is, are pre-conditions dictating the creation of districts and whether they acquire status as a metropolitan, municipality or district assembly. As a result of this legal provision, this study takes into account the profile of each status of the MMDA.

Akramov and Asante (2009), studying the factors that affect decentralisation and access to public services in districts in Ghana, empirically found that the closer a district is to the national and regional capital, the greater the access to public services was for citizens. Districts in coastal and forest (middle) zones had greater access to public services than those in savannah (northern) zones. Due to these findings, geographic location and placement of districts are included in the study's selection criteria.

The Functional & Operational Assessment Tool (FOAT) was used by the Ministry of Local Government and Rural Development (MLGRD), until 2014, to determine the performance capacity of MMDAs. This has been replaced by the District Assembly Performance Assessment Tool (DPAT) thereafter, which builds upon FOAT to mainstream the District Development Facility (DDF) into the District Assembly Common Fund (DACF). The implementation year of the first cycle of the DPAT was 2018, which lies outside the time of review of this study. The MLGRD used FOAT to allocate the District Development Facility (DDF) and the Urban Development Grant (UDG) based on their performance in the implementation of the Medium-Term Development Plans. The FOAT is used in this study's selection of districts as a measurement of the performance capacity of MMDAs.

Similarly, the Auditor General's report on the audit of the management and utilisation of the District Assemblies' Common Fund and other Statutory Funds, although does not assess the management of IGF, is used as a proxy to determine the efficacy of the funds in general in MMDAs.

Table 3.2: Criteria for district selections

No.	Criterion	Order of importance
1	Distance of the MMDA from the regional capital	1st
2	The regional development belts	2nd
4	Performance assessment based on the score on the Functional & Operational Assessment Tool (FOAT), 2014	3rd
4	The status of the MMDA, i.e. whether they are metropolitans, municipalities, or district assemblies	4th
5	Whether there were spending deficiencies due to cash management irregularities, based on the currently available Auditor General's Report "*Accounts of District Assemblies, 2017*"	5th

Source: Authors' compilation with insight from Local Governance Act, 2016 (Act 936), Akramov and Asante (2009), FOAT/DPAT and Auditor General's Report, 2017

Based on the criteria, the following districts are selected [see Table 3.3]. The selection was undertaken through:

1) The measurement of the distance between the MMDAs and their regional capitals. These were direct routes measured in kilometres. The districts were then grouped by 50 km intervals, where D1 contained districts with distances less than or equal to 50 km, D2 contained districts with distances greater than 50 km and less than or equal to 100 km, D3 contained districts with distances greater than 100 km and less than or equal to 150 km, D4 contained districts with distance greater than 150 km and less than or equal to 200 km and D5 contains districts with distances greater than 200 km. Three (3) MMDAs, one in each regional development belt, were selected within each distance band, with one exception. In the Northern regional development belt, no district has a greater distance

from its regional capital than 200km (D5). Therefore, a district was randomly selected from the Northern regional development belt to fulfil the selection sample (see Gupta and Shabbir, 2008; Kadilar and Cingi, 2006; and Olken and Rotem, 1986 for insight into random sampling);

2) The districts were selected using the measurement of the division of the country into three belts: Coastal, Middle and Northern belts. Five districts were selected in each belt to ensure fair representation;

3) The districts were grouped through quartile ranges of the scores obtained on the FOAT. The FOAT score is a composite score out of a maximum of 100. Districts with scores 0-25 are categorised as Q1, districts with scores of 26-50 are categorised as Q2, districts with scores 51-75 are categorised as Q3, and districts with scored 76-100 are categorised as Q4. Out of 260 districts, only three (3) are classified as Q3. Of these, two are randomly selected to be a part of this study, meeting the other ordered selection criteria;

4) In order to have a diverse representation of districts, the study also focused on the class of local government authority such that, districts - minimum population of 75,000, Municipality - minimum population of 95,000, or Metropolitan - minimum population of 250,000. To this end, all local government types are represented;

5) The study considered districts cited for financial impropriety or otherwise, using the 2017 Auditor General's Report (AGR) as a basis. This was to ensure that the district selection was not skewed to districts with cases of financial mismanagement, or districts without cases of financial mismanagement.

Table 3.3: Selected districts for the study

MMDA Name	Distance from Regional Capital (Grouped in 50km bands)	Regional Development Belt	FOAT Score (Grouped in quartiles)	MMDA Status	Citation in 2017 AGR?
1. Bawku Municipality	D2	Northern	Q4	Municipal	No
2. Bodi District	D4	Coastal	Q4	District	No
3. Central Gonja District	D3	Northern	Q4	District	Yes
4. Kintampo North District	D3	Middle	Q4	Municipal	Yes
5. Krachi West District	D3	Coastal	Q3	District	Yes
6. Kumasi Metro	D1	Middle	Q4	Metropolitan	Yes
7. Kumbungu District	D1	Northern	Q3	District	Yes
8. Nkwanta South District	D5	Coastal	Q4	Municipal	Yes
9. Offinso North District	D2	Middle	Q4	District	No
10. Prestea-Huni Valley Mun.	D2	Coastal	Q4	Municipal	Yes
11.Sawla-Tuna-Kalba District	D4	Northern	Q4	District	Yes
12. Sekondi Takoradi Metro.	D1	Coastal	Q4	Metropolitan	Yes
13.Sene East District	D5	Middle	Q4	District	No
14. Tamale Metro	D1	Northern	Q4	Metropolitan	No
15. Techiman North District	D4	Middle	Q4	District	No

Source: Authors' Compilation

3.4 Brief profile of selected districts

A profile of the 15 districts selected for the study has been presented in this section of the study.

3.4.1 Bawku Municipality

The Bawku Municipality is located in the Upper East Region of Ghana. It was upgraded to a Municipal status in 2004 by L.I. 1798 and it is largely agrarian in nature. Its geographical boundaries are defined by L.I. 2144 [see Figure 3.2]. The Municipality shares boundaries with Pusiga District to the north, the Garu Tempane District to the east, the Binduri District to the West and the Bawku West District to the south.

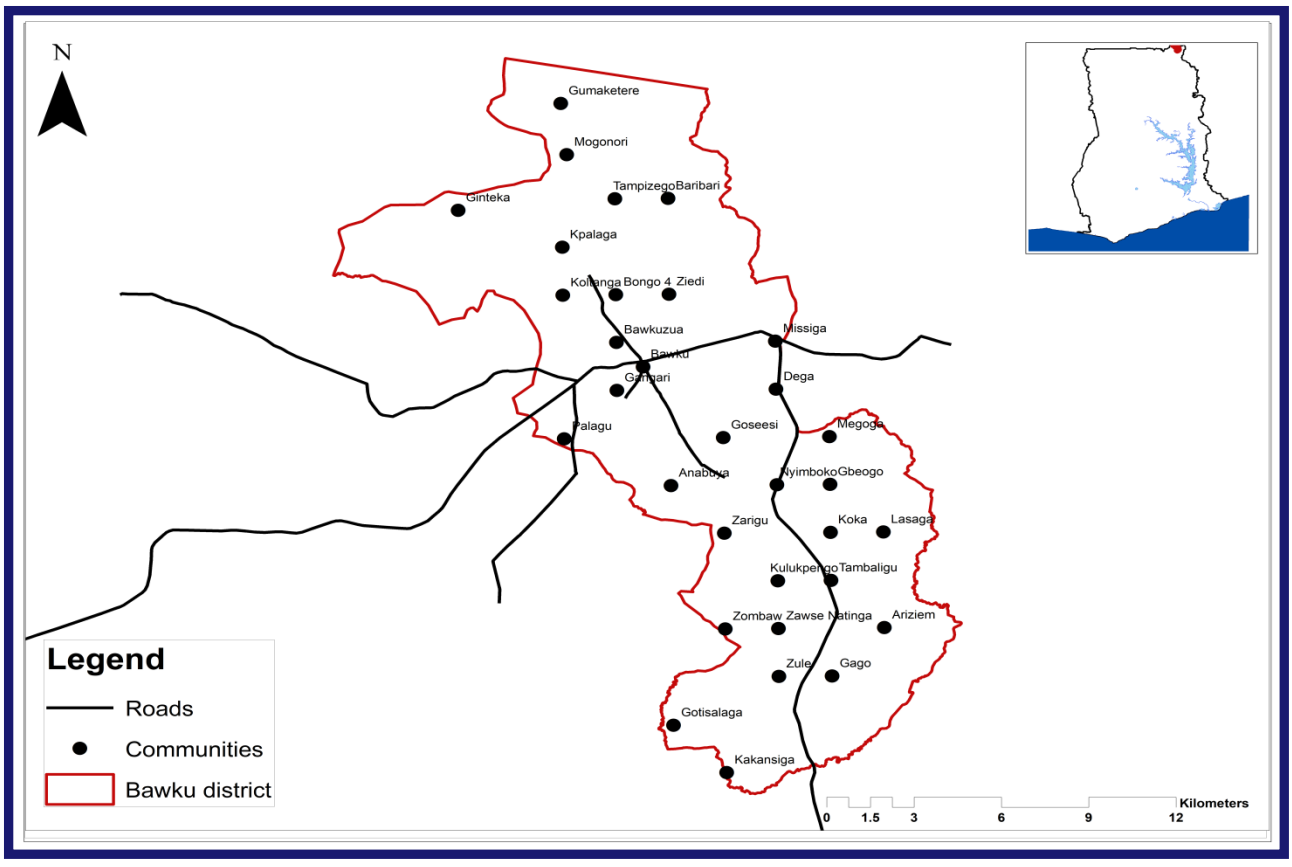


Figure 3.2: Map of Bawku Municipality

Source: Authors' construct, 2019

3.4.2 Bodi District

The district was carved out of the Sefwi Juaboso district in 2012 with L.I. 2021, and it is located in the Western region of Ghana, specifically, in the northern corner [see Figure 3.3]. The district is rural in character and shares boundaries with the Juaboso District to the north, Sefwi Wiowso municipality to the west and Sefwi Akontombra and Suaman districts to the south.

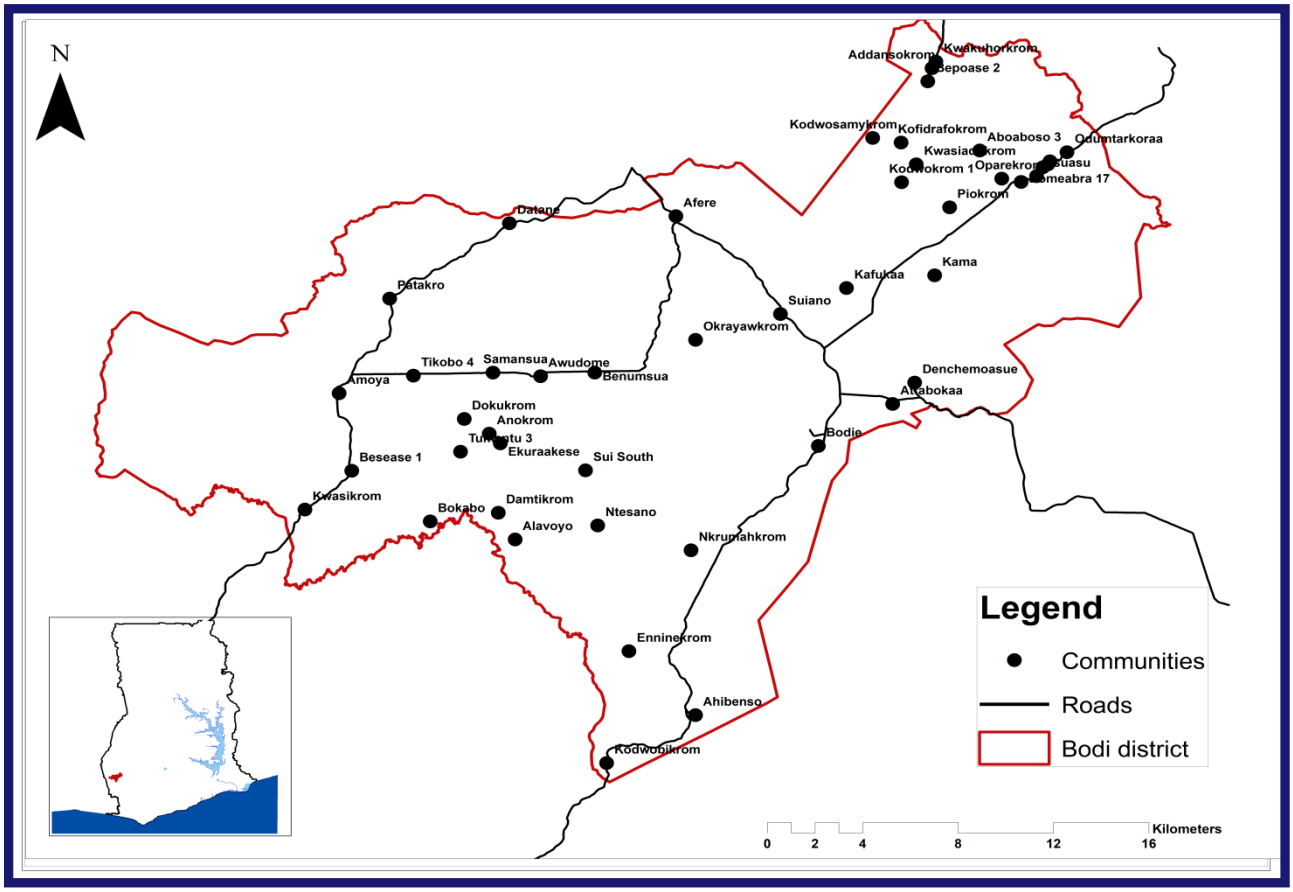


Figure 3.3: Map of Bodi District

Source: Authors' construct, 2019

3.4.3 Central Gonja District

The Central Gonja District is located in the northern region of Ghana, to the south western part of the regional capital, Tamale. It was created out of the West Gonja District in 2004, with its land area representing about 11 percent of the total land area of the Northern region [see Figure 3.4]. The district shares boundaries with the Tamale metropolis to the north, the Kintampo municipality to the south, the West Gonja district to the west, the Tolon district to the north east and the East Gonja district to the east.

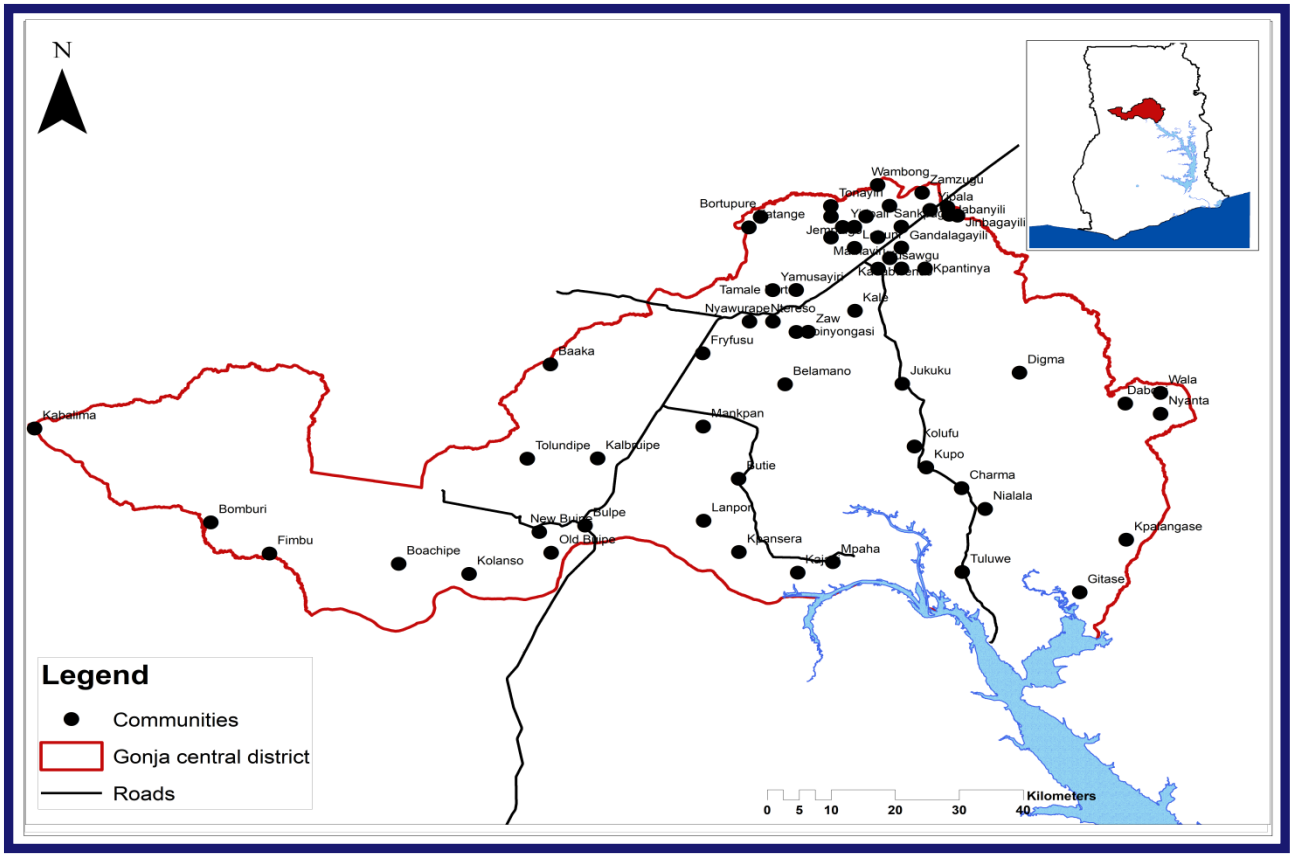


Figure 3.4: Map of Central Gonja District

Source: Authors' construct, 2019

3.4.4 Kintampo North Municipality

Kintampo North Municipality is located in the Brong Ahafo Region, created in 1988 by L.I. 1871 [see Figure 3.5 for the map of the municipality]. The municipality shares boundaries with Central Gonja district to the north, the East Gonja District to the north-east, the Pru district to the south-east, the Kintampo South district to the south and the Bole district to the west.

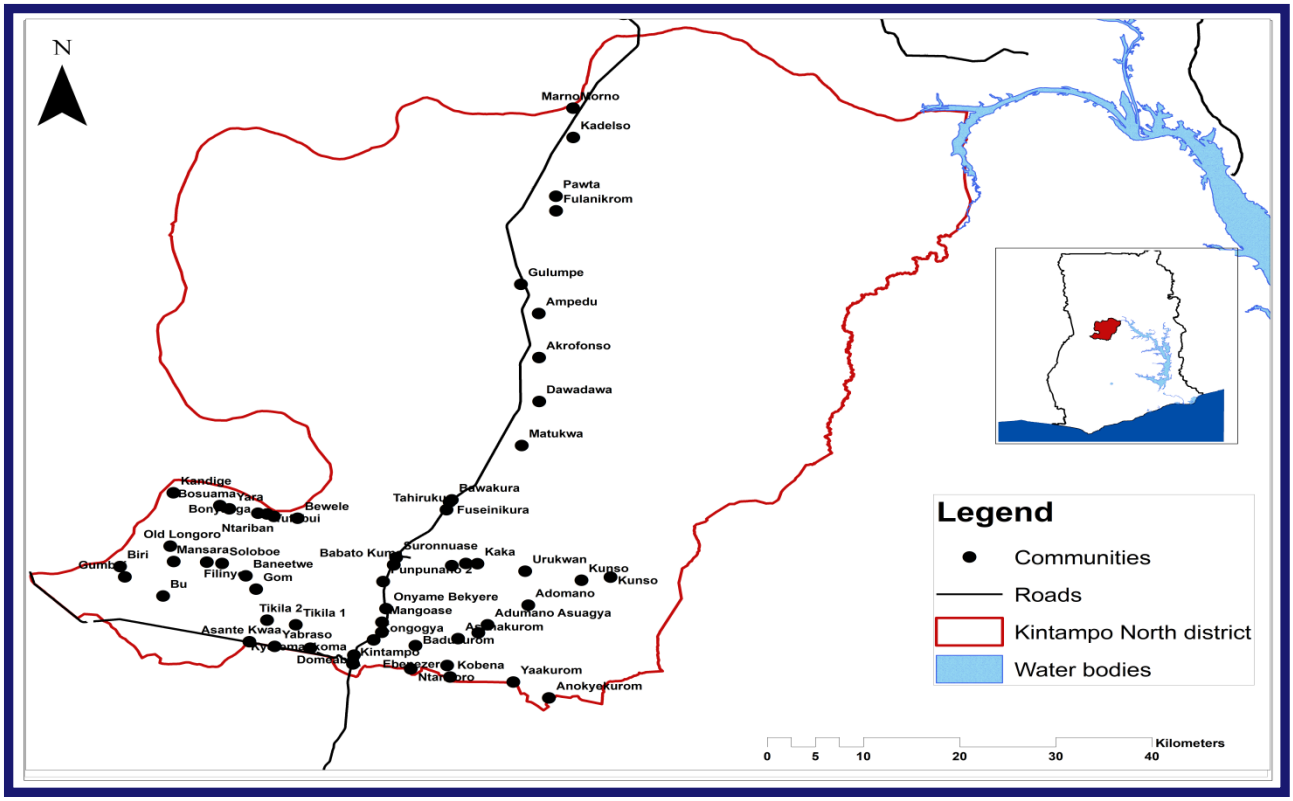


Figure 3.5: Map of Kintampo North Municipality

Source: Authors' construct, 2019

3.4.5 Krachi West District

The Krachi West district is located in the north western part of the Volta region of Ghana [see Figure 3.6]. The district is bounded to the east by the Oti River that seperates it from the Krachi East district, to the north by the newly created Krachi Nchumuru district and the south and west by the Volta Lake which separates it from the Sene East district of the Bono East region.

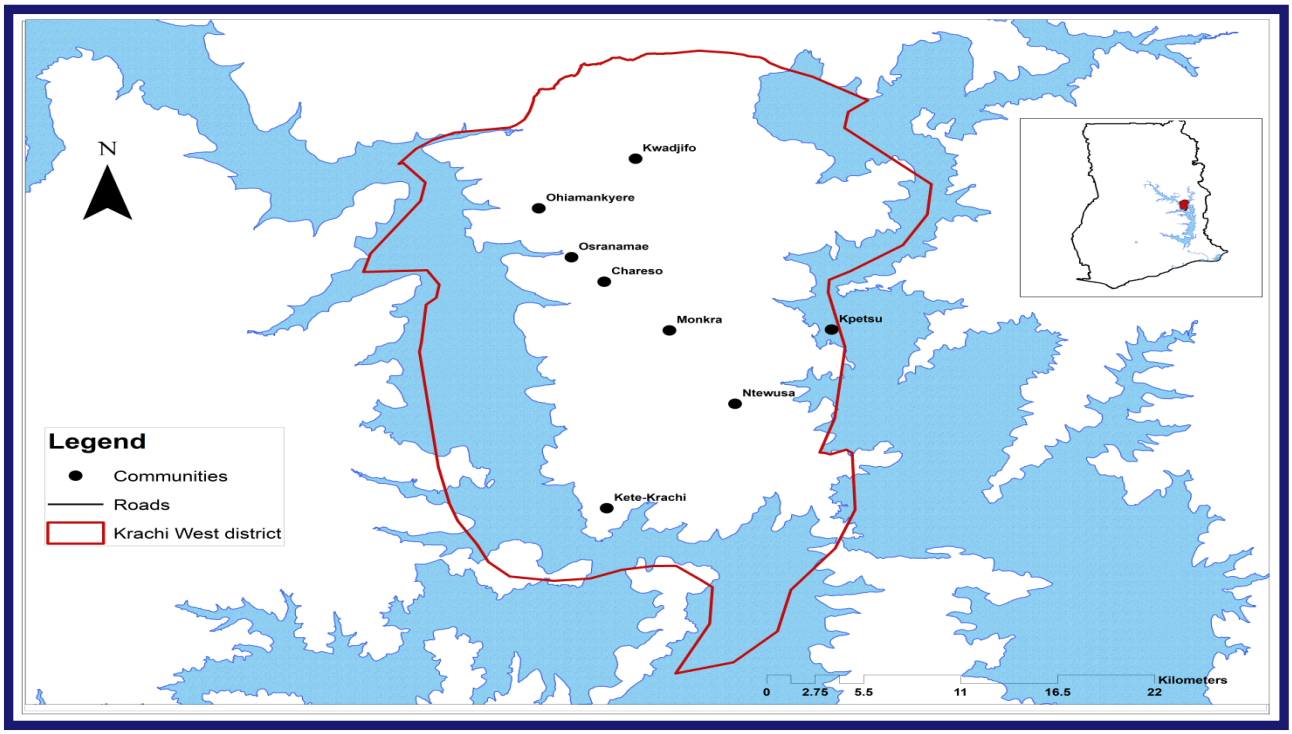


Figure 3.6: Map of Krachi West District

Source: Authors' Construct, 2019

3.4.6 Kumasi Metropolis

Kumasi metropolis is located in the Ashanti region and serves as the regional capital. In size, it is approximately 214.3 sq. km, composing 0.9 percent of the Ashanti region's land area [see Figure 3.7]. The metropolis shares boundaries with the Kwabre East municipality and the Afigya Kwabre district to the north, the Asokore Mampong municipality and Ejisu municipality to the east, the Bosomtwe district to the south, and the Antwima Kwanwoma district and Atwima Nwabiagya north district to the west.

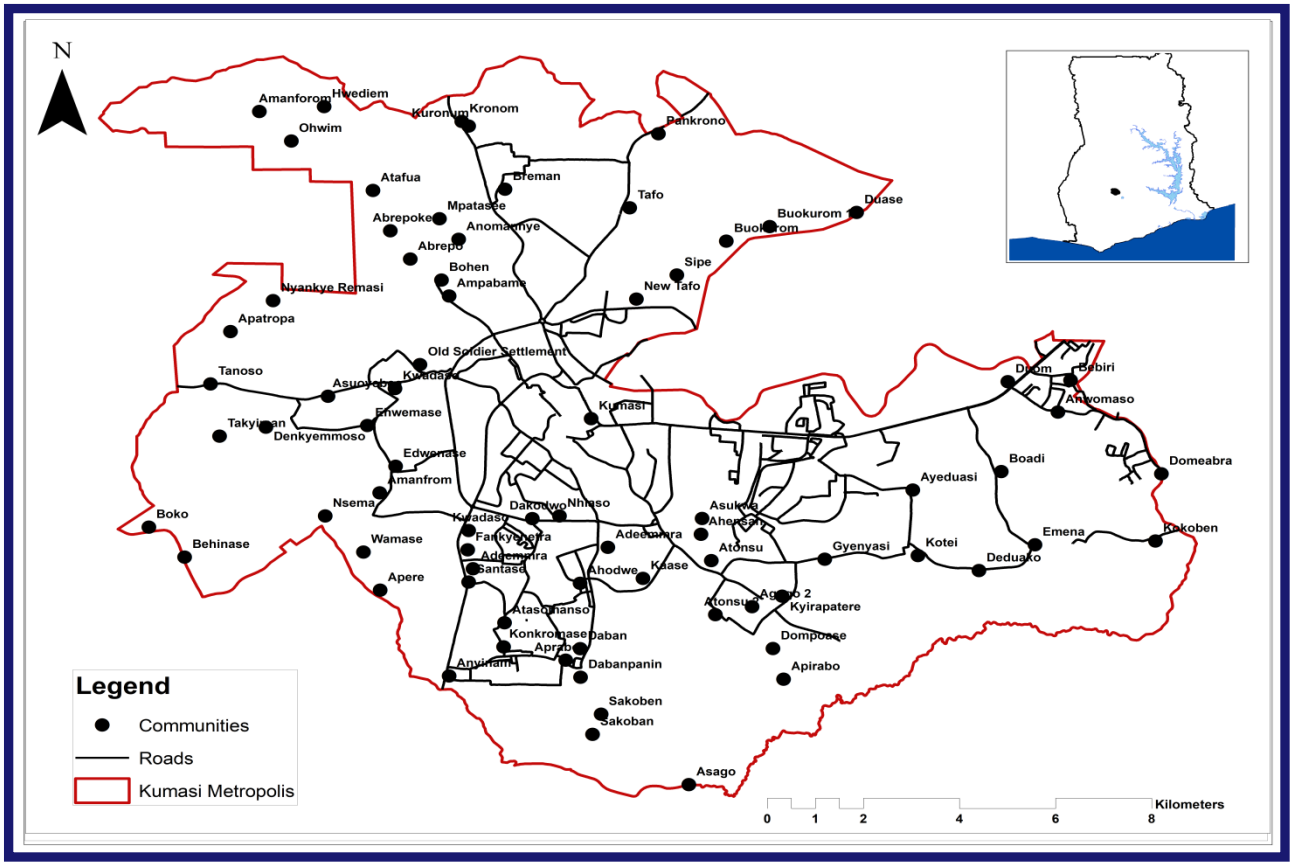


Figure 3.7: Map of Kumasi Metropolis

Source: Authors' construct, 2019

3.4.7 Kumbungu District

Kumbungu District is located in the Northern region of Ghana, and it was carved out of the then Tolon-Kumbungu District with L.I 2062 of 2011 [see Figure 3.8]. The district shares boundaries to the north with the the Mamprugu/Moagduri district, to the south by Sagnerigu District, to the west by the North Gonja and Tolon districts and to the east by the Savelugu/Nanton Municipality.

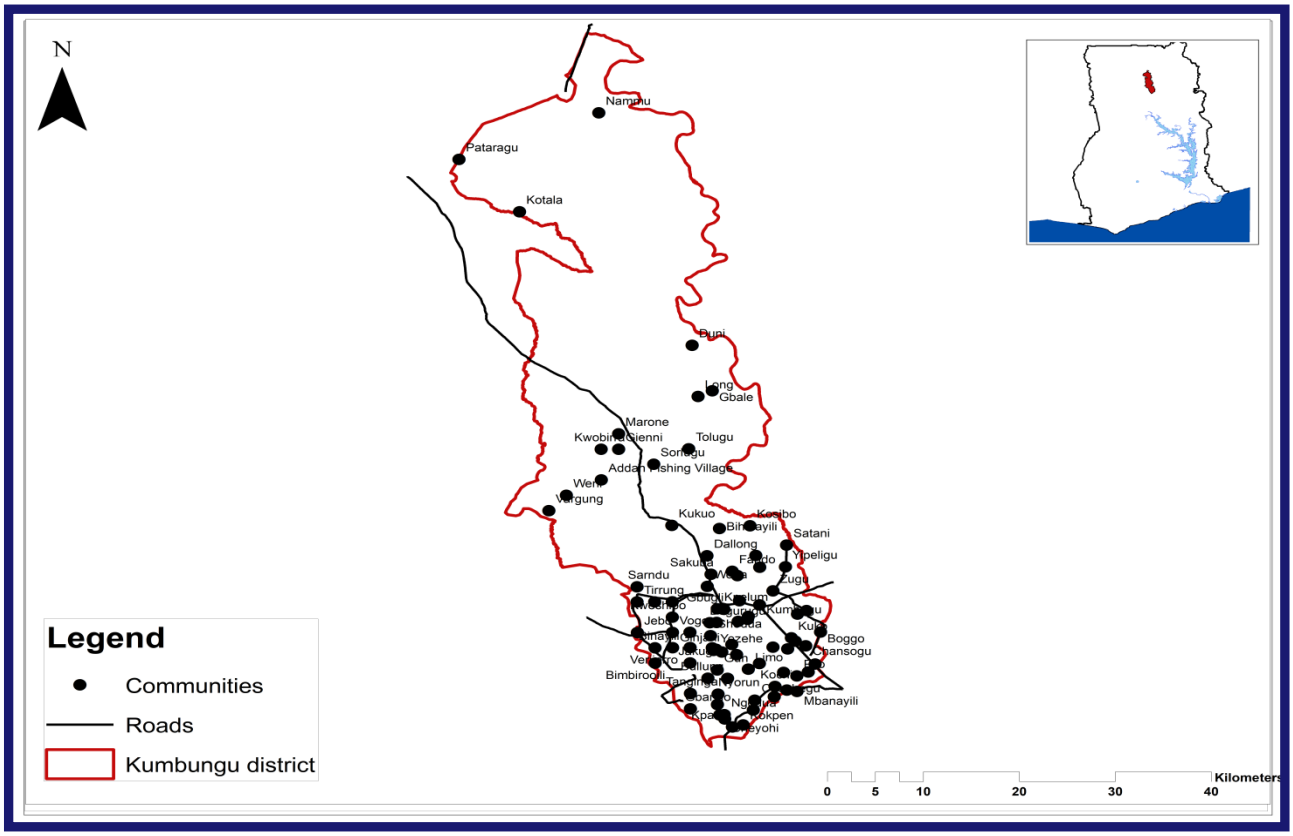


Figure 3.8: Map of Kumbungu District

Source: Authors' construct, 2019

3.4.8 Nkwanta South Municipality

Nkwanta South Municipality was carved out of the Kete-Krachi district in 1898. Its name was previously Nkwanta district before it was changed to Nkwanta South district, through LI 1892 of 2008. Later, the district gained municipal status. It is located in the northern part of the Volta region [see Figure 3.9], and has the largest space in the region. The municipality shares boundaries with the Mamprugu/Moagduri district to the north, the Sagnerigu District to the south, the North Gonja and Tolon districts to the west and to the east by the Savelugu/Nanton Municipality.

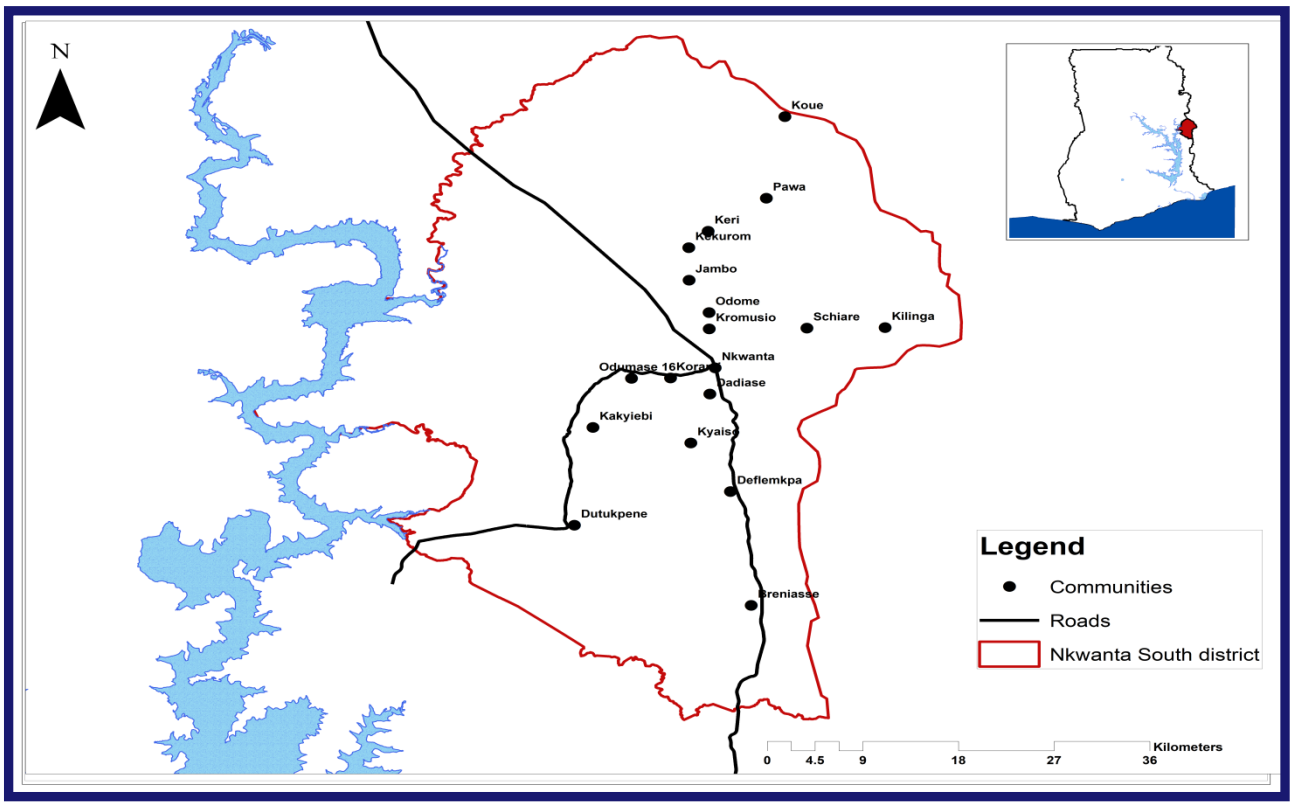


Figure 3.9: Map of Nkwanta South Municipality

Source: Authors' Construct, 2019

3.4.9 Offinso North District

The Offinso North district is located in the Ashanti region of Ghana [see Figure 3.10]. It shares boundaries with the Techiman municipality and the Sunyani municipality (both in the Brong Ahafo region) to the west, and the Ejura Sekyeredumase district to the east and Offinso municipality to the south, the Nkoranza south municipality to the northeast, the Wenchi district to the North West, and the Tano North and South districts to the south west.

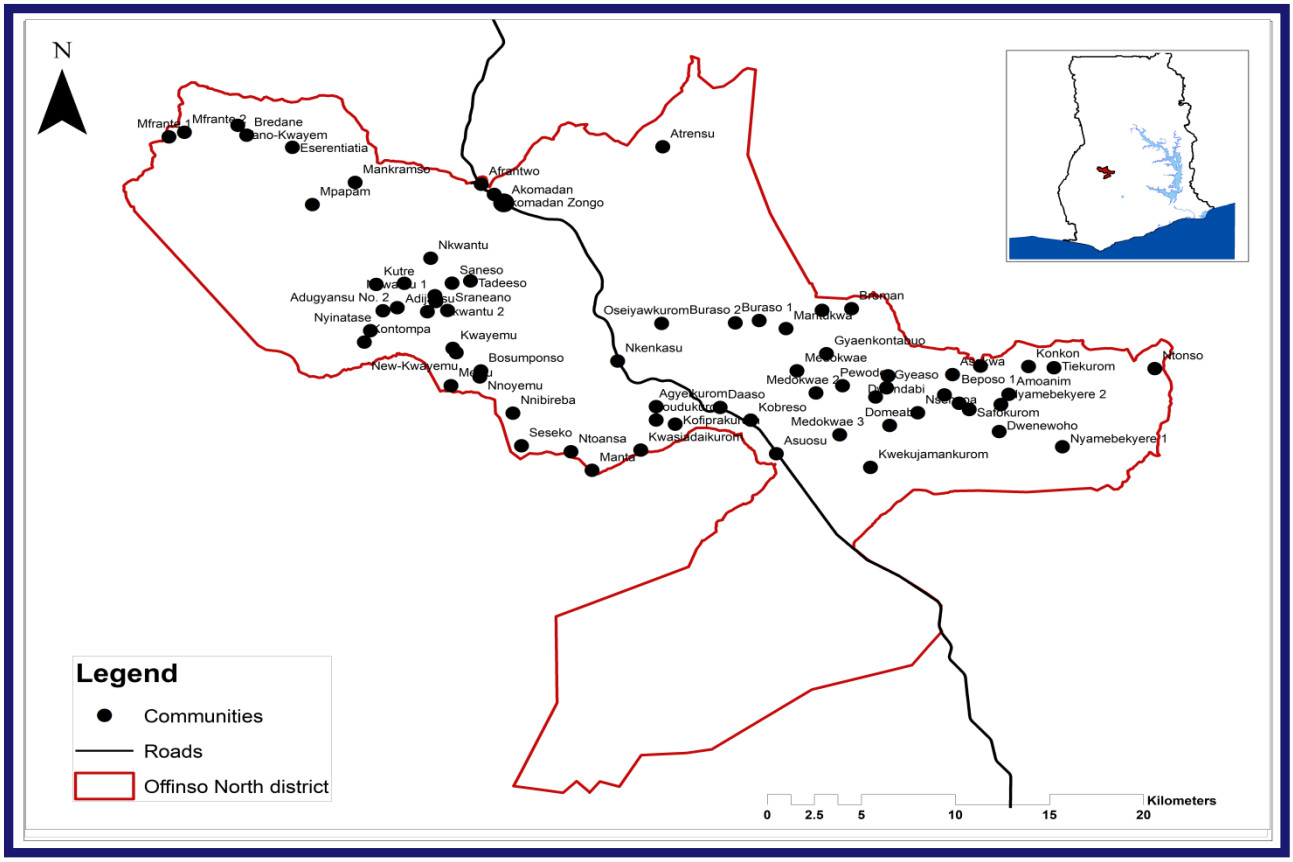


Figure 3.10: Map of Offinso North District

Source: Authors' Construct, 2019

3.4.10 Prestea Huni Valley Municipality

The Prestea Huni Valley Municipality is located in the Western region of Ghana. The municipality was carved out of the erstwhile Wassa West District Assembly in 2008, and is both an agrarian and mining district [see Figure 3.11]. The municipality shares boundaries with the Wassa Amenfi East district to the North West, the Axim municipality to the west, the Tarkwa Nsuaem municipality to the north and the Wassa Amenfi district to the south. As a mining district, it serves as the hub for gold mining, with surface mining companies and some other small-scale mining companies. The mining companies include the Tarkwa Goldfields, Damang Goldfields, Anglogold-Iduaprim and Sankofa. The mining activities have attracted companies that provide mining support services such as security, equipment and vehicle and hiring, sale of explosives, industrial laboratory, catering services amongst others.

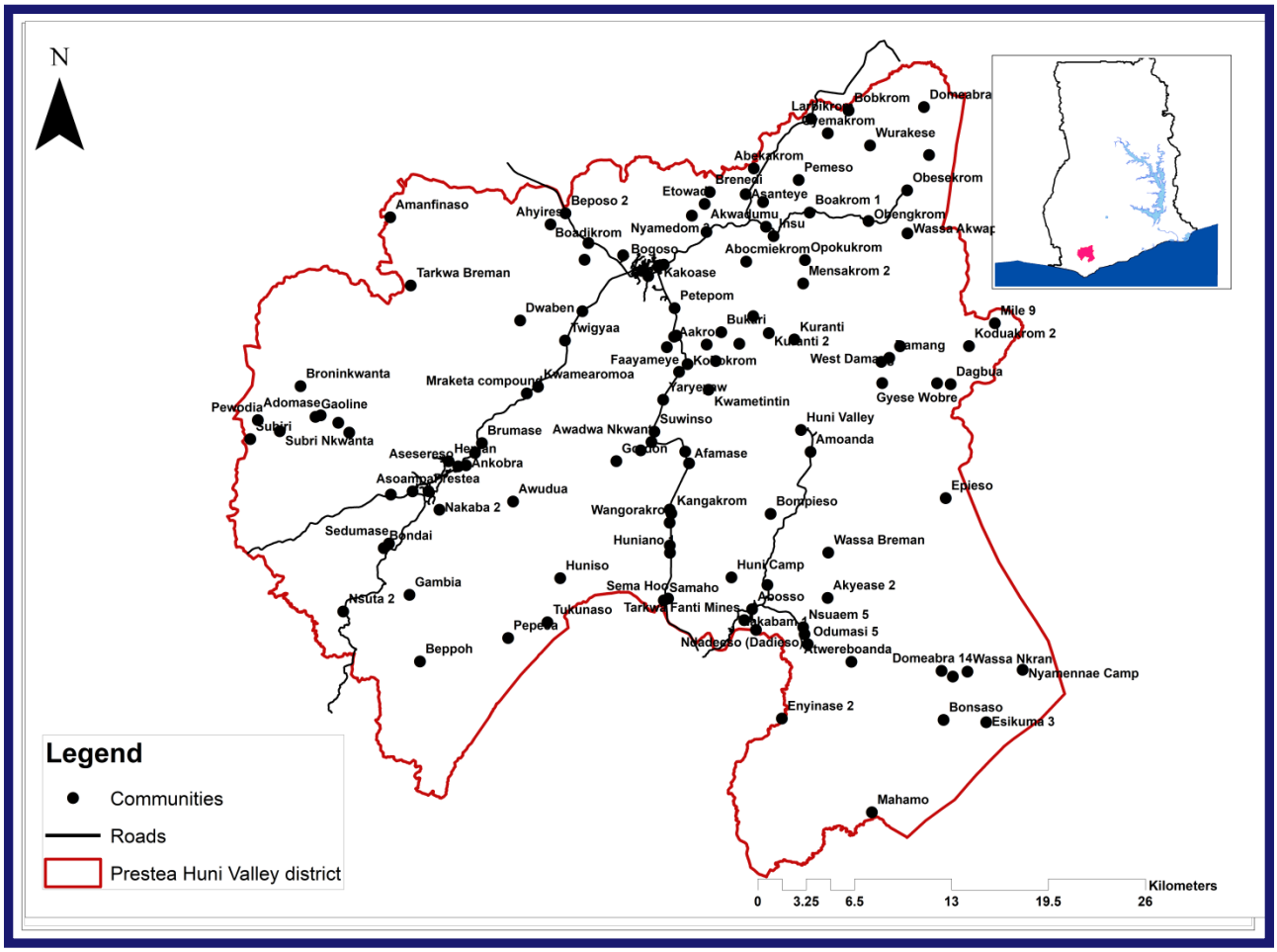


Figure 3.11: Map of Prestea Huni Valley Municipality

Source: Authors' construct, 2019

3.4.11 Sawla-Tuna-Kalba District

Sawla-Tuna-Kalba (STK) District is located in the western part of the Northern region of Ghana [see Figure 3.12]. It shares boundaries with Wa West and Wa East districts to the north, Bole district to the south, West Gonja district to the east, as well as Côte d'Ivoire and Burkina Faso to the West. The Sawla-Tuna Kalba District was created in 2004 through L.I. 1768, emerging from the Bole district.

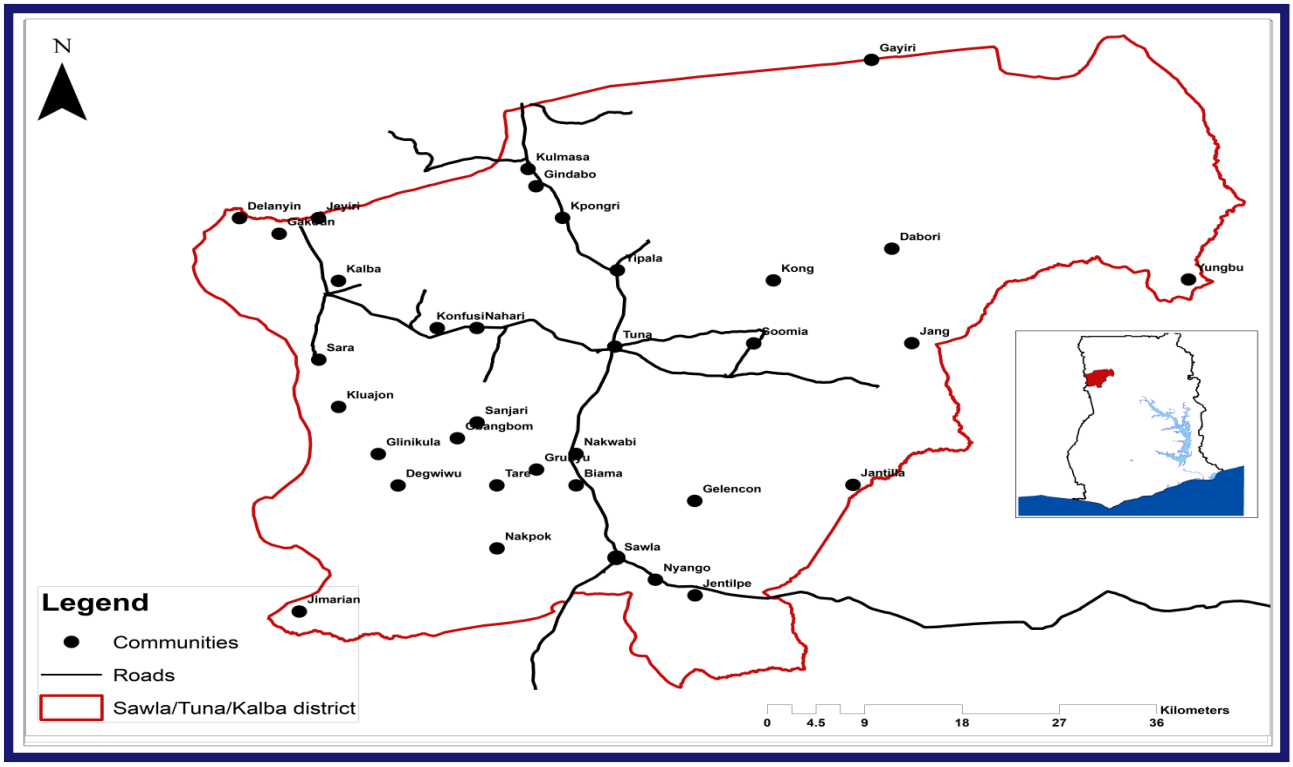


Figure 3.12: Map of Sawla-Tuna-Kalba District

Source: Authors' construct, 2019

3.4.12 Sekondi Takoradi Metropolis

The Sekondi Takoradi Metropolis is located in the Western region of Ghana, serving as the '*economic heart*' of the region. It became a metropolis in 1962, and its previous name '*Shama Ahanta East Metropolis*' was changed to the current name through L.I. 1928 [see Figure 3.13]. The Sekondi Takoradi Metropolis shares boundaries to the north by the Mpohor district, to the east by the Shama district, to the west by the Ahanta West district and to the south by the Gulf of Guinea.

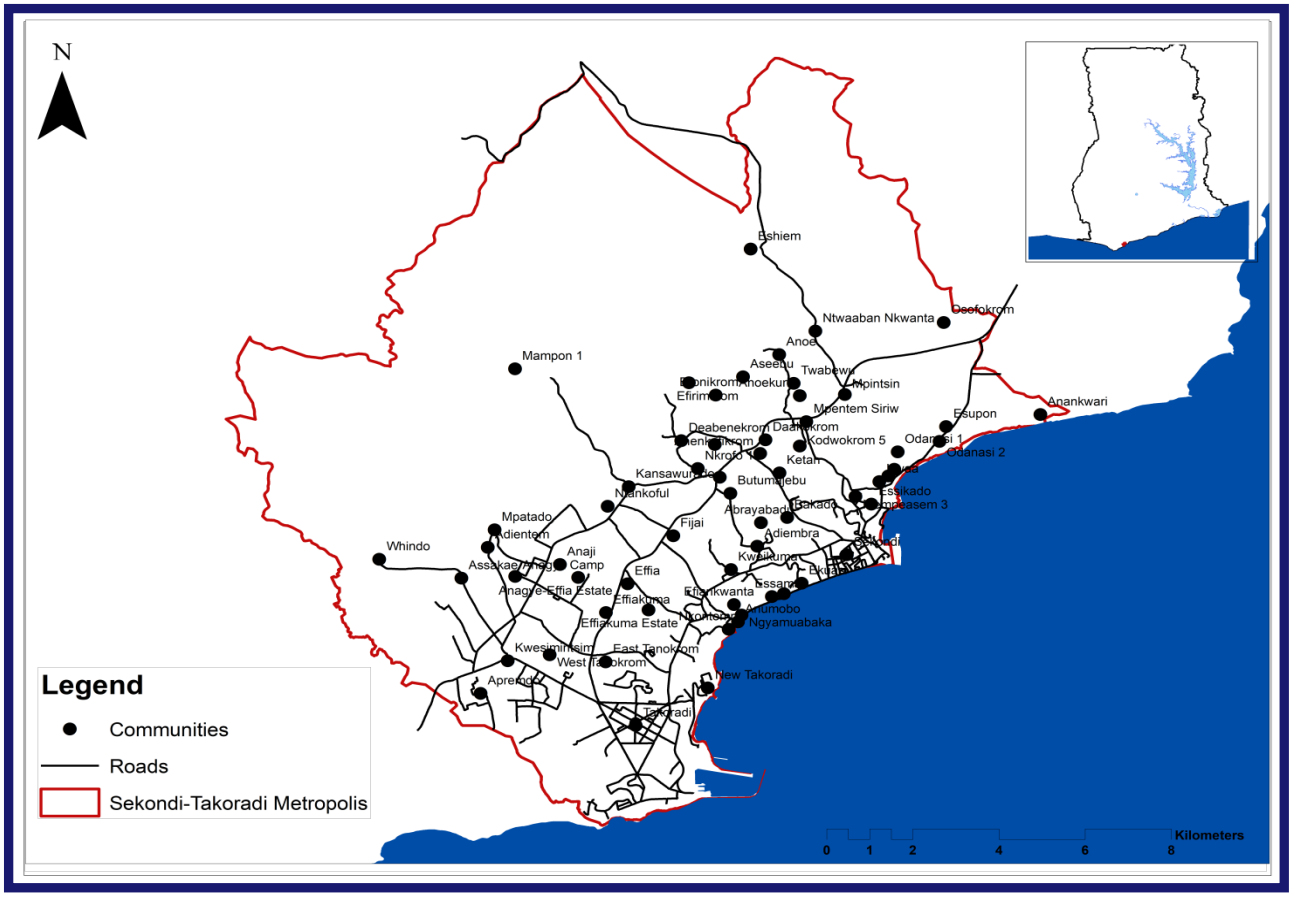


Figure 3.13: Map of Sekondi Takoradi Metropolis

Source: Authors' construct, 2019

3.4.13 Sene East District

Sene East district was located in the Brong Ahafo region, carved out of the then Sene district [see Figure 3.14] and established by L.I. 2091 in 2012. Sene East District shares boundaries with Krachi Nchumuru district to the north, Krachi East and Krachi West districts to the east, Biakoye district to the south-east, Sene West district to the west, and Sekyere East Afram Plains North district, Kwahu Afram Plains North district and Kwahu Afram Plains South district to the south.

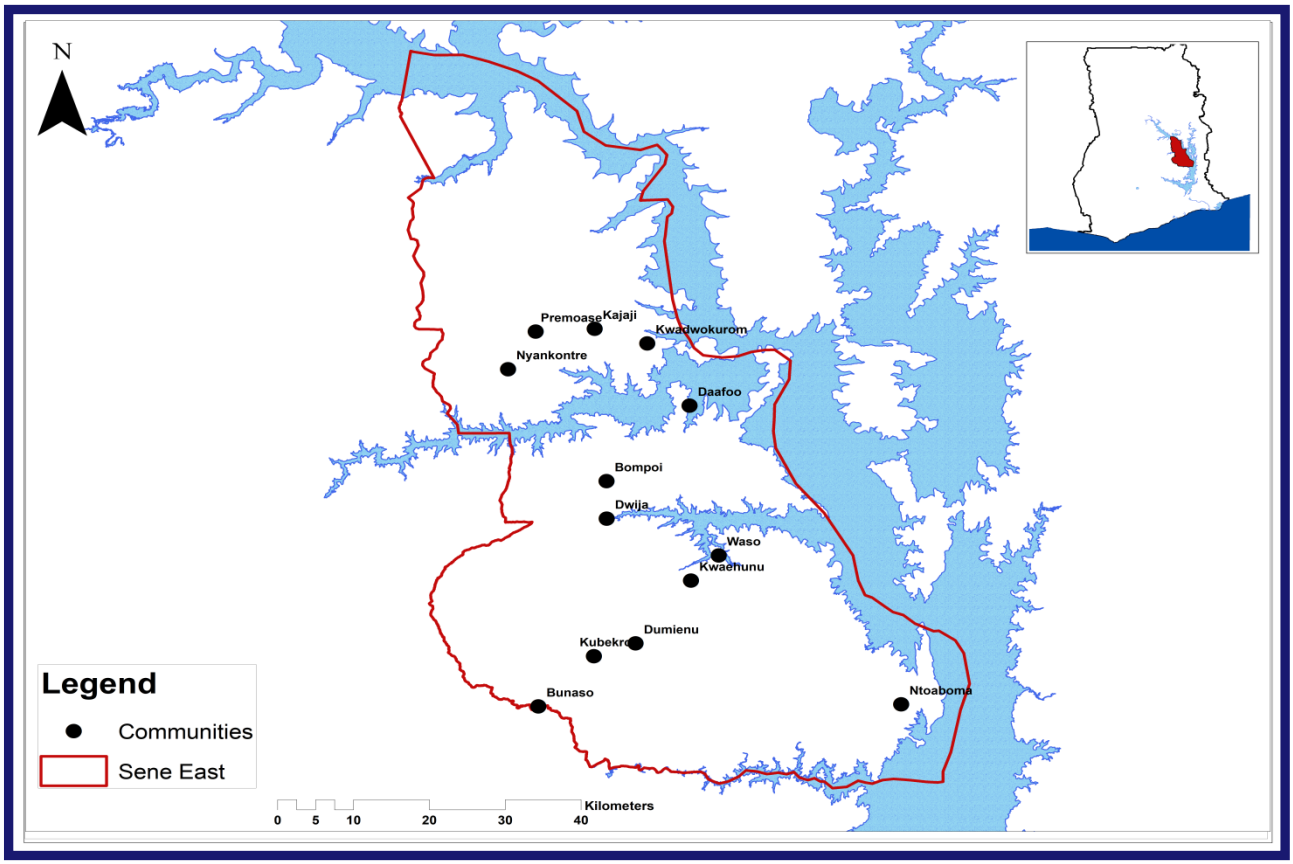


Figure 3.14: Map of Sene East District

Source: Authors' construct, 2019

3.4.14 Tamale Metropolis

Tamale metropolis is situated in the centre of the Northern region and serves as the regional capital [see Figure 3.15]. The metropolis shares boundaries with Savelugu municipality to the north, Yendi municipality to the east, the Tolon district to the west, Central Gonja district to the south-west and the East Gonja municipality to the south.

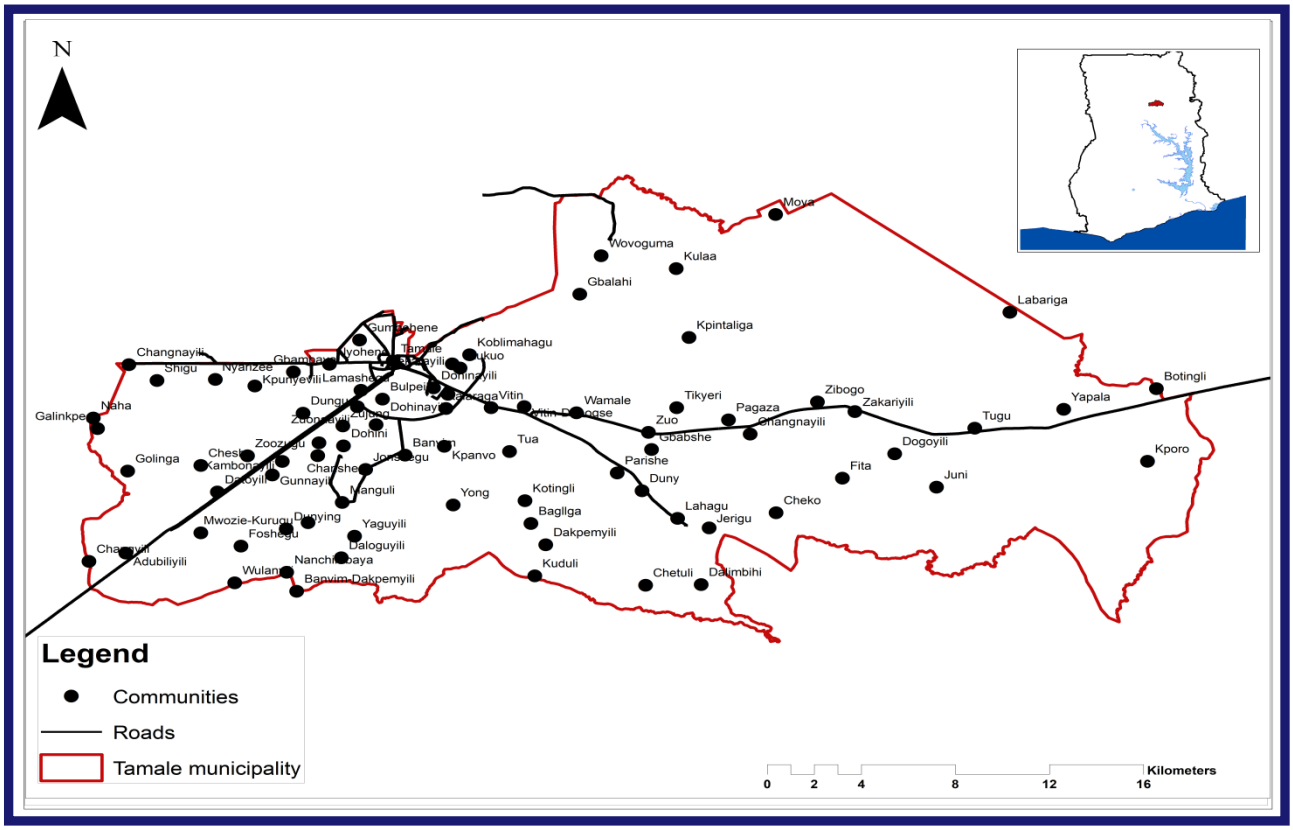


Figure 3.15: Map of Tamale Metropolis

Source: Authors' construct, 2019

3.4.15 Techiman North District

Techiman North district is located in the centre of the Brong Ahafo region [see Figure 3.16], created in 2012 under L.I. 2095. It shares boundaries with Kintampo South district in the north, Nkoranza North district in the north-east, Wenchi municipality in the north-west and Techiman municipality in the south.

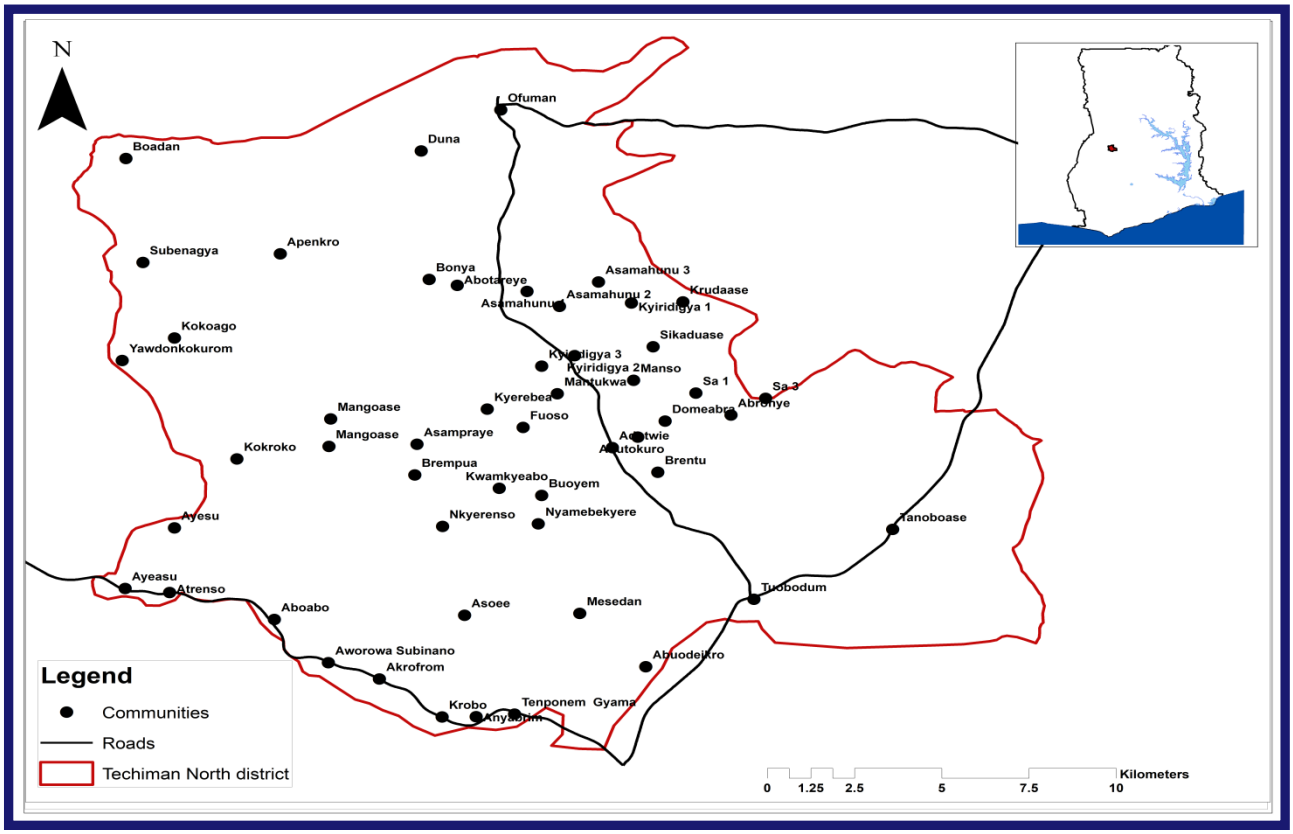


Figure 3.16: Techiman North District

Source: Authors' construct, 2019

3.5 Design of data collection instruments

The data collection instruments used for the study included questionnaires for community members and local government officials and interview guides for local governance experts and national level participants. The instruments were prepared in line with the objectives of the study.

The interview guides for the local governance experts and national level participants were developed with four main areas of discussion at the core:

i. The expenditure performance of the Metropolitan, Municipal and District Assemblies (MMDAs) in Ghana with a focus on Internally Generated Funds (IGF) and associated transparency and accountability;
ii. The reasons for spending efficiencies/inefficiencies of MMDAs in the direction of IGF;
iii. Citizens' participation in programme design, project implementation and expenditure monitoring of IGF; and
iv. Strategies that can be put in place to improve demand side accountability and ultimately ensure spending efficiency of IGF.

3.6 Description of data and justification

A mixture of quantitative and qualitative data was collected from various sources including; National Development Planning Commission (NDPC), Ministry of Local Government and Rural Development (MLGRD), the Metropolitan, Municipalities and District Assemblies (MMDAs), the Ministry of Finance and Economic Planning (MoFEP), Auditor General's Department and official websites of the selected districts – secondary data, and from field participants - primary data.

Data from the NDPC, MLGRD and the MMDAs were primarily the Medium-Term Development Plans [2014-2017] and Annual Progress Reports (from 2014 to 2017]. Data from MoFEP were the Composite Budgets of the MMDAs for the period understudy.

The data from the aforementioned reports guides the assessment of the expenditure pattern of the selected districts from the previous medium-term period [2014-2017].

The Accounts of District Assemblies' Reports for 2017 was specifically obtained from the Auditor General's Department's website, guiding the selection of districts for the study.

Data obtained from citizens, local government officials and national participants were largely knowledge, information and opinion-based. Citizens were engaged on their knowledge on Internally Generated Funds (IGF), access to information on projects, their subsequent engagements in the choice of spending of IGF, project selection, design, implementation and monitoring and evaluation. The mechanism to enhance accountability and transparency of spending at the local level, was also considered. These data were deemed commensurate in our bid to ensure that local perspective features substantially in the findings of the study.

For local government officials, data was largely on spending practices/mechanisms and efforts of citizens' engagements in the entire process of participatory governance as provided for in Article 34 Section (d) of the 1992 constitution. Their inputs were also solicited in order to understand a gap in the secondary data, i.e. the justification and explanation of the spending discrepancies in their respective districts and how best to deal with them. This was deemed justifiable as the selected districts were given special interventions through the path of local advocacy and tracking mechanisms, making them to serve as 'role models' for neighbouring districts, and others in the same belt.

3.7 Data collection and participants' sampling

Data collection was completed in two phases. The first was a preliminary exercise, which was undertaken with the aim of testing the suitability of the draft instruments. The second was the main exercise, which generated the data used for the analysis.

For the main survey, simple random sampling was used to select district officials including District Chief Executive, District Coordinating Director or District Planning Officer [Please see Figure 3.17 for details of the organizational structure of the districts].

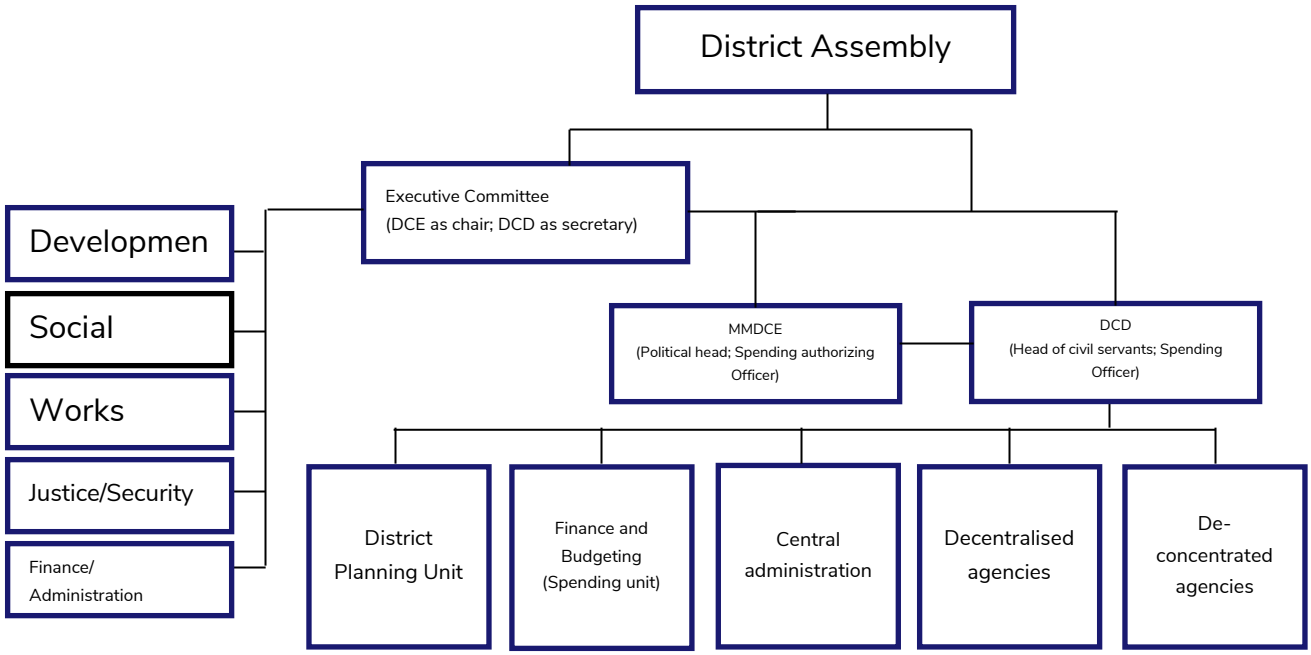


Figure 3.17: Organisational structure of MMDAs in Ghana
Source: Authors' Construct, with insight from literature

Additionally, the finance departments were purposely selected to ensure adequate responses were obtained on the spending efficiencies. In every district, at least, one Spending Officer was interviewed. Also, in commensurate with time and resource availability, we randomly selected a number of 3,000 citizens in all the 15 districts. This is scientifically acceptable as argued by Reisman (2000) that a sample size of over 1,000 is commensurate for populations of over one million (1,000,000). He further added that as population sizes increase, the total size of the sample becomes proportionately smaller without affecting error. In the case of this study, the population size is nearly six million (6,000,000), and a sample size of 3000 was used. Langham (2010) also add that it is only when a proposed sample size is more than 5 percent of the population that the population size becomes part of the formulae to calculate sample size. Otherwise, there is no need for sample size computation. The study has used the status of the district [as District, Municipality and Metropolitan] as the basis for the number of citizens sampled based on the minimum population threshold of Ghana in a ratio form [75,000:95,000:250,000]. Details have been indicated in Table 3.4.

Table 3.4: Sampling of citizens in the selected districts based on ratio

Status of District Assembly	Sampled number (15 in number)	Sample frame $\frac{Total\ population\ sampled * minimum\ population\ of\ district}{Total\ minimum\ population\ irrespective\ of\ status}$	Sample size for each district $\frac{Sample\ frame}{Sampled\ number\ (5)}$
District Assemblies	8	$\frac{3000 * 75{,}000}{(75{,}000 + 95{,}000 + 250{,}000)} \supseteq 536$	$\frac{536}{8} \supseteq 67$
Municipal Assemblies	4	$\frac{3000 * 95{,}000}{(75{,}000 + 95{,}000 + 250{,}000)} \supseteq 679$	$\frac{679}{4} \supseteq 170$
Metropolitan Assemblies	3	$\frac{3000 * 250{,}000}{(75{,}000 + 95{,}000 + 250{,}000)} \supseteq 1{,}786$	$\frac{1{,}786}{3} \supseteq 595$

Source: Author's construct, 2019

In areas in which local government status has been designated as District Assemblies, 67 citizens were engaged. This involved 60 ordinary citizens and at least seven (7) local leaders and key informants comprising of Assembly members, Unit Committee members, traditional leaders and elders and opinion leaders. In areas with Municipal status, at least 165 citizens were engaged, and the remaining composed of traditional leaders, Assembly members, Unit Committee members, religious leaders and opinion leaders. Finally, at the metropolitan level, at least 590 citizens were engaged, with remaining made up of leaders and traditional leaders, Assembly members, Unit Committee members, religious leaders and opinion leaders. Table 3.5 shows the details of the communities visited in each local government jurisdiction, the type of respondents engaged, the challenges and strategies used to respond to the challenges and Figure 3.18 gives a spatial view of the 194 communities visited for the data collection exercise.

Table 3.5: Details of data collection exercise for the selected MMDAs

MMDA Name	Communities visited	Gender inclusivity [frequency]	Vulnerability inclusion [Disabled; Aged]	Community leaders/ key persons engaged at community level [Frequency]	Local government officials interviewed	Challenges relating to getting respondents for the study	Strategies used to respond to challenges
1. Bawku Municipal	Wiidi; Gingande; Tisungu; Magnori; Zabugu; Dadure; Sabon-Gare; Kpalewega; Azanga; Kuka; Gentiga; Bawkzua; Missiga	Female—74; Male---96	Disabled---6 Aged---7	Assembly/Unit Committee members—15 Chief/Traditional leaders—4 Opinion leaders—30 Religious leaders---10	Finance Officer; Internal Auditor; Coordinating Director; Planning Officer; Department Head [Engineer]	Budget Officer was unable to participate in the project upon several attempts by enumerator	Requisite data were obtained from other Departments to fill the gap.
2. Bodi District	Kwasikrom; Bokabo; Amoaya; Bodi; Patakro;	Female---28; Male---39	Disabled---2 Aged--5	Assembly/Unit Committee members—10 Chief/Traditional leaders—7 Opinion leaders—9 Religious leaders---7	None	Assembly demands authorization letter from the Local Government Service before they will participate in the project	Request for authorization letter has been sent to the Local Government Service. No positive response so far.

3. Central Gonja District	Yapei; Kabilpe; Mpaha; Buipe;Kpasera	Female---26; Male---41	Disabled---4 Aged ---1	Assembly/Unit Committee members—8; Chief/Traditional leaders—7; Opinion leaders---6; Religious leaders ---5	Budget Officer; Finance Officer	Assembly was undergoing DPAT assessment, thus, data collection delayed	We have made arrangement with the Assembly to provide the information after the DPAT exercise.
4. Kintampo North Municipal	Kandige; Kunsu;Ntankoro; Badukrom; Manchala; Babator; Grumah; Techira No.2; Dawadawa No.2; Kyeremankuma; Mo-Line; Asanteakwa; Portor; Kadelso; New Longoro;	Female—74; Male---96	Disabled---3 Aged---19	Assembly/Unit Committee members--12; Chief/Traditional leaders—6; Opinion leaders---13; Religious leaders---10	Planning Officer; Budget/Finance Officer; Coordinating Director; Department Head [Water and Sanitation]	-	-
5. Krachi West District	Kete;Adankpa; Borae; Kadentwe; Tantu; Odefuor;	Female---32; Male--35	Disabled—1 Aged ---2	Assembly/Unit committee member—1; Opinion leader ---4;	None	Assembly demands authorization letter from the Local Government Service	Request for authorization letter has been sent to the Local

	Nanasewae; Bunda; Lakeside			Religious leader ---3		before they will participate in the project	Government Service. No positive response so far.
6. Kumasi Metro	Abrepo; Adiembra; Adum; Ahinsan; Amakom; Amnfrom; Apatrapa; Asafo; Ashtown; Atamanso; Atonsu;Bantama ; Bohyen; Bompata; Buokrom; Daaban; Dichemso; Fante NewTown; Kaase; Kejetia;Krofrom; Manhyia; North Suntreso; Santasi; TUC; Yenyawaso	Female— 321; Male ---273	Disabled –- 18 Aged--57	Assembly/Unit committee member – 18; Chief/traditional leader---5; Opinion leader ---18; Religious leader ---13	Budget Officer; Finance Officer; Planning Officer; Internal Auditor	We could not obtain all reports [including the 2014-2017 medium term development plan and progress reports from the officials.	We did a literature dig to help obtain some information.

7. Kumbungu District	Dulizugu; Gumo; Kumbungu; Zangbaling; Zugu	Female—26; Male ---41	Disabled—3 Aged ---4	Assembly/Unit Committee member -–9; Chief/Traditional leaders—5; Opinion leader –-6; Religious leader ---2	Budget Officer; Internal Auditor; Coordinating Director; Procurement Officer; Planning Officer		-
8. Nkwanta South District	Abrewankor; Abrubruwa; Ahondwo; Bepo; Bonakye; Bortibor; Chaiso; Dadiase; Keri; Krontang; Mangoase; New Agou; Nkwanta; Nyanbong; Odumase; Pusupu; Tutukpene	Female ---74; Male---95	Disabled ---6; Aged ---25	Assembly/Unit Committee member ---17; Chief/traditional leader ---16; Opinion leader---22; Religious leader ---9	None	Assembly demands authorization letter from the Local Government Service before they will participate in the project	Request for authorization letter has been sent to the Local Government Service. No positive response so far.
9. Offinso North District	Afrancho; Akomadan; Asempaneye; Daaso; Nkenkasu	Female—29; Male---38	Disabled ---1; Aged ---10	Assembly/Unit Committee member---3; Chief/Traditional leader---2; Opinion leader---4; Religious leader---2	Budget Officer; Planning Officer; Internal Auditor; Coordinating Director; Finance Officer	-	-

10. Prestea-Huni Valley Mun.	Bondaye; Himan; Bepo; Anwona Nkwanta; Juabeng; Ehyireso; Kyekyewere; Sankofa; Huni-Valley; Bompieso; Number 3; Mankessim; Aboso; Begoso; Krutown; Nsuekyir;	Female---79; Male---91	Disabled---5; Aged ---10	Assembly/Unit Committee member—13; Chief/traditional leader—10; Opinion leader ---12; Religious leader ---7	Municipal Chief Executive, Budget Officer; Planning Officer; Internal Auditor; Coordinating Director; Finance Officer;	There was a bit of delay as the Coordinating Director's approval was to be confirmed before other officials partake in the data collection exercise	IMANI directly contacted the Coordinating Director [via phone call] to approve the engagement.
11.Sawla-Tuna-Kalba District	Blima; Gbangbandori; Sawla; Tuna; Nakwabi	Female—34; Male---33	Disabled---2 Aged ---3	Assembly/Unit committee members—5; Chiefs/traditional leaders—3; Opinion leaders—10; Religious leader--1	Coordinating Director; Finance Officer; Budget Officer; Internal Auditor; Planning Officer; Department head [information Service]	-	-
							-

12. Sekondi Takoradi Metro.	Kwesimimtsim; Tanokrom; New Takoradi; Anaji; Essipong; Adiembra; Ntankoful; Ngyrisia; Mpeaasem; Nkotompo; Diabene; Nkroful; Ekuasi; Mpatado; Essaman; Kweikuma; Whindo; Esikafo Amatem; Takoradi; Sekondi; Fijai; Kokokrom;	Female---289; Male---301	Disabled – 19 Aged--39	Assembly/Unit committee members—28; Chiefs/traditional leaders—13; Opinion leaders—40; Religious leaders---39	Coordinating Director; Planning Officer; Internal Auditor; Head of Department [Water and Sanitation]; Budget Officer; Finance Officer		
13.Sene East District	Bungaya; Kwame-duro; Bondinka; Nketiakrom; Kejaji	Female---30; Male----37	Disabled—2; Aged---9	Assembly/Unit Committee members--6; Chiefs/traditional leaders—5; Opinion leaders---13; Religious leaders—2	Finance Officer; Planning Officer; Coordinating Director	-	-

14. Tamale Metro	Kunyavila; Shishegu; Jerigu; Warizehi; Tishegu; Jonshegu; Dalogyili; Bilpela; Target; Luhagu; Vittin; Tuutingle; Zujung; Dungu; Salamba; Kalariga; Wamale; Bamvim; Chenshegu; Nyohini; Sakasaka; Poloya Fong; Lamashegu; Nalund fang; Moshie Zongo; Manguli; Changli; Lamakara; ADB;Yong Dakpie; Zogbeli; Tua; Baaya Waya; Kulaa; Kpintalga; Gbalahi	Female—223 Male--372	Disabled---14 Aged--24	Assembly/Unit committee members—19; Chiefs/Traditional leaders—18; Opinion leaders---62; Religious leaders---20	Metro Chief Executive; Budget Officer; Coordinating Director; Internal Auditor; Finance Officer; Planning Officer; Procurement Officer; Department Head [Water and Sanitation]	-	-
15. Techiman North District	Aworowa; Krobo; Tuobodom; Jama Tinpori; Tanoboase	Female—26; Male---41	Disabled—2; Aged---2	Assembly/Unit Committee members—3; Chiefs/Traditional leaders—3; Opinion leader—1; Religious leader---4	Planning Officer, Budget Officer, Internal Auditor; Finance Officer, Coordinating Director	-	-

Source: Field data collection exercise, July, 2019

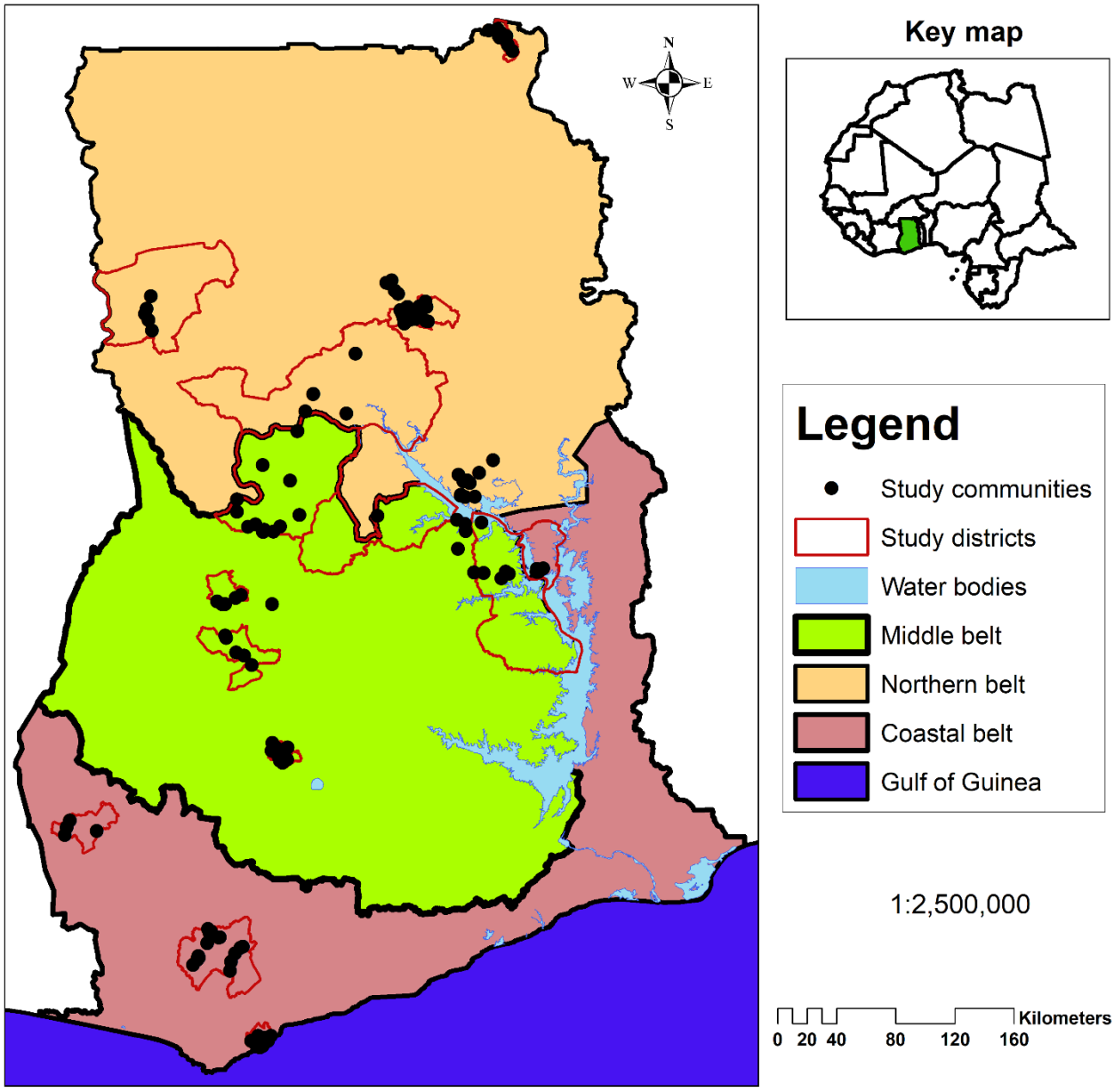


Figure 3.18: A survey map highlighting the communities visited for the data collection

Source: Authors' construct, 2019

3.8 Data analysis and presentation

After the data collection phase, the data obtained were processed, and this included data scrutiny, editing and data entry. The completed questionnaires were rechecked for errors or omission, and the identified gaps were filled through engagements with the field assistants. For qualitative data, analysis was based on thematic areas that are directly aligned with the objectives of the study. Quantitative data on the other hand, were analysed with the use of excel sheet and SPSS which generated the frequency reports and percentages to support the themes and relationships coded by assessment questions.

4.0 ANALYSIS OF DATA COLLECTED

4.1 Introduction

First, there was document analysis, involving comparison and analysis of reports and financial statements to help establish spending patterns and degree of efficiency. Secondly, there was analysis of primary responses from study participants. The findings have been discussed in the light of the literature. One very useful product from the study is the conceptualisation of a Theory of Change (ToC) for the study districts, which was used as the basis to push for advocacy for change as it seeks to outline the problems identified in the study, put out suggested measures and the expected outputs from the suggested measures and finally the outcomes of the outputs in the short to long term of MMDAs in Ghana.

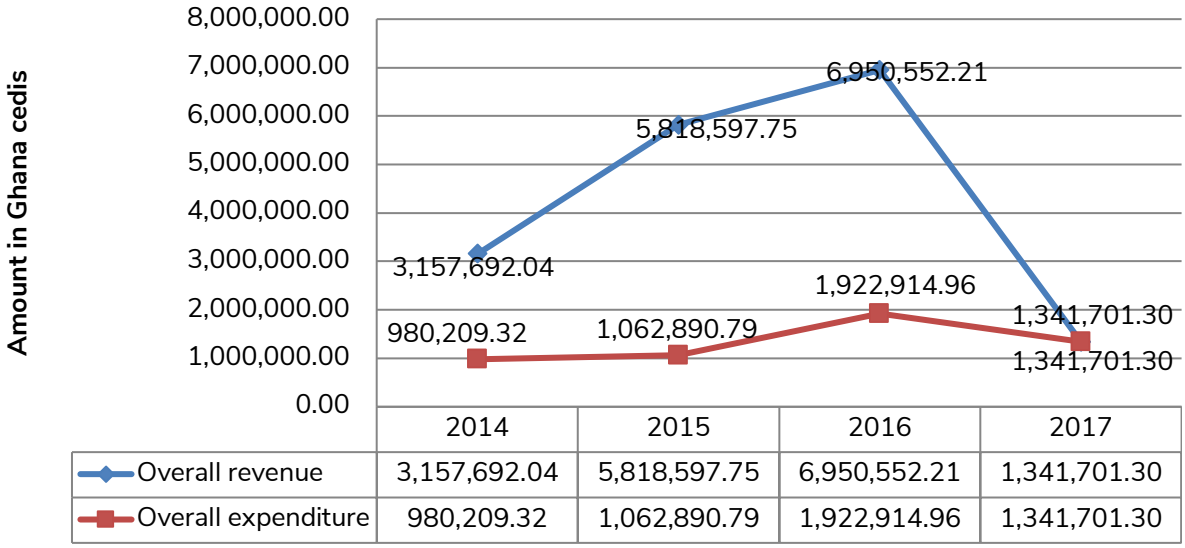
4.2 Analysis of expenditure patterns of selected districts

The analysis of the expenditure of the selected 15 districts for the study has been discussed in this section of the study.

4.2.1 Bawku Municipal Assembly

For the case of Bawku Municipal Assembly, the years, 2015, 2016 and 2017 respectively saw 34.96 percent, 45.69 percent and 21.70 percent improvements over 2014 IGF mobilisation. Overall revenue mobilisation has been impressive, particularly for 2015 and 2016 where there was a respective increment of 84.27 percent and over 100 percent in relation to 2014's overall revenue mobilisation. Overall expenditure increased by only 8.44 percent in 2015, and then increased by 96.17 percent in 2016 (election year), and declining to 36.88 percent in 2017 over 2014's overall expenditure. The persistent increase in spending for the planning period 2014-2017, was geared toward infrastructure projects. In all however, there was under-spending for the 2014-2017

period, at least from the data extracted from the 2017 Progress Report and the Medium-Term Development Plan (2014-2017).



	2014	2015	2016	2017
Overall revenue	3,157,692.04	5,818,597.75	6,950,552.21	1,341,701.30
Overall expenditure	980,209.32	1,062,890.79	1,922,914.96	1,341,701.30

Figure 4.1: Overall revenue and expenditure by Bawku Municipal Assembly for 2014-2017

Source: 2017 Progress Report and Medium-Term Development Plan (2014-2017)

*NB: IGF expenditure information was not obtained, and so overall expenditure was used for sound comparison and analysis.

The recent and most current audit results (2016 and 2017) did not cite the Bawku Municipal Assembly to have committed financial irregularities. Based on its FOAT performance, the Assembly has been a top 35MMDA performer in Ghana since 2014.

4.2.2 Bodi District Assembly

The Bodi District Assembly has poor IGF mobilization due to the high levels of poverty and the restricted sources of IGF which compose of only rates, fees and fines and license. The Assembly attributes its poor performance in IGF mobilisation to the deprived nature of the district, the limited number of revenue collectors and the poor road networks linking communities. IGF generation for 2015 was 35.16 percent more than that of 2014, and this

further increased to nearly 60 percent in 2016 before declining to 51.49 percent in 2017. The district was amongst the top five (5) percent of MMDAs in the Western region that performed poorly in IGF mobilisation [see Auditor General's Report on MMDAs, 2017]. The district projected a persistent increase in overall revenue for the 2014-2017 period; with 29.39 percent, 33.27 percent and 36.46 percent for 2015, 2016 and 2017 accordingly over 2014's overall revenue. Overall expenditure was also projected to increase in commensurate terms with the projected revenue mobilisation. Using 2014 expenditure as a basis, expenditure was projected to increase by 10.0 percent, 21.0 percent and 37.27 percent for 2015, 2016 and 2017 respectively.

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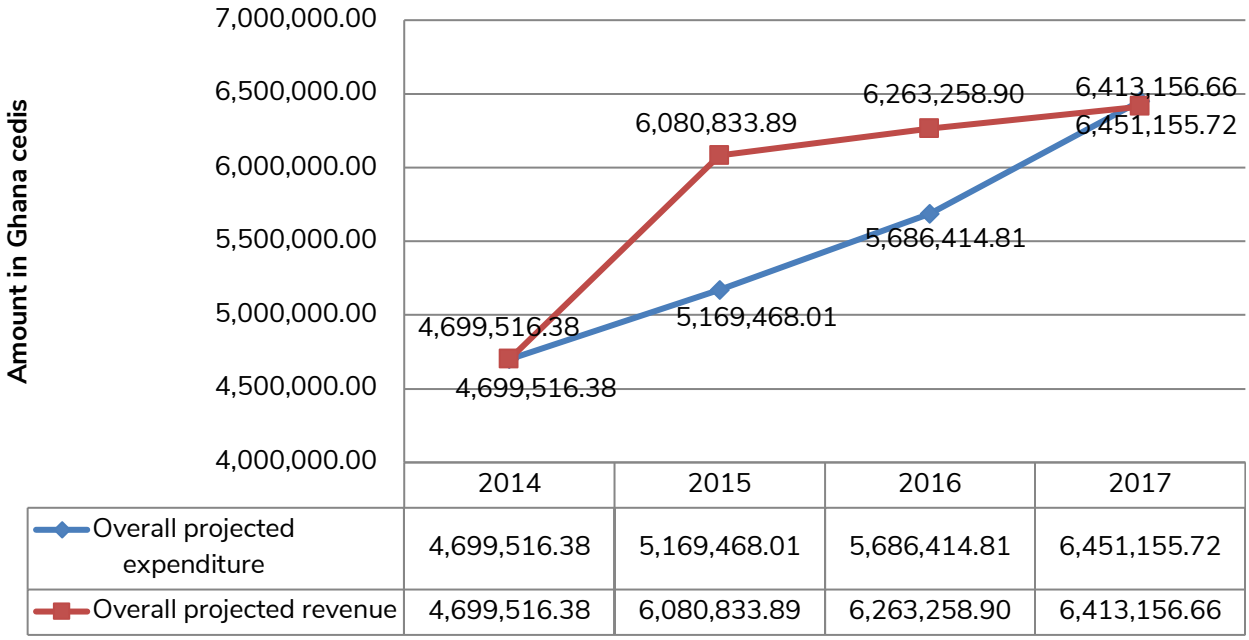


Figure 4.2: Overall projected revenue and expenditure by Bodi District Assembly for 2014-2017

Source: Composite Budget 2014 and 2015 0558270617

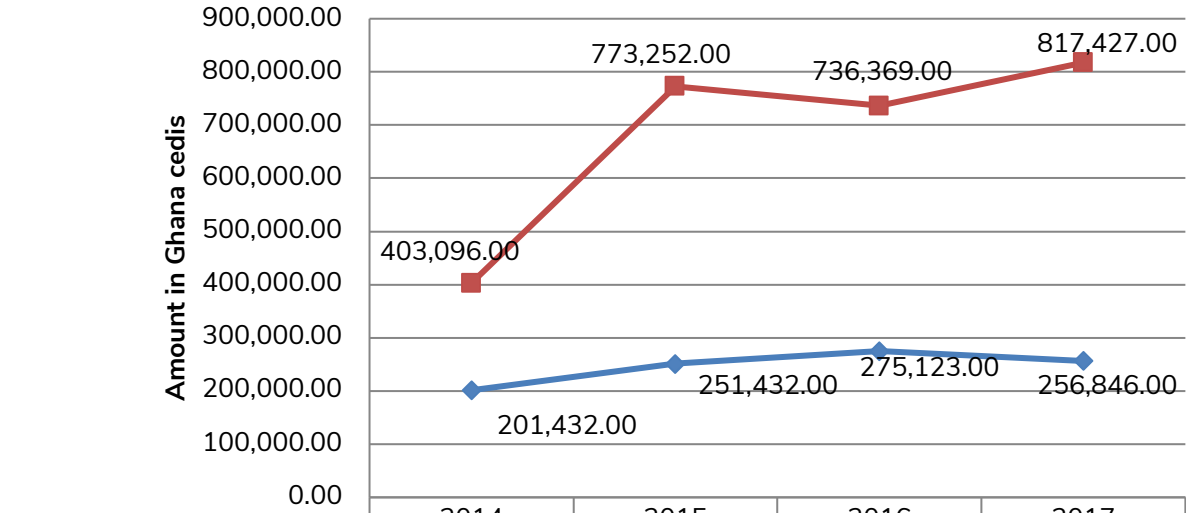
*NB: IGF expenditure information was not obtained, and so overall expenditure was used for sound comparison and analysis.

Based on the financial audits by the Auditor General (2016 and 2017), the Bodi District Assembly has not been cited in any financial mismanagement. The district's expenditure needs rigorous investigations in order to set it on the path for efficiency especially given the intensity of poverty that manifests in the district. This is also relevant looking at the

Assembly's FOAT performance for the period, persistently ranked outside the top 120 MMDAs in Ghana.

4.2.3 Central Gonja District Assembly

The Central Gonja District Assembly initiated IGF mobilisation efforts in 2014 through the provision of a market to boost local trade and revenue generation, recruitment and training of revenue collectors, public education and re-orientation on tax payment and utilisation amongst others. These generated significant results, with 2015 actual IGF mobilisation exceeding 2014 IGF by 91.83 percent whilst 2016 IGF was in excess of 82.68 percent over that of 2014. In fact, 2017 IGF exceeded twice the 2014 IGF. For the period, 2014-2017; IGF expenditure was planned to be growing, although far below actual IGF mobilisation at an average rate of 62.2 percent for the plan period. The year 2015 saw planned IGF expenditure exceeding that of 2014 by 24.82 percent whilst that of 2016 was 36.58 percent over 2014 IGF expenditure. In 2017 however, the Assembly's IGF expenditure dropped to 27.51 percent over 2014 IGF expenditure. The high IGF expenditure in 2016 had been attributed the demands of the election year from citizens.



	2014	2015	2016	2017
Planned IGF expenditure	201,432.00	251,432.00	275,123.00	256,846.00
Actual IGF mobilisation	403,096.00	773,252.00	736,369.00	817,427.00

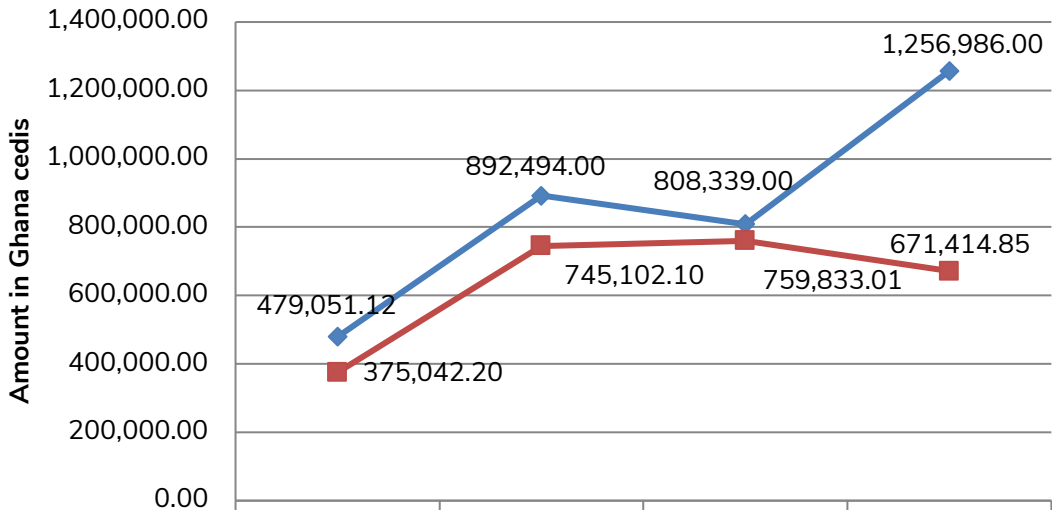
Figure 4.3: IGF mobilisation and expenditure by Central Gonja District Assembly, 2014-2017

Source: Central Gonja District Medium Term Development Plan, (2014-2017)

Expenditure management for 2014-2017 has been poor. For instance, in 2016, the Auditor General identified that the finance officer of the Assembly granted imprests of GH₵ 128,200.50 [*representing 17.41 percent of total IGF mobilisation*] to some staff members to undertake Assembly's activities but this was neither accounted for, nor refunded into the Assembly's account. The same irregularity occurred in 2017, where an unretired imprest of GH₵ 7,739.00 was identified. The district's performance on FOAT has generally been low with its best position in 2017, where it was ranked amongst the top 100 MMDAs in Ghana

4.2.4 Kintampo North Municipal Assembly

The Kintampo North Municipal Assembly has seen impressive IGF mobilisation for the plan period, 2014-2017. Using 2014 IGF performance as the basis, there was an increase of 98.67 percent in 2015, 102.60 percent in 2016 and 79.02 percent in 2017. Despite a general growth in IGF revenue, there was a reliance on donor support over other forms of revenue, including IGF [see Annual Progress Report, 2017]. The report recommended finding additional methods to mobilise IGF in order to make the Municipality less dependent on donor funds, and minimize risks associated with project ownership and completion. The Assembly planned to increase IGF mobilisation by 86.30 percent in 2015, 68.74 percent in 2016 and then to an over ambitious 162.39 percent in 2017 over its planned IGF mobilisation for 2014. This was not achieved particularly in 2015 and 2016 over IGF actual mobilisations in 2014.



	2014	2015	2016	2017
Planned IGF mobilisation	479,051.12	892,494.00	808,339.00	1,256,986.00
Actual IGF mobilisation	375,042.20	745,102.10	759,833.01	671,414.85

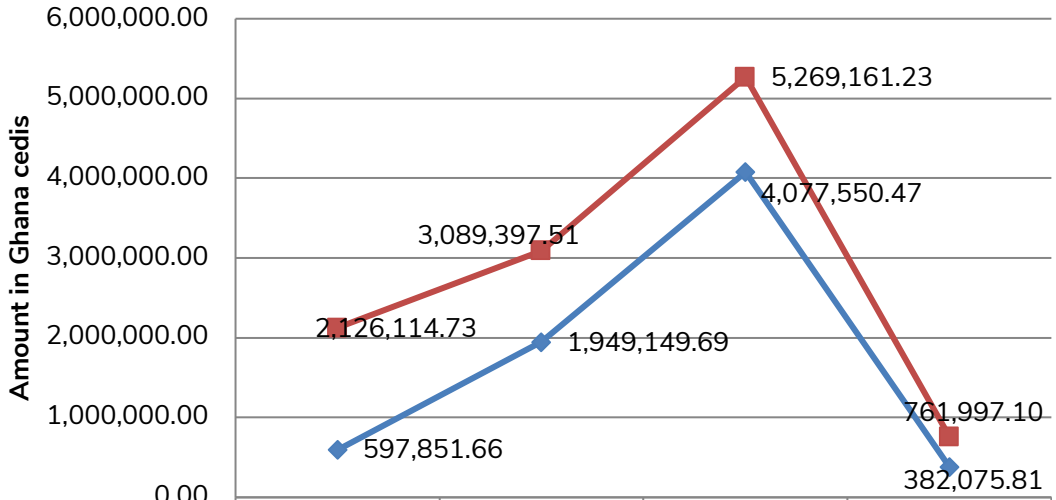
Figure 4.4: IGF mobilisation by Kintampo North Municipal Assembly, 2014-2017
Source: Auditor General Report "Accounts of District Assemblies", 2017
*NB: IGF expenditure information and information on overall expenditure were not obtained, as the officials could not provide such information.

Kintampo North was cited in the 2015 Auditor-General's Report for irregularities in internally generated funds (IGF) due to unearned salaries in the amount of GH₵ 4,289.91, accounting for nearly one percent of actual IGF mobilisation. The report states that this occurred due to a failure by the coordinating director and finance officers to delete a former staff member from the payroll. In the 2016 Auditor-General's report, the Municipality was cited for payments for fuel that were not accounted for, in the amount of GH₵ 4,523.00 (also accounting for nearly one percent of actual IGF mobilisation). In 2017, thel Assembly was again cited for two financial irregularities of comparatively larger amounts than in previous years. Outstanding rent/fees totalled GH₵ 22,800.00 (*about 3.4 percent of actual IGF expenditure*) in the Municipality.

The Kintampo North has ranked fairly well on the district ranking, managing to stay within the top half of MMDAs ranked during 2014-2017. In 2014, the municipality was ranked 56 out of 216 MMDAs assessed; this decreased to 70 in 2015; and then improved to 62 in 2016 and to a higher ranked position of 57 in 2017.

4.2.5 Krachi West District Assembly

Increasing IGF has for the past few years become a major priority for the officials of Krachi West District Assembly. As a result, within the 2014-2017 planning period, the local government officials set ambitious targets for IGF mobilization. The targets were however, not achieved. In 2014, actual IGF mobilisation fell short of nearly 26 percent of its target. This performance further worsened to about 54 percent in 2017. Average IGF mobilisation's target-miss for the 2014-2017 planning period was almost 30 percent. Notwithstanding, actual IGF mobilisation for 2015 saw an increase of 24.46 percent over actual IGF mobilised in 2014 whilst that of 2016 was an increase of 37.84 percent of the actual mobilisation for 2014. Actual overall revenue increased by 45.31 percent in 2015 over 2014 revenue. This growth more than doubled in 2016 [147.83 percent], before declining to 17.13 percent in. 2017. Actual overall expenditure has persistently fallen short in each of the years of the focal period. The expenditure appears to have been driven by the patterns in revenue such that 2015 expenditure was three times higher than 2014 whilst 2016 expenditure was six times higher than 2014. The 2017 expenditure was 36.19 percent lower than 2014 expenditure.



	2014	2015	2016	2017
Actual overall expenditure	597,851.66	1,949,149.69	4,077,550.47	382,075.81
Actual overall revenue	2,126,114.73	3,089,397.51	5,269,161.23	761,997.10

Figure 4.5: Overall actual revenue mobilisation and expenditure by Krachi West District Assembly, 2014-2017

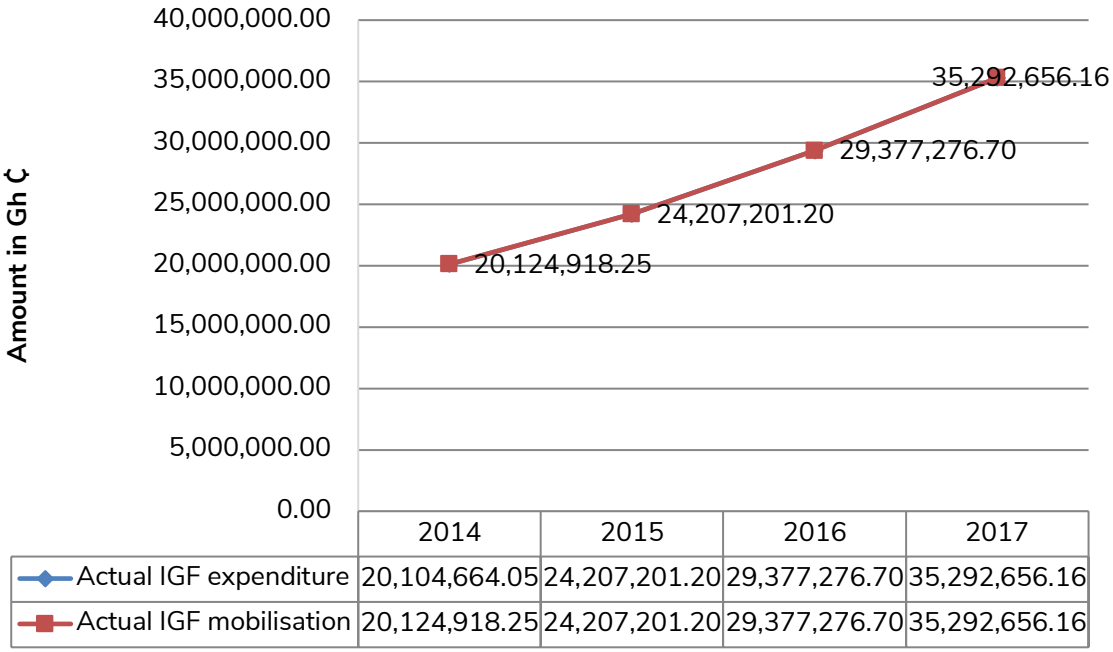
Source: 2017 Annual progress Report, Krachi West District Assembly
*NB: IGF expenditure information was not obtained, and so overall expenditure was used for sound comparison and analysis.

The Auditor General identified financial irregularities amounting to almost 4 percent of the total IGF mobilised for 2017. The amount was spent without relevant supporting documents such as receipts, invoices, statement of claims and certificate of work done to authenticate the expenditure. Based on the pitfall in local revenue mobilisation, it behooves on the local government officials to put their best in IGF mobilisation for subsequent planning periods to guide expenditure for local development. Effective expenditure management is also crucial as the Assembly's performance in delivering development has been declining since 2014.

4.2.6 Kumasi Metropolitan Assembly

One of the key objectives of KMA in the Medium-Term Development Plan (MTDP) 2014-2017 and in the Annual Progress Reports 2014-2017, is to '*ensure efficient internal revenue generation and transparency in local resource*'. Following this, the 2017 Annual Progress Report of KMA indicates that IGF had been the highest revenue source for the area for the 2014-2017 plan period. IGF collection in KMA is also cited in the 2017 Auditor-General's Report as being the second highest in the country with GH¢ 35,292,656.16, lower than only Accra Metropolitan.

The actual expenditure of IGF in recent years in KMA reflects the increasing relevance of this revenue source. Actual IGF expenditure increased year-on-year from 2014 to 2017.



	2014	2015	2016	2017
Actual IGF expenditure	20,104,664.05	24,207,201.20	29,377,276.70	35,292,656.16
Actual IGF mobilisation	20,124,918.25	24,207,201.20	29,377,276.70	35,292,656.16

Figure 4.6: IGF mobilisation and expenditure by KMA, 2014-2017

Source: Auditor's General Report, 2017 and 2017 Assembly's Progress Report

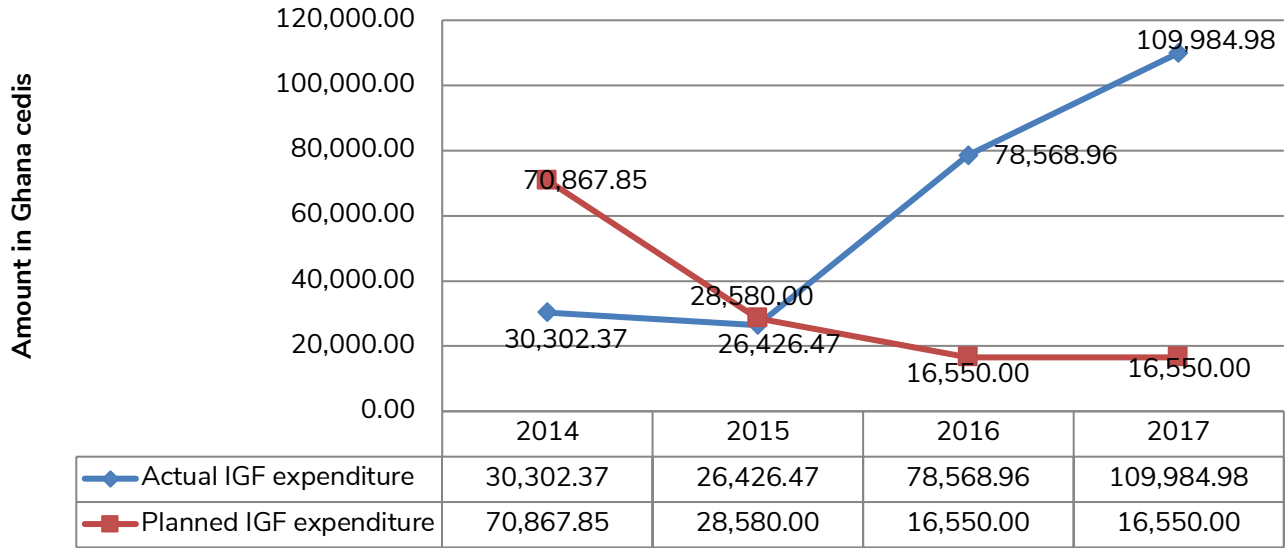
KMA has over the planned period spent exactly what was mobilised from IGF. In 2014, KMA was cited in the Auditor-General's Report for financial irregularities of GH₵795,547.56 for the payment of vouchers that were not pre-audited. They were also cited for GH₵2,381.83 for failure to withhold 5 percent tax. In 2015, the Auditor General again cited KMA for financial irregularities in the management and expenditure of IGF for the amounts of GH₵23,458,374.21 for uncollected revenue, and GH₵92,934.56 for not remitting withholding tax. Outsourcing the collection of property taxes to private revenue agents, consistently led to under collected revenue. The same problem persisted in 2016, resulting in inadequate control over revenue collection amounting to GH₵ 17,574,898.20. Other financial irregularities during that year were GH₵ 49,639,126.12 in unpaid judgement debts and GH₵16,780 in rent arrears. The Auditor-General also cited that KMA had recorded the highest deficit of all 216 MMDAs in 2016, with an amount of GH₵ 5,506,808.75. In 2017, KMA was once again cited for revenue not paying in gross by outsourced revenue agents in the amount of GH₵ 2,750,581.16 in the Auditor-General's report.

In 2014, KMA ranked 160 out of 216 MMDAs and this improved in 2015, where KMA was ranked 131. There was a significant improvement in 2016 when KMA was ranked

36. Although there was an improvement in the score in 2017, KMA's rank fell to 50 out of the 216 ranked.

4.2.7 Kumbungu District Assembly

The Kumbungu District Assembly's efforts toward improving IGF have largely centered on monitoring and supervision of revenue collection, investment in income generation ventures such as market stores and the provision of identification cards to revenue collectors. The efforts have been thwarted by the negligence of the local people towards the payment of tolls, levies and taxes; the seasonal nature of food stuffs which constitute a major proportion of revenue items and the remoteness of some communities making collection of revenue very difficult for the Assembly (Medium Term Report, 2014-2017). With the exception of 2014-2015 where IGF mobilised for 2014 declined by nearly 13 percent in 2015, the remaining years have seen improvement in IGF mobilisation. In 2016 for instance, the Assembly increased its IGF by 59.28 percent whilst in 2017, the increment was 162.96 percent. Using 2014's IGF expenditure as proxy, the expenditure of the district was planned to decrease from 100 percent in 2014 to 40.33 percent in 2015, and then to 23.35 percent in 2016 as well as 2017.



	2014	2015	2016	2017
Actual IGF expenditure	30,302.37	26,426.47	78,568.96	109,984.98
Planned IGF expenditure	70,867.85	28,580.00	16,550.00	16,550.00

Figure 4.7: IGF mobilisation and expenditure by Kumbungu District Assembly, 2014-2017

Source: Kumbungu District Medium Term Development Plan (2014-2017)

Audit reports by the Auditor General (2017) identified a financial mismanagement of about 4 percent of total IGF mobilisation for 2017. This was the failure to account for expenditure made on goods supplied and services rendered to the Assembly for 2016-2017. Generally, the Assembly's performance on FOAT has seen some level of improvements, though; there is room for improvement moving forward.

4.2.8 Nkwanta South Municipal Assembly

Nkwanta South Municipal Assembly generally exceeded its targets for IGF mobilisation within the 2014-2017 planning period. The Assembly exceeded its IGF target by 6.13 percent in 2014, 21.80 percent in 2015, and 15.97 percent in 2016. In 2017 however, there was a shortfall (almost one percent) in achieving its target. Actual IGF mobilisation has been progressive, such that 2015, 2016 and 2017 IGF mobilisation exceeded 2014 IGF by 29.04 percent, 130.77 percent and 158.16 percent respectively. The Assembly attributed the revenue performance to the resourcing of the district's Area Councils and the adoption of revenue reforms. IGF expenditure also increased for the planning period with 2015 exceeding 2014 actual IGF expenditure by nearly 10 percent. The 2016 fiscal year registered an excess of nearly 35 percent over 2014 IGF expenditure. Specifically, in 2015, the Assembly under spent its IGF mobilisation by 15 percent.

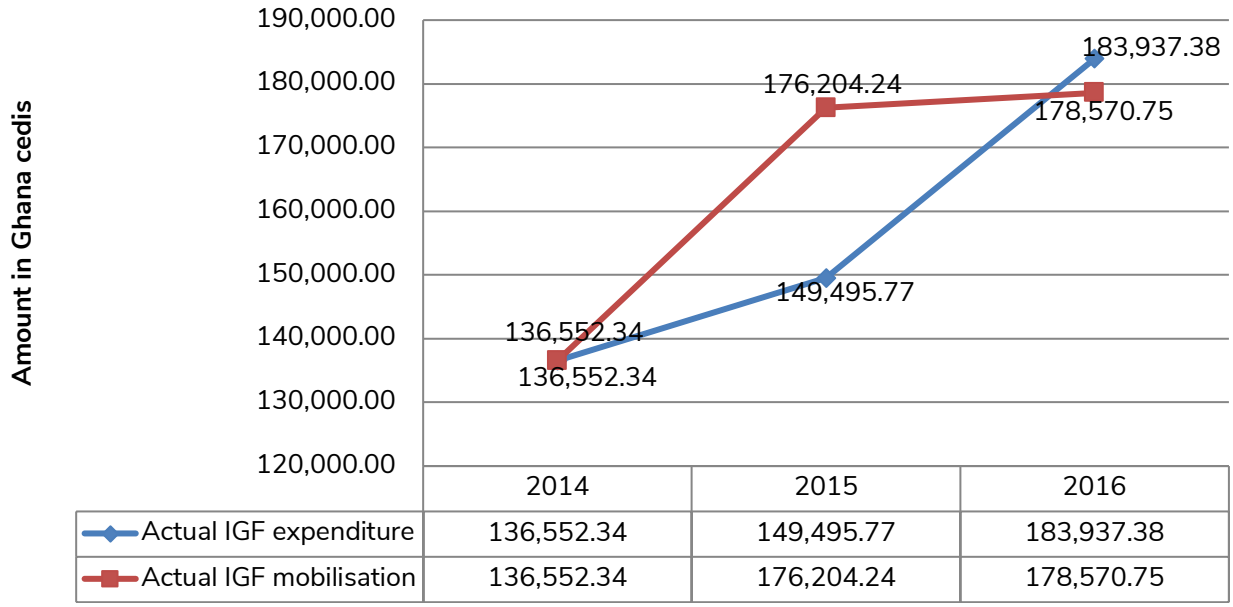


Figure 4.8: IGF mobilisation and expenditure by Nkwanta South Municipal Assembly, 2014-2017

Source: Nkwanta South Municipal Assembly's Composite Budgets, 2014 and 2015

The Assembly failed to effectively and efficiently manage its expenditure. For example, the 2016 Audit results by the Auditor General identified that the Assembly failed to account for 21 General Counterfeit Receipts (GCRs) and associated revenues collected with the books of account. The same disparity was also identified in 2017, where the Assembly could not account for seven (7) GCRs used to collect unspecified amounts of money. The Assembly also failed to ensure that nine (9) staff members living in the Assembly's residential accommodation paid the commensurate rent of GH₵ 18,760.00 [an amount representing 8.68 percent of actual IGF mobilisation] as at 2017. The Assembly's FOAT score has been very abysmal, ranked for example, 151st in 2014 and 180th in 2015 out of the 216 districts considered.

4.2.9 Offinso North District Assembly

For the planning period 2014-2017, the amount of IGF mobilised by the Offinso North district has seen continuous improvements year-in-year-out, though not all revenue targets set were achieved. In 2014 for instance, the Assembly exceeded its IGF mobilisation target by nearly 6 percent while in 2016, this was nearly 14 percent. However, for 2015 and 2017, there were shortfalls of nearly 31 percent and 39 percent respectively. On IGF mobilisation, funds mobilised in 2015, 2016 and 2017 respectively exceeded that of 2014 by 47.08 percent, 6.73 percent and 84.99 percent. Planned IGF expenditure for 2016 and 2017 was 48.77 percent and 37.27 percent higher than that of 2014, showing a positive relationship between actual IGF mobilisation and planned IGF expenditure.

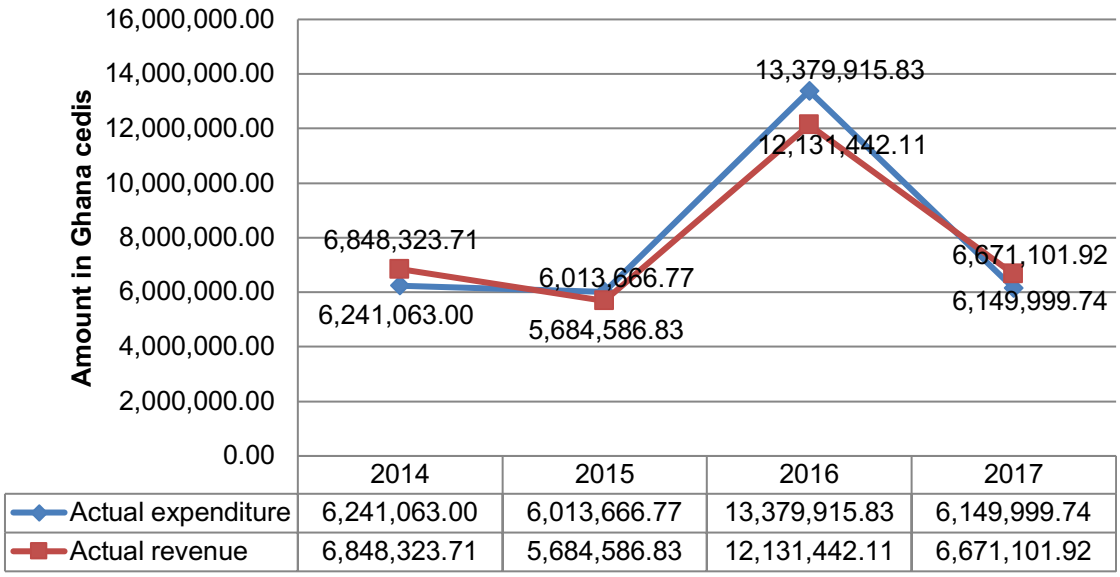


Figure 4.9: IGF mobilisation and expenditure by Offinso North District Assembly, 2014-2017

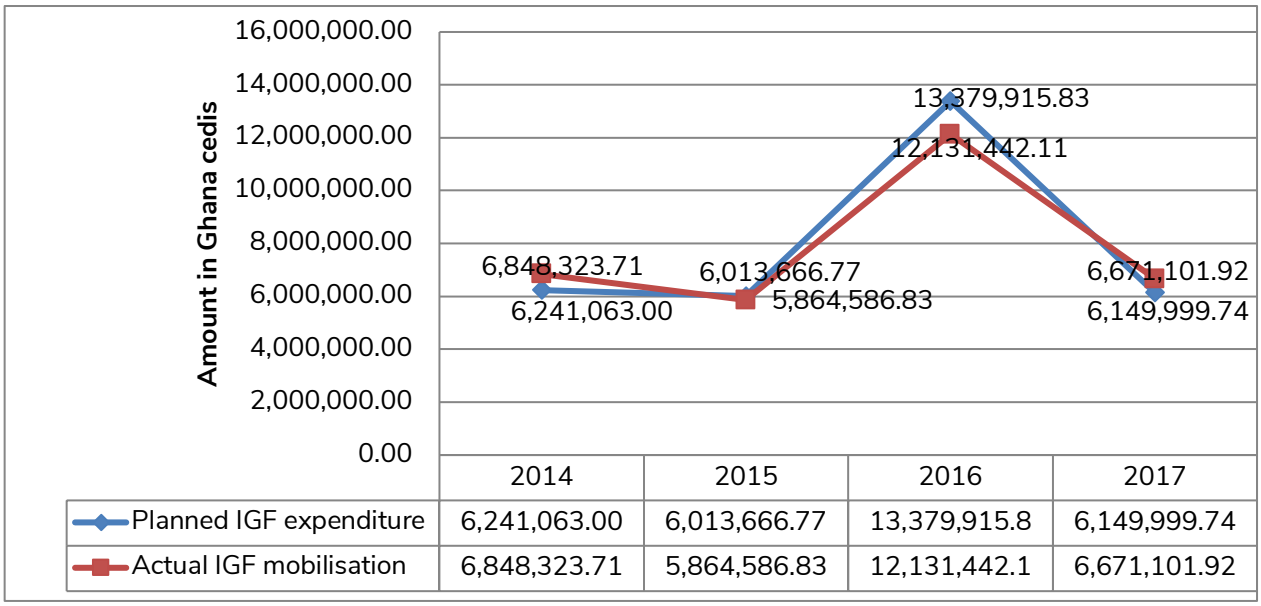
Source: Offinso North District Assembly's Medium-Term Development Plan (2014-2017)

In 2016, the auditor general cited the district to have irregularities in spending (unsupported payments and payments for other stores not accounted for) accounting for 17.7 percent of total IGF mobilised for that year. Out of this, 94 percent of the misconduct was attributed to unsupported payments, and 6 percent was attributed to unaccounted payments. In 2017, however, the auditor general did not ascertain any spending irregularities by the District Assembly. The Offinso North District Assembly ranked amongst the top 35 MMDAs in Ghana in 2015, but its performance has worsened to beyond top 100 in 2017.

4.2.10 Prestea Huni Valley Municipality

The mining activities have been a major source for IGF generation by the Assembly. The Prestea Huni Valley Municipal Assembly has persistently been part of five (5) percent of MMDAs in the Western region that are able to mobilise adequate 'own' resources for development for the period 2014-2017. With the exception of 2015 which registered a shortfall in IGF mobilisation by nearly 67 percent in relation to 2014 IGF, the subsequent periods registered growth in IGF. In 2016, IGF mobilisation increased by 180.41 percent over 2014 IGF, whilst in 2017, there was an excess of only 10.44 percent over the 2014

IGF. Overall actual expenditure increased by 10.48 percent, 21.53 percent and 33.69 percent over 2014 actual expenditure for 2015, 2016 and 2017 accordingly. Using the 2014 actual revenue performance as the basis, 2015 and 2017 saw a decline by 3.64 percent and 1.46 percent as 2016 registered a growth of 114.39 percent. The auditor general's report indicates that, the Municipal Assembly's IGF increments were mainly as a result of an upsurge in IGF royalties and property rates.



	2014	2015	2016	2017
Planned IGF expenditure	6,241,063.00	6,013,666.77	13,379,915.8	6,149,999.74
Actual IGF mobilisation	6,848,323.71	5,864,586.83	12,131,442.1	6,671,101.92

Figure 4.10: Overall revenue mobilisation and expenditure by Prestea Huni Valley Municipal Assembly for 2014-2017

Source: Prestea Huni Valley Assembly's Progress Report for 2017

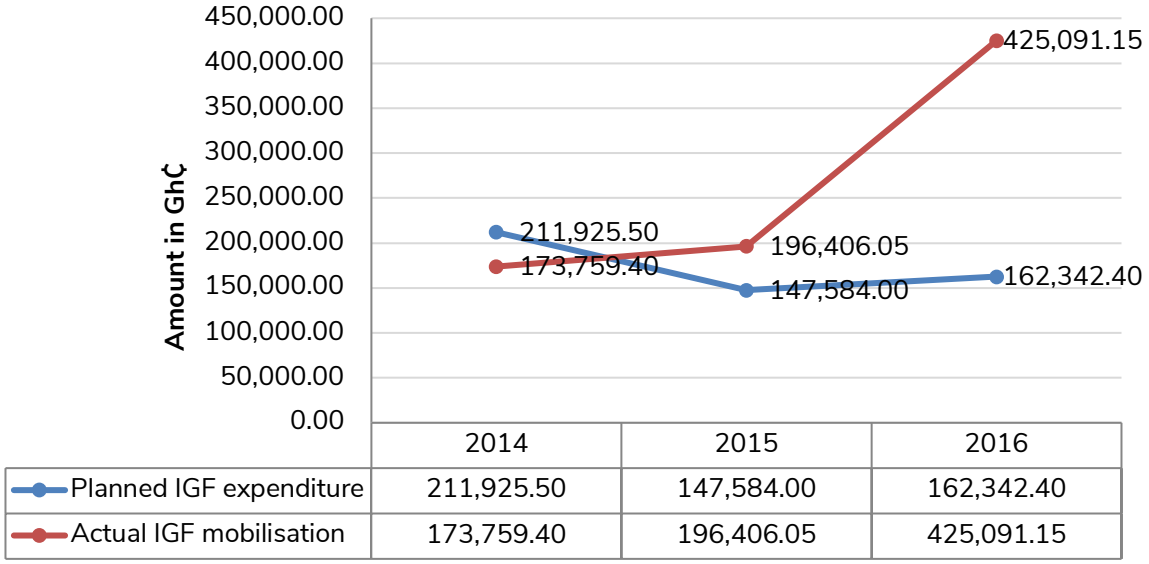
*NB: IGF expenditure information was not obtained, and so overall expenditure was used for sound comparison and analysis.

The assembly has been cited for financial irregularities. For instance, the 2017 Auditor General's Report identified that the Assembly raised payment vouchers valued at GH₵ 10,000.00 for vehicle maintenance and servicing but was without the relevant receipts to authenticate the validity of the payment. A similar problem was previously identified in relation to payment for goods and services amounting to GH₵ 10,781.00 in 2016. Again, a review of the bank reconciliation statements of the Assembly disclosed that management failed to investigate and follow-up on uncredited lodgments of revenue totaling GH₵ 4,990.00 deposited by the Assembly's revenue collectors, some as far back as August, 2016. The Assembly failed to ensure that the name of one separated staff was

promptly deleted from the Assembly's payroll. This led to an amount of GH₵ 10,401.51 paid as unearned salary to that particular official for March, 2017 to December, 2017. Despite its huge potential for mobilisation of adequate local resources for development, the Municipal Assembly has not been part of the top 150 performing MMDAs in Ghana.

4.2.11 Sawla-Tuna-Kalba District Assembly

The progress of the 2010-2013 Medium-Term Development Plan (MTDP), declared that revenue mobilisation in Sawla-Tuna-Kalba district was 'abysmal' and inadequate to provide for the needs of the citizens of the district. The district development priorities were, for the proceeding MTDP (2014-2017), to strengthen IGF mobilisation by investing in the creation of a database, building the capacity of revenue collectors and exploring new avenues of revenue, and also to improve expenditure management (Sawla-Tuna-Kalba MTDP 2014-2017). As a result, IGF mobilisation for 2015 increased by 13.03 percent more than 2014's IGF, and in 2016, IGF increased by 144.64 percent. The year 2017 saw an increment of 67.08 percent over 2014's IGF. Planned IGF expenditure on the other hand was expected to decrease in 2015 (by 30.36 percent) and 2016 (by 20.4 percent) in relation to IGF expenditure for 2014. Actual IGF mobilization increased by 13.03 percent in 2015 and 144.64 percent in 2016 in relation to actual IGF mobilized in 2014.



	2014	2015	2016
Planned IGF expenditure	211,925.50	147,584.00	162,342.40
Actual IGF mobilisation	173,759.40	196,406.05	425,091.15

Figure 4.11: IGF mobilisation and expenditure by Sawla-Tuna-Kalba District Assembly, 2014-2017

Source: MOFEP, Sawla-Tuna-Kalba Composite Budgets, 2014-2016

In 2017, the auditor general cited that the Sawla-Tuna-Kalba district assembly did not account for GH₵ 350.00, collected revenue, and GH₵ 6,085.00 unretired imprests. Overall, financial irregularities in Sawla-Tuna-Kalba District constituted GH₵ 568,321.04, and this was 48.91 percent more than IGF mobilised for 2017. The Assembly's performance on FOAT has been poor, ranking 179 position in 2014 and 158 in 2015, out of the 216 assemblies.

4.2.12 Sekondi Takoradi Metropolitan Assembly

Sekondi Takoradi Metropolitan Assembly (STMA) is a strong performer in revenue mobilisation in Ghana. Its strategic location and physical environment such as proximity to the sea and presence of port, air strip and railways as well as the enormous informal and formal trade, commerce, businesses activities, amongst others have played a significant role in realising revenues through local taxes. IGF performance increased over the planning period 2014-2017, with 25.15 percent, 55.19 percent and 72.67 percent improvements of 2014 IGF for 2015, 2016 and 2017 respectively. IGF expenditure was planned to increase by 94.44 percent for both 2015 and 2016, and then down to 66.67 percent in 2017 using the 2014 IGF as the basis for financial planning. IGF planned expenditure for the period has surpassed the actual IGF mobilisation, indicating the possibility of actual expenditure increasing more than actual revenue mobilisation.

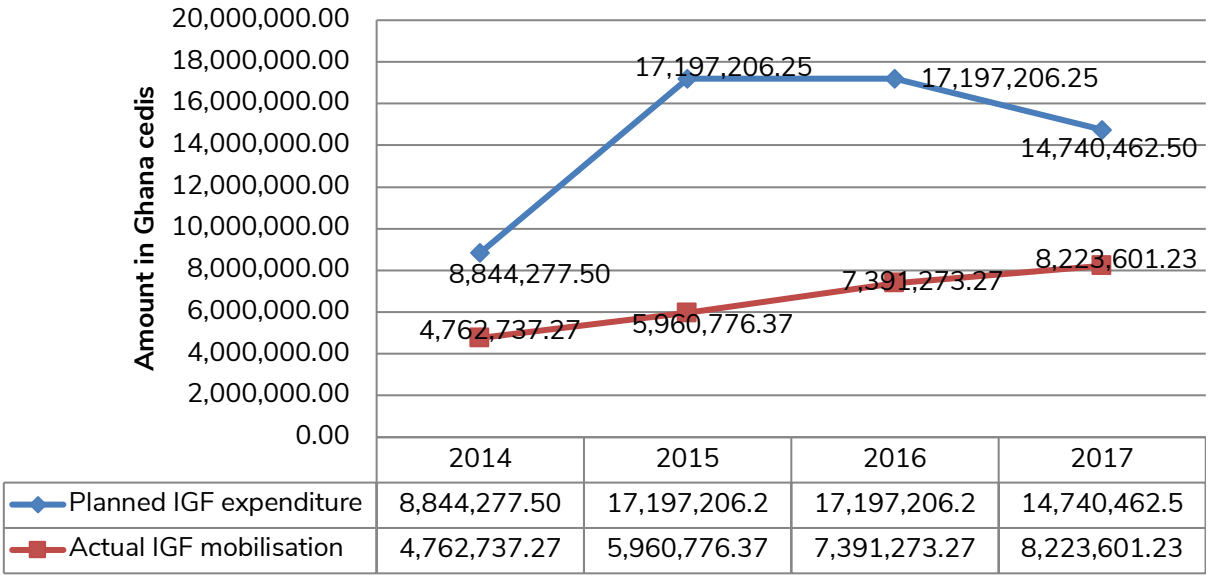


Figure 4.12: IGF mobilisation and expenditure by STMA, 2014-2017

Source: STMA's Medium Term Development Plan (2014-2017)

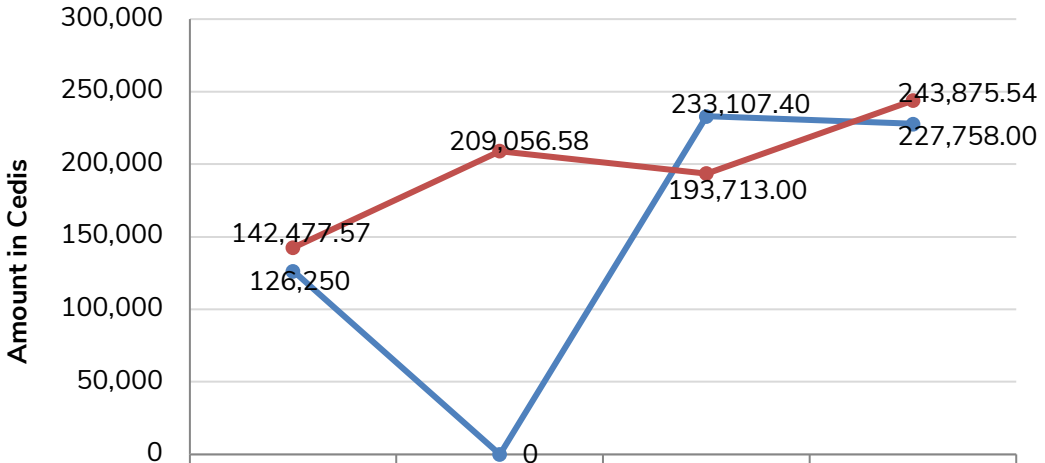
Expenditure management has been poor as, there are issues of leakages that need redress. For instance, in 2017, the Assembly lost revenues of GH₵ 89,300.69 (*accounting for one percent of total IGF mobilised for 2017*) as it could not collect these from service providers. Again, the Assembly used about 31 percent of the total IGF mobilised in 2017 for a 25 No. Garage and a 2-Storage Skills and Training Centre at Kokompe, a local community in the metropolis, which was completed and handed over to the Assembly in 2017, but this not been used due to the lack of planning for equipment and furnishing to operationalise the facility for local members. It is not too surprising that the Assembly's performance on the DLT has been below expectation.

4.2.13 Sene East District Assembly

In 2015 and 2016, the Sene East District Assembly had DACF and DDF accounting for approximately 70 percent of its revenue while IGF was the smallest source of funding (Annual Progress Report, 2015, 2016). This fact seemingly informed the 2017 Composite Budget objectives, which included '*ensuring effective and efficient mobilisation and management of IGF*'. In 2014, IGF increased by 31.44 percent of the previous year, 2013. Using 2014 IGF performance as a baseline; IGF increased by 46.73 percent in 2015; 35.96

percent in 2016; and 71.71 percent in 2017 which was the highest within the time period (2014-2017).

In terms of budgeted IGF expenditure, from 2014 to 2016, the amount of expenditure planned almost doubled from GH₵ 126,250 to GH₵ 233,107 [approximately, 85 percent improvement]. However, in 2017, this amount had decreased marginally by 5 percent. Some of the activities that IGF was planned to fund included educating the public on disaster prevention, programmes promoting sustainable agriculture, and inspecting infrastructural development (2017 Composite Budget).



	2014	2015	2016	2017
Planned IGF expenditure	126,250	0	233,107.40	227,758.00
Actual IGF expenditure	142,477.57	209,056.58	193,713.00	243,875.54

Figure 4.13: IGF mobilisation and expenditure by Sene East District, 2014-2017

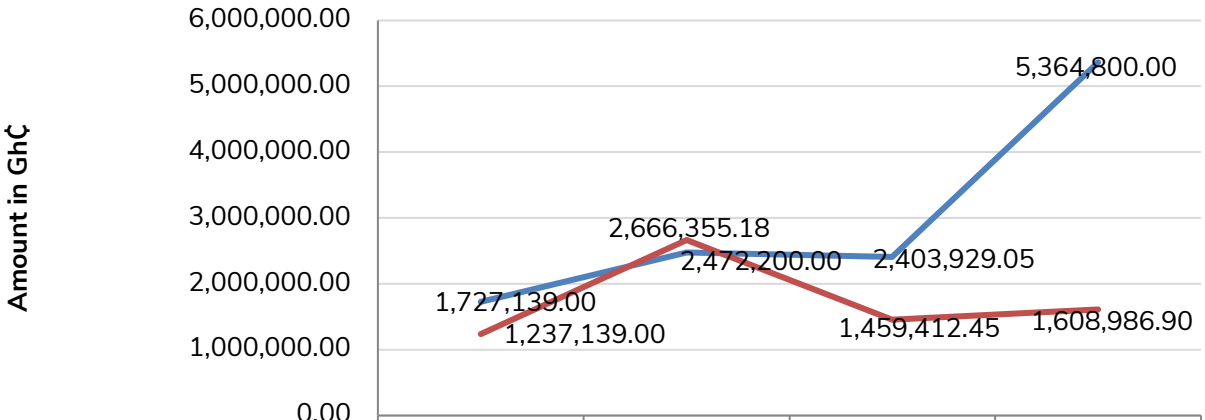
Source: Sene East District Composite Budgets, 2014-2017; Auditor General Report "Accounts of District Assemblies", 2017

*N.B.: Data for 2015 was not obtained from available reports

The district's FOAT performance has been comparatively poor, consistently ranking in the lower half of MMDAs on the index. Its highest rank was achieved in 2017, where it was placed 184 out of 216 MMDAs.

4.2.14 Tamale Metropolitan Assembly

Tamale Metropolitan Assembly's (TaMA) Medium-Term Development Plan (MTDP) 2014-2017 states goals such as strengthening transparency in governance, enhancing competitiveness in Ghana's private sector, and building human development, productivity and employment, among others. To achieve these goals, the Metropolis specified several expenditure items over the term, such as recruiting a consultant to update property data, desilting dams, and providing electricity poles and streetlights. Using the 2014 IGF expenditure as the basis, expenditure was planned to increase by 39.19 percent in 2015, 39.19 percent in 2016 and over 100 percent in 2017.



	2014	2015	2016	2017
Planned IGF expenditure	1,727,139.00	2,472,200.00	2,403,929.05	5,364,800.00
Actual IGF mobilisation	1,237,139.00	2,666,355.18	1,459,412.45	1,608,986.90

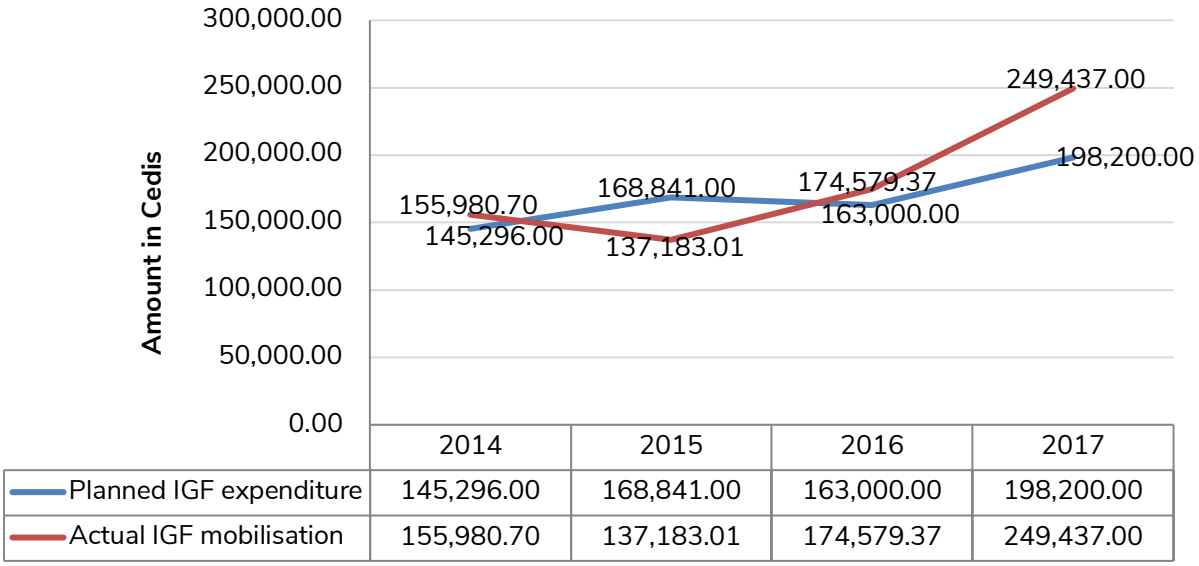
Figure 4.14: IGF mobilisation and expenditure by TaMA, 2014-2017
Source: Tamale Medium Term Development Plan (2014-2017)

Tamale Metropolitan Assembly was not cited for financial irregularities by the Auditor General from 2014-2017. Notably, TaMA was mentioned in 2015 for having the largest increase in IGF collection year-on-year in the Northern Region. The IGF growth for 2015, 2016 and 2017 was 115 percent, 17.91 percent and 30.00 percent over its IGF for 2014, indicating that growth has not been very consistent. Tamale Metropolitan's FOAT performance, in comparison with other MMDAs, has been decreasing over the years. In 2014, TaMA ranked 52 but this decreased to 65 in 2016 and further to 159 out of 216, in 2017.

4.2.15 Techiman North District Assembly

One of the objectives of the Techiman North District Assembly in the Medium-Term Development Plan 2014-2017 was to minimise revenue collection leakages (Composite Budget 2017). Despite this, the Auditor-General's report cited Techiman North in in 2016 for having uncollected revenue in the amount of GH₵ 3,900 and paying unearned salaries to former staff members in the amount of GH₵ 17,548.20. In the previous year, IGF revenue decreased year-on-year, by 12 percent. IGF improved over the last two years of the assessment, with 11.92 percent increase in 2016 and 59.92 percent in 2017.

Comparing the actual IGF mobilisation with the planned IGF expenditure, it can be observed that the actual IGF mobilisation exceeded the planned IGF expenditure in only in 2014, 2016 and 2017. In 2015, there was a shortfall in actual IGF mobilisation (nearly 19 percent) in relation to the planned IGF expenditure.



	2014	2015	2016	2017
Planned IGF expenditure	145,296.00	168,841.00	163,000.00	198,200.00
Actual IGF mobilisation	155,980.70	137,183.01	174,579.37	249,437.00

Figure 4.15: IGF mobilisation and expenditure by Techiman North District, 2014-2017

Source: Techiman North District Composite Budgets, 2014-2017; Auditor General Report "Accounts of District Assemblies", 2017

The amount of IGF budgeted for compensation was relatively low from 2014-2017 but has been increasing over time. In 2014 and 2015, the district planned to spend 0 percent of IGF on compensation, compared to 5 percent in 2016 and 18 percent in 2017.

Throughout the years under review, the majority of IGF in Techiman North District was budgeted to be spent on goods and services. In 2014 and 2015, the district failed to budget 20 percent of IGF to be spent on capital expenditure, as recommended by the Ministry of Finance in the budget guidelines.

In 2014, Techiman North District ranked 171 out of 216 MMDAs. In 2015, while its FOAT score decreased, Techiman North District's rank improved to 166. However, in 2016 the reverse occurred; the score improved while the rank declined to 179. There were improvements in 2017, where the district ranked 102.

In conclusion, planning within the means of MMDAs is very crucial in setting out projects to be financed through IGF as unrealistic planning and revenue estimation can lead to projects being abandoned mid-implementation. MMDAs including the Krachi West District, Kumbungu District, Bodi District, Central Gonja District, Kumasi Metropolitan Assembly and Kintampo North District could not meet their IGF targets; therefore, projects that were planned based on the IGF did not get started or in some cases were abandoned altogether. Conscious efforts should be made to avoid over expenditure especially during election years for plan sustainability. MMDAs should work towards improving IGF and ensure monitoring and supervision of revenue collection, investment in income generation ventures such as market stores and the provision of identification cards to revenue collectors.

4.3 Citizens' participation and their demand for transparency and accountability in local expenditure management: the perspectives of respondents

The major concern of fiscal redistribution studies is related to the '*well-being*' of citizens [individuals] and how it is affected by public spending [expenditure] and taxation (World Bank, 2005). It is important that local government expenditure is managed in a manner that is sensitive to the socio-economic needs of the governed. In order to achieve citizens' driven expenditure management at the local level of Ghana, their participation in expenditure planning is deemed relevant as this will provide the platform for transparent and accountable utilisation of resources by local government officials. The study engaged citizens and their leaders as well as local government officials. The findings of the citizens,

local government and other stakeholders' engagements are presented for each district below.

4.3.1 Bawku Municipality

4.3.1.1 Background information of the respondents

As a municipal assembly, the study engaged 170 citizens within the municipality and all responded. Also, five local government officials were engaged; the Finance Officer, the Internal Auditor, the Coordinating Director, the Planning Officer and the Department Head [Engineer]. Table 4.3.1 shows the demographic characteristics of respondents in the municipality.

Table 4.3.3: Background Characteristics of Respondents in Bawku Municipality

Variables	Frequency	Percent
Type of respondents:		
Assembly members	6	3.5
Unit committee	14	8.2
Traditional leaders	14	8.2
Opinion leaders	11	6.5
Religious leaders	9	5.3
Common citizens	116	68.3
Total	170	100.0
Sex of respondents:		
Female	80	47.1
Male	90	52.9
Total	170	100.0

Age of respondents:		
Below 18	5	2.9
18-24	12	7.1
25-34	41	24.1
35-44	39	22.9
45-54	28	16.5
55-64	28	16.5
65+	17	10.0
Total	170	100.0
Highest educational level:		
No education	43	25.3
Basic education	42	24.7
Secondary education	39	22.9
Tertiary education	46	27.1
Total	170	100.0
Number of years in the district:	8	4.7
Below 5	8	4.7
5-10 years	6	3.5
11-15 years	19	11.2
16-20 years	129	75.9
Above 20 years	170	100.0
Total		
Employment by Sector		
Formal	25	14.7
Informal	97	57.1
Both Formal and Informal	16	9.4
Unemployment	32	18.8
Total	170	100

Source: Field data; July, 2019

Bawku municipality has majority of its constituents being the youth (Medium Term Plan of Bawku Municipal, 2018-2021). This study revealed that respondents were youthful as 57 percent fall within the age bracket of between below 18-44 years.

4.3.1.2 Citizens' concerns and understanding on Assembly's budget and inputs in budget preparation and implementation

The study engaged the constituents about local expenditure patterns and management, understanding on the processes involved in the preparation of the Assembly's budget, the roles they played in budget preparations, as well as their inputs in determining expenditure patterns.

It was established that 60 percent of the respondents were concerned about local expenditure patterns and management. The fact that some citizens are not concerned with local expenditure management is worrisome as citizens 'themselves' are expected to serve as the '*change agents*' to drive local development (Oxfam, 2018; Ahwoi, 2010). It was also established that about 91.8 percent of the respondents did not understand the processes involved in the preparation of the Assembly's budget. An 8.2 percent understand the Assembly's budget preparation processes. Of the 15 Assembly and Unit Committee members engaged, about one-third do not understand the budget preparation process. Again, all traditional leaders, opinion leaders and religious leaders had no understanding of the process. Traditional leaders serve as community leaders and for traditional not to have understanding of budget process that lead to development in their jurisdiction is a worrying phenomenon.

Again, 80 percent of all the respondents have had no inputs in determining budget priorities, at the time of the survey. Those who had participated in the process were mainly Assembly members. This shows weak citizens' involvement in the local budget determination and implementation chain. However, the discussions with the local government officials revealed that the citizens are engaged in determining budget priorities as well as the expenditure plan of IGF. This, according to the officials, usually takes the form of town hall meetings and the use of information vans. The involvement of citizens is influenced by the nature of projects, such that user agencies and beneficiaries

are engaged, at least twice a year. The Bawku Municipal Assembly has to improve its efforts at the engagement processes.

4.3.1.3 Citizens' participation in project selection, design and implementation

The study investigated the involvement of citizens during the selection of projects/initiatives, the design as well as the implementation processes. The finding [*from the perspective of the citizen respondents*] generally indicates weak citizen — local government officials' synergy in development; despite the local government officials contending that they engaged the citizens in development projects. The results have been presented in Table 4.3.2.

Table 4.3.2: Citizens' participation in development projects —viewpoints of citizen respondents

Responses	Frequency	Percent
No, I didn't want to be involved	12	7.1
No, I was not approached to be involved	135	79.4
Yes, but only for project selection	10	5.9
Yes, but only for project design	3	1.8
Yes, but only for project implementation	8	4.7
Yes, for two or more of the phases	2	1.2
Total	**170**	**100.0**

Source: Field data; July, 2019

Taking into account the engagement of key local members including assembly members, unit committee members, traditional leaders, opinion leaders and religious leaders in projects planning process [selection, design and implementation], it was identified that;

for the Assembly members and unit committee members, out of the 15 considered on the project, 66.7 percent were not involved because the Assembly did not approach them, 13.3 percent were involved but only for project selection, and 0.2 percent were involved but only for project implementation. For the four (4) traditional leaders and 10 religious leaders, none of them was engaged as the Assembly failed to approach them; and for the 30 opinion leaders, 10 percent were not engaged because they did not want to be involved, whilst 90 percent were not approached by the Assembly to be engaged.

The study also found that, 47.6 percent of the respondents have no knowledge about the sources of funding for projects implemented by the Municipal Assembly; 14.7 percent were 'not sure'; only 9.4 percent rather claimed to know the funding source(s) for projects. Sources of revenue to finance projects were fees and fines, market tolls, rent, rates amongst others. Due to the fact that majority do not know about the sources of funding of projects, it makes it difficult for citizens know which projects IGF are used for and for them to demand accountability.

4.3.1.4 Citizens' perspectives on access to expenditure information, transparency and satisfaction of the performance of the Assembly

As indicated in Figure 4.3.1, greater number of respondents generally holds 'counterfactual' perspectives against a claim that '*the Bawku Municipal Assembly ensures accurate and timely information and transparency its revenues and utilization there off*'.

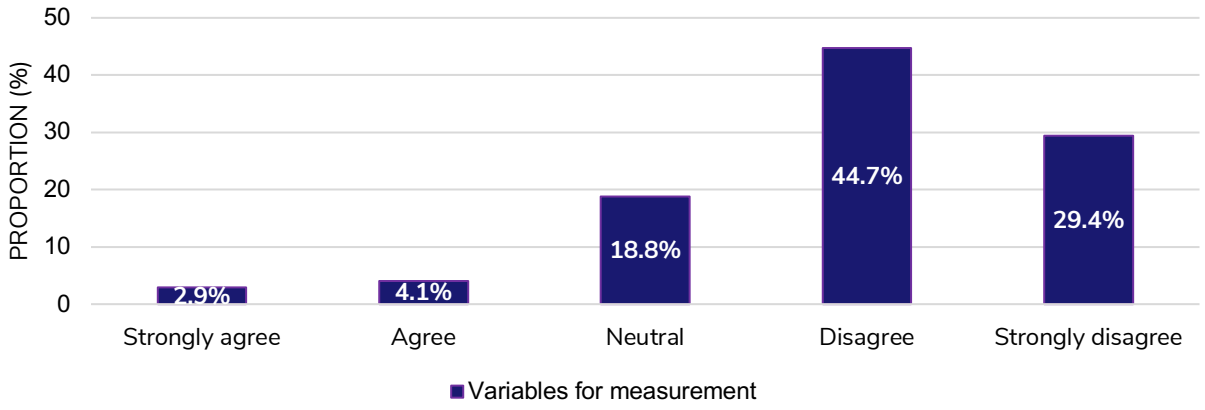


Figure 4.3.1: Citizens' perspectives on accurate and timely information and transparency on revenue use by the Bawku Municipal Assembly [2014-2017 medium term period]

Source: Field data; July, 2019

The findings indicated that the constituents were generally dissatisfied with how the Assembly has delivered on its development mandate at the local level since 2014. This is supported with the field data revealing that 48.8 percent were dissatisfied and 27.6 percent were extremely dissatisfied. Figure 4.3.2 shows the level of satisfaction of the respondents concerning the performance of the Assembly in terms of development since 2014.

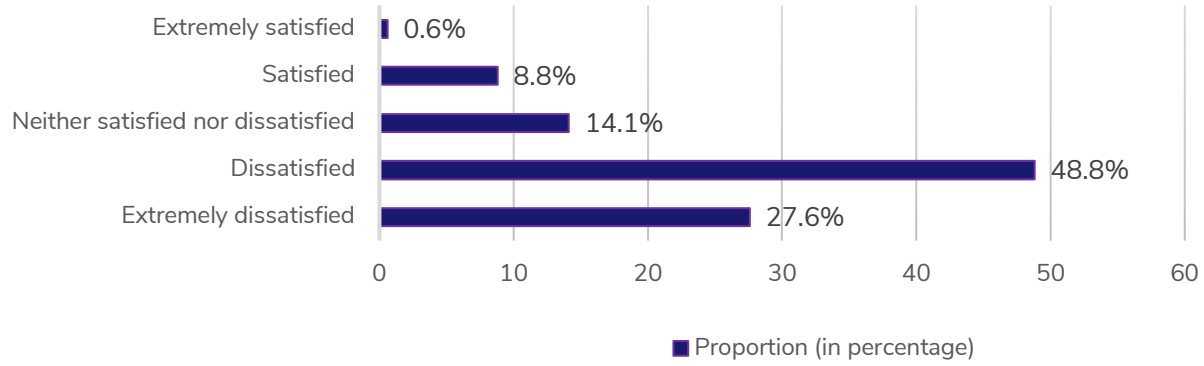


Figure 4.3.2: Level of satisfaction of citizens on Assembly's performance since 2014

Source: Field data; July, 2019

4.3.2 Bodi District

4.3.2.1 Background information of the respondents

A total number of 67 citizens who were targeted in the study responded to the questionnaire. The study ensured that various interest groups are covered to see the dynamics in the individual group. It is worth noting that 76.1 percent of the respondents have stayed in the community for over 20 years and 55.2 percent of the respondents have a least secondary. With these characteristics, the total participation of the citizens would have a great impact on expenditure and its management. However, the study proved otherwise [see *section* 4.3.2.3]. The background information of respondents is summarized in Table 4.3.3

Table 4.3.3: Background Characteristics of Respondents in Bodi District

Variables	Frequency	Percent
Type of respondents:		
Assembly members	4	5.97
Unit committee	6	8.96
Traditional leaders	7	10.4
Opinion leaders	9	13.4
Religious leaders	7	8.96
Common citizens	34	50.75
Total	**67**	**100.0**
Sex of respondents:		
Female	28	41.8
Male	39	58.2
Total	**67**	**100**.0
Age of respondents:		
18-24	7	10.4
25-34	19	28.4
35-44	14	20.9
45-54	12	17.9
55-64	10	14.9
65+	5	7.5
Total	**67**	**100.0**
Highest educational level:		
No education	12	17.9
Basic education	18	26.9
Secondary education	28	41.8
Tertiary education	9	13.4
Total	**67**	**100.0**
Number of years in the district:		
Below 5	5	7.5
5-10 years	2	3.0
11-15 years	4	5.9
16-20 years	5	7.5
Above 20 years	51	76.1
Total	**67**	**100.0**

Employment by Sector		
Formal	6	9.0
Informal	55	82.0
Both Formal and Informal	4	6.0
Unemployed	2	3.0
Total	**67**	**100**

Source: Field data; July, 2019

4.3.2.2 Citizens' concerns and understanding on Assembly's budget and inputs in budget preparation and implementation

Focusing on the concerns of the respondents about local spending patterns and management, the study identified that 79.1 percent [53 respondents] were not concerned. This revelation creates a subtle indication that a lot of effort is needed to enhance demand-side accountability on the district's expenditure management and development. Citizens need to be educated on the need to care for what happens within their district and be empowered to demand information on the utilization of resources.

The results also show that 95.5 percent of the respondents do not understand the processes involved in the Assembly's budget preparation. It was however, startling when the study identified that 9 out of 10 Assembly members and Unit committee members interviewed also do not understand the processes that are involved in preparing the Assembly's budget. Also, for the 7 traditional leaders, 5 do not understand the budget preparation process. All opinion leaders and religious leaders engaged do not also understand the process. Looking at the number of years respondents have stayed in their respective communities within the district and their educational level, it is unfortunate majority of them do not understand the budget preparation process and therefore the need to ensure that citizens are empowered and equipped with the necessary skills and techniques to understand the budget processes since it is a prerequisite for citizens to demand accountability.

Again, 95.5 percent [64 respondents] indicate that they did not contribute in any shape or form to the determination of the priorities, expenditure, and budget of the district. The above revelations show that a lot of work is needed in the district to ensure that the needs

and aspirations of the governed feature prominently in budget planning and expenditure management.

4.3.2.3 Citizens' participation in project selection, design and implementation

Citizens' participation in project selection, design and implementation are very important for the sustainability of any project or programme. The survey shows that 6.7 percent of respondents were not involved. In other words, they were not involved in any stage of projects undertaking in their communities within the district. Again, about 28.4 percent were involved, but only during the implementation of development projects. The detailed results have been presented in Table 4.3.4.

Table 4.3.4: Citizens' participation in development projects —viewpoints of citizen respondents

RESPONSES	FREQUENCY	PERCENT
No, I didn't want to be involved	6	9.0
No, I was not approached to be involved	38	56.7
Yes, but only for project selection	2	3.0
Yes, but only for project implementation	19	28.4
Yes, for two or more of the phases	2	3.0
TOTAL	**67**	**100.0**

Source: Field data; July, 2019

In terms of the participation in the planning process, the study further identified that for 10 of the Assembly members and Unit committee members interviewed, 1 in 10 responded negative to being involved in the participation and planning process of the assembly's projects, 40 percent were not involved because the District Assembly did not approach them to be involved; 40 percent were involved only during implementation; and 10 percent were involved for two or more of the phases of the project planning process.

For the 7 traditional leaders, 6 were involved but only during the implementation phase while only 1 was involved but only for project selection. This finding indicates that the District Assembly considers the traditional leaders as important actors in the local development processes and before a project is sited in a community, traditional leaders must be engaged. For the 9 opinion leaders, 44.4 percent were not involved because they were not approached; 44.4 percent on the other hand were involved but only during implementation; and 11.1 percent were involved for two or more of the phases of development projects. In the case of religious leaders [7 of them], 85.7 percent were not involved as the Assembly never approached them whilst 14.3 percent were involved but only during implementation.

Regarding source of funding for the assembly's projects, it was established that 20.9 percent of the respondents had no knowledge on the sources of funding for district projects whilst only 1.5 percent knew where funding for district projects came from. The majority accounting for 77.6 percent were not sure about the funding sources.

4.3.2.4 Citizens' perspectives on access to expenditure information, transparency and satisfaction of the performance of the Assembly

As indicated in Figure 4.3.3, the findings generally indicate that citizens do not think access to information is accurate and timely and there is absence of transparency in the use of revenues by the Bodi District Assembly.

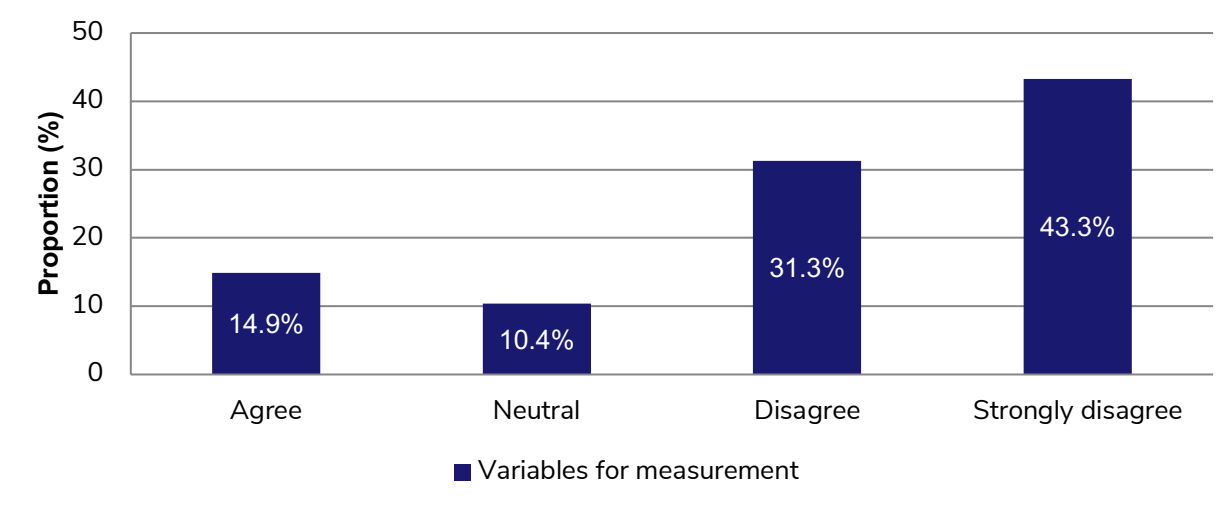


Figure 4.3.3: Citizens' perspectives on accurate and timely information and transparency on revenue use by the Bodi District Assembly [2014-2017 medium term period]

Source: Field data; July, 2019

Regarding the Assembly's performance, the study found that 62.7 percent of respondents were dissatisfied. Figure 4.3.4 shows the level of satisfaction of the respondents concerning the performance of the Bodi District Assembly in terms of development since 2014.

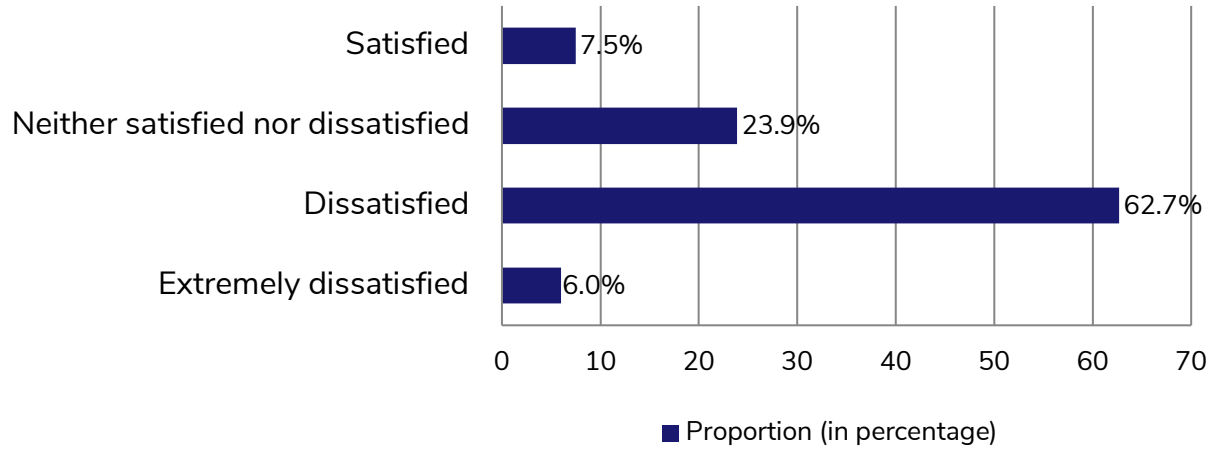


Figure 4.3.4: Level of satisfaction of citizens on Assembly's performance since 2014

Source: Field data; July, 2019

The low level of satisfaction by citizens can be attributed to the low level of participation in project selection, design and implementation where 56.7 percent of citizens indicate that they were never approached at any level of project planning process of the Assembly. Wherever, project managers fail to include project beneficiaries in project planning, beneficiaries become dissatisfied with the final output and thereby leading to unsustainability.

4.3.3 Central Gonja District

4.3.3.1 Background information of the respondents

The Central Gonja District has more than half of its constituents being the youth (Central Gonja Medium Term Plan, 2014-2017). For the number of years in the district, the study established that 79.1 percent have stayed in the community for over 20 years. The demographic characteristics can be seen in Table 4.3.5.

Table 4.3.5: Background Characteristics of Respondents in Central Gonja District

Variables	Frequency	Percent
Type of respondents:		
Assembly members/Unit committee	8	11.9
Traditional leaders	7	10.4
Opinion leaders	6	9.0
Religious leaders	5	7.5
Common citizens	41	61.2
Total	67	100.0
Sex of respondents:		
Female	26	38.8
Male	41	61.2
Total	67	100.0
Age of respondents:		
18-24	2	3
25-34	20	29.9
35-44	26	38.8
45-54	13	19.4
55-64	5	7.5
65+	1	1.5
Total	67	100.0
Highest educational level:		
No education	26	38.8
Basic education	20	29.9
Secondary education	8	11.9
Tertiary education	13	19.4
Total	67	100.0

Number of years in the district:		
Below 5	5	7.5
5-10 years	4	6.0
11-15 years	4	6.0
16-20 years	1	1.5
Above 20 years	53	79.1
Total	67	100.0
Employment by Sector		
Formal	12	17.9
Informal	47	70.1
Both Formal and Informal	4	6.0
Unemployment	4	6.0
Total	67	100

Source: Field data; July, 2019

4.3.3.2 Citizens' concerns and understanding on Assembly's budget and inputs in budget preparation and implementation

The concern of the governed in relation to the use of local revenue is an important indicator for driving demand-side accountability at the district level. It is however unfortunate that 70.1 percent of the respondents were not concerned about how the Central Gonja District Assembly spends its IGF. Not being concern means not ready to demand for accountability and transparency from local government officials.

The study established also that 94.0 percent of the respondents do not understand the processes involved in budget preparation. In addition, of the 8 Assembly/Unit committee members engaged, 6 [75 percent] do not understand the budget preparation processes. For the 7 traditional leaders, 6 [85.7 percent] do not understand the processes. Only 1 traditional leader confirmed to their understanding of the processes. In terms of the opinion leaders and religious leaders, none of them understood the processes. Also, the study identified that 3 [4.5 percent] of all the respondents to have inputs in determining budget priorities whereas the remaining 64 of respondents indicated they have no inputs in determining the budget priorities of the District Assembly, though the local government officials argued they engaged the constituents in expenditure planning and management. This has implications for demand side accountability.

4.3.3.3 Citizens' participation in project selection, design and implementation

The responses confirmed that a little over 65 percent were not involved in project selection, design and implementation, because of the failure of the Assembly to involve them however. 10.4 percent were involved for two or more phases of the project planning process [selection, design and implementation]. The findings are indicated in Table 4.3.6.

Table 4.3.6: Citizens' participation in development projects —viewpoints of citizen respondents

Responses	Frequency	Percent
No, I didn't want to be involved	8	11.9
No, I was not approached to be involved	44	65.7
Yes, but only for project selection	8	11.9
Yes, for two or more of the phases	7	10.4
Total	67	100.0

Source: Field data; July, 2019

For the key members at the local level including the Assembly/Unit committee members, traditional leaders, opinion leaders and religious leaders, the study identified that, for the 8 Assembly members and Unit Committee members, 3 were not involved as they were not approached by the Assembly; 2 were however involved with 1 engaged only during project selection whilst the other 1 was involved for two or more of the phases of the development projects.

In addition, the results show that 86.6 percent of all the respondents do not know the source(s) of funding for development projects; 9.0 percent were not sure; whilst the remaining 4.5 percent were aware of the funding sources for projects. It is therefore imperative for the district to label projects based on the sources of funding especially for IGF projects. This will make the citizens feel their resources are put into good use.

4.3.3.4 Citizens' perspectives on access to expenditure information, transparency and satisfaction of the performance of the Assembly

As indicated in Figure 4.3.5, greater number of respondents disagreed that there is accurate and timely information and transparency in the utilisation of revenues for development.

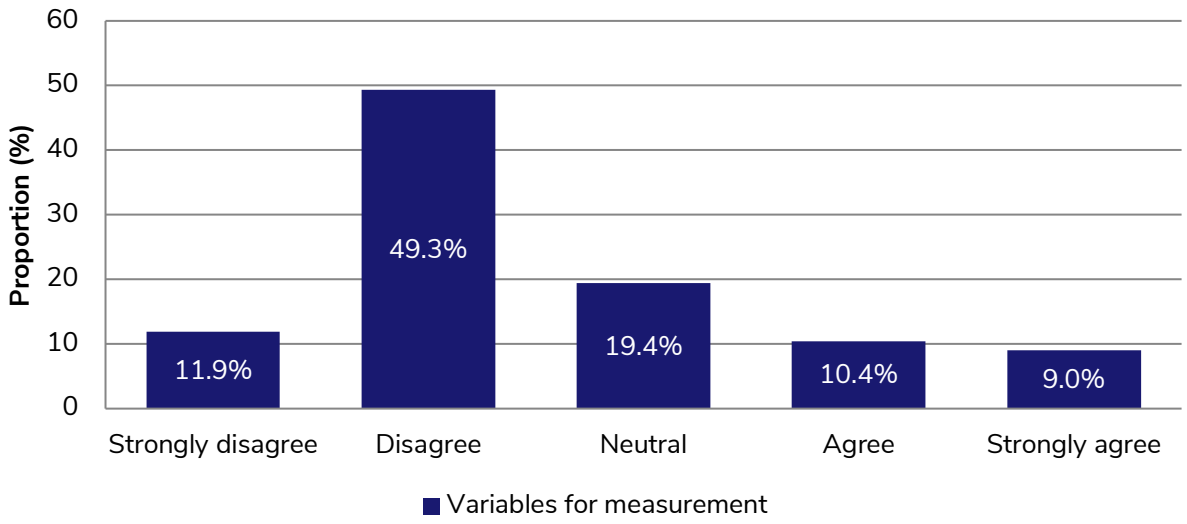


Figure 4.3.5: Citizens' perspectives on accurate and timely information and transparency on revenue use by the Central Gonja District Assembly [2014-2017 medium term period]

Source: Field data; July, 2019

The data (as shown in Figure 4.3.6) indicates that majority of the respondents dissatisfied with the performance of the Central Gonja District Assembly.

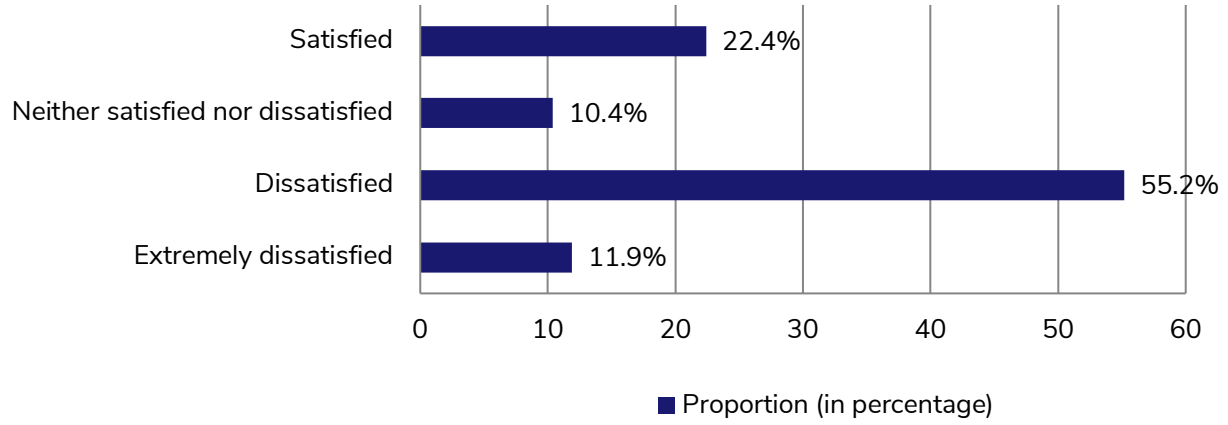


Figure 4.3.6: Level of satisfaction of citizens on Assembly's performance since 2014
Source: Field data; July, 2019

4.3.4 Kintampo North Municipality

4.3.4.1 Background information of the respondents

The demographic characteristics of respondents in the Kintampo Municipality are presented in Table 4.3.7.

Table 4.3.7: Background information of Respondents in Kintampo North Municipality

Variables	Frequency	Percent
Type of respondents:		
Assembly members/Unit committee	12	7.1
Traditional leaders	6	3.5
Opinion leaders	13	7.6
Religious leaders	10	5.9
Common citizens	129	75.9
Total	170	100.0
Sex of respondents:		
Female	74	43.5
Male	96	56.5
Total	170	100.0

Age of respondents:		
Under 18	7	4.1
18-24	20	11.8
25-34	32	18.8
35-44	44	25.9
45-54	37	21.8
55-64	11	6.5
65+	19	11.2
Total	170	100.0
Highest educational level:		
No education	45	26.5
Basic education	63	37.1
Secondary education	32	18.8
Tertiary education	30	17.6
Total	170	100.0
Number of years in the district:		
Below 5	21	12.4
5-10 years	21	12.4
11-15 years	19	11.2
16-20 years	23	13.5
Above 20 years	86	50.6
Total	170	100.0
Employment by Sector		
Formal	12	17.9
Informal	47	70.1
Both Formal and Informal	4	6.0
Unemployment	4	6.0
Total	170	100

Source: Field data; July, 2019

More than half the respondents have stayed in the district for over 20 years and over 70 percent having at least basic education attainment. Majority [85.9 percent] do not understand the budget preparation processes [*see section 4.3.4.2*]. In the direction of the local government officials, two [the Budget Officer and the Planning Officer] have worked

for 5-10 years, while the remaining two [Coordinating Director and the Department Head, Water and Sanitation] have worked for 11-15 years in the local government landscape of Ghana.

4.3.4.2 Citizens' concerns and understanding on Assembly's budget and inputs in budget preparation and implementation

It was observed that 55.3 percent were concerned about expenditure management. In relation to citizens' understanding of the processes involved in preparing the Assembly's budget, the survey showed that only 14.1 percent understood the processes. Relating the status of respondents to their understanding on the local budget preparation processes, the study identifies that, of the 12 Assembly members and Unit Committee members, 58.3 percent reported to have no understanding of the processes; for the 6 traditional leaders, it was 83.3 percent who reported not understanding the processes; for the 13 opinion leaders, it was also the masses [84.6 percent] who do not understand the processes; and for the 10 religious leaders, contrary to the others, it was identified that only 30 percent [the minimal portion] do not understand the budget preparation processes. The aforementioned could imply citizens' involvement in budget preparation and expenditure planning has been weak, despite the local government officials indicating consultation through the use of information centres. There is therefore the need for the Assembly to embrace a new participatory approach involving town hall meetings/ community-based meetings.

4.3.4.3 Citizens' participation in project selection, design and implementation

Focusing on citizens' participation in project planning process [selection, design and implementation] of the Assembly, the survey suggests that 45.9 percent of citizens were not approached in the planning process. This has a negative implication to accountability. The result of citizens' participation in project selection is summarized in Table 4.3.8.

Table 4.3.8: Citizens' participation in development projects—viewpoints of citizen respondents

Responses	Frequency	Percent
No, I didn't want to be involved	25	14.7
No, I was not approached to be involved	78	45.9
Yes, but only for project selection	19	11.2
Yes, but only for project design	5	2.9
Yes, but only for project implementation	36	21.2
Yes, for project selection, design and implementation	7	4.1
Total	**170**	**100.0**

Source: Field data; July, 2019

The survey results also indicate that key local members including Assembly members, unit committee members, traditional leaders, opinion leaders and religious leaders were generally disengaged in the projects planning process [selection, design and implementation]. This is worrisome as these individuals play key roles in their communities as traditional leaders, religious leaders and Assembly members who represent the face of the people and should always be the first point of contact to the people.

It was further identified that 42.4 percent of the all respondents considered have no knowledge concerning the sources of funding for projects in the municipality; 15.3 percent were 'not sure'; and 22.4 percent confirmed that they have knowledge on funding sources for municipal projects.

4.3.4.4 Citizens' perspectives on access to expenditure information, transparency and satisfaction of the performance of the Assembly

Accountability through timely, accurate and transparent information was investigated, with citizens reporting indifference or limited accountability. Results are in Figure 4.3.7.

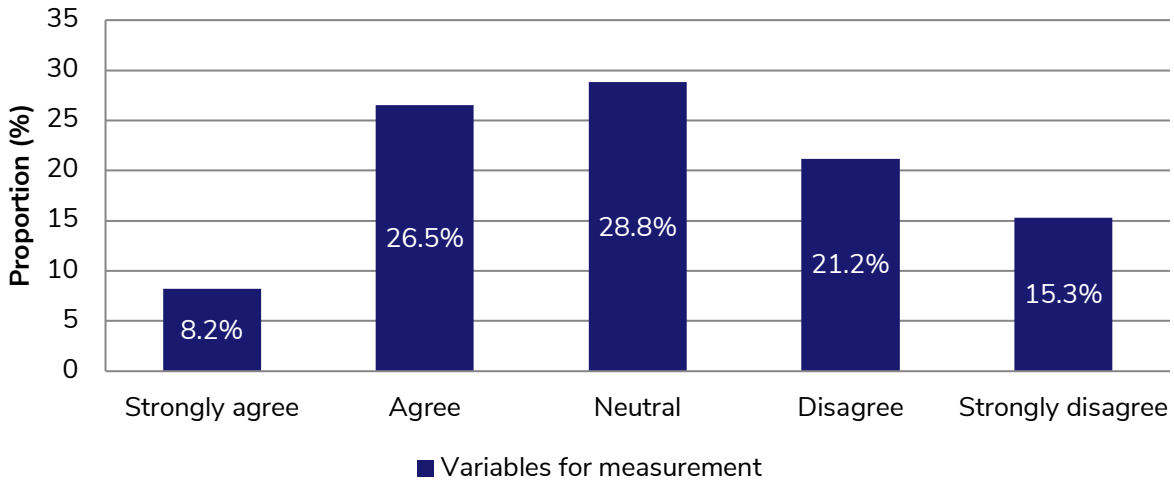


Figure 4.3.7: Citizens' perspectives on accurate and timely information and transparency on revenue use by the Kintampo Municipal Assembly [2014-2017 medium term period]

Source: Field data; July, 2019

The level of satisfaction of citizens on the performance of the Assembly is not encouraging at least from the perspective of respondents engaged. The level of satisfaction of citizens in the district is presented in Figure 4.3.8.

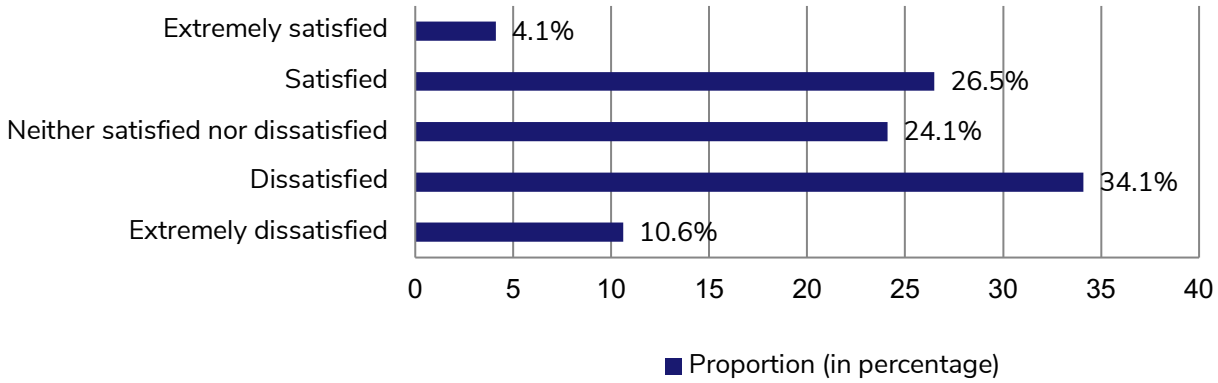


Figure 4.3.8: Level of satisfaction of citizens on Assembly's performance since 2014

Source: Field data; July, 2019

4.3.5 Krachi West District

4.3.2.1 Background information of the respondents

For the Krachi West District, the local government officials of the Assembly did not respond to this study. The background characteristics of the citizens are presented in Table 4.3.9.

Table 4.3.9 Background Characteristics of Respondents in Krachi West District

Variables	Frequency	Percent
Type of respondents:		
Assembly members	1	1.5
Unit committee	2	3.0
Traditional leaders	1	1.5
Opinion leaders	4	6.0
Religious leaders	3	5.0
Common citizens	56	83.0
Total	67	100.0
Sex of respondents:		
Female	32	47.8
Male	35	52.2
Total	67	100.0
Age of respondents:		
18-24	16	23.9
25-34	23	34.3
35-44	13	19.4
45-54	7	10.4
55-64	6	9.0
65+	2	3.0
Total	67	100.0
Highest educational level:		
No education	5	7.5
Basic education	13	19.4
Secondary education	18	26.9
Tertiary education	31	46.3
Total	67	100.0

Number of years in the district:		
Below 5	5	7.5
5-10 years	7	10.4
11-15 years	10	14.9
16-20 years	17	25.4
Above 20 years	28	41.8
Total	67	100.0
Employment by Sector		
Informal sector	22	32.8
Formal sector	9	13.4
Both formal and informal	16	23.9
Not working	20	29.9
Total	67	100

Source: Field data; July, 2019

Respondents are generally young with age range from 18-44 making up 77.6 percent. The participation of the youth in expenditure management and participation in the budget planning could be very important. Again, these are the age group that could agitate against the management of the district at any time. The survey also showed that, majority of the respondents had at least secondary school level of education. This is crucial as it suggests some level of comprehension of the expenditure and budget preparation process if they are introduced or engaged on these lines, as nearly half of participants had also been residents in their communities for more than two decades.

4.3.5.2 Citizens' concerns and understanding on Assembly's budget and inputs in budget preparation and implementation

Examining how citizens in the district are concerned with the use of local revenues, the survey suggests that 79.1 percent are concerned at the time of inquiry. The revelation that nearly 80 percent are concerned about the use of revenues provides a platform that can be leveraged on to enhance demand-side accountability and transparency in the Assembly's expenditure priorities and patterns. The majority of respondents, [86.6 percent] did not appreciate the processes used by the local government officials in preparing the Assembly's budget. In furtherance, the survey suggests that 58.2 percent of the respondents to have no inputs in determining budget priorities/expenditure. Efforts

are thus, needed to ensure that the priorities of the governed are considered in the determination of areas to expend resources by the Krachi West District Assembly.

4.3.5.3 Citizens' participation in project selection, design and implementation

On participation in project selection, design and implementation, 91.0 percent of respondents reported non-participation, linking this to their unawareness of the process; 1.5 percent were involved but for project selection; and 6.0 percent were involved, but only during implementation [refer to Table 4.3.10].

Table 4.3.10: Citizens' participation in development projects —viewpoints of citizen respondents

Responses	Frequency	Percent
No, I didn't want to be involved	1	1.5
No, I was not approached to be involved	61	91.0
Yes, but only for project selection	1	1.5
Yes, but only for project implementation	4	6.0
Total	**67**	**100.0**

Source: Field data; July, 2019

The study further identified that all the three (3) Assembly/Unit committee members were not involved in project selection, design and implementation. The same holds true for the traditional leader and the three (3) religious leaders engaged. For the four (4) opinion leaders, only one (1) person was actually engaged, but this was during the implementation of projects. Not involving citizens in project selection, design and implementation can lead to undesirable project utilization outcomes such as, abandoning the project after completion. Additionally, 58.2 percent of the respondents did not know the sources of funding for the Assembly's project; 28.4 percent were 'not sure'; but the remaining 13.4 percent knew the funding sources for district-level projects by the Assembly.

4.3.5.4 Citizens' perspectives on access to expenditure information, transparency and satisfaction of the performance of the Assembly

On strengthening drivers for demand side accountability, majority of respondents reported untimely disclosure of expenditure information, and the inherent negative implications for the performance of the assembly. The Assembly needs to put in place interventions to promote the delivery of expenditure information to the constituents so as to enhance transparency is the use of district's revenues for development [see Figure 4.3.9].

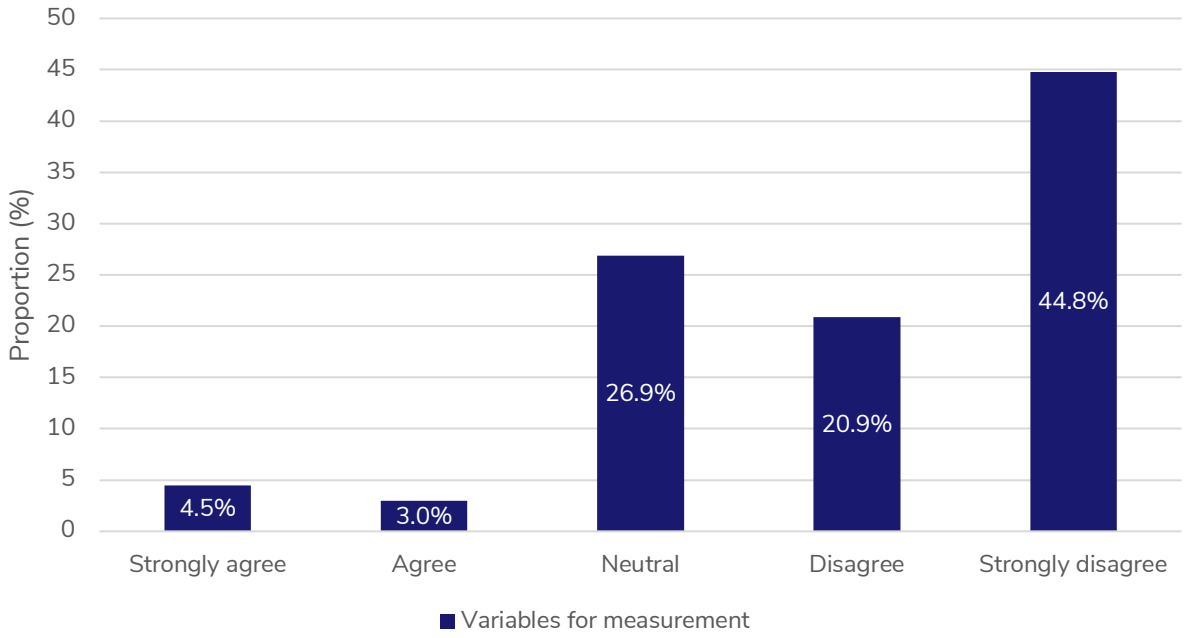


Figure 4.3.9: Citizens' perspectives on accurate and timely information and transparency on revenue use by the Krachi West District Assembly [2014-2017 medium term period]

Source: Field data; July, 2019

It was identified that 46.3 percent of the respondents were dissatisfied with the performance of the Krachi West District Assembly. Results are shown in Figure 4.3.10.

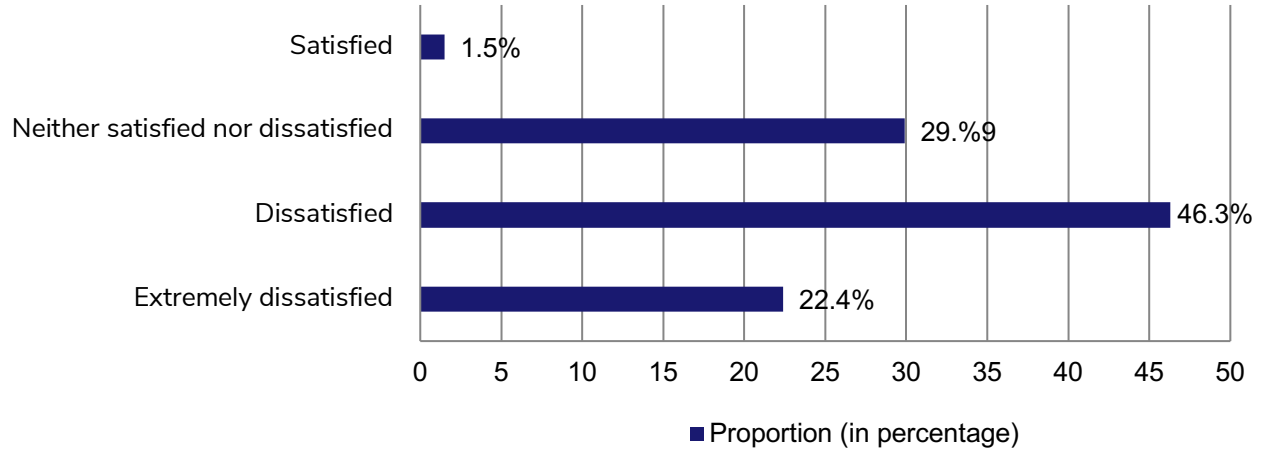


Figure 4.3.10: Level of satisfaction of citizens on Assembly's performance since 2014

Source: Field data; July, 2019

4.3.6 Kumasi Metropolis

4.3.6.1 Background information of the respondents

Various groups of respondents were engaged and their background information are presented in Table 4.3.11.

Table 4.3.11 Background Characteristics of Respondents in Krachi West District

Variables	Frequency	Percent
Type of respondents:		
Assembly members	1	1.5
Unit committee	2	3.0
Traditional leaders	1	1.5
Opinion leaders	4	6.0
Religious leaders	3	5.0
Common citizens	56	83.0
Total	67	100.0
Sex of respondents:		
Female	32	47.8
Male	35	52.2
Total	67	100.0

Age of respondents:		
Under 18	6	1.0
18-24	61	23.9
25-34	137	34.3
35-44	130	19.4
45-54	132	10.4
55-64	72	9.0
65+	57	3.0
Total	595	100.0
Highest educational level:		
No education	73	12.3
Basic education	272	45.7
Secondary education	155	26.1
Tertiary education	95	16.0
Total	595	100.0
Number of years in the district:		
Below 5	76	12.8
5-10 years	99	16.6
11-15 years	69	11.6
16-20 years	65	11.0
Above 20 years	286	48.1
Total	595	100.0
Employment by Sector		
Informal sector	363	61.0
Formal sector	55	9.2
Both formal and informal	40	6.7
Not working	137	23.0
Total	595	100

Source: Field data; July, 2019

Of the total respondents, 48.1 percent have lived within the metropolis for over 20 years and this could be a good condition for citizen participation since they have better understanding of their communities and they can hold local authorities responsible. For the local government officials, the study identified that the Planning Officer, the Budget Officer and the Internal Auditor have worked respectively for 16-20 years; over 20 years; and 11-15 years.

4.3.6.2 Citizens' concerns and understanding on Assembly's budget and inputs in budget preparation and implementation

The survey showed that 74.1 percent of the respondents were concerned about how the Kumasi Metropolitan Assembly utilizes revenues for development, while 95.5 percent did not understand the processes involved in preparing the Assembly's budget. Furthermore, the study identifies that, of the 13 out of 18 Assembly members and Unit Committee members interviewed, do not understand the budget preparation processes; all the 5 traditional leaders and 18 opinion leaders also have no understanding of the processes; and for the 13 religious leaders, 10 also indicated their lack of understanding. Not understanding the budget preparation process can hamper the demand for accountability since it is a core issue in asking why budgets for projects and the amounts involved.

Closely relating to the number that didn't understand the budget processes, 99.2 percent reported not having contributed at any point in making inputs into the budget priorities of the Assembly; it was the minimal 0.8 percent who had inputs, and these were the Assembly members. This is a development which can undermine the representative democracy at the local government level.

4.3.6.3 Citizens' participation in project selection, design and implementation

Participation is seen as the 'vehicle' that allows the inputs of citizens to feature in development initiatives. In the Kumasi Metropolis, the study identified that 84.2 percent of the respondents reported not having been engaged by any local government official or assembly members in decisions relating to project selection, design and implementation. One local government official however, argued that the constituents were engaged during project selection, implementation and even monitoring and evaluation; and this was done through the use of local media channels, and the Assembly members to further disseminate the information and organisation of town hall meetings. Table 4.3.11 gives the details of citizens' participation in development projects by the Kumasi Metropolitan Assembly.

Table 4.3.12: Citizens' participation in development projects —viewpoints of citizen respondents

Responses	Frequency	Percent
No, I didn't want to be involved	44	7.4
No, I was not approached to be involved	501	84.2
Yes, but only for project selection	14	2.4
Yes, but only for project design	8	1.3
Yes, but only during implementation	19	3.2
Yes, for two or more of the phases	9	1.5
Total	**595**	**100.0**

Source: Field data; July, 2019

Findings from the key local members made up of Assembly/Unit committee members, traditional leaders, opinion leaders and religious leaders show interesting results. It was realised that: for the 18 Assembly/Unit Committee members, 8 were not involved, as they were not engaged; 3 were involved but only for project selection; 1 was involved, but only during implementation; 2 were engaged for project design; and 4 were engaged in two or more phases of projects implemented by the Assembly. For the 5 traditional leaders, 3 were not involved as they were never approached; the remaining 2 participated during project implementation. In relation to the opinion leaders, none of them was engaged by the Assembly; whereas for the 13 religious leaders, it was 8 who did not participate because they were not approached. It was also reported that almost 70 percent of respondents had no idea about the sources of funding for community projects.

4.3.6.4 Citizens' perspectives on access to expenditure information, transparency and satisfaction of the performance of the Assembly

On access to expenditure information and transparency therein, the survey results indicate that 53.1 percent 'strongly disagreed' that there is accurate and timely information and transparency as to how the Assembly's revenues are spent [see Figure 4.3.11].

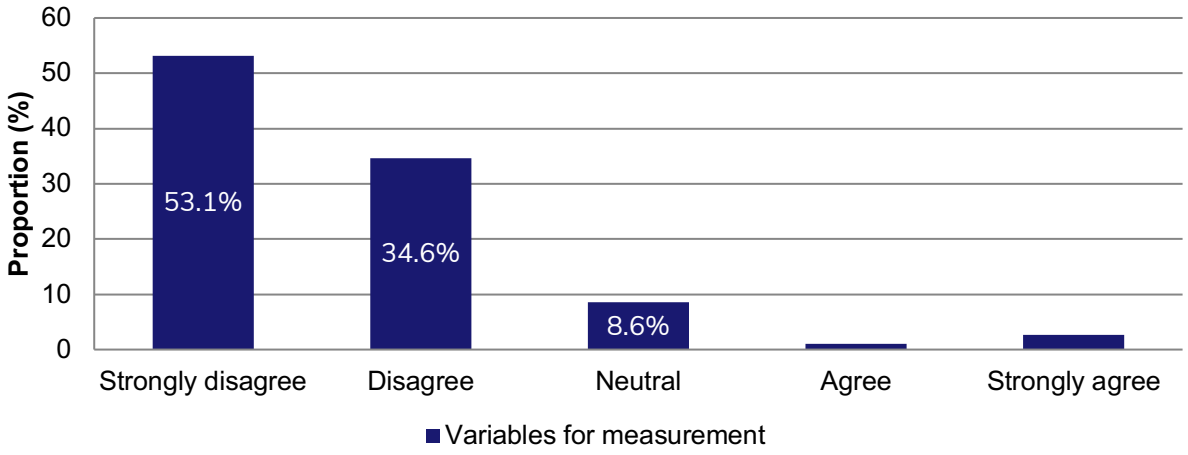


Figure 4.3.11: Citizens' perspectives on accurate and timely information and transparency on revenue use by KMA [2014-2017 medium term period]

Source: Field data; July, 2019

Majority of the respondents [69.6 percent] were not satisfied with the Assembly's efforts to trigger development, with 33.6 percent indicating 'extremely dissatisfied' and 39.0 percent indicating 'dissatisfied'. The detailed results are indicated in Figure 4.3.12.

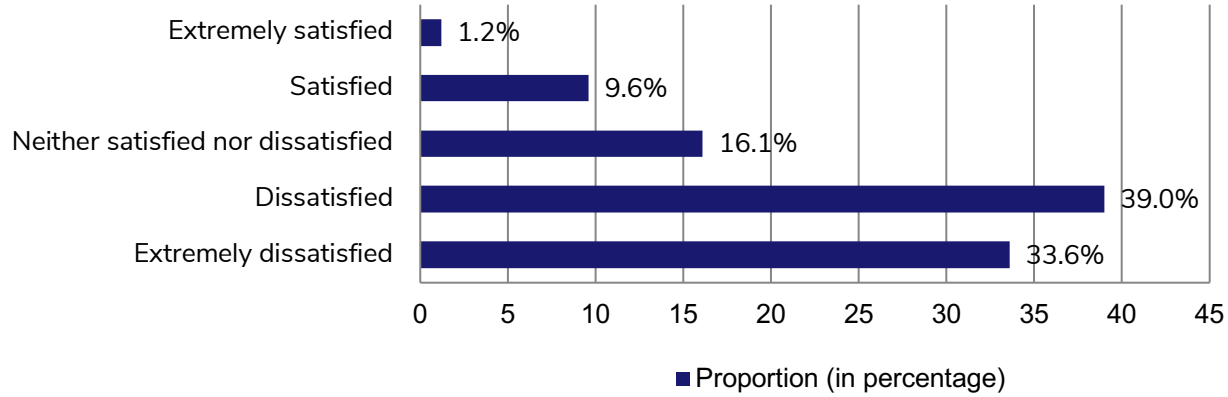


Figure 4.3.12: Level of satisfaction of citizens on Assembly's performance since 2014

Source: Field data; July, 2019

4.3.7 Kumbungu District

4.3.7.1 Background information of the respondents

In Kumbungu District, local citizens and local government officials provided data for the study. Table 4.3.12 presents the characteristics of local citizens in Kumbungu District.

Table 4.3.13 Background characteristics of local citizens in Kumbungu District

Variables	Frequency	Percent
Type of respondents:		
Assembly members/Unit committee	9	13.4
Traditional leaders	5	7.5
Opinion leaders	6	9.0
Religious leaders	2	3.0
Common citizens	45	67.2
Total	**67**	**100**.0
Sex of respondents:		
Female	26	47.8
Male	41	52.2
Total	**67**	**100**.0
Age of respondents:		
Under 18	4	6.0
18-24	5	7.5
25-34	16	23.9
35-44	18	26.9
45-54	12	17.9
55-64	8	11.9
65+	4	6.0
Total	**67**	**100**.0
Highest educational level:		
No education	33	49.3
Basic education	12	17.9
Secondary education	13	19.4
Tertiary education	9	13.4
Total	**67**	**100**.0

Number of years in the district:		
11-15 years	2	3.0
16-20 years	8	11.9
Above 20 years	57	85.1
Total	**67**	**100**.0
Employment by Sector		
Informal sector		
Formal sector	48	71.6
Both formal and informal	7	10.4
Not working	3	4.5
Total	9	13.4
	67	100

Source: Field data; July, 2019

From the data collected 49.3 percent were illiterates as they have no formal education. This is not surprising as the district has greater number of its constituents without formal education [Kumbungu Medium Term Plan, 2014-2017]. Efforts need to be engineered by the Assembly to enhance formal education in the district since no education or low level of education can hamper citizens' quest to demand accountability as to how their resources are being utilized.

On the side, local government officials including the Budget Officer, the Internal Auditor, the Coordinating Director, the Procurement Officer and Planning Officer were engaged on the project. The survey results suggested that, the Coordinating Director has worked for 11-15 years in the local government landscape; the Procurement Officer has 5-10 years experiences; and the remaining officers [Internal Auditor, Budget Officer and Planning Officer] have worked for less than 5 years. The five officers are composed of three (3) males and (2) females, showing a significant inclusion of women in local government practices in the Assembly.

4.3.7.2 Citizens' concerns and understanding on Assembly's budget and inputs in budget preparation and implementation

About 7 in 10 respondents report not being interested in the expenditure and budget priorities of the assembly. Perhaps, the limited educational levels of the constituents have influenced this outcome. It therefore follows when 76.1 percent report not understanding

the processes used in the preparation of the budget of the assembly. Additionally, 7 out of the 9 Assembly/Unit committee members understand the processes. For the 5 traditional leaders, 4 reported to have no understanding the process; for the 6 opinion leaders, 2 have the understanding but 4 do not also understand; and all the 2 religious leaders indicated they do not understand the budget preparation processes. The citizens' responses were inconsistent with the responses from local government officials, who indicate that the Assembly uses information vans, organises town hall meetings, engages with Assembly members and utilises local media channels to disseminate budget information to the citizens.

4.3.7.3 Citizens' participation in project selection, design and implementation

In the direction of local engagements in projects, 62.7 percent of respondents report not having been engaged before at any level. The results are shown in Table 4.3.12

Table 4.3.14: Citizens' participation in development projects—viewpoints of study respondents

Responses	Frequency	Percent
No, I didn't want to be involved	42	62.7
Yes, but only for project selection	8	11.9
Yes, but only for project implementation	17	25.4
Total	**67**	**100.0**

Source: Field data; July, 2019

The survey results again suggest that for the 9 Assembly members and Unit committee members, 1 was not approached to be involved, 4 engaged but only for project selection; and 4 were also engaged but only during project implementation. 1In terms of the 5 traditional leaders, 1 was not involved as the Assembly did not approach him/her but the remaining 4 was involved but only during implementation. For the 6 opinion leaders, 3 were not involved because they were not approached; and the remaining, 3 were engaged, but only during implementation. In the case of the 2 religious leaders, none of them were engaged by the Assembly, as the Assembly did not approach them. Contrary, the local government officials indicate that they engage citizens in project selection,

project design, approval processes, implementation as well as monitoring and evaluation of projects. Perhaps, the citizens see the approaches of engagement as a mere form of '*informing*', and this, as described by the renowned Arnstein's (1969) is a mere '*tokenism*' instead of '*citizen control*' which is the best form of participation.

Again, 65.7 percent of respondents did not know the sources of funding for the district's projects; 32.8 percent however, confirmed they know whilst 1.5 percent posited that they are not sure about the sources of funding for projects.

4.3.7.4 Citizens' perspectives on access to expenditure information, transparency and satisfaction of the performance of the Assembly

The study investigated accountability mechanisms through timely, accurate and transparent information by the Assembly. Results are shown in Figure 4.3.13.

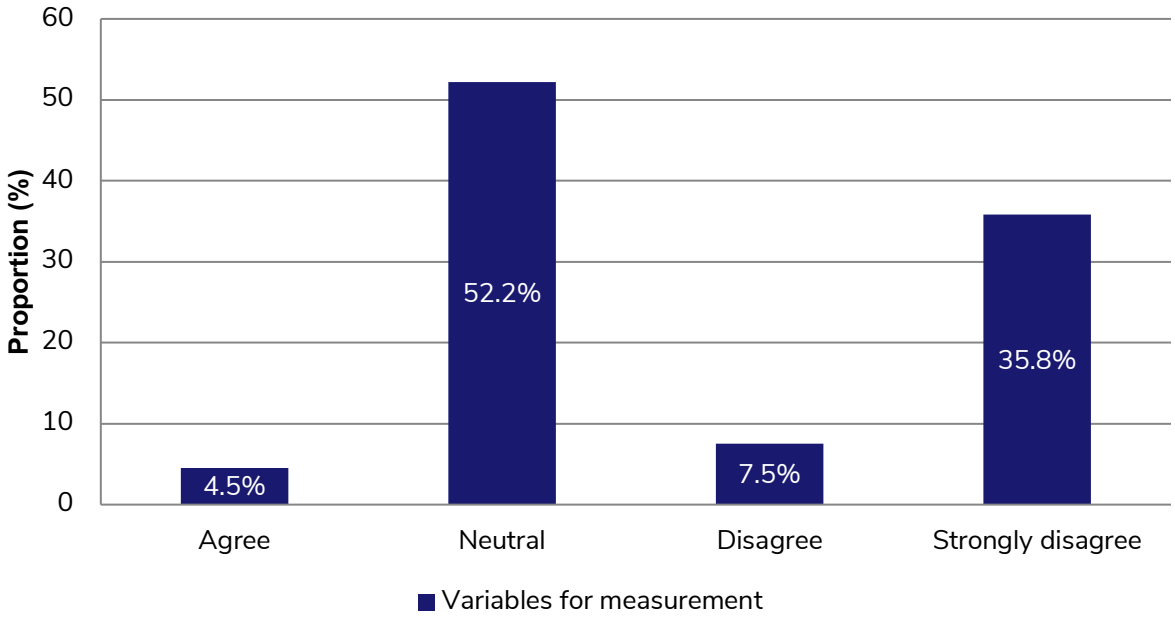


Figure 4.3.13: Citizens' perspectives on accurate and timely information and transparency on revenue use by the Kumbungu District [2014-2017 medium term period]

Source: Field data; July, 2019

The study identified that respondents are largely satisfied with the performance of the Assembly in promoting development since 2014. Figure 4.3.14 gives the insight.

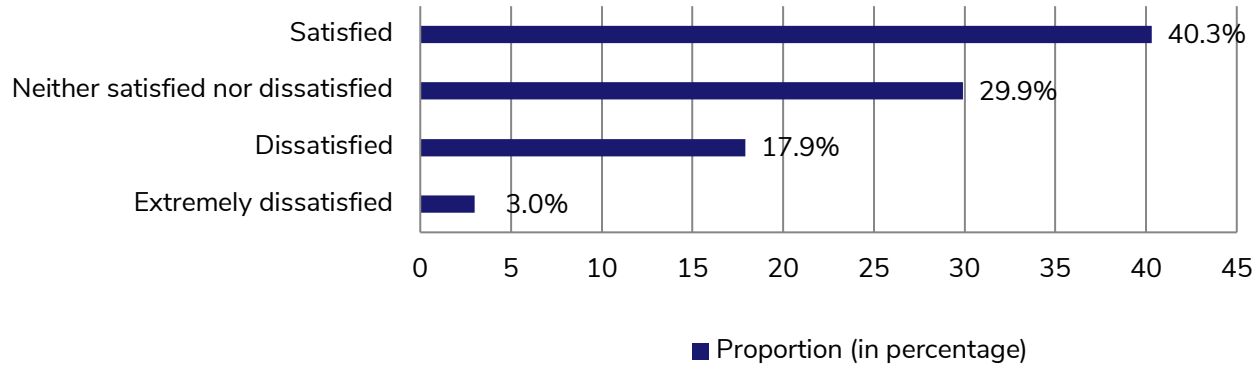


Figure 4.3.14: Level of satisfaction of citizens on Assembly's performance since 2014

Source: Field data; July, 2019

4.3.8 Nkwanta South Municipality

Various groups of respondents were engaged on the project. Based on the responses, the background information of respondents is in Table 4.3.13.

Table 4.3.15: Background information of the respondents in Nkwanta South Municipal

Variables	Frequency	Percent
Type of respondents:		
Assembly members	5	2.9
Unit committee	12	7.1
Traditional leaders	16	9.4
Opinion leaders	22	12.9
Religious leaders	9	5.3
Common citizens	106	62.4
Total	**170**	**100**.0
Sex of respondents:		
Female	75	44.1
Male	95	55.9
Total	**170**	**100**.0
Age of respondents:		
18-24	11	6.5
25-34	34	20.0
35-44	49	28.8
45-54	36	21.2
55-64	15	8.8

65+	25	14.7
Total	**170**	**100**.0
Highest educational level:		
No education	50	29.4
Basic education	58	34.1
Secondary education	40	23.5
Tertiary education	22	12.9
Total	**170**	**100**.0
Number of years in the district:	6	3.5
Below 5	8	4.7
5-10 years	11	6.5
11-15 years	24	14.1
16-20 years	121	71.2
Above 20 years	170	100.0
Total		

Source: Field data; July, 2019

In Nkwanta South Municipality, respondents with no education and those with basic education form part of the majority with educational levels of being 29.4 percent and 34.1 percent respectively. In terms of employment by sector, the following were gathered: 14.1 percent for formal sector; 71.8 percent informal sector; 5.3 percent for both formal and informal sectors; and 8.8 percent were not working.

4.3.8.2 Citizens' concerns and understanding on Assembly's budget and inputs in budget preparation and implementation

In terms of the concerns of the local members on how revenues are used, the study identified the majority [67.1 percent] to have no concerns compared to 32.9 percent who showed concern for the expending revenues. Also, 97.1 percent of the respondents indicated they have no understanding of the processes used by the Assembly in preparing budgets. Key local members such as Assembly members, Unit Committee members, traditional authorities, religious leaders and opinion leaders confirmed very limited understanding of Assembly's budgeting process. Only 28.8 percent had inputs in determining the budget priorities of the Municipal Assembly.

4.3.8.3 Citizens' participation in project selection, design and implementation

Citizens' participation in Nkwanta South Municipality has been on the low side as indicated in Table 4.3.14.

Table 4.3.16: Citizens' participation in development projects —viewpoints of study respondents

Responses	Frequency	Percent
No, I didn't want to be involved	36	21.2
No, I was not approached to be involved	119	70.0
Yes, but only for project selection	6	3.5
Yes, but only for project design	-	-
Yes, but only for project implementation	8	4.7
Yes, for project selection, design and implementation	1	0.6
Total	**170**	**100.0**

Source: Field data; July, 2019

Key local members including Assembly members, Unit Committee members and others reported limited participation in project selection, design and implementation. Also, 71.2 percent of the respondents reported not knowing the sources of funding for Assembly's projects.

4.3.8.4 Citizens' perspectives on access to expenditure information, transparency and satisfaction of the performance of the Assembly

As indicated in Figure 4.3.15, the respondents largely reported limited access to expenditure information and limited transparency in the use of revenues by the Assembly for development.

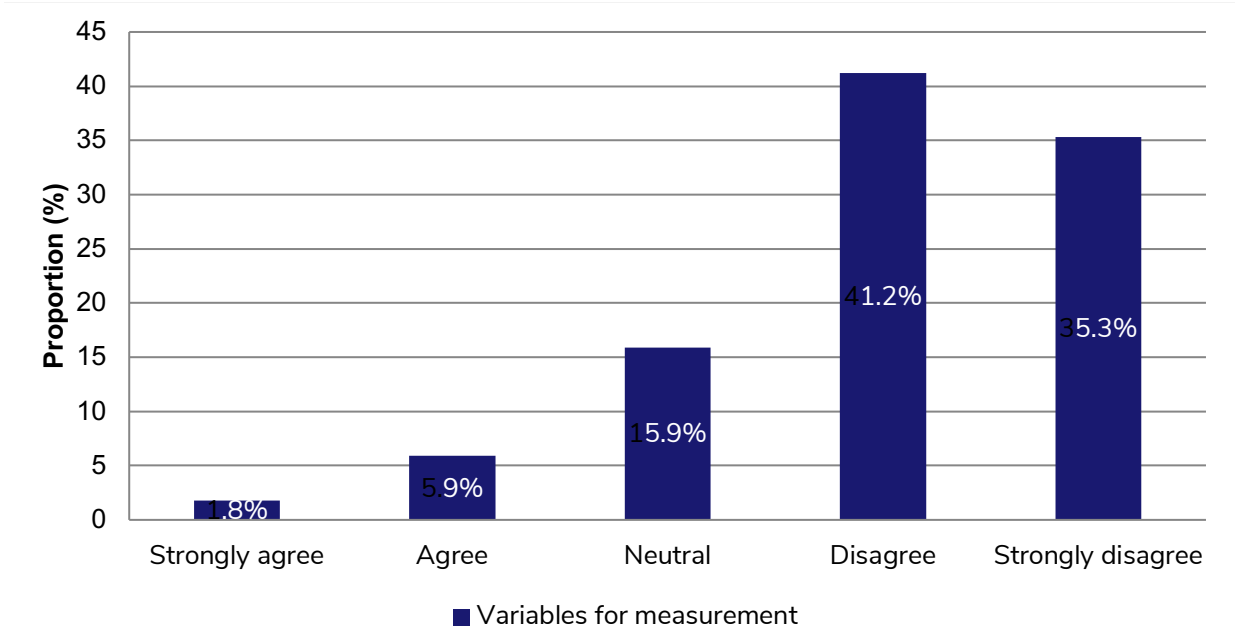


Figure 4.3.15: Citizens' perspectives on accurate and timely information and transparency on revenue use by the Nkwanta South Municipal Assembly [2014-2017 medium term period]

Source: Field data; July, 2019

The respondents reported limited level of satisfaction in the performance of the Assembly in triggering local level development. The details are shown in Figure 4.3.16.

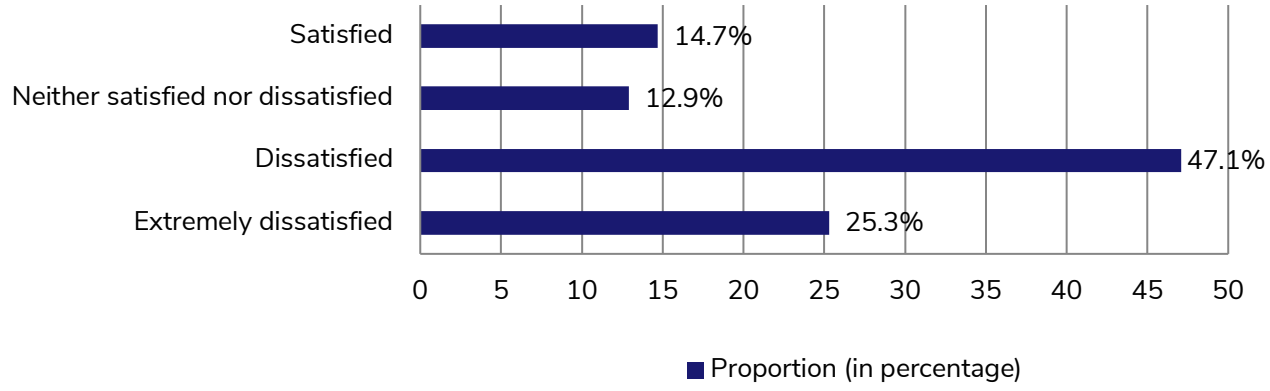


Figure 4.3.16: Level of satisfaction of citizens on Assembly's performance since 2014

Source: Field data; July, 2019

4.3.9 Offinso North District

4.3.9.1 Background information of the respondents

The views of some citizens in Offinso North District were solicited. The background information of these citizens are indicated in Table 4.3.15.

Table 4.3.17 Background characteristics of respondents in Ofinso North District

Variables	Frequency	Percent
Type of respondents:		
Assembly members/Unit committee	3	4.5
Traditional leaders	2	3.0
Opinion leaders	4	6.0
Religious leaders	2	3.0
Common citizens	56	83.5
Total	67	100.0
Sex of respondents:		
Female	29	43.3
Male	38	56.7
Total	67	100.0
Age of respondents:		
18-24	5	7.5
25-34	13	19.4
35-44	16	23.9
45-54	16	23.9
55-64	7	10.4
65+	10	14.9
Total	67	100.0
Highest educational level:		
No education	15	22.4
Basic education	39	58.2
Secondary education	7	10.4
Tertiary education	6	9.0
Total	67	100.0
Number of years in the district:		
Below 5 years	1	1.5
5-10 years	9	13.4
11-15 years	5	7.5
16-20 years	4	6.0
Above 20 years	48	71.6
Total	67	100.0

Employment by Sector	57	85.1
Informal sector	3	4.5
Formal sector	7	10.4
Not working	67	100
Total		

Source: Field data; July, 2019

The study indicates that of the local government officials, it was identified that four (4) officers have worked for 5-10 years whilst the remaining one (1) has worked for less than five years at the local government level of Ghana. For educational levels, 58.2 percent had their highest education up to only the basic level; followed by 22.4 percent with no education indicating a low level of education and will need training in the form of empowerment to demand accountability. Additionally, 71.6 percent of the respondents have stayed in the Offinso North District for over 20 years.

4.3.9.2 Citizens' concerns and understanding on Assembly's budget and inputs in budget preparation and implementation

The study gathered that 86.6 percent reported to be concerned with how their local government officials utilise revenues for development. Large number of respondents (92.5 percent) reported that they do not understand the budgeting process used by the Assembly. It is worthy to note that the Assembly members reported to have understanding of the budgeting process. In contrast with what was gathered from the citizens, the local government officials claimed that citizens are involved in setting budget priorities, and this takes the form of town-hall meetings and the use of Assembly members to disseminate the information to the constituents.

4.3.9.3 Citizens' participation in project selection, design and implementation

Despite the local government officials suggesting citizens' engagement at every stage for development of projects, majority of the citizen respondents [accounting for 40.3 percent] revealed that they did not participate in project selection, design and implementation as they were never approached by the Assembly. Details are indicated in Table 4.3.16.

Table 4.3.18: Citizens' participation in development projects —viewpoints of study respondents

Responses	Frequency	Percent
No, I didn't want to be involved	7	10.4
No, I was not approached to be involved	28	41.8
Yes, but only for project selection	26	38.8
Yes, for two or more of the phases of projects	6	9.0
Total	67	100.0

Source: Field data; July, 2019

The Assembly members were engaged in two or more of the phases of development projects. This confirms a solid inclusion of the Assembly members in putting in place interventions to spearhead the development of the district. For the two (2) traditional leaders, one (1) did not participate as the Assembly did not approach him, whilst the other one (1) was engaged but only for project selection. All the four (4) opinion leaders were engaged but only during the selection of projects. In the case of the two(2) religious leaders, whilst one(1) was engaged for two or more of the phases of projects, the other one (1) was engaged only during project selection.

In other results, the survey showed that 74.6 percent of all the respondents have no knowledge on the sources of funding for district projects

4.3.9.4 Citizens' perspectives on access to expenditure information, transparency and satisfaction of the performance of the Assembly

The respondents largely reported limited accuracy and untimely release of information by the Assembly. They further reported limited transparency on the use of revenues for development by the Assembly. The results are indicated in Figure 4.3.17.

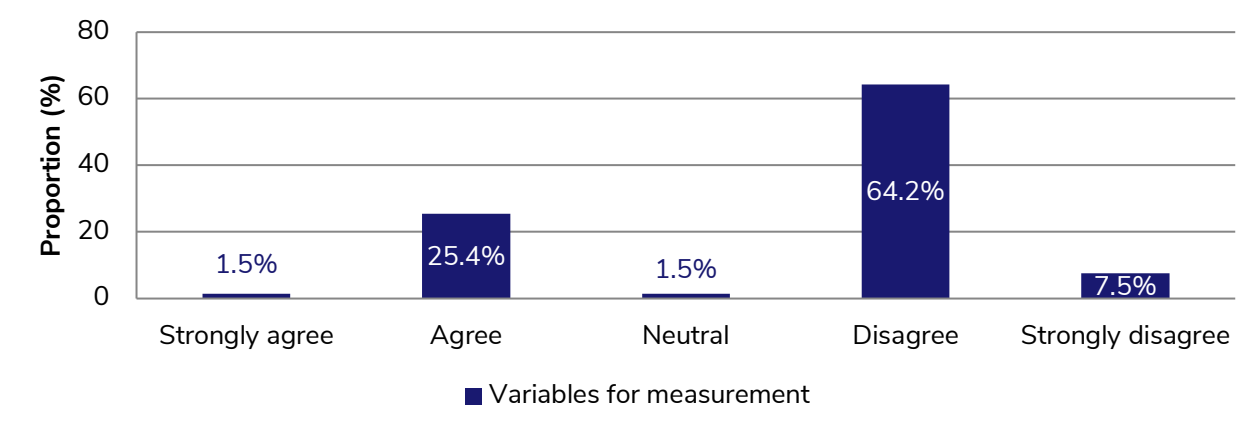


Figure 4.3.17: Citizens' perspectives on accurate and timely information and transparency on revenue use by Offinso North District [2014-2017 medium term period]

Source: Field data; July, 2019

The respondents largely reported dissatisfaction in terms of the performance of the Assembly to spearhead local growth and development. Figure 4.3.18 shows the results of the engagements with the citizens in the district.

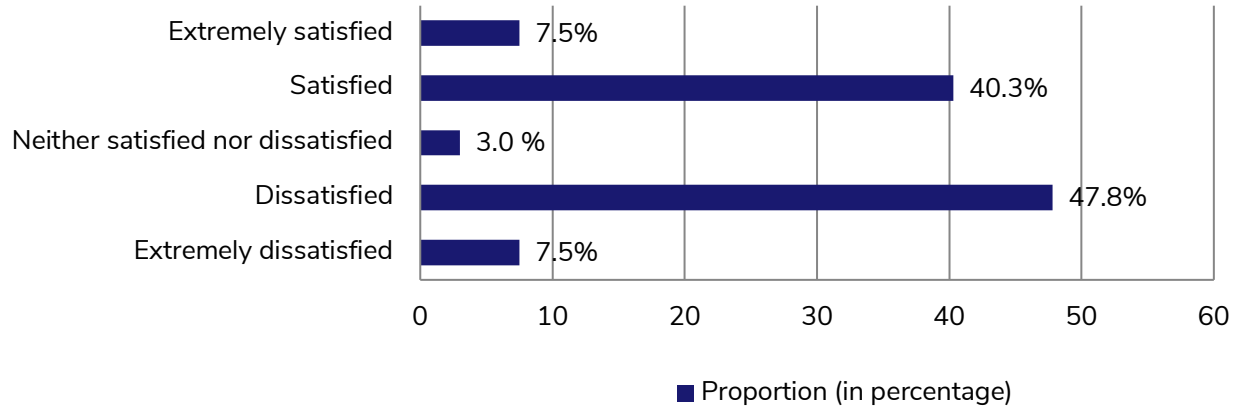


Figure 4.3.18: Level of satisfaction of citizens on Assembly's performance since 2014

Source: Field data; July, 2019

4.3.10 Prestea Huni Valley Municipality

4.3.10.1 Background information of the respondents

Having almost 70 percent of citizens having lived in their communities within the municipality for over a long period (16 years and above) is a great advantage to seek their participation in IGF expenditure planning and management and empowering them to demand for social accountability due to their experience and knowledge of the communities they live. The background characteristics of these respondents are presented in Table 4.3.17.

Table 4.3.19: Background characteristics of respondents in Pretea Huni Valley Municipality

Variables	Frequency	Percent
Type of respondents:		
Assembly members	3	1.8
Unit committees	10	5.9
Traditional leaders	10	5.9
Opinion leaders	12	7.1
Religious leaders	7	4.1
Common citizens	128	75.3
Total	170	100.0
Sex of respondents:		
Female	79	46.5
Male	91	53.5
Total	170	100.0
Age of respondents:		
18-24	23	13.0
25-34	39	22.9
35-44	48	28.2
45-54	28	16.5
55-64	22	12.9
65+	10	5.9
Total	170	100.0

Highest educational level:		
No education	15	8.8
Basic education	93	54.7
Secondary education	43	25.3
Tertiary education	19	11.2
Total	170	100.0
Number of years in the district:		
Below 5	20	11.8
5-10 years	21	12.4
11-15 years	11	6.5
16-20 years	17	10.0
Above 20 years	101	59.4
Total	170	100.0

Source: Field data; July, 2019

The key to unlock the capacity of youth for citizen participation is to encourage practices of democracy and discovery. The study indicates that 64.1 percent fall within the youthful age bracket (18-44 years) and therefore their involvement in the municipality's activities will contribute a lot to development and enhance accountability.

In terms of the type of work [sector of the economy] engaged in by the citizen respondents, the results are: formal sector—10.0 percent; 75.9 percent ---informal sector; both formal and informal sector ---7.6 percent; and 6.5 percent ---not working in any sector.

4.3.10.2 Citizens' concerns and understanding on Assembly's budget and inputs in budget preparation and implementation

The data gathered indicated that 74.7 percent of respondents were not concerned with local revenue utilisation. Also, 91.8 percent did not understand the processes involved in preparing the Assembly's budgets. It is worth noting that, of the 13 Assembly/Unit committee members, 10 [76.9 percent] confirmed to their understanding of the budget preparation processes. For the other local leaders including the 10 traditional leaders, 12 opinion leaders and 7 religious leaders, none of them indicated they understand the budgeting processes. From the perspectives of the local government officials, the Assembly has been putting in efforts to engage the people in municipal budgeting and

expenditure planning, and this has mostly taken the form of using the Assembly members as well as organising town hall meetings.

4.3.10.3 Citizens' participation in project selection, design and implementation

In terms of participation in projects, details are shown in Table 4.3.18. The results generally show that citizens reported limited participation in development projects.

Table 4.3.20: Citizens' participation in development projects—viewpoints of study respondents

Responses	Frequency	Percent
No, I didn't want to be involved	38	22.4
No, I was not approached to be involved	77	45.3
Yes, but only for project selection	11	6.5
Yes, but only for project design	6	3.5
Yes, but only for project implementation	31	18.2
Yes, for project selection, design and implementation	7	4.1
Total	**170**	**100.0**

Source: Field data; July, 2019

Concentrating on the key local members [Assembly/Unit committee members, traditional leaders, opinion leaders and religious leaders], they largely reported limited participation, and this is a worrying situation given the fact that Assembly members, for instance, who form part the Assembly structure have little participation in development projects. The results of the survey also suggest limited knowledge of financing for community projects as evidenced in the results of 74.7 percent respondents indicating their limited knowledge and understanding.

4.3.10.4 Citizens' perspectives on access to expenditure information, transparency and satisfaction of the performance of the Assembly

It is curious for the respondents to report indifferent view concerning the accuracy and timely information on expenditure and transparency in expending local revenues. Figure 4.3.19 shows the results.

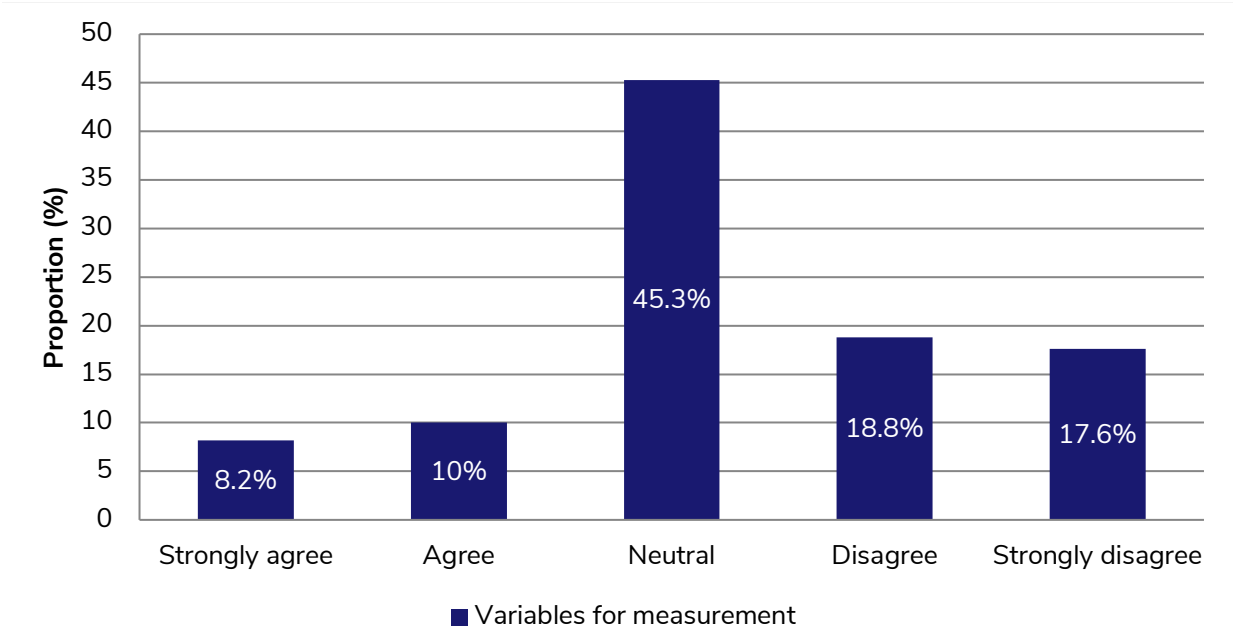


Figure 4.3.19: Citizens' perspectives on accurate and timely information and transparency on revenue use by Prestea Huni Valley Municipal Assembly [2014-2017 medium term period]

Source: Field data; July, 2019

The citizens commonly reported dissatisfaction of the performance of the Assembly in enhancing local level growth and development. The results are presented in Figure 4.3.20.

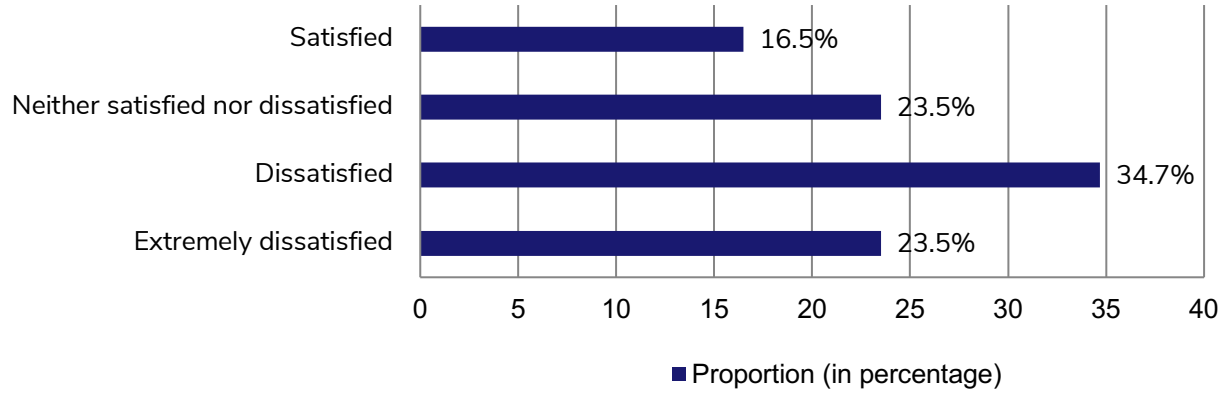


Figure 4.3.20: Level of satisfaction of citizens on Assembly's performance since 2014

Source: Field data; July, 2019

4.3.11 Sawla Tuna Kalba District

4.3.11.1 Background information of the respondents

It was necessary to engage some citizens in the Sawla Tuna Kalba District. These citizens include ordinary and key local members as well as local government officials. Table 4.3.19 shows the background information of these respondents.

Table 4.3.21: Background characteristics of respondents in the Sawla Tuna Kalba

Variables	Frequency	Percent
Type of respondents:		
Assembly members/Unit committee	5	7.5
Traditional leaders	3	4.5
Opinion leaders	10	14.9
Religious leaders	1	1.5
Common citizens	48	71.6
Total	67	100.0
Sex of respondents:		
Female	34	50.7
Male	33	49.3
Total	67	100.0
Age of respondents:		
Below 18	1	1.5
18-24	13	19.4
25-34	15	22.4
35-44	20	29.9
45-54	11	16.4
55-64	4	6.0
65+	3	4.5
Total	67	100.0
Highest educational level:		
No education	20	29.9
Basic education	21	31.3
Secondary education	19	28.4
Tertiary education	7	10.4
Total	67	100.0

Number of years in the district:		
Below 5 years	8	11.9
5-10 years	12	17.9
11-15 years	1	1.5
16-20 years	3	4.5
Above 20 years	43	64.2
Total	67	100.0
Employment by Sector		
Informal sector	48	71.6
Formal sector	4	6.0
Both informal and formal	6	9.0
Not working	9	13.4
Total	67	100

Source: Field data; July, 2019

The youth demands efforts to among several things promote civic education, developing leadership and other life skills in youth to be able to participate, and potentially improving decision-making of local government system. The district's youth population [73.2 percent below 18-44 years] according to the study makes it good for citizen participation in IGF mobilization and expenditure.

4.3.11.2 Citizens' concerns and understanding on Assembly's budget and inputs in budget preparation and implementation

The study gathered limited interest and concern of citizens in the use of local revenues by the Assembly. There was also limited understanding in the budgeting process as confirmed by 97 percent of the respondents. The Assembly and Unit Committee members also reported limited understanding of the budgeting process. This result could have negative implications for participation as the Assembly and Unit committee members are expected to serve as the focal persons to engage other constituents on the activities of the Assembly. Also, none of the traditional leaders, opinion leaders and the religious leader understands the processes. Data from the local government officials generally suggest citizens' engagement in every aspect of the district's development including financial planning and budgeting.

4.3.11.3 Citizens' participation in project selection, design and implementation

On participation in development projects by the Assembly, the survey suggests that 98.5 percent of the respondents were not involved in any phases of projects by the Assembly. See the results in Table 4.3.20.

Table 4.3.22: Citizens' participation in development projects—viewpoints of study respondents

Responses	Frequency	Percent
No, I didn't want to be involved	1	1.5
No, I was not approached to be involved	65	97.0
Yes, but only during project implementation	1	1.5
Total	**67**	**100.0**

Source: Field data; July, 2019

Examining how key local members were engaged, the study gathered that only one (1) out the 5 Assembly/Unit committee members was involved but only during project implementation. The remaining four (4) were not involved. Also, the 3 traditional leaders, 10 opinion leaders and the one (1) religious leader were not engaged by the Assembly in project selection, design and implementation. Again the survey showed that 91.0 percent of the 67 respondents do not know the sources of funding for projects. Only the remaining 9.0 percent indicated they know the funding sources for development projects.

4.3.11.4 Citizens' perspectives on access to expenditure information, transparency and satisfaction of the performance of the Assembly

As indicated in Figure 4.3.21, the citizens generally reported the absence of accurate and timely information and transparency on revenue and expenditure of the Assembly.

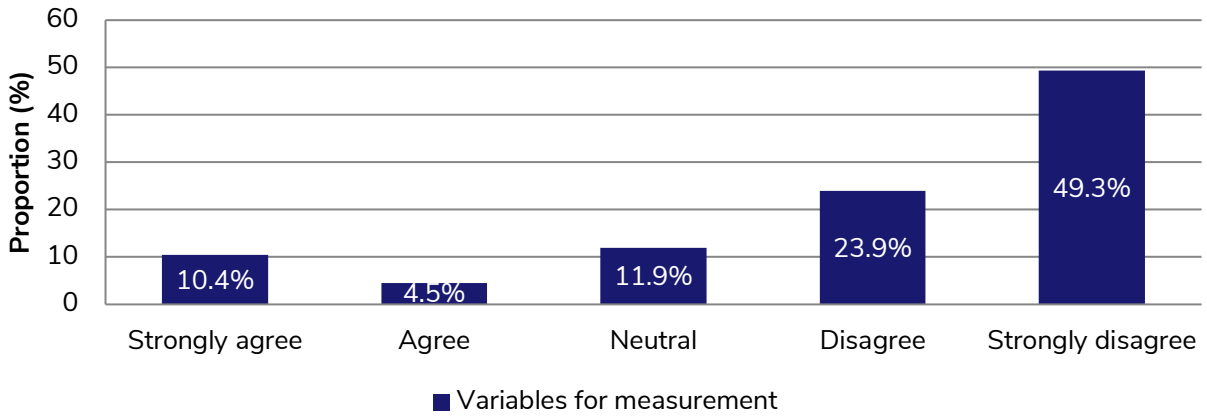


Figure 4.3.21: Citizens' perspectives on accurate and timely information and transparency on revenue use by Offinso North District [2014-2017 medium term period]

Source: Field data; July, 2019

The study also gathered [as in Figure 4.3.22] that citizens are generally dissatisfied with the performance of their local government officials in harnessing local growth and development.

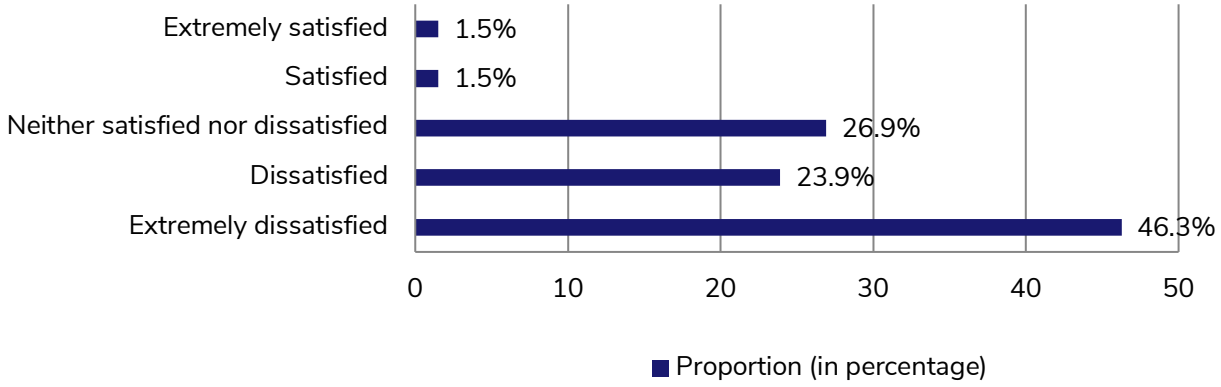


Figure 4.3.22: Level of satisfaction of citizens on Assembly's performance since 2014

Source: Field data; July, 2019

4.3.12 Sekondi Takoradi Metropolis

4.3.12.1 Background information of the respondents

Local citizens and officials were engaged during the field survey in the Sekondi Takoradi Metropolis. Table 4.3.21 indicates the demographic characteristics of the respondents.

Table 4.3.23: Background characteristics of respondents in Sekondi Takoradi Metropolis

Variables	Frequency	Percent
Type of respondents:		
Assembly members	8	1.4
Unit committee	20	3.4
Traditional leaders	13	2.2
Opinion leaders	40	6.8
Religious leaders	39	6.6
Common citizens	475	79.8
Total	595	100.0
Sex of respondents:		
Female	289	48.6
Male	306	51.4
Total	595	100.0
Age of respondents:		
18-24	96	16.1
25-34	169	28.4
35-44	120	20.2
45-54	113	19.0
55-64	53	8.9
65+	44	7.4
Total	595	100.0
Highest educational level:		
No education	75	12.6
Basic education	195	32.8
Secondary education	191	32.1
Tertiary education	134	22.5
Total	595	100.0

Number of years in the district:		
Below 5	70	11.8
5-10 years	99	16.6
11-15 years	68	11.4
16-20 years	62	10.4
Above 20 years	296	49.7
Total	595	100.0

Source: Field data; July, 2019

Local government officials engaged are the Coordinating Director, the Planning Officer, the Budget Officer, the Finance Officer, the Internal Auditor and the Head of Department [Water and Sanitation]. Four (4) officials were males whilst the remaining two (2) were females. Two (2) have worked for less than 5 years; one (1) for 11-15 years; one (1) for 16-20 years and the remaining two (2) have worked for more than 20 years. In terms of educational background, 12.6 percent have no education with remaining having at least secondary education. The results again suggest that 11.8 percent have stayed in the metropolis for less than 5 years and the remaining staying for 5 years and above. In relation to type of work [sector of the economy] by citizen respondents, it was noticed that 53.1 percent were engaged in the informal sector whilst 16.9 percent were engaged in the formal sector.

4.3.12.2 Citizens' concerns and understanding on Assembly's budget and inputs in budget preparation and implementation

Local-level stakeholders' participation is vital for development in their local constituency. About 54.2 percent of respondents indicated they could not be bothered about the planning and management of revenues by the assembly. Additionally, 95.3 percent of respondents indicated not understanding the budget processes of the assembly. From the viewpoints of six (6) local government officials, the Assembly engages citizens in budget preparation through town hall meetings and Assembly members to disseminate information to the citizens. It is therefore surprising that majority of the citizens do not understand the Assembly budgets and the processes used in preparing these budgets for local development.

4.3.12.3 Citizens' participation in project selection, design and implementation

Data from the local government officials generally confirm that citizens are involved in projects selection, design, approval, implementation as well as monitoring and evaluation. However, engaging with the citizens, the study gathered that 77.2 percent admitted to have never participated in development projects at least from the 2014-2017 planning period. That is either they didn't want to be involved or they were not approached to be involved. The full results are indicated in Table 4.3.22.

Table 4.3.24: Citizens' participation in development projects—viewpoints of study respondents

Responses	Frequency	Percent
No, I didn't want to be involved	103	17.5
No, I was not approached to be involved	352	59.7
Yes, but only for project selection	30	5.1
Yes, but only for project design	19	3.2
Yes, but only during project implementation	60	10.2
Yes, for two or more of the phases of projects	26	4.4
Total	590	100.0

Source: Field data; July, 2019

There is no feasible substitute to an approach in which local governments, with the active participation of their communities, take the initiative and responsibility for actions that are conducive to institutional development in service delivery. That is, the sustainable development of technical and financial capacity of lower level government is possible only when there is effective participation by local administrations (technical staff) and community (stakeholders).

Significant proportion of key local members reported limited understanding of the local budgeting process. At least, 42.9 percent of the Assembly and Unit Committee members, 92.3 percent of traditional leaders and 85.0 percent of opinion leaders confirmed this.

Respondents largely reported not knowing the funding sources for district's projects for local development.

4.3.12.4 Citizens' perspectives on access to expenditure information, transparency and satisfaction of the performance of the Assembly

Access to expenditure information and transparency is limited, as largely reported by the respondents. Details are shown in Figure 4.3.23.

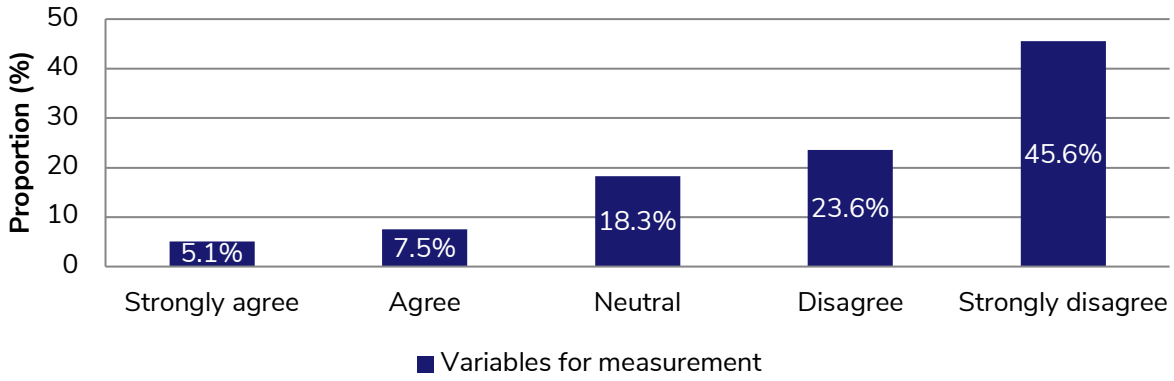


Figure 4.3.23: Citizens' perspectives on accurate and timely information and transparency on revenue use by Sekondi-Takoradi Metro. Assembly [2014-2017 medium term period]
Source: Field data; July, 2019

Majority of the respondents reported they are dissatisfied with the performance of the Assembly concerning enhancing development. The results are shown in Figure 4.3.24.

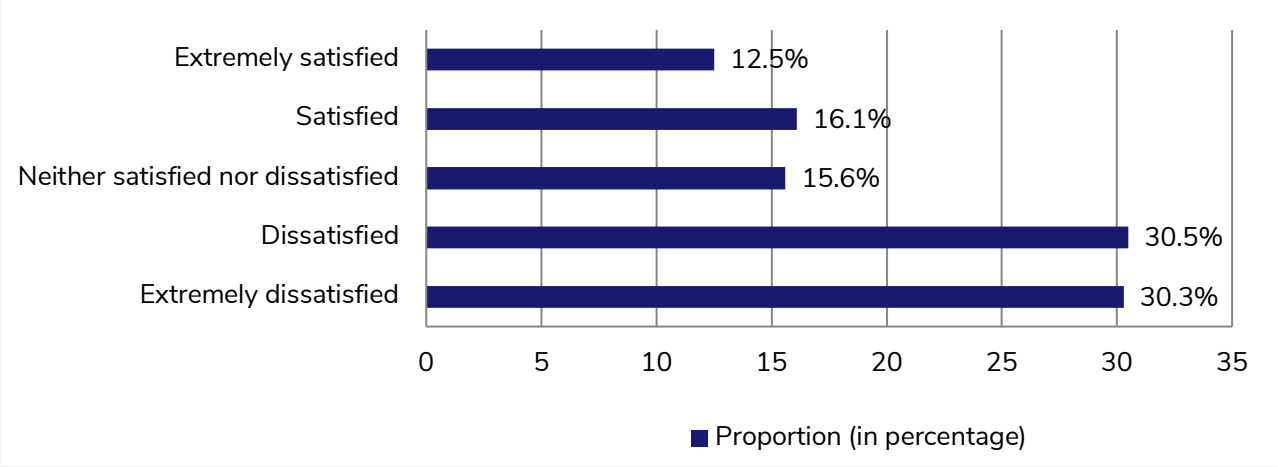


Figure 4.3.24: Level of satisfaction of citizens on Assembly's performance since 2014

Source: Field data; July, 2019

4.3.13 Sene East District

4.3.13.1 Background information of the respondents

In Sene East District, both citizens and officials were involved in the project, and their perspectives are presented in this research. The background information of these respondents are shown in Table 4.3.23.

Table 4.3.25: Background information of respondents in the Sene East District

Variables	Frequency	Percent
Type of respondents:		
Assembly members/Unit committee	6	9.0
Traditional leaders	5	7.5
Opinion leaders	13	19.4
Religious leaders	2	3.0
Common citizens	41	61.2
Total	67	100.0
Sex of respondents:		
Female	19	28.4
Male	48	71.6
Total	67	100.0

Age of respondents:		
Under 18	2	3.0
18-24	8	11.9
25-34	16	23.9
35-44	11	16.4
45-54	11	16.4
55-64	10	14.9
65+	9	13.4
Total	67	100.0
Highest educational level:		
No education	28	41.8
Basic education	12	17.9
Secondary education	17	25.4
Tertiary education	10	14.9
Total	67	100.0
Number of years in the district:		
Below 5	1	1.5
5-10 years	9	13.4
11-15 years	11	16.4
16-20 years	12	17.9
Above 20 years	34	50.7
Total	67	100.0
Employment by sector		
Formal	5	7.5
Informal	37	55.2
Both formal and informal	4	6.0
Unemployment	21	31.3
Total	67	100

Source: Field data; July, 2019

Majority of the respondents [41.8 percent] have no formal education. Over 50 percent have stayed in their respective communities within the district for over 20 years and this can enhance citizens' participation since these people can be assumed to understand their community needs and aspirations, better.

4.3.13.2 Citizens' concerns and understanding on Assembly's budget and inputs in budget preparation and implementation

A significant proportion of 79.1 percent reported to have no concern about Assembly. Also, 97.0 percent reported no understanding of the budget preparation processes. The engagements with the local government officials however reveal citizens inclusion in development processes including budgeting processes. Of the six (6) Assembly and Unit committee members [the voice for the local people], 83.3 percent of them have no understanding of the budget preparation processes. Also, for the 5 traditional leaders, 80.0 percent do not understand the processes. All the opinion leaders and religious leaders engaged on the project do not understand the processes. In addition, the study gathered that 95.5 percent have inputs in determining budget priorities/expenditure for the district.

4.3.13.3 Citizens' participation in project selection, design and implementation

The survey reveals greater participation of the constituents but only during project selection by the Assembly. Details are shown in Table 4.3.24.

Table 4.3.26: Citizens' participation in development projects—viewpoints of study respondents

Responses	Frequency	Percent
No, I was not approached to be involved	12	17.9
Yes, but only for project selection	44	65.7
Yes, but only for project design	1	1.5
Yes, but only for project implementation	10	14.9
Total	67	100.0

Source: Field data; July, 2019

The results also generally indicated that key local members including the Assembly and Unit Committee members, traditional leaders and others were engaged by the Assembly, but this was largely during project selection stage. Also, significant proportion of respondents (59.7 percent) reported to know the sources of funding for district projects.

4.3.13.4 Citizens' perspectives on access to expenditure information, transparency and satisfaction of the performance of the Assembly

As shown in Figure 4.3.25, citizens generally reported indifferent perspective on accuracy and timely release and transparency of revenue and expenditure information.

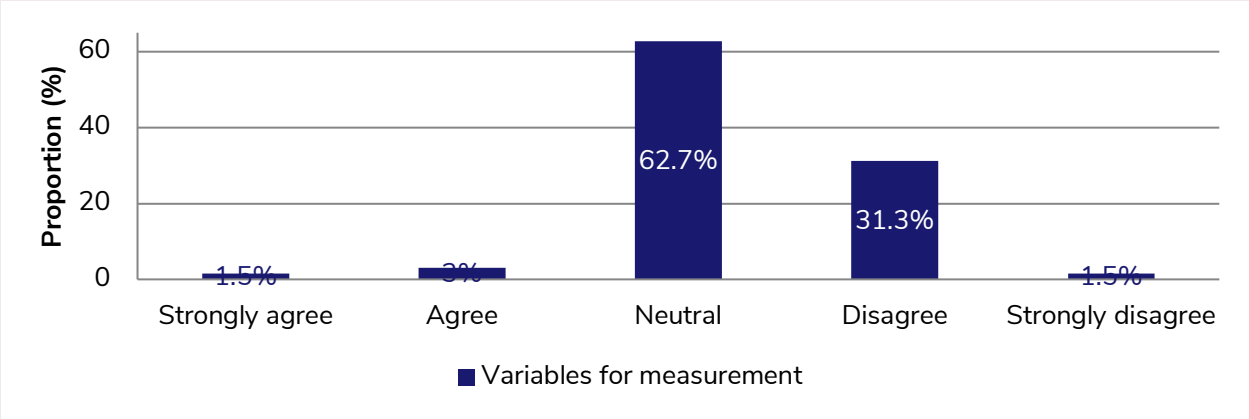


Figure 4.3.25: Citizens' perspectives on accurate and timely information and transparency on the use of revenue by Sene East District Assembly [2014-2017medium term period]

Source: Field data; July, 2019

The citizens generally reported that they are neither satisfied nor dissatisfied with the performance of the local government officials in delivering their mandate of enhancing local level development.

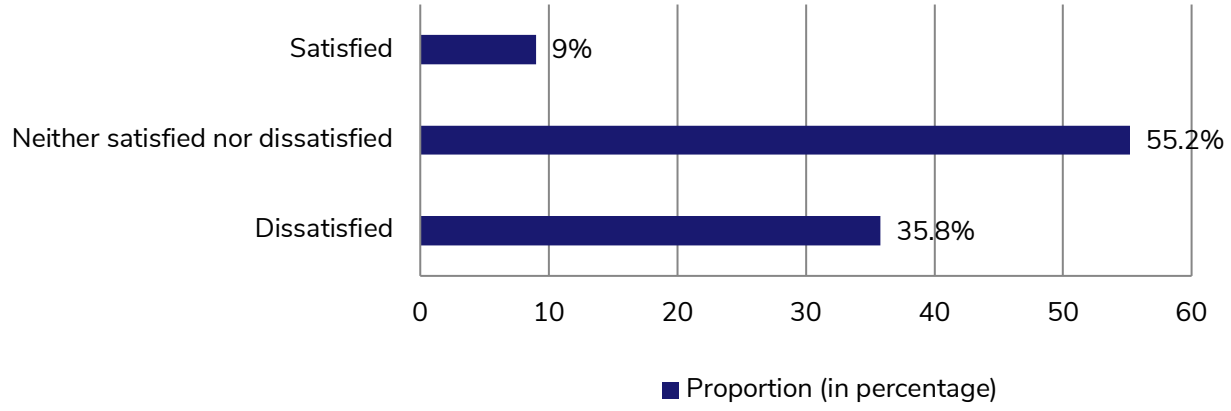


Figure 4.3.26: Level of satisfaction of citizens on Assembly's performance since 2014
Source: Field data; July, 2019

4.3.14 Tamale Metropolis

4.3.14.1 Background information of the respondents

Similar to other districts, citizens and their local government officials provided their inputs for the project. The background information of these respondents are shown in Table 4.3.25.

Table 4.3.27: Background characteristics of respondents in the Tamale Metropolis

Variables	Frequency	Percent
Type of respondents:		
Assembly members/Unit committee	19	3.2
Traditional leaders	18	3.0
Opinion leaders	62	10.4
Religious leaders	20	3.4
Common citizens	476	80.0
Total	595	100.0
Sex of respondents:		
Female	223	37.5
Male	372	62.5
Total	595	100.0
Age of respondents:		
Under 18	5	0.8
18-24	81	13.6
25-34	240	40.3
35-44	134	22.5
45-54	70	11.8
55-64	41	6.9
65+	24	4.0
Total	595	100.0
Highest educational level:		
No education	190	31.9
Basic education	93	15.7
Secondary education	133	22.4

Tertiary education	179	30.1
Total	595	100.0
Number of years in the district:		
Below 5	63	10.6
5-10 years	95	16.0
11-15 years	48	8.1
16-20 years	73	12.3
Above 20 years	313	52.6
Total	595	100.0
Employment by sector		
Formal	98	16.5
Informal	313	52.6
Both formal and informal	79	13.3
Unemployment	105	17.6
Total	595	100

Source: Field data; July, 2019

The study revealed that citizens have high level of formal education with over 50 percent having at least secondary school education and also majority [52.6 percent] have stayed in the Metropolis for over 20 years. The combination of the educational levels and the longer stay in the Metropolis is a good sign for citizens to demand for social accountability since they have the community experience and the level of education to appreciate the need to demand for accountability.

4.3.14.2 Citizens' concerns and understanding on Assembly's budget and inputs in budget preparation and implementation

Respondents generally reported they are concerned with revenue utilisation by local officials—this was reported by 59.5 percent of the respondents. A significant proportion of 97.3 percent reported that they have no understanding of the budgeting processes. Significant proportion of Assembly and Unit committee members, who are the representatives of the people, indicated no understanding of the budgeting process. Despite the above findings, the local government officials insisted they engage citizens in

expenditure planning as well as overall budgeting processes. This, according to them, takes the form of town hall meetings, the local media (radio) and Assembly members.

4.3.14.3 Citizens' participation in project selection, design and implementation

In relation to participation in development projects, the results confirmed that over 80 percent were not engaged by the Assembly. In fact, responses from the local government officials were different, as three (3) confessed they did not engage the citizens vis-à-vis the remaining four (4) who rather indicated the Assembly embraced citizens' participation in its development projects. The details of the results gathered from the citizen respondents have been shown in Table 4.3.26.

Table 4.3.28: Citizens' participation in development projects—viewpoints of study respondents

Responses	Frequency	Percent
No, I didn't want to be involved	27	4.5
No, I was not approached to be involved	481	80.8
Yes, but only for project selection	31	5.2
Yes, but only for project design	18	3.0
Yes, but only for project implementation	24	4.0
Yes, for two or more of the phases	14	2.4
Total	595	100.0

Source: Field data; July, 2019

For the 19 Assembly and Unit committee members, 11 [57.9 percent] were not involved as the Assembly did not approach them; 4 [21.1 percent] were engaged during project selection; and 4 [21.1] percent were engaged during project implementation. In the case of the 18 traditional leaders, 3 were not involved because they did not want to be considered; 12 were not involved because they were not approached; 1 was respectively engaged in project design; project selection; and two or more of the phases of project developments

The results generally show low level of knowledge on the sources of funding for projects in the metropolis.

4.3.14.4 Citizens' perspectives on access to expenditure information, transparency and satisfaction of the performance of the Assembly

There was general revelation from the respondents that there is limited access to accurate and timely expenditure information and transparency seems to absence in the use of revenues by local government officials. The results are graphically presented in Figure 4.3.27.

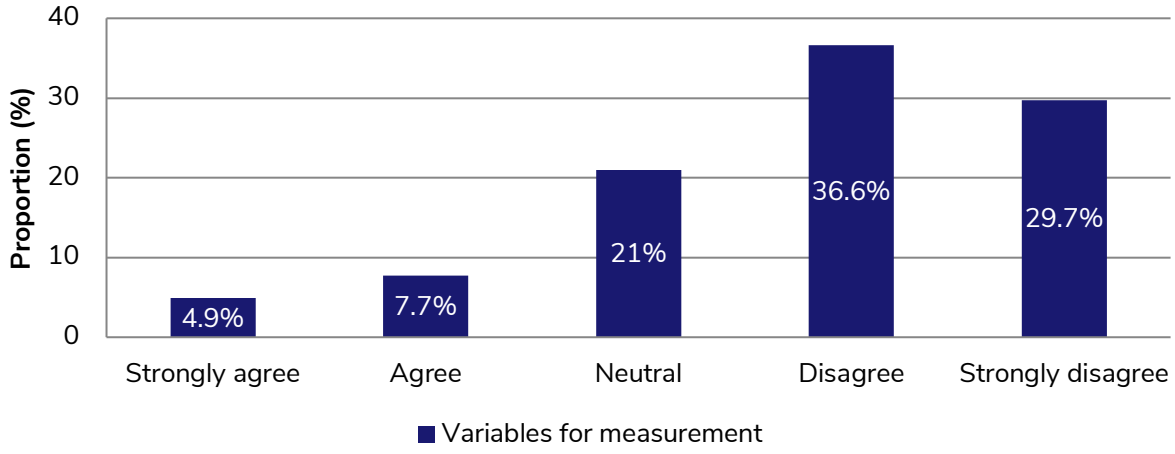


Figure 4.3.27: Citizens' perspectives on accurate and timely information and transparency on the use of revenue Tamale Metro. Assembly [2014-2017 medium term period]

Source: Field data; July, 2019

The respondents were significantly dissatisfied with the performance of the local government officials in advancing local growth and development. The results are shown in Figure 4.3.29.

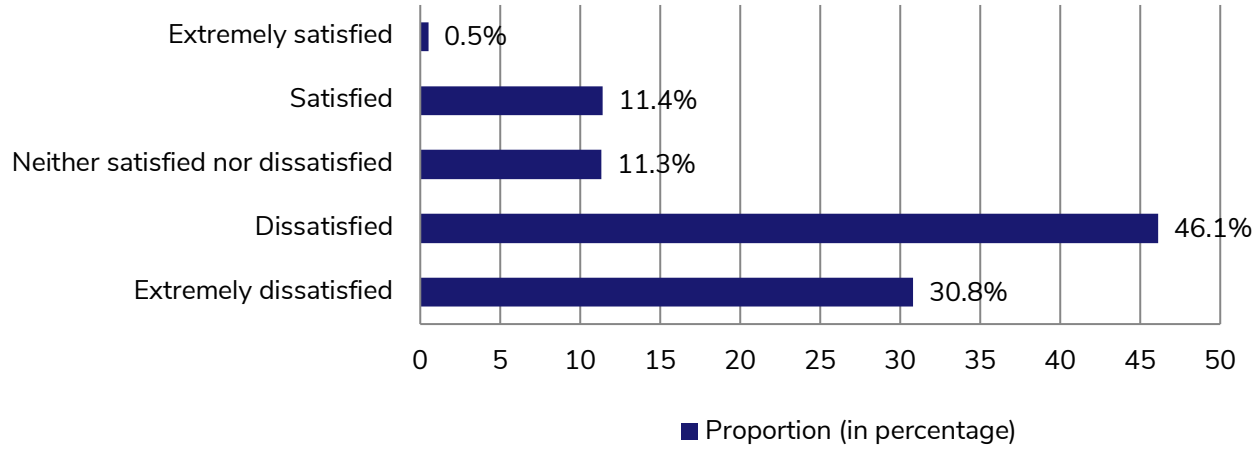


Figure 4.3.28: Level of satisfaction of citizens on Assembly's performance since 2014
Source: Field data; July, 2019

4.3.15 Techiman North District

4.3.15.1 Background information of the respondents

In the Techiman North District, citizens together with local government officials were engaged to ascertain the level of citizen engagement in the planning process of the Assembly and if they understand the budget preparation process. The background information of the respondents are indicated in Table 4.3.27.

Table 4.3.29: Background information of respondents in the Techiman North District

Variables	Frequency	Percent
Type of respondents:		
Assembly members/Unit committee	3	4.5
Traditional leaders	3	4.5
Opinion leaders	1	1.5
Religious leaders	4	6.0
Common citizens	56	83.6
Total	67	100.0

Sex of respondents:		
Female	26	38.8
Male	41	61.2
Total	67	100.0
Age of respondents:		
18-24	10	14.9
25-34	13	19.4
35-44	14	20.9
45-54	19	28.4
55-64	9	13.4
65+	2	3.0
Total	67	100.0
Highest educational level:		
No education	7	10.4
Basic education	36	53.7
Secondary education	21	31.3
Tertiary education	3	4.5
Total	67	100.0
Number of years in the district:		
Below 5	2	3.0
5-10 years	12	17.9
11-15 years	2	3.0
16-20 years	4	6.0
Above 20 years	47	70.1
Total	67	100.0
Employment by sector		
Formal	5	7.5
Informal	61	91.0
Unemployment	1	1.5
Total	67	100

Source: Field data; July, 2019

The Planning Officer, Budget Officer, Internal Auditor, Finance Officer and Coordinating Director were engaged during the data collection exercise. Four (4) of these officials were males with one (1) being a female. Looking at working experiences of the local government officials, the study gathered that one (1) has worked for less than 5 years, two (2) have worked for 5-10 years and the remaining two (2) have worked for over 20 years.

Education level of respondents is generally low with only 4.5 percent having attained tertiary education level, however, the number of years having stayed in the district for more than 20 years is over 70 percent making them understand the communities in which they leave they can appreciate their needs when approached as well being able to demand for accountability from local government official when empowered.

4.3.15.2 Citizens' concerns and understanding on Assembly's budget and inputs in budget preparation and implementation

It was gathered that 70.1 percent respondents revealed they have limited interest and concerns on how local revenues are utilised by the Assembly to promote local level development. It was further identified that 94.0 percent do not understand. Delving into the understanding of key local members, the study gathered that all the three (3) Assembly members understand the processes in budget preparation. For the others including the three (3) traditional leaders, one (1) opinion leader, and the four (4) religious leaders, they do not have understanding of the processes.

4.5.15.3 Citizens' participation in project selection, design and implementation

In relation to participation in development projects, 95.5 percent of the respondents were not involved in project selection, design and implementation. Only 4.5 percent were engaged, but only for project selection.

Table 4.3.30: Citizens' participation in development projects —viewpoints of study respondents

Responses	Frequency	Percent
No, I was not approached to be involved	64	95.5
Yes, but only for project selection	3	4.5
Total	67	100.0

Source: Field data; July, 2019

The results again show that, three (3) citizens engaged in project selection were the Assembly and Unit committee members. The traditional leaders, the opinion leader and religious leaders, none of them was engaged.

In another finding, the study results indicated that 56.7 percent of the respondents do not know the sources of funding for district projects. The remaining 43.3 percent however, confirmed they know the sources of funding for projects.

4.3.15.4 Citizens' perspectives on access to expenditure information, transparency and satisfaction of the performance of the Assembly

The study gathered from about 45 percent of the respondents that there is no accurate and timely information and transparency as to how the District Assembly's revenues are expended. Less than 15 percent however confirmed otherwise. The results have been indicated in Figure 4.3.29.

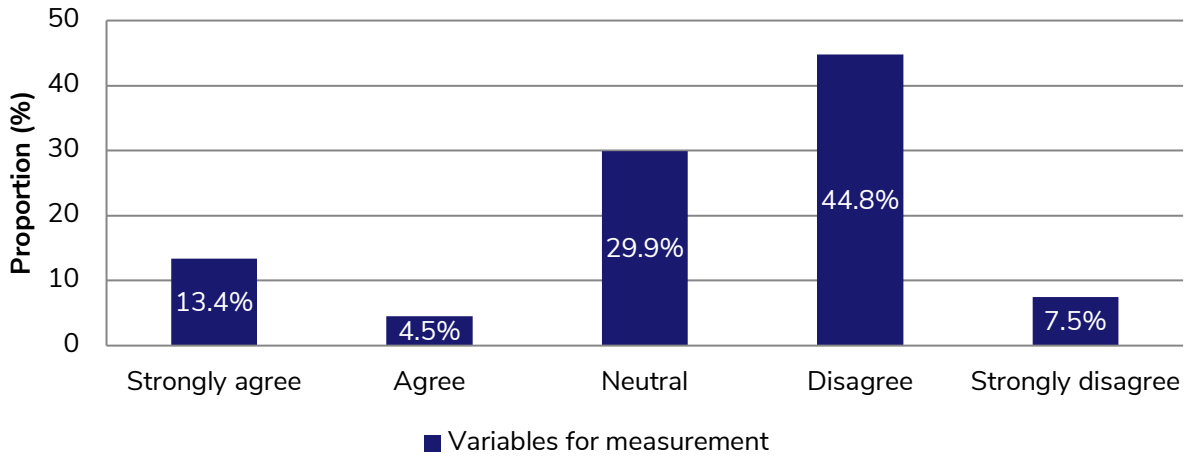


Figure 4.3.29: Citizens' perspectives on accurate and timely information and transparency on the use of revenue by Techiman North District Assembly [2014-2017 medium term period]

Source: Field data; July, 2019

Gathering the views of the respondents whether or not there has been agitations against premiered due to unsatisfactory performance, 98.5 percent indicated no agitations. Only 1.5 percent revealed there have been agitations. Although citizens have generally never

agitated since 2014, over 50 percent indicated they are not satisfied with the Assembly's performance. The details of the results are indicated 4.3.30.

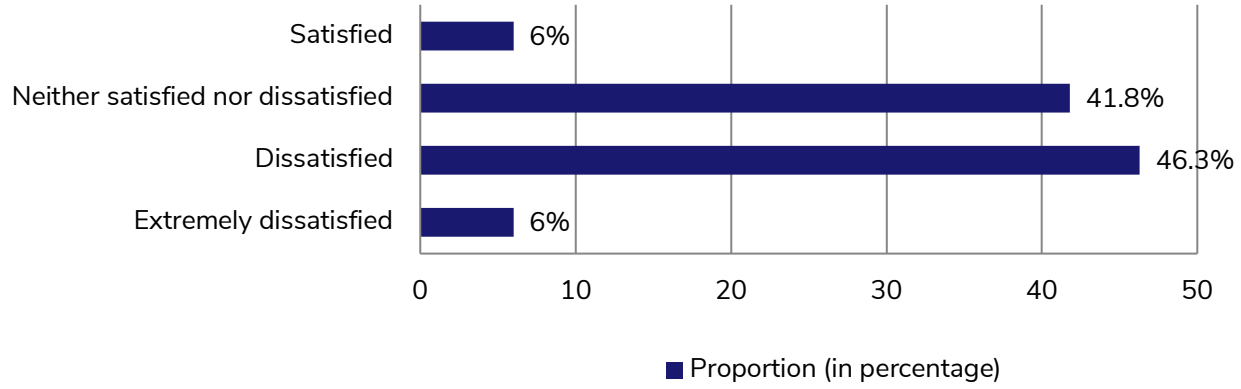


Figure 4.3.30: Level of satisfaction of citizens on Assembly's performance since 2014
Source: Field data; July, 2019

4.4 IGF Expenditure Performance, Citizens' Inclusivity, and Transparency and Accountability Mechanisms: A Ranking System for The MMDAS

The core of public finance depends on the use of individuals' financial resources by another group of individuals appointed, elected or recruited to serve (Shah and Von Hagen, 2007; Von Hagen, 1998). This is very complex, as these players expect each other to play their roles in a manner that can lead to development (Hou, 2006); thus, the payers are expected to show commitment in financial contributions whilst the doers are expected to expend the resources in appropriate manner to improve the welfare of the payers. There is therefore a strong direct positive relationship between revenue mobilisation and expenditure, as the payers will show genuine interest in payments only if the doers are making efficient use of the resources. However, the productive and effective usage of financial resources have been thwarted by a lot of irregularities, making the very essence of public financing receive mixed reactions in countries across the globe (Djordjevic-Todorovic and Djordjevic, 2009), particularly in the third world economies like Ghana. Public expenditure management (PEM) was therefore spearheaded by the World Bank as

a basic means of government policy distributing and utilising resources productively, effectively and sensitively (Richard and Tommasi, 2001).

According to Djordjevic-Todorovic and Djordjevic (2009), the implementation of PEM remains very important as it ensures financial discipline, productive resource allocation and functional application as well as overall expenditure performance in line with development priorities. At the centre of PEM emanates key ingredients/elements to expenditure performance, and they are: [1] commitment control systems; [2] lessons learnt and their implementation in current expenditure management; [3] internal control mechanisms that ensure compliance to public procurement processes/procedures; [4] mobilisation and expenditure planning; and [5] expenditure monitoring system.

These elements have been used as part of the **assessment and ranking of the MMDAs** for this study. The International Monetary Fund (IMF) (2016) specifically highlights the need for expenditure commitment control systems, as this serves as a '*sine qua non*' of good public financial management. Failure to reckon on the above elements in PEM can lead to economic instability, fiscal indiscipline and questionable public financial management that can undermine trust in the stewardship of the government [including local public institutions such as MMDAs] in using public resources for development (IMF, 2016). In line with fiscal transparency, IMF (1999) has espoused on public availability of information, open budget preparation, executing and reporting as well as independent assurances of integrity as necessary requirements. This will ensure public understanding of the budgeting processes, as they are given the opportunity to play key role in the planning processes. Aligning the MMDAs to these requirements, the study measured the extent of citizens' understanding on the budget preparation processes as well as the extent to which they admit that there is access to information and transparency in expenditure.

These are also bedrocks that have been used in the **assessment and ranking processes of the MMDAs**. Also, the essence of decentralisation in Ghana has been engineered through development inclusivity at least from the perspective of Article 34 Section (d) of the 1992 constitution. In line with the legal provision, the MMDAs are expected to allow the citizens to participate in the selection, design, approval and implementation of development projects. To this end, the study measured the extent of citizens' participation and used the outcome as part of the **assessment and ranking of the MMDAs.** In addition,

the MMDAs are expected to perform to the maximum satisfaction of the constituents, as they are seen to be in the better position to provide public goods and services that are in tandem with the needs and aspiration of the people (Williams, 2017; Alam and Nickson, 2006). The level of satisfaction of the citizens was also considered **in the ranking of the MMDAs** in terms of overall performance in expenditure management and general development. Kindly refer to Table 4.4.1 and Table 4.4.2 for better appreciation of the assessment and ranking system.

Table 4.4.1: Performance-based ranking of MMDAs in expenditure management, relay of expenditure information and citizens' engagement

MMDAS	Variables for assessment—data from the local government officials						Variables for assessment---data from citizen respondents				Total score and rank	
	Yes=10 No=0	Yes=10 No=0	Yes=10 No=0	Yes=0 No=10	Yes=10 No=0	Yes=10 No=0	Yes [1-10][12]	Yes[13] (for all phases of projects) [1-10]	Extremely satisfied & Satisfied [14] [1-10]	Strongly agree & Agree[15] [1-10]	Score	Rank
	Existence of expenditure management & commitment control system Highest score=10	Lessons learnt from previous expenditure management experiences Highest score=10	Existence of internal measures to ensure compliance to PP system Highest score=10	Citation in 2017 AGR for financial mis-management Highest score=10	Existence of IGF Expenditure Plan Highest score=10	Existence of expenditure monitoring and its positive outcomes on spending Highest score=10 Mid-level score=5	Citizens' understanding on Assembly's budget preparation processes Highest score=10	The extent of citizens' participation in development projects Highest score=10	The extent of satisfaction of Assembly's performance	The extent to which citizens agree there is access to information and transparency in spending	Total score 100	Rank 1st to 15th

[12]The score for 'Yes' is obtained is used in this ranking system using the scoring the proportion with: **91-100%=10; 81-90%=9; 71-80%=8; 61-70%=7; 51-60%=6; 41-50%=5; 31-40%=4; 21-30%=3; 11-20%=2; 1-10%=1**

[13] The score for 'Yes' is obtained by adding the proportion of citizens who indicated they participated in project selection, design, implementation and two or more of the phases. The final proportion is scored with: **91-100%=10; 81-90%=9; 71-80%=8; 61-70%=7; 51-60%=6; 41-50%=5; 31-40%=4; 21-30%=3; 11-20%=2; 1-10%=1**

[14] The score for satisfaction is obtained by adding the proportion of citizens who indicated they are extremely satisfied and satisfied. The final proportion is scored with: **91-100%=10; 81-90%=9; 71-80%=8; 61-70%=7; 51-60%=6; 41-50%=5; 31-40%=4; 21-30%=3; 11-20%=2; 1-10%=1**

[15] The score for level of agreement is obtained by adding the proportion of citizens who strongly agreed and agreed. The proportion is scored with: **91-100%=10; 81-90%=9; 71-80%=8; 61-70%=7; 51-60%=6; 41-50%=5; 31-40%=4; 21-30%=3; 11-20%=2; 1-10%=1**

									Highest score=10	Highest score=10		
Bawku Municipal	10	10	10	No=10	None=0	5	8.2 percent= 1/10	7.7 percent= 1/10	9.4 percent = 1/10	7.0 percent= 1/10	49	6th
Bodi District	10	0	10	N0=10	None=0	10	4.5 percent= 1/10	31.4 percent= 4/10	14.9 percent = 2/10	7.5 percent= 1/10	48	7th
Central Gonja District	10	0	10	Yes=0	None=0	5	6.0 percent= 1/10	7.5 percent= 1/10	22.4 percent = 3/10	19.4 percent= 2/10	32	14th
Kintampo North Municipal	10	10	10	Yes=0	None=0	5	14.1 percent= 2/10	27.6 percent= 3/10	30.6 percent = 4/10	34.7 percent= 4/10	48	7th
Krachi West District	10	0	10	Yes=0	None=0	10	13.4 percent= 2/10	7.5 percent= 1/10	1.5 percent = 1/10	7.5 percent= 1/10	35	13th
Kumasi Metro	10	10	10	Yes=0	None=0	5	4.5 percent= 1/10	5.1 percent= 1/10	3.7 percent = 1/10	10.8 percent= 1/10	39	12th
Kumbungu District	10	10	10	Yes=0	None=0	10	23.9 percent= 3/10	25.4 percent= 3/10	40.3 percent = 5/10	4.5 percent= 1/10	52	3rd
Nkwanta South Municipal	10	0	10	Yes =0	None=0	0	2.9 percent= 1/10	8.2 percent= 1/10	14.7 percent 2/10	7.7 percent= 1/10	25	15th
Offinso North District	10	10	10	No=10	None=0	10	7.5 percent= 1/10	43.3 percent= 5/10	47.8 percent = 5/10	26.9 percent= 3/10	64	1st

Prestea Huni Valley Municipal	10	10	10	Yes=0	None=0	5	8.2 percent= 1/10	25.3 percent= 3/10	16.5 percent = 2/10	18.2 percent= 2/10	43	9th
Sawla-Tuna-Kalba District	10	10	10	Yes=0	None=0	5	3.0 percent= 1/10	1.5 percent= 1/10	3.0 percent = 1/10	14.9 percent= 2/10	40	11th
Sekondi Takoradi Metro	10	10	10	Yes=0	None=0	5	4.8 percent= 1/10	14.4 percent= 2/10	28.6 percent = 3/10	12.6 percent= 2/10	43	9th
Sene East District	10	0	10	No=10	None=0	10	3.0 percent= 1/10	82.1 percent= 8/10	9.0 percent = 1/10	1.8 percent= 1/10	51	4th
Tamale Metro	10	10	10	No=10	None=0	5	2.7 percent= 1/10	8.0 percent= 1/10	11.9 percent 2/10	12.6 percent= 2/10	51	4th
Techiman North District	10	10	10	No=10	None=0	10	6.0 percent= 1/10	4.5 percent= 1/10	6.0 percent = 1/10	17.9 percent= 2/10	55	2nd

Table 4.4.2: Specific interventions put in place by MMDAs in relation to assessment variables

MMDAS	Assessment variables				
	Existence of expenditure management & commitment control system	Lessons learnt from previous expenditure management experiences	Existence of internal measures to ensure compliance to Procurement Process (PP) system	Existence of IGF Expenditure Plan	Existence of expenditure monitoring and its positive outcomes
Bawku Municipal	The existence of audit unit to review and control spending; the use of Programme-based budgeting; monthly administrative sub-committee meetings to assess spending; the use of GIFMIS System	The Assembly realised it has to strengthen the engagement of citizens in expenditure planning and management	Strict adherence to Public Financial Management process and Public Procurement; Group work and consultations in expenditure; Dissemination and publication of Assembly's Procurement Plan	The Assembly has Revenue Improvements Action Plan (RIAP), however, it lacks expenditure plan for the use of IGF	Internal auditing; budget committee meetings; mid and end of year review of plans and budgets. There are still inefficiencies in spending.
Bodi District	The use of GIFMIS System, the existence of audit unit to review and control spending; the Programme-based budgeting is utilized		-	-	The district has no issue with spending anomalies at least from the perspective of the current Auditor General's Report
Central Gonja District	The use of GIFMIS System; Spending checked and approved through the Coordinating Director, Chief Executive,	No lesson learnt	Presence of strong monitoring team; Creation of Procurement Unit and making it functional;	The Assembly has Revenue Improvements Action Plan, where the responsible committee meets and discuss how	Through the use of GIFMIS, but anomalies in spending still exist.

	Finance Officer and Internal Auditor		Submission of project monitoring reports before payment	to increase IGF. However, there is no special plan concerning how IGF will be used.	
Kintampo North Municipal	The existence of audit unit to review and control spending; the use of Programme-based budgeting; Monthly administrative sub-committee meetings to assess expenditure; the use of GIFMIS System	IGF is used for recurrent expenditure, but it has proven insufficient, forcing the Assembly to tap into unallocated funds for such purposes. The Assembly has planned to allocate other revenue sources for recurrent expenditure.	Adhering to public procurement processes in awarding contract—advertisements; sale of tender documents to prospective bidders; alternative quotations; tender opening; evaluation of tenders; evaluation of the procurement process with the assistance of internal auditor.	The Assembly has a Revenue Generation Strategic Plan specifying clearly the objectives, activities, expected outcomes, implementation strategies, timelines and role casting. Despite this provision, there is no strategic plan on how the local revenues will be expended.	The use of composite budget helps in expenditure monitoring and the Municipal budget is also loaded on to GIFMIS for processing warrant for expenditure; notwithstanding there are still spending anomalies.
Krachi West District	The existence of audit unit to review and control spending; the Programme-based budgeting; Monthly administrative sub-committee meetings to assess finances; the use of GIFMIS System	-	-	-	The district has no issue with spending anomalies at least from the perspective of the current Auditor General's Report
Kumasi Metro	The composite budget introduces the warrant system for expenditure	Recurrent expenditure was very high, and thus,	Entity Tender Committee formed and functioning to check all	There is no IGF expenditure plan, however, RIAPs exist to	Through the use of POS/digitization, budgetary controls, GIFMIS

	initiation; GIFIMS; internal audit (pre-auditing), external checks by user agencies; analysis of monthly financial reports to management; the presence of the Internal Audit Unit and relevant committees	consumed all IGF. The Assembly will cut down its recurrent expenditure to enable IGF to be used for physical projects for the constituents.	procurement processes of projects; Frequent procurement audits by the Internal Audit Unit. Tender evaluations, approval and implementation of procurement plan	help improve IGF mobilisation for the current planning period (2018-2021)	system allowing for the use of warrant; pre and post audits, internal and external checks. There are however, irregularities in expenditure of the Assembly.
Kumbungu District	Programme-based budgeting system is used; Internal Auditing; the use of the GIFMIS system with three levels of spending approvals	IGF is spent only on recurrent expenditure. The Assembly will have to re-align its IGF usage to allow IGF to be used for some physical projects	Presence of Tender Committee and Audit Committee to ensure compliance to PP; Procurement plan and its approval by the General Assembly; Appointment of procurement officer	RIAPs have been developed, however expenditure plan is exempted	Regular review of plans and budget; GIFMIS system in place. The district has no issue with spending anomalies
Nkwanta South Municipal	The existence of Audit Unit to review and control spending; the use of the Programme-based budgeting; Administrative sub-committee meetings to review and check spending; the use of GIFMIS System	-	-	-	There are issues of misappropriation of revenues by the Assembly

Offinso North District	Internal Auditing; Financial reports evaluation; GIFMIS	There were instances of excess expenditure, but aligning the Assembly to GIFMIS has prevented such development. Also, due to the pat experiences of the failure of the Assembly to collect its budgeted revenue, a special account has been created to save 20 percent of IGF.	Expert's advice from the Procurement Officer for projects implementation; Checks and balances to strictly comply with the guidelines; Strict adherence to Procurement laws; Regular auditing to ensure that the Assembly complies with the processes	The Assembly makes efforts to improve IGF through the implementation of RIAPs. Activities have generally centered on sensitization, monitoring of revenue staff, deployment of taskforce and the use of technological applications for revenue collection. Notwithstanding such efforts, the Assembly has no definite plan on how such revenues should be expended.	Preparation of monthly financial statement of account monthly; the use of GIFMIS to track project cost. There were no irregularities in spending.
Prestea Huni Valley Municipal	GIFMIS projects certifications, pre and post-auditing, memo for expenditure; adherence to financial regulations and procurement laws; internal auditing	The late release of funds from central government affects the implementation of development plans. Now, the Assembly is strengthening its IGF mobilisation mechanisms	Existence of tender committee; quarterly meeting with the Tender committee; rigid adherence to the Public Procurement Authority's (PPA) rules and regulations; Publication of procurement plan at PPA website; Advertising of projects in national daily	There are RIAPs which set up mobilisation efforts including valuation of properties, introduction of rate-payer stickers, and introduction of tracking and billing software. Despite the aforementioned efforts to strengthen IGF mobilisation, strategic plan on how the IGF will	Budget reviews; Use of GIFMIS; Issuance of warrant

				be used for remains unknown.	
Sawla-Tuna-Kalba District	Internal auditing, programme based budgeting, budget monitoring	The District has poor IGF generation. The Assembly has rolled up strategies to increase IGF	Procurement Unit created to take charge of procurement issues.	There exist RIAPs, but no IGF Expenditure Plan	The use of composite budget and Warrant systems for expenditure monitoring, notwithstanding there are still issues of financial mismanagement
Sekondi Takoradi Metro	The existence of Audit Unit to review and control spending; acts in compliance to local government act of 2016 (Act 936), the Public Financial Management Act of 2016 (Act 921); the use ofthe Programme-based budgeting; Monthly administrative sub-committee meetings; the use of GIFMIS System	The experiences of financial irregularities are worrisome, and so, within the current planning period, budget reviews have been intensified	The Assembly has procurement officer in charge of procurement as well as Tender Committee to review the procurement processes.	There exist RIAPs, but no IGF Expenditure Plan	Budget reviews; GIFMIS system for processing warrant for expenditure. There are issues of expenditure mismanagement
Sene East District	Budget controls, auditing and financial management controls	No lesson learnt	All projects that need to go through the procurement process are done accordingly, and no expenditure is released if procurement	There exist RIAPs, but no IGF Expenditure Plan.	By effectively using the GIFMIS; going strictly according to the composite budget as financial irregularities were not identified.

			processes are not adhered to		
Tamale Metro	GIFMIS, Pre and post-auditing of expenditure, Audit committee in place	Spending is more made strictly in line with plans. The Assembly is cutting down the rate of spending. For instance, in November, there will be no spending.	All projects procurement process are reviewed by Internal Audit Unit; the Audit committee ensures strict compliance to procurement process; Entity Tender committee meetings are organized at least once in a quarter	There are RIAPs which spell out strategies for IGF improvement. IGF expenditure Plan is unavailable	By the use of trial balance and variance analysis; GIFMIS system. Issues of spending deficiencies were identified.
Techiman North District	GIFMIS, Internal auditing	Tax education has been low, and so, the Assembly is intensifying such education within the current dispensation	Tender committee check procurement process; Internal Audit also supports in the monitoring and review of the procurement process	There exist RIAPs, but no IGF Expenditure Plan.	The use of GIFMIS ensures expenditure monitoring. This seems to yield positive outcome as there irregularities were identified.

4.4.1 General observations highlighting spending anomalies

Data analysis from the Annual Progress Report of the various MMDAs indicates that there are inconsistencies with the Medium-Term Development Plans (MTDPs) and Annual Progress Reports. It was observed that, some projects have been listed in MTDPs of Assemblies to be financed by IGF but have not been implemented throughout the plan period whereas projects that have not been mentioned in the MTDPs have been implemented and reported in the APRs using IGF. For instance, in Central Gonja, the construction of theater at the health center in Buipe indicated in the APR of 2015 and 2016 was not in the MTDPs (2014-2017). In other cases, project budgets were over spent in the plan period. Example, in the Offinso North district, it was indicated that the Assembly will be conducting socio-economic surveys in 2014 with a budget of Ghc 16,000 but was reported across all APRs within the plan period (2014-2017) with total expenditure of Ghc 25,000 in each year. Again, Assemblies report IGF revenues, they hardly report specific projects that they spent the IGF on in their APRs although the APRs always list some projects and their funding sources, and they are silent on IGF. The Pretea Huni Valley district although did indicate in their annual progress reports that projects were financed by IGF and other funding sources, did not specify projects that were funded by the IGF but specify for that of the other funding sources in the APRs of the Assemblies.

4.5 IGF spending mechanisms, citizens' participation and strategies to enhance social accountability at the local level: experts' viewpoints

IGF spending in Ghana at the local level is of interest to various experts. The engagement with the experts centred on four key areas that have a direct bearing on the objectives of the study. The four key areas that formed the centre of discussions are:

i. The expenditure performance of the Metropolitan, Municipal and District Assemblies (MMDAs) in Ghana with a focus on Internally Generated Funds (IGF) and its synergy with transparency and accountability;

ii. The reasons for spending efficiencies/inefficiencies of MMDAs in the direction of IGF;

iii. Citizens' participation in programme design, project implementation and expenditure monitoring of IGF; and

v. Strategies that can be put in place to improve demand side accountability and ultimately ensure spending efficiency of IGF.

4.5.1 IGF expenditure performance of MMDAs and synergy with transparency and accountability at the local level

Experts engaged agreed that MMDAs should align their expenditure to the amount of revenue generated. This is because, the expenditure framework at the local level is guided by the preparation of budgets by MMDAs, which estimates the amount of IGF expected to be realistically raised and the spending patterns of the estimated IGF to advance local level development. These are the revenue budget and the expenditure budget which are integrated in a composite manner. The laws of Ghana recognise the MMDAs as budgeting authorities. Part five of the Local Government Act (Act 462) entitled "*Financial Matters of District Assemblies*" talks extensively about the District Budget. Section 122(a) defines local government's budget as *"the aggregate of revenue and expenditure of the Office of the District Assembly, the Departments of the District Assembly; and the budget for the annual development plans and programmes of the Departments of the District Assembly".* Section 123 (2) also states that "*each district assembly shall before the end of each financial year, submit to the regional coordinating councils, the detailed budget for the respective district that states the estimated revenue and expenditure of the Assembly for the ensuing year*".

In specific reference to expenditure, 170 (1) of the Act states: "a District Assembly may incur any expenditure necessary for or incidental to the carrying out of a function conferred on the District Assembly under this Act, or by the Instrument which established that District Assembly, but the **expenditure shall be included in the approved budget** for the District Assembly for the relevant year". Despite the legal basis for expenditure management, findings from Williams (2017) and Auditor-General's Report (2016) have confirmed that local government spending is characterised by discrepancies which lead

to either underspending (in rare cases) or overspending (in most cases). Over the years, locally mobilised revenue (IGF) has constituted 20-30 percent of the resources of the most MMDAs, with these MMDAs spending about 70 percent more than the revenue they mobilise[16]. The factors that account for spending differentials include budget estimates (which in some cases can be inaccurate), financial indiscipline and expectations that central government's funding will be made available for MMDAs.

In ensuring transparency and accountability, the Local Governance Act, 2016 (Act 936) makes provision for community participation. Under the heading, "*participation in District Assembly processes*", it states: "*A District Assembly shall enable the residents and other stakeholders in the district to participate effectively in the activities of the District Assembly and the sub-district structures of the District Assembly*". Particularly, in relation to local government's finance, 42 (c) entreats MMDAs to facilitate the establishment of a structure for stakeholder participation in budget preparation and validation fora. Also, the 1992 constitution states that: "*The Auditor-General shall audit the accounts of the District Assemblies annually and shall submit his reports on the audit to Parliament*". Through this provision, the Auditor General has somewhat helped the citizenry in understanding how local government's resources are utilised. However, the audit reports are '*post-mortem*', calling for the need to strengthen the internal audit processes and the audit committee of the MMDAs.

The Ministry of Finance and Economic Planning (MoFEP) publishes the composite budgets of all MMDAs on its websites for the public. While the information is widely available, the issues are around the interest of the citizens in the information, their capacity to understand the budgets, their ability to analyse the data for decision making, and to use the outcome to demand accountability from local government officials, is left unattended to. There has been some budget reforms over the years requiring the change of MMDAs' budget from activity-based budget to programme-based budget, annual regional composite budget hearings for citizens and the development of Public Financial Management Template which translates the budget and the use of resources into simple

[16] Interview with Dr. Esther Ofei-Aboagye on the 12th of April, 2019 at 10:00am-11:40am. See meeting report

graphs and pictures. Usually, town hall meetings are organised for citizens, but attendance has been very low. Through donor funding and support[17], the supply-side of accountability has somehow been strengthened. The Ministry of Local Government and Rural Development is working on the regulations of the Local Government Act, 2016 (Act 936) in order to operationalise the participation of citizens in budgeting and budget implementation[18]. The Assembly members are regarded as the local parliamentarians (debaters), the political overseers of local government officials and the 'anchors' of citizens to demand accountability, however, very limited resources have been channeled to empower and motivate them. Also, the sub-district structures including the Zonal/Town/Urban councils and the Unit Committees have challenges such as interference by traditional authorities and some formal sub-district members, limited resources and non-remuneration; rendering them ineffective to lead and support local development[19].

Moving forward, it will be necessary for demand side accountability to be enhanced through central government support, at least from the perspective of the experts engaged in this study. There should also be policy directives to strengthen the sub-structures to serve as strong development partners and support demand-side accountability processes[15]. This can help empower citizens to track IGF expenditure and hold their officials accountable so as to enhance management practices. The MLGRD must be swift in finalising the regulatory framework that will operationalise citizens' engagement at all levels of planning and budgeting including the use of IGF for service delivery [14].

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[17] With support from donors such as the World Bank, the Ministry of Local Government and Rural Development has implemented the Local Government Capacity Support Project to improve the outcomes of decentralisation in Ghana.

[18] Interview with Dr. Eric Oduro-Osae on the 17th of April, 2019 at 12:30pm- 1:50pm. Refer to meeting report for details

[19] IDEG's round-table discussions on "strengthening the sub-district structures in a reformed decentralised local governance system in Ghana" held on 19/06/19 at 10:00am -2:00pm. See report for details.

4.5.2 The reasons for spending efficiencies/inefficiencies of MMDAs in the direction of IGF

Experts commonly identified efficient spending as the type of spending that demonstrates Value for Money (VfM). Such spending, as the experts further indicated, should be balanced in a manner that the amount of revenue raised is actually spent as planned. Hence, such spending stays within budget. Similarly, such spending is usually transparent and accountable such that the local members' perspectives feature prominently in the spending direction, and they can also demand accountability from authorities. Impliedly, there must be a record of expenditure and local authorities must observe due diligence in management of expenditure.

The experts engaged on the subject are collectively of the view that the significant progress has been made in this regard. Indeed, the budgeting guidelines prepared by MoFEP to guide the budgeting at the local level recommends MMDAs to spend at least 20 percent of their IGF on capital projects, which are selected based on sound participatory planning, budgeting and development[20]. This is monitored through the District Development Fund (DDF) indicator. In line with leveraging on technology to drive efficient spending, the government, through the MoFEP and key stakeholders such as Ministry of Local Government and Rural Development (MLGRD) and Local Government Service (LGS), has set out the Public Financial Management (PFM) strategy which recognises that achieving overall improvement in financial management requires a combination of the right policy changes, political commitment to reforms, design and implementation of appropriate systems and tools to enable better outcomes of public spending. Under the strategy, the Ghana Integrated Financial Management System (GIFMIS) has been introduced, relying on internet technology to automate spending in a manner that overspending is impossible for MMDAs. However, not all MMDAs have been enrolled on to the GIFMIS. The MMDAs are also required to prepare the Revenue

[20] Interview with Mr. Joseph Antwi on the 15th of April, 2019 at 2:00pm-3:00pm. See meeting report for details

Improvement Action Plans (RIAPS) which spell out the strategies to be used to improve IGF[21].

MLGRD through funding support from the World Bank implemented the Local Government Capacity Support Project (LGCSP) in 2012, of which the Social Public Finance Expenditure and Financial Accountability (SPEFA) has featured prominently. SPEFA provides a platform for exchange of information between citizens and local government officials, and helps them to hold the officials accountable in the delivery of their responsibilities. The intervention was however, implemented in only 46 MMDAs as a pilot project. In the light of current progress made, it will be necessary for this project to receive attention of government and scaled up to include other MMDAs. The GIFMIS and LGCSP also need to be expanded to MMDAs, which are currently not covered by the programmes. Reliability of internet infrastructure has undermined the full gains anticipated under most of these technology-based solutions to drive efficiency of spending. At the heart of the efficiency of the electronic systems is the proliferation of local government authorities by government. This could make the aforementioned initiatives expensive.

In addition, some MMDAs consistently have high levels of expenditure on unplanned projects. This could possibly be caused by the level of efficacy of the planning system in Ghana, the surge in emergency projects, the unilateral decision of the Chief Executive and/or management staff and political interference. The National Development Planning Commission (NDPC), established by the National Development Planning Commission Act, 1994 (Act 479) and the National Development Planning (System) Act, 1994 (Act 480), is responsible for the preparation of the guidelines for plan preparation by local government officials. According to most MMDAs, the guidelines are extremely demanding, making some MMDAs engage the services of consultants[12]. This often results in lack of ownership of plans as district plans could be developed without necessarily engaging all Assembly members.

[21] Interview with Prof. Ahwoi, K on the 4th of April at 10:00am-11:00pm. See meeting report for details.

Experts commonly suggested the need for sound databases which can be updated regularly and can serve as the basis for accurate planning and budgeting. Other proposals include the alignment of IGF spending to local empowerment to help advance the living conditions of the local people, spending direction shaped by lessons learnt from previous experiences of plan implementation, strengthening of the sub-district structures and financial and administration committees as well as the local government technocrats such as the spatial, socio-economic and physical planners to be much more familiar with the development planning process.

4.5.3 Citizens' participation in programme design, project implementation and expenditure monitoring of IGF

Citizens' participation in the development process has received endorsement in Ghana as a path to sustainable development. This has been the central reason for decentralisation, where local government structures were created to directly engage and respond to the needs of people for inclusive growth and development (Alam and Koranteng, 2011; Ahwoi, 2010). The 1992 constitution states that Ghana will, as far as possible, have a decentralised system of governance such that citizens will have the opportunity to influence decisions that affect them. Chapter 20 of the Constitution focuses on decentralisation and local government. Section 240 (1)e states that "to *ensure accountability of local government authorities, people in particular local government areas shall, as far as practicable, be afforded the opportunity to participate effectively in their governance*".

The current system of participation at the local level in Ghana takes two main approaches—the direct and indirect participation. The direct approach allows citizens to make a choice for an Assembly member through electoral voting system, who then represents them at the district level. Once the Assembly members are elected, they attend district level meetings on behalf of the people. This is the indirect approach, alternatively called '*representative democracy*', and decisions of the assembly members become binding, and considered as the choice of the people they represent, barring all else [16]. There is also the National Development Planning System Act -1994 (Act 480) which prescribes a bottom-up system of planning that makes provision for the use of public hearings. In Section 3 entitled "Public Hearing of District, Sub-district and Local

Action Development Plans", the act explicitly states: "(1) *A district planning authority shall conduct a public hearing on any proposed district development plan and shall consider the views expressed at the hearing before the adoption of the proposed district development plan*. (2) *A local community in a district authorized by the District Planning Authority to prepare a sub-district or local plan under section 5 of this Act shall conduct a public hearing before the adoption of the proposed sub-district or local plan*. To this end, local communities are expected to contribute their perspectives in project design, selection, implementation and monitoring, and the views of local members are legally required to be considered by local government officials. This implies that consultation and engagement to facilitate participation are supposed to occur to ensure that plans are in line with the needs of the local communities. In fact, there has been the passage of the 2010-2014 Decentralisation Policy Framework, the 2015-2019 Decentralisation Action Plan and the Local Governance Act -2016 (Act 936) which detail how participation can be fostered and make sound prescriptions and recommendations for advancing participation in the country. There is also the National Development Planning (System) Regulation —2016 (LI 2232) prescribing participation in the district level planning and budgeting [12].

Despite the legal provisions and efforts, the system has not functioned as expected on both demand and supply sides. At the demand side, there are instances that citizens participate and make contributions, but they do not see their contributions manifesting in the final products of the Assemblies either in the Plans or the Budget. However, participation and accountability [is] everyone's responsibility. Thus, the state must facilitate and offer the opportunity for people to participate. Advancing citizens' capacity is a requisite in order for them to understand and demand feedback from their officials and as well, see the local government as machinery put in place to work for them. With this, citizens can demand for the details of local expenditure from their local officials. Moving forward, certain group of champions and advocates including the Members of Parliament (MPs), Traditional Authorities (TAs), faith leaders, active Civil Society Organisations (CSOs) and distinguished citizens of localities would be needed to persuade citizens that local government is about them and for them [12]. Taking the supply side into account, the government has recently enacted the Right to Information Act, 2019, which mandates state institutions [including local government officials) to release information to the general public upon demand. Citizens are therefore required to ask for

any relevant information from their officials, and to use such information to demand for accountability [when necessary]. At the local level, amendments in local participation are however, needed such that local participation in plan initiation, preparation, implementation, monitoring and evaluation is made mandatory for local government and conditional for the release of funds for development at the local level. The local participation guidelines should be moved to law to compel local officials to engage their people [14].

4.5.4 Strategies that can be put in place to improve demand side accountability and ultimately ensure spending efficiency of IGF

In Ghana, the system of local accountability requires that MMDAs report quarterly to the citizens through the Assemblies. In that regard, the Local Governance Act, 2016 (Act 936) makes provisions for a Finance and Audit Committee (usually composed of the Assembly members) that reviews the trial balances of the respective districts and then reports to the General Assembly. This implies that the Assembly members have information about the expenditure on projects and programmes, and thus, are expected to inform their people about it. The MMDAs are also required to put their expenditure on the District Assembly's notice board and their websites for local communities to have easy access to them so that they can demand accountability. The Auditor General is also mandated to audit the accounts of the MMDAs and make the information available for public access. The auditing is useful as it points out the irregularities and the means to deal with them moving forward.

The current system on expenditure and accountability nexus also allows for MoFEP to publish the budgets of the MMDAs on its website so that citizens can easily access the information and have better appreciation of the management of their respective MMDA. Again, the DCEs are expected to present statements on the operations of the Assembly to members for them to ask critical questions about expenditure performance. It is expected that the meetings will provide an opportunity to discuss the expenditure of the assembly and crucially expenditure financed from IGF, to ensure this delivers ultimate value for the assembly.

In addition to this, MoFEP has for the past few years, created the Regional Composite Budget Hearing for citizens. The hearings are organised at the local communities where every citizen is expected to participate, and demand accountability of the management of expenditure. MMDAs are further encouraged through MoFEP and other key stakeholders such as the MLGRD, the Local Government Service and others to organise town hall meetings where they share the Public Financial Management Template with citizens. This template translates the budget of the MMDAs into simple graphs and pictures for citizens to understand in order to enhance their participation in the development process. All these are expected to enhance accountability mechanisms in spending.

Generally, the experts held the view that the demand side of accountability has been very weak, and this has in part, contributed to the large number of uncompleted projects that characterise many MMDAs. The extensive use of technology at the local level, strengthening the internal audit processes and the audit committees of MMDAs, and effective implementation of participatory budgeting and planning are needed to improve demand side accountability with positive rippling effects on the efficiency in IGF spending.

The divergent perspectives of the experts reveal that the central government, the local government and the citizens have explicit roles to play in order to advance efficiency of expenditure at the local level. All actors should be concerned about the development of the country, and should play their parts so as to enhance efficient use of locally mobilised resources to trigger local level development in the country.

5.0 WAY FORWARD FOR STRENGTHENING LOCAL GOVERNMENT EXPENDITURE MANAGEMENT

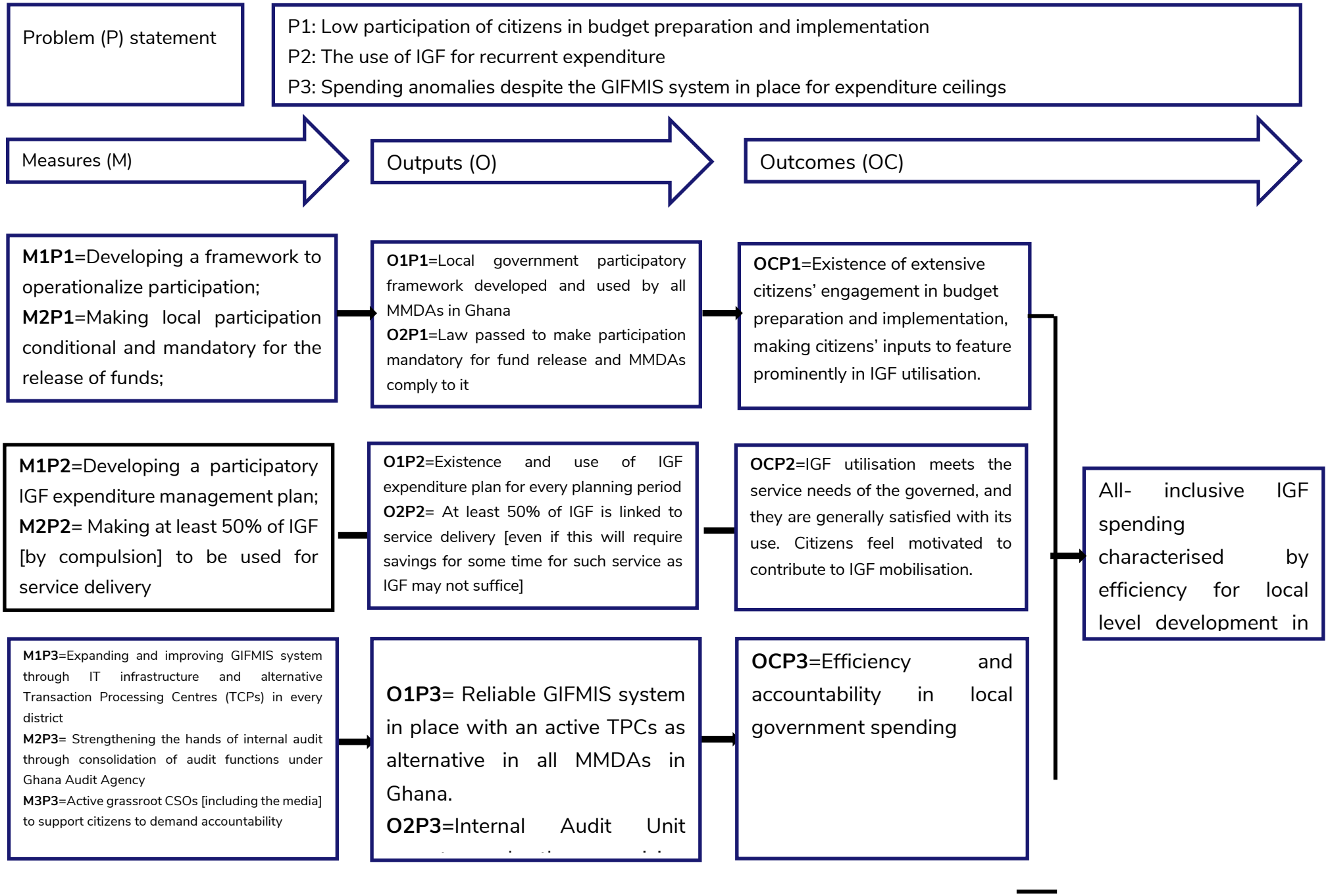
5.1 Introduction

This section is dedicated to various proposals/strategies/measures that can help improve the effectiveness and efficiency of spending at the local level. These measures are very relevant as they will help reform and strengthen the management of internal revenues in a manner commensurate to the needs and aspirations of governed. In order to ensure the implementation of impactful measures to reverse IGF spending anomalies, the theory of change (ToC) has been embraced. The ToC will be used as the model to drive advocacy for change in the selected MMDAs. At the end, the MMDAs are expected to serve as 'role models' to other MMDAs, especially those in the same regional development belts. The subsequent sections talk about the ToC and how it has been used as a tool to strengthen the management of local spending, particularly, IGF.

5.2 Theory of Change and IGF Expenditure Management nexus

Theory of change (ToC) has commonly been used to articulate how and why intervention(s) could lead to an expected change through strategic planning, description, monitoring and evaluation, feedback and learning. For instance, in expenditure management research, ToC could be embraced by proposing measures (set of activities) which lead to outputs contributing to outcomes that ultimately create change in how deficiencies could be tackled. According to Vogel (2012) and Weiss (1995), ToC emerged in 1990 in the United States (US) within the realm of advancing evaluation theory and practice in the context of community initiatives for inclusivity and development. As confirmed by Anderson (2004), the articulation of ToC is reflected through preconditions and realistic assumptions that characterise the step-by-step actions leading to the attainment of a long-term goal as well as the connections that exist between the actions and the outcomes expected of an intervention. There are variations in ToC, and its conceptualization depends on the discipline and other conditions

surrounding a particular situation at hand (Keystone, 2008). Thus, a context-based ToC on Finance and Management (as a discipline) could be developed and implemented to advance positive and desired change which ultimately leads to impactful results. The contextualised ToC showing the proposals to plug into the expenditure loopholes in the various MMDAs has been indicated in Figure 5.2.1.


Problem (P) statement
P1: Low participation of citizens in budget preparation and implementation
P2: The use of IGF for recurrent expenditure
P3: Spending anomalies despite the GIFMIS system in place for expenditure ceilings
Measures (M)
Outputs (O)
Outcomes (OC)
M1P1=Developing a framework to operationalize participation;
M2P1=Making local participation conditional and mandatory for the release of funds;
O1P1=Local government participatory framework developed and used by all MMDAs in Ghana
O2P1=Law passed to make participation mandatory for fund release and MMDAs comply to it
OCP1=Existence of extensive citizens' engagement in budget preparation and implementation, making citizens' inputs to feature prominently in IGF utilisation.
M1P2=Developing a participatory IGF expenditure management plan;
M2P2= Making at least 50% of IGF [by compulsion] to be used for service delivery
O1P2=Existence and use of IGF expenditure plan for every planning period
O2P2= At least 50% of IGF is linked to service delivery [even if this will require savings for some time for such service as IGF may not suffice]
OCP2=IGF utilisation meets the service needs of the governed, and they are generally satisfied with its use. Citizens feel motivated to contribute to IGF mobilisation.
All- inclusive IGF spending characterised by efficiency for local level development in
M1P3=Expanding and improving GIFMIS system through IT infrastructure and alternative Transaction Processing Centres (TCPs) in every district
M2P3= Strengthening the hands of internal audit through consolidation of audit functions under Ghana Audit Agency
M3P3=Active grassroot CSOs [including the media] to support citizens to demand accountability
O1P3= Reliable GIFMIS system in place with an active TPCs as alternative in all MMDAs in Ghana.
O2P3=Internal Audit Unit
OCP3=Efficiency and accountability in local government spending

5.3 Insight into the measures/interventions to transform IGF spending at the local level

5.3.1 Development of a framework to operationalise local participation

The current Local Government Act (Act 936) makes room for transparency and engagements of citizens. Under section 42 of the Act entitled: "*Modalities and platforms for participation*", the MMDAs are expected to facilitate the establishment of a structure for stakeholder participation that may include the use of information communication technology-based platforms, town hall meetings, budget preparation and validation fora, notice boards announcing procurement awards and other important announcements of public interest, visits to development projects sites, and other avenues for the participation of the people. However, the framework to operationalise participation in budgeting and budget implementation is still not available. The MLGRD needs to fasten its belt in coming out with a participatory framework that spells out how participation at the local level should be financed and operationalised. With this, MMDAs will be compelled to dedicate and commit resources— i.e. '*participatory fund*' to engage their constituents. Participants in the Kumasi validation workshop suggested that the share of the MPs common fund should be made mandatory for part of it to be used for civil engagements in the districts.

5.3.2 Making local participation conditional and mandatory for the release of funds

Once a participatory framework has been developed, the release of statutory funding such as DACF for subsequent planning periods should be made conditional and mandatory [through the passage of a law] only when active local participation has been operationalised by the MMDAs. This measure will ensure that MMDAs make participation integral component of spearheading growth and development.

5.3.3 IGF expenditure should be linked to service delivery

A common feature for the use of IGF is that it is centered on recurrent expenditure such as office running at the MMDAs, although the budget guidelines for MMDAs prepared by the Ministry of Finance requires at least 20 percent of IGF to be committed to capital projects.

The study recommends that the use of IGF should be linked to service delivery in a manner that MMDAs are compelled to use at least 50 percent of IGF for capital projects. The budget guidelines are merely administration instructions in which the MMDAs can simply decide to follow or not to follow. The guidelines, particularly in relation to the commitment of 50 percent to service delivery/capital projects, should be made a law. This will make MMDAs to use IGF for interventions that are directly linked with the improvement of the welfare of their people.

There is also the need to understand the mobilization efficiency to prevent under and over estimation as that will affect planning if estimation is not right. This calls for the need to look at database of Assemblies, as in some cases, the databases of Assemblies are outdated and that could not continue to be used for estimation. Communities can also negotiate for their property rates to be contributed into a pool to be used for projects such as road maintenance, building drainage, fixing streetlights etc. IGF should not be used for only projects but also to maintain security and for that matter the need for the Assemblies to take such money from citizens for shared activities across the district.

5.3.4 Expansion and Improvement of the Ghana Integrated Financial Management System (GIFMIS)

The introduction of GIFMIS [a computerised system of managing public finance] is a step in the right direction. Participants of the validation workshops suggested that there be an expansion in the GIFMIS to take look at uploading DMTDP unto the GIFMIS system for plan harmonization. Again, they also indicated that although the budgets of Assemblies are uploaded, there is window for mid-year review for that reason there is the need to look at the processes that leads to the selection of an executor of services or goods as that is where contracts are inflated. They believe that the heart of procurement is the inflation of project cost because plans contain indicative budget, so there should be standardization of cost of projects and that will solve the problem of over inflation.

The GIFMIS system, however, does not cover all MMDAs and it is also characterised by inadequate IT infrastructure and limited Transaction Processing Centres (TCPs) [used in instances of poor internet service]. Expansion and improvement of GIFMIS will undeniably reduce spending anomalies at the local level. The study recommends the extensive use of GIFMIS; and this will thus, require an upgrade of the IT infrastructure as well as making TPCs available in all MMDAs for alternative processing in instances of technical hitches in the use

of GIFMIS. Key recommendation from the validation workshops was that Assemblies should use part of their IGF to provide network for the GIFMIS to work properly. Assemblies and the telecos can also work together to determine the cost of installing reliable network for the GIFMIS or the government signing a contract for the Assemblies with the telecos for reliable network to ensure that the GIFMIS works efficiently and effectively. In this case the government deducts a percentage of a statutory fund to be transferred to the Assemblies for the telecos to provide network infrastructure.

5.3.5 Strengthening the hands of internal audit through consolidation of audit functions under the Ghana Audit Agency

The internal Audit Units of the MMDAs are weak as they seemed to be controlled by the hegemonic power of District Management Team. This has affected the independency and genuineness of the Audit Units in reviewing and controlling the expenditure of the MMDAs. The study supports the proposition that audit functions at the local level should be consolidated under the Ghana Audit Agency. This is particularly relevant as the Auditor General's reviews of the Accounts of MMDAs are post-mortem. With this measure, spending anomalies will be tracked alongside each expenditure pattern initiated at the local level. The current system gives rooms for Internal Auditors to sometimes be influenced to overlook to spending conformity at the Assemblies by Chief Executive Offices of MMDAs.

The Internal Auditor as a management member practically reporting to the District Chief Executives will be difficult for the Auditor to be independent. The argument for the consolidation of the Internal Audit as part of the Ghana Audit Agency was however, opposed by some participants during the stakeholder validation workshops across all the belts with the reason that the Internal Audit Unit as part of Assembly system as well as Assembly's management team will make the Internal Audit Units to be effective. They opined that the work of the Internal Audit Unit must be seen as a managerial function as they are expected to provide advisory services to enhance expenditure management. Thus, instead of seeing the Internal Auditors as a *policing role*, it should rather be seen as a *gate-keeping role* for the MMDAs.

5.3.6 Active grass root CSOs [including the media] to support citizens to demand for transparent and accountable expenditure management

Removing deficiencies in revenue management and use at the local level is the responsibility of all citizens. It will be necessary for local CSOs to engineer their efforts in tandem with how MMDAs manage revenues for development. The inclusion of the CSOs [with the active engagement of the media] through grass root mobilisation and advocacy for change can contribute immensely to responsible management of revenues at the local level for development. In the Northern belt validation, participants indicated that although it is the duty of MMDAs to organize town hall meetings to inform citizens on the budget preparation process, the Assembly members have the sole responsibility and as a core role to go communicate information to their constituents. Unfortunately, there is a disconnect between the Assembly members and citizens and even in some cases Assembly members careless about their constituents and put their interest first with preconditions favoring them before they approve Assembly's budget. Participants indicated that although Assembly members are supposed to meet their Unit Committees members before attending Assembly meeting, it is not done. However, participants agreed that Assembly members are resource constraints and could not have broad consultation before attending Assembly meetings because they are not resourced and do not receive salaries.

Again, during the validation workshops, participants indicated that the Assembly members provide their inputs in community development plans which are prepared based on comprehensive needs assessment. Because participation is expensive and time consuming, a representative participatory system [*alternatively known as purposive participation*] is used by the MMDAs. People engaged include the Assembly members, Unit Committee members, members of Youth Groups, members of Trader Associations, Local NGOs and other key local institutions in some cases due to resource constraints of the Assemblies. With this system, only individuals who are members of a recognized group are engaged. This could be the reason for the low participation across all the MMDAs studied. All MMDAs have participatory action plans/framework in place (see the Public Financial Management Act Template for Participation/ RCC has also developed participatory action plans to guide MMDAs).

5.4 Key summarised policy action points arising from the project and validation workshops

These major things can be done to ensure social accountability:

i. Equipping and resourcing Assembly and Unit committee members to have the capacity to mobilise, educate and take concerns of their constituents before attending Assembly meetings as well as going back to inform their constituents of what transpired in meetings.

ii. Strengthening and resourcing the sub-structures of the Assemblies in order for them to be able to help in the mobilisation of IGF.

iii. Empowering Assembly members to have the capacity to be able to demand for accountability and be able to ensure that projects that have been planned for are not replaced for unplanned projects during any planning period when Medium Term Development Plans are developed.

iv. Digitalising plans such that MMDAs are unable to revise them after preparation and submission. The GIFMIS system in budgeting is helping to control unnecessary spending, so such platform created for planning will help to prevent plan revisions due to unnecessary spending. With this, there can be mid-term reviews of plans, and this will ensure successful plan implementation.

v. Participation can be enhanced when sub-district structures are strengthened as representative participation is used.

vi. Funds for sub-structures should be specified in the DACF (say 5 percent) as this will compel MMDAs to release such funds to support the strengthening of the sub-structures. This can enhance citizens' participation.

vii. Resourcing the Assembly members, creating a cap for the number of Assembly members as well as a minimum qualification of the Assembly members to ensure the right calibre of people represent their constituents.

viii. The media should play the role of informing and investigation whereas CSOs play the role of advocating, researching, analysing, educating citizens and offer policy advice at the initiation stages of budget preparation processes and when it comes to the implementation, both the media and CSOs are to monitor.

6.0 CONCLUSION

In attempt to bring development close the citizens' doorstep in Ghana, governments since the 1980s introduced and have practiced decentralisation which has been identified as a path to greater allocative efficiency of public resources. This has led to the creation of decentralized unit at the lower levels (Metropolitan, Municipal and District Assemblies). In order to ensure grassroot development of these local government units, they are mandated by law to mobilise their own resources within their jurisdiction to support statutory funds that are made available by the central government. This has largely been driven by the general understanding that local government institutions are in a better position to provide public goods and services that are directly aligned with the real needs of citizens; they have comprehensive information about the locals and can easily engage with them on local needs when initiating development programmes and projects. However, the way the MMDAs utilize their IGF has become a concern for the lot as it is characterized by low level of participation, accountability and transparency to their people.

This research serves as the current output of assessing efficiency of local government spending, particularly going into 2020/21. It has touched on the extent of participatory and open budgeting approaches used by the MMDAs, the deficiencies therein and then proposed a theory of change (ToC) for ensuring an effective and efficient expenditure management using data collection from 15 sampled MMDAs across the country which were divided into 3 development belts, that is, Northern belt, Coastal belt and the Middle belt. In all, over 70 local government officials and local government experts participated in the project with 3000 citizens across the 15 sampled MMDAs. The project reinforced the low level of participation among citizens in local governments' planning process in the selection, designing and implementing development projects, the general low level of understanding and appreciating the budget development and spending process across all MMDAs and finally, the spending inefficiencies leading to unplanned expenditure.

In all, IGF expenditure should be linked to service delivery and if possible labeled, there should be active grass root CSOs [including the media] to support citizens to demand for transparent and accountable expenditure management, strengthening the hands of internal audit through consolidation of audit functions under the Ghana Audit Agency and to expansion

and improve on the Ghana Integrated Financial Management System (GIFMIS) to make sure that they system well utilized and not abused. To this effect, the output of this project will serve as a useful product to drive advocacy for change through media engagement and joint-engagements with the MMDAs and other key stakeholders in Ghana.

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APPENDICES

Appendix 1: Current population of the selected MMDAs

MMDAs	Population estimate for 2019
Bawku Municipality	119,590
Bodi District	68,055
Central Gonja District	107,159
Kintampo North District	117,118
Krachi West District	59,930
Kumasi Metropolis	3,206,000
Kumbungu District	42,000
Nkwanta South Municipality	145,935
Offinso North District	69,790
Prestea Huni Valley Municipality	207,237
Sawla-Tuna-Kalba District	122,460
Sekondi Takoradi Metropolis	900,000
Sene East District	74,265
Tamale Metropolis	275,547
Techiman North District	74,263
Total	5,589,349

Source: Ghana Statistical Service (web)

The total population size for the 15 MMDAs is **5,589,349.** However, an average of 37.5 percent is children (below the age of 14 years), and this in absolute term is **2,096,006**. The target population (those considered adult) is **3,493,343**. A sample size of **3,000** was considered.

2. National outlook of data gathered for the study

The sample size of the study represents approximately one percent of the population size for the study. Nearly half of the respondents (48.2 percent) have stayed in their respective districts for over 20 years. Generally, participation in project design, preparation and implementation has been minimal, as over a quarter of the respondents (48.2 percent) reported to have not been engaged by their local officials in initiating interventions for development in their respective districts. Accountability through timely, accurate and transparent information was also investigated, with more than half of the respondents (60.2 percent) reporting indifference or limited accountability by their local government officials in the use of local resources for development. Again, more than half of the respondents (60.1 percent) reported they are dissatisfied with the performance of their local government officials. The findings generally call for a massive transformation in the local governance landscape in order to narrow the accountability gap while stimulating active citizenship for grass root development. Moving forward, more efforts are indeed needed to ensure transparent, all-inclusive and efficient expenditure management, and to strengthen demand-side accountability at the local level for Ghana's development.



2019