



GOVERNMENT OF GHANA
INTER-MINISTERIAL COORDINATING COMMITTEE
ON DECENTRALIZATION

NATIONAL DECENTRALIZATION
Policy Framework
2015-2019

Theme: **Accelerating Decentralization and
Local Governance for National Development**

July 2015



FOREWORD

The participation and engagement of citizens in decision-making is the hallmark of democracy. It is a policy clearly espoused by the Fourth Republican Constitution of Ghana. Like other governments the world over, we have adopted and are committed to decentralization as the surest way to achieve the dual benefits of increased participation of citizens in governance, as well as engendering stable and resilient local communities.

Decentralization has been recognized as an effective pathway towards national development. For that reason, we have chosen to make democracy and development a reality by decentralizing the administrative, political and financial machinery of government to the District Assemblies, thereby creating opportunities for people at the grass-root level to participate in the decision making processes that shape their localities.

Therefore, the Local Government Act (Act 462 of 1993) in line with the spirit of Chapter Twenty of the 1992 Constitution, establishes District Assemblies (MMDAs) as the basic tools and enablers of local governance and decentralization, as well as the highest political, administrative, legislative, planning and budgeting authorities within localities.

Consequently, an important component of this National Policy Framework and Action Plan is the promotion of local democracy, participation and accountability through strong and viable stakeholder participation in local governance. This is undoubtedly aimed at effective local governance which is critical to any country's quest for true participatory democracy and development.

The first four-year National Decentralization Policy Framework (NDPF) was produced after extensive bi-partisan stakeholder consultations and launched in April 2010. It is argued that decentralization is a process and not an event, therefore, adequate room must be made for the achievement of key objectives. However, it is commendable to note that significant progress has been made in the implementation of the NDPF/NDAP of 2010, giving grounds for greater excitement for the future. Notable achievements include:

The establishment of the IMCC as the key institutional mechanism for policy coordination and for ensuring that the objectives of the NDPF/NDAP are attained.

After 2 decades of planning, the Composite Budget system was introduced as part of the National Budget under the Fiscal Decentralization aspirations of the 2012 Budget.

The promulgation of the Local Government (Departments of District Assemblies) (Commencement) Instrument, 2009, L.I. 1961, which came into force in February 2010, triggered the establishment of the 17 de-concentrated Departments in the districts as Departments of the Metropolitan, Municipal and District Assemblies (MMDAs); the symbolic transfer of 30,000 civil servants working in the districts and the regions from the Civil Service to the Local Government Service; and the effective operationalization of the Local Government Service(LGS).

Following the Joint Review Mission Report of 2013, decentralization Focal Persons representing the major MDAs involved in the implementation of the NDPF/NDAP I were nominated and given orientation to perform as the liaisons between the IMCC Secretariat and the implementing MDA's.

This new policy like its predecessor draws its principles from Article 240 (2) of the constitution. It provides conceptual clarity on what decentralization means in the Ghanaian context at every layer of our local government structure.

Foreword

Unlike its predecessor, the new National Decentralization Policy Framework and Action Plan focuses on 5 priority areas recognizing the need for a narrow but enhanced emphasis on Political Decentralization and Legal Reforms, Administrative Decentralization, Decentralized Development Planning, Fiscal Decentralization, and Popular Participation. It includes policy objectives and measures to be undertaken in each of these key areas.

It is my hope that key stakeholders including our development partners, will be informed and guided by the National Decentralization Policy Framework and Action Plan, so together we can advance the course of decentralization and national development in Ghana.

HIS EXCELLENCY PRESIDENT JOHN DRAMANI MAHAMA

President of The Republic of Ghana and
Chairman of The Inter-Ministerial Coordinating Committee (IMCC)
On Decentralization

ACKNOWLEDGEMENTS

The Decentralization Policy Framework (2015-2019) is a strategic document that enables continuity in Ghana's decentralization reform process for the next five years. Its purpose is to provide a clear sense of the core decentralization priorities to all stakeholders in the sector.

The policy formulation process involved several consultations with all key stakeholders in the sector. Undoubtedly the conduct of any exercise of this magnitude would not have been possible without their collaboration. Therefore, the Secretariat of the Inter-Ministerial Coordinating Committee (IMCC) on Decentralization, Office of the President, wishes to express its gratitude to all persons who participated in the formulation of the Decentralization Policy Framework II.

We are grateful to the team of experts led by Professor Kwamena Ahwoi, who steered the policy formulation process. We acknowledge the Executive Secretary to the IMCC, Dr. Callistus Mahama for providing the needed leadership, support and guidance throughout the policy formulation process.

We commend all the Decentralization Focal Persons representing the Ministries, Departments and Agencies (MDAs) and civil society organizations who participated in the implementation of the 2010 National Decentralization Policy Framework and Action Plan and who actively participated in the focus group discussions on the review of NDPF /NDAP.

We recognize the role of our development partners especially the European Union (EU) Delegation to Ghana. Their immense support during the joint review and the development of the New National Decentralization Framework (NDPF) and Action Plan has enriched Ghana's decentralization reform process.

Acknowledgements

We acknowledge the critical role of the staff of the Policy Monitoring Unit (PMU) of the IMCC Secretariat especially Gameli Kewuribe Hoedoafia and George Amartey Laryea.

Finally, we acknowledge the role played by His Excellency President John Dramani Mahama, President of the Republic of Ghana and Chairman of the IMCC and the members of the IMCC for their leadership.

ALHAJI COLLINS DAUDA, MP.

(Minister for Local Government & Rural Development)

Contents

FOREWORD	iii
ACKNOWLEDGEMENTS	vi
ACRONYMS	xi
1 INTRODUCTION	1
Policy Formulation Process	2
2 CONCEPTUAL FRAMEWORK	6
Decentralization: The Concept	6
National Level Decentralization: Ministerial Restructuring	6
Regional Level Decentralization: De-concentration	6
District Level Decentralization: Devolution	7
Sub-District Level Decentralization: Delegation	9
Local Level Democracy	9
Local Level Development	10
Municipal Services Delivery	11
3 GUIDING PRINCIPLES	12
4 POLICY OBJECTIVES AND POLICY MEASURES	14
Political Decentralization and Legal Reforms	14
Administrative Decentralization	15
Decentralized Planning	15
Fiscal Decentralization	16
Popular Participation	16

Contents

5 POLICY OBJECTIVES AND POLICY MEASURES: THE BASES	18
Introduction	18
Political Decentralization and Legal Reforms	18
Administrative Decentralization	25
Decentralized Planning	30
Fiscal Decentralization	32
Other Policy Measures: The Social Agenda	36
6 NDPF (2015): POLICY MEASURES AND KEY ACTIVITIES	39
Political Decentralization and Legal Reforms	39
Administrative Decentralization	41
Decentralized Planning	43
Fiscal Decentralization	44
Popular Participation	46
Other Policy Measures	47
NDPF (2015): General Policy Measures	49
7 PERFORMANCE ASSESSMENT FRAMEWORK	51

ACRONYMS

BAC	Business Advisory Centre
C&AGD	Controller and Accountant General's Department
CBO	Community-Based Organization
CHRAJ	Commission on Human Rights and Administrative Justice
CRC	Constitutional Review Commission
CSOs	Civil Society Organizations
DACF	District Assemblies Common Fund
DCD	District Coordinating Director
DCE	District Chief Executive
DDF	District Development Facility
DFR	Department of Feeder Roads
DLE	District Level Elections
DoTI	Department of Trade and Industry
DPs	Development Partners
DPCU	District Planning Coordinating Unit
DPF	Decentralization Policy Framework
DPI	Decentralization Progress Index
DSWCD	Department of Social Welfare and Community Development
DUR	Department of Urban Roads
EDF	European Development Fund
E.I.	Executive Instrument
EOCO	Economic and Organized Crime Office

Acronyms

EU	European Union
FAA	Financial Administration Act
FAR	Financial Administration Regulations
FBO	Faith-Based Organization
FDU	Fiscal Decentralization Unit
FDS	Fiscal Decentralization Secretariat
FOAT	Functional and Organizational Assessment Tool
FY	Financial Year
GAS	Ghana Audit Service
GDSP	Ghana Decentralization Support Programme
GES	Ghana Education Service
GHS	Ghana Health Service
GIFMIS	Ghana Integrated Finance Management Information System
GNFS	Ghana National Fire Service
GOG	Government of Ghana
GRA	Ghana Revenue Authority
GSGDA	Ghana Shared Growth and Development Agenda
HIV-AIDS	Human Immuno-Deficiency Virus-Acquired Immuno-Deficiency Syndrome
HOD	Head of Department
IAA	Internal Audit Agency
IGF	Internally-Generated Funds
IGFF	Inter-Governmental Fiscal Framework
IGFT	Inter-Governmental Fiscal Transfers
ILGS	Institute of Local Government Studies

Acronyms

IMCC	Inter-Ministerial Coordinating Committee (on Decentralization)
ISD	Information Services Department
LED	Local Economic Development
LGCSP	Local Government Capacity Support Project
LGS	Local Government Service
LGSS	Local Government Service Secretariat
L.I.	Legislative Instrument
LOGNET	Local Government Network
LRTF	Legislative Review Task Force
MCTA	Ministry of Chieftaincy and Traditional Affairs
MDAs	Ministries, Departments and Agencies
MESTI	Ministry of Environment, Science, Technology and Innovation
MoI	Ministry of Interior
MLG	Minister of Local Government
MLGRD	Ministry of Local Government and Rural Development
MMA s	Metropolitan and Municipal Assemblies
MMDA s	Metropolitan, Municipal and District Assemblies
MMDCE s	Metropolitan/Municipal/District Chief Executives
MOF	Ministry of Finance
MoFEP	Ministry of Finance and Economic Planning
MOTI	Ministry of Trade and Industry
MP	Member of Parliament
MTDP	Medium-Term Development Plan
MYS	Ministry of Youth and Sports
NBSSI	National Board for Small-Scale Industries

Acronyms

NCCE	National Commission for Civic Education
NCPD	National Council for the Disabled
NDAP	National Decentralization Action Plan
NDPC	National Development Planning Commission
NGO	Non-Governmental Organization
NMC	National Media Commission
OHCS	Office of the Head of Civil Service
PAF	Performance Assessment Framework
PPP	Public-Private Partnership
PPRS	Plant Protection and Regulatory Services Department
PWD	Public Works Department
PWDs	Persons with Disabilities
RCC	Regional Coordinating Council
RIAP	Revenue Improvement Action Plan
RPCU	Regional Planning Coordinating Unit
SMDCs	Sub Metropolitan District Councils
TF	Task Force
UC	Unit Committee
UDG	Urban Development Grant
UZTACs	Urban, Zonal, Town and Area Councils
VSD	Veterinary Services Department
WB	World Bank

1 INTRODUCTION

The first National Decentralization Policy Framework (NDPF (2010)) produced under the Fifth Government of the Fourth Republic was launched in April 2010 and its implementation, together with that of the accompanying National Decentralization Action Plan (NDAP), began in earnest that same month and year. The four-year implementation period however ended in December 2014.

During the implementation period, the following landmark events occurred:

- The IMCC was established as the key institutional mechanism for policy coordination and for ensuring that the objectives of the DPF were attained.
- The Local Government (Departments of District Assemblies) (Commencement) Instrument, 2009, L.I. 1961, was enacted in 2009 but came into force in February 2010 and provided the trigger for establishing the 17 de-concentrated departments in the districts as departments of the Metropolitan, Municipal and District Assemblies (MMDAs); migrating over 30,000 civil servants working in the districts and the regions from the Civil Service to the Local Government Service; and operationalizing the Local Government Service.
- The Composite Budget system was introduced as part of the National Budget under the Fiscal Decentralization Chapter of the 2012 Budget.
- Decentralization Focal Persons representing the major MDAs involved in the implementation of the NDPF (2010)/NDAP I were appointed and given orientation to perform as the liaisons between the IMCC Secretariat and the implementing MDAs.

Four reviews commissioned by the Government of Ghana (GOG) and the Development Partners and three Progress Report of the DPF/NDAP were undertaken in the course of implementation in 2011, 2012, 2013 and 2014.

Policy Formulation Process

The policy formulation process for the revised NDPF (2015) started with a study using both primary and secondary data collection methods. Primary data was collected through interactions with the 29 Decentralization Focal Persons representing the major MDAs involved in the implementation of the NDPF (2010)/NDAP I. This was after a set of questionnaires had been administered to them the responses to which they brought with them to the Focal Group interviews.

For the Focal Group interactions, the Focal Persons were divided into clusters as follows:

- Social Agenda;
- Social Accountability, Popular Participation and Involvement of Non-State Actors;
- Political and Legal Decentralization;
- Fiscal Decentralization; and
- Administrative Decentralization.

Secondary data collection largely involved desk review of various reports, documents, books and articles on decentralization in Ghana and elsewhere. The major and most relevant ones included the following:

1. ACE International Consultants (for the EU): Review of the Performance Indicators for the Sector Reform Contract under the Ghana Decentralization Support Programme funded under the 10th EDF: Ghana Decentralization Support Programme – Draft Aide Memoire, October 2013.

2. Ahwoi Kwamena (A Consultancy Report for LGSS): Framework and Systems for Inter- Service/Inter-Sectoral Collaboration and Cooperation between the Local Government Service and other Services and Sectors to Harmonize Local Government Programmes and avoid duplication, April 2014.
3. European Union 2014: Review of Performance Indicators for Sector Reform Contract under the Ghana Decentralization Support Programme (GDSP II) by Ole Kragh.
4. GOG/DPs 2011a: Review of Decentralization Reform Towards a Sector Wide Approach under the Joint Decentralization Review Mission 2011: Final Report 16th December 2011.
5. GOG 2011b: Constitutional Review Commission: *Report of the Constitutional Review Commission: From a Political to a Developmental Constitution*. Presented to H.E. The President of the Republic of Ghana, Professor J. E. A. Mills on Tuesday 20th December 2011
6. GOG 2012: *White Paper on the Report of the Constitutional Review Commission of Enquiry*. WP No. 1/2012, Accra: Government Printer Assembly Press
7. GOG 2014: Brochure of National Consultative Conference on Strategic Guidelines to Optimize Internally Generated Funds (IGF) in Ghana on the theme: "Maximizing Internally Generated Revenue Potentials for Improved Local Service Delivery" held at the Accra International Conference Centre on 6th May 2014
8. IMCC 2013a: A Performance Assessment Framework for Decentralization in Ghana, IMCC Secretariat, Accra (February)
9. IMCC 2013b: Review of Existing Performance Assessment and Indicators, Accra, IMCC (March)
10. IMCC 2013c: Review of Decentralization Reforms in Ghana. Aide Memoire on the Joint Decentralization Review Mission commissioned by the IMCC of the GOG and the DPs

11. IMCC 2013d: Progress Report on the Implementation of the Decentralization Policy Framework Year 2 (January-December 2013) compiled by the IMCC Secretariat (December)
12. IMCC Secretariat 2013e: A Performance Assessment Framework for Decentralization in Ghana, February
13. IMCC Secretariat: Report on Monitoring and Evaluation Framework for Decentralization Reforms in Ghana (June)
14. Kanna L. A. & Mahama Callistus 2013: Basic Monitoring and Evaluation Reference Handbook for Metropolitan, Municipal and District Assemblies, Kumasi: University Printing Press
15. Opoku-Amankwa K. & Mahama Callistus 2014: Disseminating Government Policy to Local Communities: A Communication Audit on MMDAs, Accra, PageHouse.
16. Ministry of Environment, Science, Technology and Innovations 2014: Draft Land Use and Spatial Planning Bill
17. Draft Decentralised Local Governance Bill
18. MLGRD 2013: Operational Manual for Metropolitan and Municipal Assemblies, Local Government Capacity Support Project, Version 1.3 (June)
19. MLGRD 2010: Ghana National Decentralization Policy Framework (April)
20. MLGRD 2010: Ghana National Decentralization Action Plan (April)
21. NDPC 2013: Draft National M & E Manual (April).

The draft report was subjected to a lively discussion at a validation workshop held at the College of Physicians and Surgeons in Accra on 30th October 2014. Participants at the Workshop included Development Partners, the Decentralization Focal Persons representing the Ministries, Departments and Agencies and representatives of Civil Society Organizations.

1 Introduction

The draft Report, as modified to include the inputs of the validation workshop was adopted by the IMCC and subsequently approved by Cabinet to become the Framework for Decentralization Reform implementation for the 5-year period 2015-2019.

2 Conceptual Framework

The policy intends that a democratic decentralized local government system will deliver on the national objectives of democracy, development and the effective delivery of municipal services. The signal for the policy is given in Article 35 (6) (d) of the Constitution which requires the state to foster democracy by decentralizing the administrative and financial machinery of government to the regions and districts. This is reinforced by Article 240 (1) of the Constitution which provides that “Ghana shall have a system of local government and administration which shall, as far as practicable, be decentralized”.

Decentralization: The Concept

Ghana’s Constitution uses the term “decentralization” to mean different things at the different levels of governance. This has been one of the greatest hindrances to the implementation of the decentralization policy, as the use of the same word in different parts of the Constitution suggests that the same meaning is sought to be conveyed.

National Level Decentralization: Ministerial Restructuring

At the national level, decentralization conveys a sense of ministerial restructuring in which at the level of broad generalization, Ministries, Departments and Agencies (MDAs) are to be restricted to policy making, planning evaluation and monitoring of governmental activities.

Regional Level Decentralization: De-concentration

The regional level of governance is constituted by the Regional Coordinating Council (RCC) as the political institution and the regional level Ministries, Departments and Agencies (MDAs) as the

bureaucratic and technocratic institutions. It is conceived as a level of de-concentration at which the regional level MDAs operate as departments of the national level MDAs, not of the RCCs, taking instructions from the national level, implementing national level decisions and providing feedback from the sub-national level to the national level MDAs. The regional level therefore coordinates and harmonizes the plans and programmes of the Metropolitan, Municipal and District Assemblies (MMDAs) and transmits these to the national level as and when required.

For this reason, unlike the district level of the governance structure, the regional level is not created as a level with corporate legal personality. For the same reasons, it is not an elected level; it is not a policy-making level; it is not a legislative level; and it is not a taxation level. It simply exists as an extension of the national level institutions.

District Level Decentralization: Devolution

The district level of governance is the devolution level, where decentralization in the true sense of the concept is played out. The District Assembly (DA) is set up as a body corporate with a legal personality which can sue and be sued and which can acquire and dispose of assets and other property. Section 4 (1) of the Local Government Act, 1993, Act 462, provides that "Each District Assembly shall be a body corporate with perpetual succession and a common seal and may sue and be sued in its own name". Section 4 (2) states that: "A District Assembly shall have power for the discharge of any of its functions to acquire and hold movable or immovable property, to dispose of such property and to enter into any contract or other transaction". Operating within the framework of national policy, the DA is the policy making body for the district. It has legislative power and it has taxation power. Simply put, the DA has the character spelt out in Article 241 (3) of the Constitution that: "Subject to this Constitution, a District Assembly shall be the highest political authority in the district, and shall have deliberative, legislative and executive powers".

What these provisions mean is that the DAs make decisions and take responsibility for those decisions. They have the constitutional and democratic mandate of the people to act on their behalf. It is therefore inadvisable to erect bureaucratic and technocratic bodies over the DAs. Possibly the only bodies with the constitutional mandate to override the decisions of the DAs are the national Parliament (and even Parliament is limited by Article 254 of the Constitution which provides that: "Parliament shall enact laws and take steps necessary for further decentralization of the administrative functions and projects of the Central Government but shall not exercise any control over the District Assemblies that is incompatible with their decentralized status or otherwise contrary to law"); and the Courts in the exercise of their constitutional powers of judicial review of executive, legislative and administrative action.

In the true sense of devolution therefore, the vision of Ghana's decentralization system is one in which the DAs:

- Are empowered as legislative, administrative, development planning, budgeting, rating and service delivery authorities;
- Have clearly defined functions and responsibilities as well as the power to own, control and manage important expenditure decisions in the local public sector;
- Have adequate financial resources and substantial autonomy in the allocation and utilization of resources;
- Have ownership of their budgets;
- Have structures and mechanisms to promote and enhance probity, accountability and transparency in their administration;
- Achieve efficiency, effectiveness and economy in the management of resources;
- Have the capacity to deliver on their mandate.

Sub-District Level Decentralization: Delegation

The decentralization powers of the sub-district structures (Sub-Metropolitan District Councils (SMDCs); Urban/Zonal/Town/Area Councils (UZTACs) and Unit Committees (UCs) are in the nature of delegation only. They may take decisions on their own based on the functions and powers conferred on them by law and delegated to them by the DAs but they do not take responsibility for those decisions. Section 15 (1) of Act 462 puts the matter beyond doubt by providing that: “Subject to this Act, a District Assembly may as appropriate delegate any of its functions to such Sub-Metropolitan District Council, Town, Area, Zonal or Urban Council or Unit Committee or such other body or person as it may determine”.

Local Level Democracy

“Local level democracy” means the active participation of the people in the decision-making process. This is to be achieved through a system of non-partisan local government elections in which the representation ratio is calculated at a rate that will enable the elected Assembly members to be both “visible” and “audible” to their electorate at all times. Local level democracy should also be inclusive. This means that there should be a mechanism whereby groups that have been historically excluded, marginalized or disadvantaged and who stand little or no chance of participating through the electoral mechanism are enabled to participate in the decentralized local government system. This is the basis for the appointment of some members of the local government structures.

Ghanaian local level democracy envisages decentralization within a unitary state. Therefore an appropriate balance should be struck between local autonomy and central control. While the local government units are allowed the measure of “independence” that will permit them to deliver on their mandate of development and municipal services delivery, the central government should also be

enabled to exercise the measure of supervision and control that will allow the unity and cohesion of the state to be maintained and that will enable the elected President to exercise his authority over the state and to implement his national policies and programmes.

Local level democracy also provides the context for decentralized planning. Planning is not only required to be “bottom-up”; it is also required to be participatory. Thus decentralized participatory planning should see the active involvement of the sub-district structures, the communities, the chiefs and traditional authorities, CSOs/CBOs/NGOs and other interest groups making inputs into the draft district development plan which ultimately should lead to a participatory budgeting framework in which the people decide with the local authorities the priorities of the district development plan and how the resources are to be appropriated to the programmes and projects in the plan.

The guidelines developed by the Ministry of Finance and Economic Planning (MOFEP) on participatory budgeting should be used in conjunction with the framework developed by the National Development Planning Commission (NDPC) for participatory planning under the National Development Planning (System) Act, 1994, Act 480.

Local Level Development

“Local level development” refers to the provision of the economic and social infrastructure and other facilities that inure to the public good. It is the responsibility of the DAs to ensure the overall development of the district as indicated in Section 10 (3) (a) of Act 462. Ghana’s decentralization programme seeks to deliver development that is functional. In that context, the provision of a school building for example is not considered “development” unless there are teachers, pupils, equipment, books and the other facilities that make the school building functional. Similarly, a Health Centre is not considered “development” unless it is manned by health service providers (nurses, midwives, etc)

and is actually attended by clients (patients). Thus when Article 252 (2) of the Constitution provides that the District Assemblies Common Fund is for “development”, that objective of “development” is not attained by the provision of structures only by the DAs, leaving it to other bodies or institutions to provide the software to make the structures functional.

Municipal Services Delivery

The delivery of municipal services should be timely, efficient and effective as far as possible. Basic education, primary health care, environmental hygiene, municipal transport, waste management, market management, lorry parks administration and settlement planning are all responsibilities of DAs within the sector of municipal services delivery.

It is in this connection that the establishment of Departments of District Assemblies is critical. The policy therefore requires that all national level Departments that are responsible for the provision of these services should be decentralized and operate as Departments of the DAs. This is the rationale for the enactment of L.I. 1961 of 2009 which begins the process of converting district level Departments responsible for the provision of municipal services into Departments of the DAs.

3 GUIDING PRINCIPLES

The National Decentralization Policy Framework II (NDPF (2015-2019) derives from the NDPF (2010-2014) and is largely a review of the NDPF (2010). Reviewing NDPF (2010) instead of developing a completely new DPF has the advantages of not only allowing for continuity and consistency but also of enabling the uncompleted and unfinished activities under NDPF (2010) to be mainstreamed into and continued under NDPF (2015). In this way it enhances and mainstreams best practices and eliminates ineffective practices. Also decentralization like some administrative reforms is essentially a journey or a process and not a destination or event.

NDPF (2015) also builds upon the experience derived from implementing NDPF (2010) by reducing the number of thematic/action areas from ten (10) to five (5) through a series of mergers as follows:

A. Thematic/Action Area 1: Political Decentralization and Legal Reforms

This merges two (2) of the NDPF (2010) Thematic/Action areas namely:

- Political Decentralization and Legal Reforms;
- Institutional Arrangements for Policy Coordination.

B. Thematic/Action Area 2: Administrative Decentralization

This is a stand-alone Thematic/Action Area from NDPF (2010).

C. Thematic/Action Area 3: Decentralized Planning

This merges three (3) of the NDPF (2010) Thematic/Action Areas namely:

- Decentralized Development Planning and Budgeting;
- Spatial Planning;

- Local Economic Development

D. Thematic/Action Area 4: Fiscal Decentralization

This is a stand-alone Thematic/Action Area from NDPF (2010).

E. Thematic/Action Area 5: Popular Participation

This merges three (3) of the NDPF (2010) Thematic/Action Areas namely:

- Popular Participation and Accountability;
- Social Agenda;
- Involvement of Non-State Actors in Local Governance.

Consequently, the NDPF (2015) is based on the following five (5) Thematic/Action Areas:

- (i) Political Decentralization and Legal Reforms;
- (ii) Administrative Decentralization;
- (iii) Decentralized Planning;
- (iv) Fiscal Decentralization; and
- (v) Popular Participation.

4 POLICY OBJECTIVES AND POLICY MEASURES

The Policy Objectives and the accompanying Policy Measures of the five (5) Thematic/Action Areas are as follows:

Political Decentralization and Legal Reforms

Policy Objective

To ensure effective local governance by strengthening the participation and contribution of various levels of government, different actors in local governance and institutions that monitor the functioning of local level governance.

Policy Measures

- (i) Maintain a more manageable and stable number of districts.
- (ii) Settle or substantially reduce inter-district boundary demarcation disputes.
- (iii) Ensure continuity of structures after the 2015 District Level Elections.
- (iv) Strengthen the sub-district structures of the local governance architecture and make them functional and more effective.
- (v) Improve the quality of MMDAs and members of MMDAs.
- (vi) Improve MMDA procedures and processes and improve decentralization policy coordination at the national level.
- (vii) Implement a change management strategy to dispose personnel more favourably towards decentralization.
- (viii) Create the enabling environment for effective political decentralization.

Administrative Decentralization

Policy Objective

To improve the administrative and human resource capacity of the MMDAs and other local government stakeholders to ensure quality services delivery.

Policy Measures

- (i) Conclude the establishment of the departments of the MMDAs.
- (ii) Decentralize by de-concentration of appropriate organizations and departments to the district and regional levels.
- (iii) Ensure the autonomy of MMDAs in the area of administrative decentralization.
- (iv) Ensure effective inter-service/inter-sectoral collaboration and cooperation at the district, regional and national levels.
- (v) Enhance the capacity of MMDAs to deliver municipal services effectively and efficiently in line with their mandates generally.

Decentralized Planning

Policy Objective

To strengthen local level capacity for decentralized and participatory planning and budgeting and their integration with the national agenda; strengthen the local capacity for spatial planning and facilitate local economic growth, employment and income generation.

Policy Measures

- (i) Strengthen the decentralized planning systems and processes.
- (ii) Enhance the capacity of the relevant institutions to deliver on their spatial planning mandates.
- (iii) Ensure the implementation of the LED and PPP policies at the district level for economic growth, employment creation and income generation.

- (iv) Create the enabling environment for the implementation of LED and PPP.

Fiscal Decentralization

Policy Objective

To improve funding and financial management of MMDAs

Policy Measures

- (i) Ensure implementation of approved IGFF/IGFT and IGF recommendations.
- (ii) Review and harmonize financial sector legislation.
- (iii) Financially capacitate the regional level of governance.
- (iv) Enhance the revenue mobilization capacity and capability of MMDAs.
- (v) Capacitate the new Municipal Assemblies.
- (vi) Sustain the DDF beyond the pullout date of the DPs. (vii) Provide dedicated decentralization funding.
- (viii) Improve the quality of Revenue Improvement Action Plans (RIAPs) of MMDAs.
- (ix) Introduce structural changes in Public Finance Management at the MMDA level.
- (x) Improve service delivery at the MMDA level.

Popular Participation

Policy Objective

To promote local democracy, participation and accountability through strong and viable stakeholder involvement and to clarify and strengthen the roles and relationships between key non-state actors such as chiefs and traditional authorities and civil society groups in local governance.

Policy Measures

- (i) Support and promote civic/public education programmes to raise awareness on issues of decentralization, development and municipal services delivery.
- (ii) Strengthen traditional authorities/MMDAs relationships to promote the district development agenda.
- (iii) Implement programmes to benefit the poor, the marginalized, the vulnerable and the disadvantaged.
- (iv) Popular participation should result in job and employment creation opportunities.
- (v) Effectively disseminate information about best practices of decentralization and local government.

5 POLICY OBJECTIVES AND POLICY MEASURES: THE BASES

Introduction

The bases for the Policy Objectives and Policy Measures for the uncompleted activities from NDPF (2010) that have been mainstreamed into NDPF (2015) were given in the 2010 version and are therefore not repeated here. This chapter restricts itself to the bases for the new Policy Objectives and Policy Measures that are being introduced under NDPF (2015). They are presented under the five (5) merged Thematic/ Action Areas.

Political Decentralization and Legal Reforms

Almost all the outstanding issues relating to Political Decentralization and Legal Reforms identified in the NDPF (2010) have been addressed either in the constitutional amendments proposed by the CRC or in the Decentralized Local Governance Bill. The two major outstanding issues are largely ideological and debates on them seem set to continue for a long time to come. It is therefore not intended to raise them again in this reviewed NDPF (2015). They relate to the following:

- The mode of appointment of MMDCEs as to whether they should be elected, appointed, or to retain the constitutional status quo as modified by the CRC proposals and further modified in the Government White Paper.
- The composition of the MMDAs as to whether the members should all be elected or whether the status quo of an admixture of elected and appointed members should be retained.

The new issues of Political Decentralization and Legal Reforms being introduced by NDPF (2015) relate to the following:

1. Number of Districts

The number of districts and District Assemblies (216) is considered to be unwieldy and it is the belief that the maximum number of districts should be capped. The proponents of this view do not accept the fact that the new formula for the creation of districts in the Decentralized Local Governance Bill will make it very difficult for new districts to be created. Some go as far as to demand a political commitment from all registered political parties that no new districts will be created after the 2020 National Population and Housing Census.

An alternative view is that instead of creating new districts, the number of districts should be capped at the existing 216. Any proposed new minimum population threshold should instead be used to enhance the status of the districts from district to municipality or from municipality to metropolis.

2. District Boundaries Demarcation Disputes

Some of the pre-2012 district boundary disputes still remain unresolved even after the Professor Bening Committee had made its recommendations. These have been added to following the creation of the 46 new districts in 2012. The problem has been exacerbated by the fact that there is no authentic or official political map of Ghana showing the 216 districts and their boundaries. This is the mandate of the Survey Department but the Department has always argued that lack of resources disables it from executing this mandate.

3. New L.I.s for Districts

The new district creations in 2003, 2007 and 2012 have introduced a lot of confusion into the legislative framework for the determination of the geographical jurisdictions of the MMDAs. Many of these have to

be determined by a system of cross-referencing or by inference, a task that even seasoned lawyers find it difficult to undertake, let alone non-legal MMDCs and DCDs who have to undertake this task as a matter of daily routine. There is clearly a case for enacting entirely new L.I.s to determine the geographical jurisdictions of each of the 216 districts.

4. Operationalizing the Sub-District Structures

Operationalizing the sub-district structures (SMDCs/UZTACs/UCs) remains a key outstanding issue in the implementation of the decentralization reforms. Though L.I. 1967 of 2010 has resolved many of the technical problems associated with the earlier L.I. 1589 of 1994, the fact still remains that L.I. 1967 itself has not been operationalized and the sub-district structures still remain largely non-functional or dysfunctional. A roadmap for the operationalization of L.I. should now be a non-negotiable requirement for the implementation of decentralization reform.

5. Improving on MMDA Political Leadership

The quality of Assembly members has raised a number of concerns. It was conceded at the beginning of the decentralization programme that the removal of many of the obstacles to popular participation such as literacy in English, the payment of deposits and the financing of campaigns would open the doors very wide and could result in a fall in the quality of local level representation. The response was to use the 30 per cent appointment mechanism to fill in the experience and expertise that the elected representatives may lack. Unfortunately, practice has shown that the appointees since 1994 have been more of partisan representatives of the ruling political party than the experts that they were expected to be. The bottom line is that the quality of the Assembly members has suffered in terms of both the elected and appointed members. How to improve the quality of the Assembly members and at the same time maintain the principle of popular participation remains a major dilemma for political decentralization in Ghana.

The Decentralized Local Governance Bill addresses this dilemma with respect to the 30 per cent appointed members. In compliance with a recommendation for legislative action made by the CRC, the Bill introduces criteria to guide the presidency in appointing the 30 per cent Assembly members. The criteria, if strictly applied, should largely mitigate the effects of the extreme partisanship in appointing only party apparatchiks to the Assembly by ensuring that even if that is done, some quality will be introduced into the Assembly as well. The problem will be whether the guidelines can be monitored to ensure that they are complied with and who should do the monitoring.

Another important observation that continues to be made is the very limited horizons of some MMDCEs. Largely “home boys and girls” who have barely travelled outside Ghana and sometimes outside their districts, they have very limited knowledge and information about “local government best practices”. The 3-5 day orientation courses organized for them on their appointment does not appear to sufficiently imbue them with such knowledge or information, and the annual conferences of MMDCEs organized for them by the Ministry of Local Government and Rural Development appears to over-concentrate on political and organizational matters to the apparent marginalization of technical local government management and developmental practices and innovations. Besides, no such courses or conferences are organized for new MMDCEs who are appointed to replace MMDCEs who are removed from office by the President or through a vote of no confidence by the Assembly. If these courses and conferences could be supplemented by study tours, both domestic and external, as well as refresher courses, to learn “best practices”, it could go a long way to broaden their horizons and help them introduce innovative local government practices into the management of their districts. The policy makers on local government reform and decentralization at the Ministry of Local Government and Rural Development would benefit from such study tours as well.

It should be mentioned though that a significant number of persons continue to be of the view that the answer to the problem of the quality of the DCE does not lie in capacity building but in getting the DCE elected. To them, the issue of accountability of the DCE to the people is even more important than his or her capacity and that if the DCE was elected, the pressure to perform from the people would compel him or her to develop his or her capacity.

It is the considered view that the constitutional amendment proposed by the CRC as amended by the Government White Paper for the President to nominate 5 persons to be interviewed by the PSC for competence and a shortlist of 3 out of the 5 to be voted for by the district electorate should be given a try first and that the direct election of the DCE should once again be put off for the time being.

6. Decentralised Local Governance Bill

This throws into focus the wider issue of the monitoring of the implementation of the Decentralized Local Governance Bill once it is enacted into an Act. It was possible to leave both the implementation and the monitoring of Act 462 to the Ministry of Local Government and Rural Development because throughout the period of its operation, the other sectors had remained de-concentrated at the district level and had not been devolved to operate as departments of the MMDAs. With the enactment of L.I. 1961 of 2009, and especially once the Schedule II Departments are brought on board following the enactment of their reviewed parent legislation, a body other than the Ministry of Local Government and Rural Development would be required to monitor the implementation since the other sectors would resent the MLGRD as a sector Ministry monitoring the implementation of policies in their sectors. One of the objectives of such monitoring, however, would be the collation and compilation of any difficulties of implementation to be noted for any future review of the Act. The IMCC Secretariat would appear to be a logical candidate for such continuing monitoring.

7. Political Functions of the Ministry of Local Government and Rural Development

Certain functions currently assigned to the Minister of Local Government by convention are basically political functions and can therefore not be performed by the civil service staff of the Ministry of Local Government and Rural Development. In performing those functions therefore, the Minister has had to rely on Committees or Task Forces outside to assist him or her. The functions relate to those that are constitutionally or legislatively assigned to the President but which the President must necessarily perform through officers subordinate to him. They cover the following:

- Nomination and approval of candidates for appointment as MMDCEs by the President;
- Nomination and appointment of the 30 per cent of Assembly members required to be appointed by the President;
- Monitoring of the performance of MMDCEs;
- Recommendation for retention or removal of MMDCEs;
- Organization of Conferences of MMDCEs;
- Organization of Conferences of Regional Ministers.

If the Minister of Local Government and Rural Development is to continue to effectively perform these functions, then several options ought to be considered. A political desk could be created at the Ministry staffed by political operatives. It was probably for this reason that under the repealed Part V of the Civil Service Law, 1993, PNDCL 327, the Ministry was also designated as a Secretariat for Decentralization. The current practice of using outside Committees or Task Forces could however continue. Two unpalatable options however would be to convert the entire Ministry into a Secretariat for Decentralized Local Governance or to move the political functions away from the Ministry to the Presidency. A fifth option is to transfer the political functions of the MLGRD to the IMCC and its Secretariat.

The other problem with the political functions of the Ministry of Local Government and Rural Development has to do with the relationship between the Minister and the DCEs. In the pre- decentralization period, it was understandable that the Minister of Local Government was seen as the political supervisor of the DCEs from whom policy directives were issued because the local authorities were dealing with strictly traditional local government subjects only. However, under decentralization, and especially with L.I. 1961 triggering off administrative decentralization in earnest, every Minister whose sector is decentralized virtually becomes the “political supervisor” of the DCE because policy decisions and directives from those sectors emanate from them. When the impression persists that the Minister of Local Government is still the only “political supervisor” of the DCE, it reinforces the mis-impression that those other sectors are being brought under the control of the Minister of Local Government and the Ministry of Local Government respectively and therefore further reinforces resistance to decentralization.

The political role of the Minister of Local Government and his relationship with the DCEs therefore needs reviewing in the context of their relationships with the other Ministers whose sectors are decentralized and a study into this delicate, thorny and highly controversial subject is highly recommended for appropriate recommendations to be made.

8. Institutional Framework for Policy Coordination

It would be noted from the above analysis of political decentralization and legal issues that for NDAP II, the MLGRD cannot be used as the lead institution to pursue the reform agenda or for policy coordination. A different institutional framework for policy coordination and implementation monitoring is definitely required and the most obvious choice for this purpose would be the IMCC and its Secretariat.

Administrative Decentralization

Out of the policy measures outlined under 'Administrative Decentralization' in the 2010 DPF and NDAP, the following remain largely outstanding:

- Provide physical infrastructure for the newly established District Assemblies;
- Strengthen the ILGS to perform its role of training practitioners and policy makers for the local government sectors;
- Transfer of assets and liabilities as between MDAs and MMDAs and the problem of assets management generally.

There are however on-going programmes to implement the outstanding recommendations. The new policy measures being introduced by NDPF (2015) relate to the following:

1. L.I 1961 Schedule 1 Departments

- One Department, the DSWCD, is fully integrated into the MMDAs following the appointment of Heads of Department in all the districts and the organization of orientation courses for them.
- The Plant Protection and Regulatory Services Department which did not exist at the time Act 462 was enacted should also be decentralized by devolution to the district level and become a unit of the Department of Agriculture of the MMDAs.
- The Department of Parks and Gardens is awaiting the revision of the law on the Town and Country Planning Department to be revised to enable the two to merge into the Department of Physical Planning to allow for its effective integration into the MMDAs.
- The Department of Rural Housing and Cottage Industries has been split into two separate Departments. The Department of Rural Housing was absorbed by the MWRWH and the Department of Cottage Industries was absorbed by the NBSSI of the MOTI.

The DRH is being merged with the Department of Works in the District Assemblies while a proposal for the establishment of a Department of Urban Housing for the Metropolises and Municipalities is being made in this Report.

- Though the MOTI has directed that the BACs of the NBSSI should function as the core of the DOTIs at the district level, there is resistance from the management of NBSSI who are of the view that NBSSI should be managed as a centralized organization in line with international best practices. The impasse is yet to be resolved.

2. L.I 1961 Schedule II Departments

- The revised enactments on the Registry of Births and Deaths, Ghana Library Authority, National Youth Authority and National Sports Authority are ready for re-submission to Cabinet.
- The Land Use and Spatial Planning Bill to revise the legislations on the Town and Country Planning Department is at the last stages of re-submission to Cabinet.
- The zero draft of the Cooperatives Bill is undergoing stakeholder consultation among the members of the Cooperative Societies.
- The Financial Administration Act, 2003 is to be reviewed within the context of a review of all relevant financial laws to accommodate reforms of current funding streams for MMDAs as per the IGFF/IGFT studies.

3. New Departments to be decentralized by devolution

In the course of implementation of NDPF (2010), the IMCC and the Cabinet approved that the following new Departments and Organizations should be decentralized by devolution:

- (i) Ghana Education Service (GES);
- (ii) Ghana Health Service (GHS);
- (iii) Statistical Service;

- (iv) Rent Control Unit;
- (v) Department of Women; and
- (vi) Department of Children.

This decision has been given effect in the Decentralised Local Governance Bill by adding them to the Decentralization Schedule in the Bill. However, because the Ghana Education Service, the Ghana Health Service, the Statistical Service and the Rent Control Unit are established by legislation, their enabling legislations namely the Education Service Act, 1995, Act 506/Education Act, 2008, Act 778 (GES); The Ghana Health Service and Teaching Hospitals Act, 1996, Act 525 (GHS); the Statistical Service Act, 1985, PNDCL 135 (Statistical Service) and the Rent Act, 1963, Act 220 (Rent Control Unit) will have to be amended before they can begin to function as decentralized departments of the MMDAs.

4. Departments to be decentralized by de-concentration

A very strong case was made in the course of the study for the decentralization by de- concentration of the following organizations and departments because of their relevance to the local people and communities and on the basis of the principle of subsidiarity:

- (i) National Disability Council;
- (ii) National Peace Council;
- (iii) Registrar-General's Department;
- (iv) Food and Drugs Authority;
- (v) Legal Aid Scheme.

A case was also made for a national policy on the storage, preservation and retrieval of MMDA archival materials and records for historical, research, evidential and other purposes. There is such a national policy in preparation by the PRAAD. The choice is between getting the records and documentation to be stored centrally by the PRAAD; de-concentrating the PRAAD to enable the records and documentation

to be stored at the district level or by a district-level agency; or devolving the function to the district level for the MMDAs to make their own arrangements for the storage and preservation of the archival material. The preference seems to be for the decentralization by de-concentration of the PRAAD to the districts to perform that function.

5. Inter-Service/Inter-Sectoral Collaboration and Cooperation

The “Inter-Service/Inter-Sectoral Collaboration and Cooperation framework” developed by LGSS recommends the following:

- Departments of MMDAs shall collaborate and cooperate with non-decentralized Departments, Services, State-Owned Enterprises and Public Corporations operating in the district in order to ensure a coordinated approach to the development and management of the district, avoid duplication and ensure a more convenient and cost-effective implementation of programmes and projects.
- The MMDCE shall play the lead role in the system of collaboration and cooperation. The HODs of the MMDAs and the heads of the other sectors shall collectively prepare a Strategic Development Plan to form the basis of the District Development Plan and the individual plans of the other sectors.
- The HODs of the other sectors shall attend meetings and participate in the deliberations of the Executive Committee of the MMDA and the MMDAs to which they are invited.
- The HODs of the MMDAs and the other sectors shall attend and participate in the public hearings on the District Development Plan.
- The HODs of the other sectors shall provide information on any matters reasonably requested by the MMDCE, the DCD or the HOD of an MMDA.

At the regional and national levels, the framework makes the following recommendations:

- At the regional level, the RPCU should provide the framework for technical collaboration and cooperation. While the heads of the decentralized ministries would form the core of the RPCU, the heads of all non-decentralized departments, services, state-owned enterprises and public corporations operating at the regional level should be members of the RPCU without the right to vote.
- At the policy level of collaboration and cooperation in the region, the heads of the non- decentralized departments, services, state-owned enterprises and public corporations should be invited to meetings of the RCC as observers, but with a right to participate in the discussions and deliberations.
- The Technical Committee of the IMCC is ideally suited to provide the framework for inter- service/inter-sectoral collaboration and cooperation at the national level.
- The IMCC is the obvious choice for the apex body to be responsible for inter-service/inter- sectoral collaboration and cooperation at the national level.

Implementation of these recommendations would go a long way to ensure inter-service/inter- sectoral collaboration and cooperation in particular and decentralization implementation in general.

6. Institutional Framework for Administrative Decentralization

There is clearly a case for a major study to be undertaken into the issue of the institutional framework for administrative decentralization to enable the functional jurisdictional competences of the various stakeholders to be effectively demarcated. This is one of the major recommendations in NDPF (2015).

Decentralized Planning

Many of the policy measures in the 2010 DPF have been implemented or are in course of implementation but there are a few outstanding issues which should inform the policy measures for NDAP II. They, together with the new policy measures, cover the following areas:

1. Strengthening Citizen Participation in the Planning and Budgeting Process

Both the pipeline National Development Planning (System) Regulations and the Decentralized Local Governance Bill contain elaborate provisions on citizen participation in local governance; the former on the planning process and the latter on the political process. Ensuring their enactment and overseeing their implementation is part of the focus of NDPF (2015). The greater focus should however be on adopting in its entirety the dual concepts of Participatory Planning and Budgeting as practised in Southern America and some countries in Southern, Central and Eastern Africa.

2. Increased Resource Availability to MMDAs

Increased resource availability to MMDAs is a function of increased resource availability at the national level. The various initiatives taken under NDPF (2010) including studies on IGFs, IGFF and IGFT should assist in this direction. It is also time a study was conducted into the whole subject of revenue generation and sharing between Central Government and Local Government to determine whether the current sharing between the two is scientific and accurate.

3. Spatial Planning

Once the pipeline Land Use and Spatial Planning Bill is enacted, most of the policy measures recommended under NDPF (2010) would have found an appropriate implementation framework. Its enactment is therefore the number one priority under spatial planning in NDPF (2015).

A major outstanding matter, however, is local level capacity in spatial planning. The problem appears not to be the non-availability of trained spatial planners but of the freeze imposed by the MOF on new recruitment into the public services. The staffing situation of the Department of Town and Country Planning is so dire that an exception should be made to enable the recruitment of additional staff to augment its strength. The freeze on the employment of staff of the Town and Country Planning Department should therefore be lifted as a special case and additional spatial planners recruited into the department to fill the numerous vacancies at the district level.

For example, there are only 113 district officers of the Town and Country Department or 52 per cent out of the 216 districts and out of that number, only 75 or 66 per cent are manned by professional spatial planners; the rest being manned by technical officers.

4. Local Economic Development (LED)

The non-launch of the LED Policy and Operational Manual has led to a virtual freeze in LED activities. This has been identified as the first policy measure under NDPF (2015). Besides, the following policy measures under NDPF (2010) which have not been implemented have been streamlined into NDPF (2015):

- Encourage Assemblies to deepen consultations and publicise fee-fixing resolutions on a timely basis;
- Facilitate the development of guidelines for public-private partnerships at the local level;
- Promote inter-district trade and harmonize/resolve multiple taxes on same goods/services. The following new LED-related policy measures have been incorporated into NDPF (2015):
 - The street-naming and house-numbering exercise should continue beyond the 18-month Presidential ultimatum for those districts that had not completed the exercise at the time the Presidential ultimatum expired at the end of

September 2014. Bye-laws criminalising the defacement, damage or removal of street names signages should be enacted by all MMDAs and strictly enforced by the courts.

- The state of our markets present a sorry sight especially when it rains and is unbecoming of a so-called middle-income country, with vegetables and other fresh groceries spread in the soggy and muddy ground. NDPF (2015) aims at ensuring that all major markets in the country, and especially those in the district capitals, are tarred, paved or concreted within the plan period.

Fiscal Decentralization

The major outstanding policy measures under “Fiscal Decentralization” in NDPF (2010) which should be rolled over into NDPF (2015) are:

- Implementing the recommendations of the study into IGFS. Guidelines and an Action Plan based on the recommendations are in preparation.
- Implementing the recommendations of the studies into IGFF/IGFT. A roadmap based on the recommendations is in preparation.
- Reviewing and harmonizing the legislation on fiscal decentralization and local government financing.

New policy measures and key activities in NDPF (2015) cover the following areas:

1. Non-Tax Revenue of Decentralized Departments

It has been established that non-tax revenue collected by the devolved departments of MMDAs continue to be paid into the centralized Consolidated Fund. This defeats the fiscal decentralization principle of “finances follow functions”. Consequently, the policy should be reviewed to direct that all non-tax revenue collected by

the departments of the MMDAs should be paid into the accounts of the MMDAs and utilised by the MMDAs.

2. Responsibility for Collection of IGFs

It has been realised that the issue of local revenue mobilization is not taken seriously by the MMDAs possibly because whether the collectors bring in revenue or not, they are paid by the Central Government. The Central Government on its part is not very interested in the performance of the revenue collectors because whatever revenues they collect is not paid into the Consolidated Fund but into the accounts of the MMDAs.

3. Basic Rate

It has also been realised that the basic rate of Ghp10 per adult resident per year has become so economically devalued that it has become uneconomic to collect it. But one has to be sensitive to the political economy of the basic rate in that as a regressive tax which is neither based on ability to pay nor on earned income, it can become a veritable political hot potato if fixed too high. On the other hand, there is a case for its retention on the ground that it is an acknowledgement of the services that local governments the world over provide to all human beings, high or low alike, and irrespective of status, wealth, poverty or any other socio-economic indicators.

4. Regional Budget Line Initiative

The FDU/MOF launched a major initiative to introduce a Regional Budget Line into the National Budget to enable the budgets of the regional level departments to be integrated into the budget of the RCC and to give the RCC an independent budget line in the national budget.

5. Municipal Finance Bill

The Municipal Finance Bill, introduced into Parliament in 2008 but later withdrawn, is being reviewed for possible re-introduction into Parliament within the context of a revision of the Loans Act, 1970, Act 335.

6. Popular Participation

The following revised un-implemented policy measures under NDPF (2010) are being rolled over into NDPF (2015):

- Support extensive civic education programmes to raise awareness on issues of decentralization and on other developmental issues;
- Ensure adequate levels of funding to constitutional and administrative bodies such as the NCCE, CHRAJ, EOCO and the ISD to conduct education and sensitization activities;
- Promote the use of social auditing techniques by MMDAs to increase participation and strengthen local level accountability;
- Strengthen the capacity of MMDA members to engage with their electorate on the district development agenda;
- Finalise and implement the framework to clarify the role and relationships of traditional authorities and civil societies with MMDAs to ensure that their potentials are tapped in district development prepared by the MLGRD and the Ministry of Chieftaincy and Traditional Affairs (MCTA);
- Streamline, coordinate and harmonize activities of CSOs with those of MMDAs to ensure that CSO activities are properly integrated into the district development agenda;
- Strengthen participation of traditional authorities in MMDA processes such as resource mobilization, infrastructure development, conflict resolution and natural resource management;

- Develop modalities for effective consultation with the traditional authorities and other interest groups in appointing the 30 per cent MMDA membership.

7. Persons With Disability (PWDs)

The following new policy measures are being introduced under NDPF (2015):

- MMDAs themselves do not have any programmes of their own for persons with disability (PWDs) and only make available to PWDs the 2 per cent of the DACF they are directed to allocate to them under the MLGRD's Guidelines for the Utilisation of the DACF.
- The FOAT compliance criteria are restricted to the physical structures of the MMDA offices only. There is the need to make the MMDAs responsible for the general compliance of public institutions in the district with the requirements of the Persons With Disability Act, and therefore expand the FOAT compliance criteria from MMDA offices to all public organizations in the district.

8. Employment and Labour Relations

With regards to employment and labour relations, it was pointed out that NDPF (2010) lacked an employment focus. It was also realised that district-by-district unemployment statistics in Ghana were non-existent. This was traced to the absence of the Factories Inspectorate and the Labour Departments in nearly all the districts.

9. CHRAJ Attrition Rate

The CHRAJ suffers from a high turnover/attrition rate because of the unattractive conditions of service, especially with respect to Legal Officers. The CHRAJ also faces accommodation and logistical challenges. Lack of coordination and collaboration with other public education institutions with regard to its public education functions

and duplication with regard to its anti- corruption mandate are other challenges facing the CHRAJ.

10. Chieftaincy and Traditional Authorities

The following challenges face the chieftaincy and traditional authorities sector:

- There is the need for permanent accommodation for Traditional Councils as statutory creations as many of them operate from chiefs' palaces;
- The lack of trained staff for the Traditional Councils hampers their operations;
- Areas of collaboration between traditional authorities and MMDAs ought to be identified and spelt out.
- Every MMDA should organise an Annual "Accountability Forum" to be attended by the chiefs, traditional authorities, CSOs/ CBOs/NGOs/FBOs and other non-state actors for the MMDAs to account to the people of the district for its performance and for the people of the district to ask questions and seek clarifications on issues affecting the performance of the MMDAs during the year.

Other Policy Measures: The Social Agenda

As indicated in Chapter 3 (Guiding Principles), the Social Agenda is not being recommended for retention as a Thematic/Action Area under NDPF (2015). Instead, the activities under the Social Agenda have been mainstreamed into the five (5) Thematic/Action Areas as explained hereunder.

Large parts of the Social Agenda Policy Measures under NDPF (2010) have not been implemented. Almost all the Policy Measures have therefore been rolled over into NDPF (2015). The reasons were found to be mainly attitudinal, structural and procedural.

The following challenges relating to attitudes, structures and procedures requiring new policy measures for NDPF (2015) have been identified for the social agenda:

1. Bureaucratic/Administrative Resistance to Decentralization

Some staff are apprehensive about how the MMDAs operate and are reluctant to work under them. Heads of Department (HODs) especially of the merged Departments feel their positions threatened and are doing everything to frustrate the change. There is also a feeling that there is little or no commitment to decentralization from both the political and bureaucratic leaderships of the sectors.

2. Training for Decentralization

There is a further feeling that training for decentralization is haphazard; that all kinds of private sector organizations have got into local government training and capacity building and that there is no guarantee of quality assurance in the kind of training and capacity building programmes being offered staff of the MMDAs. LGSS is developing a Strategic Capacity Building Framework for the Local Government Service.

3. Non-Decentralization of Relevant Departments

The absence of some of the departments relevant to decentralization in many of the districts is largely blamed for the non-implementation of many of the Social Agenda policy measures under NDPF (2010). This lamentation came especially from the National Sports Authority, the National Youth Authority, the Department of Women, the Department of Children and the Ghana Library Authority. The National Youth Authority and the National Sports Authority for example lamented their presence in only 8 out of the 216 districts in the country.

4. Duplication of Functions

Duplication of functions was cited as one of the reasons for the inaction at the district level as certain organizations expected others to be undertaking the activities assigned to them. The Ghana AIDS Commission, for example, complained that while it has district AIDS Committees, the Ghana Health Service also performed AIDS functions at the district level and there are separate district-level AIDS Coordinators for the AIDS Commission, the Ghana Health Service and the MMDAs.

5. LEAP

The Livelihood Empowerment Against Poverty (LEAP) programme as a poverty reduction intervention is a welcome innovation, but because it is incorporated into the “Goods and Services” budget line of the MGCSP, the non-release of the latter in 2014 completely undermined the ability of the programme to make the needed impact.

6 NDPF (2015): POLICY MEASURES AND KEY ACTIVITIES

Flowing from the above analysis and findings, the following key activities are to be implemented under the policy measures identified in Chapter 4 for the NDPF (2015).

Political Decentralization and Legal Reforms

- The new criteria for the creation of districts contained in the Decentralized Local Governance Bill should be strictly adhered to once the Bill is enacted into law. In the short to medium term, there should be a political commitment from all registered political parties that no new districts will be created after the 2020 National Population and Housing Census.
- The outstanding recommendations of the Professor Bening Committee into the pre-2012 district boundary disputes should be implemented. Meanwhile, a committee should be set up to inquire into and make recommendations to resolve the district boundary disputes arising out of the creation of the 46 new districts in 2012.
- The Survey Department should in or before 2016 come out with an authentic and accurate political map of Ghana showing all 216 districts and their boundaries. The Department should also come out with maps of the regions of Ghana with the same information.
- The Minister of Local Government should prepare and have enacted completely new L.I.s to establish each of the 216 MMDAs whose jurisdictions are now to be defined in the pipeline C.I. to be issued by the Electoral Commission in accordance with the decision of the Supreme Court.

- The MLGRD should prepare a roadmap for the operationalization of the sub-district structures making them effectively functional immediately after the next District Level Elections scheduled for early 2015.
- Guidelines for the appointment of the 30 per cent Assembly members should be included in the Decentralised Local Governance Bill as recommended by the CRC in order to introduce improved quality in the MMDAs and hopefully reduce the extent of partisanship in the appointments.
- The IMCC and its Secretariat should be made responsible for the monitoring of the implementation of the Decentralized Local Governance Bill once it is enacted into law.
- The Minister of Local Government should issue revised Model Standing Orders regulating the procedures and proceedings at meetings of the MMDAs to reflect the changes made in the Decentralized Local Governance Bill when enacted into law.
- The President, in nominating persons for appointment as DCEs, should take into account criteria other than the strictly political, including competence and efficiency.
- Study tours, both domestic and international, as well as refresher courses, should be organized for DCEs to enable them learn from “best practices”.
- Every newly-appointed MMDCE should be made to undergo at least a two-week course on ‘Decentralization and Local Governance’.
- Five options are proposed for consideration in relation to the political functions of the MLGRD as follows:
 - (i) Create a political desk at the MLGRD to be staffed by non-civil service political operatives;
 - (ii) Continue the convention of the MLGRD performing the functions but using non-civil service political task forces;

- (iii) Convert the MLGRD into a Secretariat for Decentralized Local Governance or a Secretariat for Decentralization;
- (iv) The Presidency should assume responsibility for the performance of the political functions as envisaged under the Constitution;
- (v) Transfer the political functions to the IMCC and its Secretariat.

A policy decision should be taken to adopt one or a combination of these options.

- A study should be conducted into the issue of the relationship between the Minister/Ministry of Local Government and his/its relationship with the DCEs within the context of the relationship of other Ministers/Ministries whose sectors are decentralized with the DCEs and the DCEs.
- The IMCC and its Secretariat should be responsible for policy coordination, decentralization reform, implementation and monitoring under NDPF (2015)

Administrative Decentralization

- The Department of Veterinary Services (formerly the Animal Health Unit of the Department of Animal Health and Production) should be devolved to become a unit of the Department of Agriculture of the MMDAs.
- The Plant Protection and Regulatory Services Department should similarly be devolved to the district level to become a Unit of the Department of Agriculture of the MMDAs.
- There should be a Department of Rural Housing in the District Assemblies and a Department of Urban Housing in the Metropolitan and Municipal Assemblies.

- The BACs of NBSSI should form the core of the Department of Trade and Industry (DOTI) as directed by the Ministry of Trade and Industry (MOTI).
- Work on the revision of the legislation of the Schedule 2 Departments should be fast-tracked. In particular, the revised laws on the Registry of Births and Deaths, Ghana Library Authority, National Youth Authority and National Sports Authority should be enacted within the first six months of Year 1 of NDPF (2015).
- The Land Use and Spatial Planning Bill and the revised Cooperatives Bill should be enacted within the first year of NDPF (2015).
- Work on the revision of the Financial Administration Act and its accompanying Regulations should similarly be fast-tracked.
- The following organizations and departments are to be decentralized through devolution to the district level to function as Departments of the MMDAs:
 - (i) Ghana Education Service (GES);
 - (ii) Ghana Health Service (GHS);
 - (iii) Department of Women;
 - (iv) Department of Children;
 - (v) Statistical Service; and
 - (vi) Rent Control Unit.
- The following organizations and departments should be decentralized by de-concentration to the district level:
 - (i) National Disability Council;
 - (ii) Food and Drugs Authority;
 - (iii) Public Records and Archival Administration Department (PRAAD)

- The following organizations and departments should decentralize by de-concentration to the regional level:
 - (i) National Peace Council;
 - (ii) Registrar General's Department; (iii) Legal Aid Scheme.
- The IMCC and Cabinet should act quickly on the recommendations of the Report on Inter-Service/Inter-Sectoral Collaboration and Cooperation to enable their implementation to commence in Year I of NDPF (2015).
- Ministerial restructuring, involving determination of the relationships between departments of the MMDAs and their erstwhile MDAs and the reorganization of ministries to reflect the new creations and mergers should be fast-tracked.

Decentralized Planning

- The National Development Planning Commission and the National Development Planning (System) L.I.s on the planning process prepared by the NDPC should be enacted as soon as possible;
- The Land Use and Spatial Planning Bill should be enacted and implemented;
- Government should lift the freeze on the employment of staff to the Town and Country Planning department as a special case to enable recruitment of additional spatial planners into the Department to fill the numerous vacancies at the district level;
- The MLGRD and FDU/MOF should operationalise the National LED Policy and Operational Manual, resume and conclude the regional training on the Operational Manual and operationalize the Policy at the district level;
- MMDAs should promote inter-district trade and harmonise/resolve multiple taxes on same goods/services;

- MMDAs should continue and conclude the street-naming and property numbering exercise in all districts;
- MMDAs should enact bye-laws to criminalise the defacement, damage or removal of street names signages and the courts should strictly enforce such bye-laws;
- MMDAs should ensure that all major markets in the country and especially those in the district capitals are tarred, paved or concreted.

Fiscal Decentralization

- Ensure the implementation of the various initiatives on fiscal decentralization commenced under NDPF (2010), including the recommendations in the reports on IGFF/IGFT and IGFs;
- Review and harmonize the various legislations on fiscal decentralization. In particular, the FAA, 2003, Act 654 and the FAR, 2004, L.I. 1802, should be reviewed. Also to be reviewed is the Financial Memorandum for MMDAs, 2004, issued by the MLGRD;
- Review and enact the Municipal Finance Bill to make more flexible the borrowing powers of MMDAs, especially the Metropolitan and Municipal Assemblies;
- Review the legislation to ensure that non-tax revenue collected by the Departments of the MMDAs (but not cost-recovery fees) are paid into the accounts of the MMDAs and are utilised by the MMDAs and not paid into the central Consolidated Fund;
- The professional staff of the Revenue Unit should continue to be paid by the Central Government but the revenue collectors should be paid by the MMDAs out of their IGFs.
- The basic rate should be increased to a level that reflects the balance between the service provision functions of the MMDAs and its affordability by the residents of the districts. The minimum

daily wage for one day as the basic rate to be paid by the adult residents in the districts in a year is recommended;

- New revenue sources that may be ceded for collection to the MMDAs should be explored by the MLGRD/MOF as a matter of policy.
- Undertake a study on revenue generation and sharing between Central Government and Local Government in Ghana to determine the scientificity of the gearing between the two currently;
- A study should also be undertaken to determine the minimum cost of providing services by MMDAs;
- The Revenue Unit of the MMDAs should be moved from the Finance Department and turned into an independent revenue mobilization department to deal with the problem of revenue mobilization not being taken seriously by the MMDAs;
- The GOG should negotiate a facility for the 8 new Municipal Assemblies created in 2012 akin to the UDG under the Local Government Capacity Support Project enjoyed by the 46 Municipal Assemblies that pre-dated 2012;
- To ensure the sustainability of the DDF beyond the period when the DPs pull out, the 7.5 per cent DACF should be reduced to the constitutional minimum of 5 per cent as an Entitlement Fund and the additional 2.5 per cent added by Parliament in 2007 be used to establish the DDF as a Performance-Based Fund;
- Encourage MMDAs to deepen consultations and publicise fee-fixing resolutions on a timely basis;
- Properly delineate the responsibilities of FDU/MOF and FDS/MLGRD in relation to IGFs of MMDAs by restricting the former to policy and the latter to supervision and monitoring of implementation;

- Modify the National PPP Policy to make it MMDA-friendly and ensure its application in the districts to stimulate local economic growth and generate employment;
- Pursue the IMCC initiative to introduce a regional budget line into the national budget;
- The Public Procurement Act, 2003, Act 663 and the PPP Policy should both be reviewed to promote LED activities at the district level;

Popular Participation

- MMDAs should design their own programmes for PWDs in consultation with the National Council for the Disabled (NCPD) to roll out to PWDs in their districts;
- The MMDA Disability programmes should extend beyond physical impairment to visual, audio and other forms of impairment;
- The 2 per cent Disability Fund should be backed by legislation;
- MMDAs should be made responsible for ensuring compliance with the PWD Act in their districts. Consequently, general district compliance with the PWD Act should be made a FOAT assessment criterion instead of the current restriction to compliance in relation to the MMDA physical structures only;
- Employment creation should be the main focus of MMDA LED activities;
- The MELR should ensure the presence in de-concentrated form of the Labour Department and Factories Inspectorate Department in all districts where over 25 per cent of the labour force is engaged in the formal sector;
- The CHRAJ constitutional amendment proposals by the CRC with respect to their analogous grading with the Judiciary which works to their disadvantage should be enacted and

implemented in order to deal with the turnover/attrition problems of the CHRAJ;

- MMDAs should as far as practicable provide office accommodation for Traditional Councils within their districts, just as the Central Government provides accommodation for the National and Regional Houses of Chiefs;
- Staff with the requisite capacity and training should be posted to the Traditional Councils. The number and positions of such staff should be determined by the MCTA;
- The following could be areas of collaboration between chiefs and traditional authorities and MMDAs:
 - (i) Chiefs to recommend to MMDAs to make bye-laws to prohibit identified invidious customary practices;
 - (ii) Codification of lines of succession;
 - (iii) Traditional authorities to act as opinion leaders and transmit feedback on MMDA policies and programmes to the MMDAs.

Other Policy Measures

- A change management strategy to dispose personnel favourably towards decentralization should be taken more seriously under NDPF (2015). An effective programme towards that end should be worked out, this time by the IMCC Secretariat, and implemented at the national, regional and district levels. This policy measure has been mainstreamed into Thematic/ Action Area 1.
- Decentralization Retreats for Ministers and Chief Directors must not be one-off affairs. Given the high political turnover of Ministers and the regular turnover of Chief Directors, the retreats must be made annual affairs not only to refresh the memories of the political and bureaucratic leaders but also to familiarise

them with new developments in the decentralization sector. This policy measure has been mainstreamed into Thematic/Action Area 1 and is to be undertaken by the IMCC.

- The IMCC concept has turned out to be the single most effective catalyst to decentralization implementation. It must not only be sustained but must be mainstreamed into the governance agenda by giving it legislative backing in the Decentralized Local Governance Bill. This policy measure has been mainstreamed into Thematic/Action Area 1 and is to be undertaken by the LRTF.
- There should be dedicated funding by the GOG in support of decentralization. Many of the activities in the social agenda were dependent on donor funding, and so when this was withheld in 2014, the programme stagnated. The dedicated funding must be made available for sensitization and change management programmes as well. This policy measure has been mainstreamed into Thematic/Action Area 4 and is to be undertaken by the MOF.
- The LGSS should work with ILGS for quality assurance in local government and decentralization capacity building and training. LGSS, with technical support from ILGS, must accredit all private sector organizations desirous of offering such capacity building and training and must certify the individual trainers used by such private sector organizations. This policy measure has been mainstreamed into Thematic/Action Area 2 and is to be undertaken by the LGSS/ILGS.
- To be able to effectively perform these roles, the physical infrastructure and human resource base of the ILGS itself must be improved. A special exemption must be granted the ILGS to benefit from the GETFund even though it is not an institution under the Ministry of Education. This policy measure has been mainstreamed into Thematic/Action Area 2 and is to be implemented by MOF/MLGRD/ILGS.

- The budget for LEAP must not only be disaggregated from the “Goods and Services” budget line of the MGCSP; it must be disaggregated from the budget of the Ministry itself, decentralized to the district level, and be administered by the MMDAs. This policy measure has been mainstreamed into Thematic/Action Area 5 and is to be implemented by MOF/MGCSP.

NDPF (2015): General Policy Measures

A number of suggestions were made which, though not related to any of the specific Thematic/Action Areas, would nevertheless benefit decentralization if implemented. They are therefore presented here as general policy measures to be implemented under NDPF (2015).

- The quality of MMDCEs is critical for the success of decentralization. There should therefore be clear-cut qualifications for them and once appointed, it should be possible for the ILGS and GIMPA to organize sandwich and modular programmes for them.
- So many committees at the district level are chaired by the MMDCE that in the end, he/she is not able to effectively chair any of them. An audit must be taken of all district level Committees chaired by the MMDCE and a policy decision taken as to which ones he/she must relinquish. For example, a sampling of only two districts (Tema Metropolitan and Asuogyaman Districts) shows that the DCE chairs the following Committees:
 - (i) Executive Committee of the Assembly
 - (ii) District Security Committee (DISEC)
 - (iii) District Education Oversight Committee
 - (iv) District Tender Committee
 - (v) District Road Safety Committee
 - (vi) District AIDS Committee

- (vii) Statutory Planning Committee
- (viii) District Sports Committee
- (ix) School Feeding Committee
- (x) Disaster Management Committee.

The number of committees would definitely increase as more and more districts are sampled”.

- The low level patronage of district level elections is a cause for concern. The EC, NCCE and the MLGRD must devise strategies to whip up enthusiasm in local level elections.
- A Decentralization Progress Index (DPI) should be developed to enable the progress of decentralization to be tracked at the national and regional levels and on a district-by-district basis.
- To be able to implement the DPI idea, Decentralization Working Groups (DWGs) for the five thematic areas under NDAP II should be established among the Sector Focal Persons.

7 PERFORMANCE ASSESSMENT FRAMEWORK

A Performance Assessment Framework (PAF) has been developed to monitor the implementation of the National Decentralization Action Plan (NDAP 2015) which is an accompanying document to the National Decentralization Policy Framework (NDPF) and Action Plan (NDAP). The relevant columns of note in the PAF matrix are as follows:

- **Column 5:** Expected Outputs. This seeks to set the target to measure the extent to which the policy measures have been attained and is usually related to the expected short-term results of the activity, for example, a basic school building was constructed by the MMDA.
- **Column 6:** Expected Outcome. This seeks to measure the extent to which the objective was attained and is usually related to the expected medium-term results of the activity, for example that as a result of the attainment of the output (policy measure – construction of the basic school building), basic school enrolment in the community has doubled.
- **Column 7:** Expected Impact. This seeks to measure the extent to which the attainment of the objective (expected outcome) positively affected the standard of living of the community and is usually related to the long-term results of the activity, for example that almost all the final year basic school students consistently passed their final year examinations so that there was a marked improvement in the quality of education in the community, leading to improvement in the standard of living and therefore of the quality of life in the community.
- **Column 8:** Means of Verification: This identifies the evidence from which the expected outputs and outcomes may be measured.

7 Performance assessment framework

The expected impact being long-term is usually identified by verifiable and empirical observation spanning a long period of time and is therefore not easily verifiable through the evidence provided in the 'Means of Verification' column.