



**AKYEMANSA DISTRICT
ASSEMBLY**

**2022 REVENUE IMPROVEMENT
ACTION PLAN (RIAP) FOR
INTERNALLY GENERATED
FUND**

28th SEPTEMBER, 2021

INTRODUCTION

STRATEGIC OVERVIEW OF AKYEMANSA DISTRICT ASSEMBLY

The Akyemansa District was created under the L.I 1919 in 2008 as part of the Government's decentralization programme to promote effective decentralized governance.

The Population of the District as at 2021 was 91,038 (PHC,2021) (50.3% Females – 45,772 and 49.7% Males – 45,266) with a land size of 667.17km².

The Akyemansa District is bordered by Birim North District to the north, Asante Akyem South, Amansie East and Adansi South districts in Ashanti Region to the west, Birim Central District to the south and Denkyembuor and Kwaebibirem Districts to the east.

The District has only one constituency known as Ofoase–Ayirebi with 124 communities and Akyem Ofoase as the Administrative capital. It has four (4) Area Councils namely; Ofoase, Ayerebi, Akokoaso and Abenase and Thirty-eight (38) Assembly members (35 Males, 3 Females) composing of Twenty-four (24) elected, twelve (12) appointed, a Member of Parliament and a Chief Executive.

DISTRICT ECONOMY

AGRICULTURE: The economy of Akyemansa district is dominated by the Agricultural Sector which employs 73.5% of the working population. A larger proportion are into tree crops like cocoa and oil palm while others are into food crops like rice, plantain, banana, cassava etc.

EDUCATION: The total educational institutions in the District is 265, with 196 being public and 69 private. This comprise of 2 Senior High Schools, 76 Junior High Schools, 96 Primary Schools and 91 Kindergarten.

HEALTH: The district has a total of 29 health facilities. There are 30 demarcated CHPs zones with 21 being functional. Construction of the District Hospital under Agenda 111 is ongoing. Generally, 55% of the population have access to healthcare services.

ROADS: The total length of feeder roads in the District is 245km. The total tarred road is 43km. The total motorable road is 288km

WATER: The sources of water in the District are rivers, dug wells, boreholes and stand pipes. Currently, 63% of the district population have access to clean water.

TOURISM: The Akyemansa District has tourist attraction sites such as forest reserves, picturesque water bodies, historic sites and antiquities but these are undeveloped.

ENVIRONMENT: The pressing environmental concerns are water pollution and land degradation through sand winning, illegal mining (galamsey) and deforestation

KEY ISSUES

- Inadequate rice agro-processing industry.
- Inadequate school furniture for both pupils and teachers.
- Inadequate Infrastructure such as schools, security, water, sanitation, etc.
- Poor road surface conditions.
- Low revenue generation.
- High post-harvest losses in rice and maize production.
- Inadequate Health facilities and personnel.
- Inadequate office space and housing for workers eg Health, Education and Agriculture
- High levels of unemployment and under-employment especially among the youth groups

VISION

A Decentralized Public Service Unit that is well positioned with a Client Oriented Acclaim

GOAL

To ensure sustainable agricultural development, improve human resource and achieve accelerated poverty reduction within the context of good governance

MISSION STATEMENT

Akyemansa District Assembly exist to accelerate the development of entire district by providing services which focus on implementing development programs and projects in a coordinated manner to ensure efficiency so as to improve the living standards of the people.

CORE FUNCTIONS

- The District functions accordingly as prescribed in the Local Governance Act, 2016, Act 936 section 12.
- It is also responsible for the overall development of the District and shall ensure the preparation and submission through the ERCC of Development Plans of the District to NDPC for approval; and the Budget of the District related to the Approved Plans to the Minister for Finance for approval.
- Formulate and execute plans, programmes and strategies for the effective mobilization of resources necessary for the overall development of the district.
- Promote and support productive activity and social development in the district and remove any obstacles to initiative development.
- Initiate programmes for the development of basic infrastructure and provide works and services in the district.
- Responsible for the development, improvement and management of human settlements and the environment in the district.
- In co-operation with the appropriate national and local security agencies be responsible for the maintenance of security and public safety in the district.

To mitigate the gap in revenue mobilization and collection, there is the need to roll out comprehensive and complementarity strategies that will strengthen capacities of District Assemblies to improve the revenue base and performance, reduce the reliance on central government transfers which are currently dwindling and erratic in disbursement.

One of such strategies has been identified as the **Revenue Improvement Action Plan (RIAP)**.

The Revenue Improvement Action Plan (RIAP) is a strategy introduced to guide the path to an improved and sustained growth in revenue mobilization and collection.

The RIAP addresses structural, administrative and systemic inefficiencies and outlines concrete strategies to mitigate the effect of the inefficiencies in the revenue landscape.

The RIAP when properly administered will improve revenue mobilization and ensure that the rate payer accrues benefits from the payment of levies imposed.

THE OBJECTIVE OF THE RIAP

The main objective of developing a Revenue Improvement Action Plan (RIAP) is to support the District Assembly's efforts at improving mobilization and management of locally generated revenues by outlining practical suggestions on potential interventions, activities, timelines and resources required to implement the interventions.

THE EXPECTATIONS OF THE RIAP

To stimulate positive responses to influence and increase local revenue mobilization and collection to meet the demand for service delivery that are not adequately covered by central government transfers as well as create the needed awareness for prompt and voluntary payment of levies.

SOURCES OF REVENUE OF A DISTRICT ASSEMBLY

To better appreciate and formulate strategies that will help improve revenue mobilization and management, it is critical to identify the types of revenue items available to the Akyemansa District Assembly and establish the growth trajectory and levels of performance of each, to the total revenue performance of the Assembly.

Section 124 (3) of Act 2016, Act 936 provides for IGF of a District Assembly as follows;

- ✚ Rates: Property rate & Basic Rate
- ✚ Fees: Market tickets, Burial fees, Issue of certificates (Food vendors), Conveyance, etc
- ✚ Fines: Court fines & Pounds
- ✚ Licenses: Chop bar license, Fuel dealers, Lotto operators, Chemical shops, BOPs, Building permits, etc
- ✚ Lands & Royalties: Stool lands revenue & Royalties from cocoa farmers (Zevor)
- ✚ Rental/Investment Income: Musical Instruments

TREND OF REVENUE PERFORMANCE AND PROJECTIONS OF REVENUE OF THE ASSEMBLY

S/ N	Revenue Item	Baseline			Previous Year (s)			Budget Year			Medium Term Targets		
		Proj. 2020	Actual 2020	2020 % Growth	Proj. 2021	Actual 2021	2021 % Growth	Proj. 2022	Actual 2022	2022 % Growth as at August	2023	2024	2025
1	Licenses	264,900.00	235,488.72	2.80	264,900.00	153,716.86	(34.72)	241,100.00	137,654.56	(10.45)	253,365.00	266,033.25	279,334.91
2	Fees	79,100.00	52,821.50	(47.3)	79,100.00	111,329.50	110.77	118,000.00	132,640.34	19.14	200,500.00	210,525.00	221,051.25
3	Fines	1,200.00	-	-	1,200.00	-		1,200.00	200.00		1,050.00	1,102.50	1,157.63
4	Investment Income	500	-	-	500.00	-		500.00	-		500.00	525.00	551.25
5	Rates	55,000.00	33,271.50	(38.2)	55,000.00	63,010.00	89.69	55,000.00	53,227.00	(15.60)	79,025.00	82,976.25	87,125.06
6	Rent	-			-			-	-		-	-	-
7	Land	20,000.00	-	-	110,000.00	129,595.00	117.81	63,500.00	11,867.00	(90.9)	66,560.00	69,888.00	73,382.40
8	Royalties	10,000.00	22,110.00	221	35,000.00	11,690.00		30,000.00			31,500.00	33,075.00	34,728.75

	Miscellaneous	1,000.00	1,100.00	(75.9)	1,000.00	7,723.40	602.13		-		-	-	-
	Total	431,700.00	344,791.72		551,300.00	465,374.76		561,300.00	335,588.90		632,500.00	664,125.00	697,331.25

STRENGTHS FOR REVENUE MOBILIZATION

The following are some of the issues identified to support an improved revenue mobilization;

- ✚ Revenue mobilization at the District Assemblies are governed and supported by legal and regulatory framework and Guidelines. e.g. Act 936, Fee Fixing Guidelines.
- ✚ Regular revenue monitoring by the District Assembly.
- ✚ Early distribution of bills.
- ✚ Ad hoc task force to check revenue collection in the field so as to ensure that the right tickets are issued.
- ✚ Willingness of the citizens to pay the rates imposed and even adjusted rates provided it is tied to service delivery.
- ✚ Training and proper identification of revenue collectors.
- ✚ Stakeholder engagement on fixing of levies.
- ✚ Gazetted Bye-laws and Fee Fixing Resolution to enforce compliance.

WEAKNESSES WITH REVENUE MOBILIZATION

- ✚ Non availability or inadequate database on rateable items.
- ✚ Use of manual systems for recording revenue receipts.
- ✚ Low commitment with regards to prosecution of defaulters due to political ramifications.
- ✚ Inadequate revenue collectors for effective revenue mobilization.
- ✚ Low level of economic activities within the District.

✚ High cost of collection

✚ Properties not valued.

Revenue Items	Challenges
Fees	Difficulties in the identification of Property owners
	Relatively low rates charged
	Poor enforcement of by-laws
	Inadequate logistics for revenue collectors
Fines	Inadequate assembly prosecutors
Licenses	Inadequate database on all businesses
	Ineffective distribution of bills due to business location
	Wrong categorization of business
	Poor enforcement of by-laws
Rates	Improper identification of some properties due to poor street and house identification
	High cost of valuation
	Excessive delays in the revaluation of properties

	Inadequate valuation roll to charge realistic rate
	Relatively low rates, unattractive to collect in the case of basic rate
Rent	<p>Lack of renovation of Assembly properties</p> <p>Limited number of structures to rent out</p> <p>Unwillingness of tenants in Assembly stores and houses to honor their rent obligation</p> <p>Relatively low rates, unattractive to collect</p>
Cross Cutting Issues	<p>Inadequate database on ratable and rate payers</p> <p>Lack of software for billing and tracking of payment</p> <p>Low public education/sensitization on the payment of property rate</p>

OPPORTUNITIES/THREATS FOR REVENUE MOBILIZATION

Opportunities

- ✚ Automation and digitization of processes
- ✚ Human Resource and Capacity Development
- ✚ Readiness of the Assembly Staffs to work under the District sub-structures
- ✚ Availability of Development Control Tasks Force

Threats

- ✚ Political interference
- ✚ Lack of accountability to the rate payers
- ✚ Non-involvement of Traditional Leaders
- ✚ Absence of Bye-laws

STRATEGIES FOR REVENUE MOBILIZATION





- ✚ Intensify public education on the need to make good on Citizens' civic responsibility of paying levies
- ✚ Transparency and accountability in the use of revenues are the necessary conditions to improve revenue mobilization
- ✚ Adoption and strengthening the use of technology to promote efficiency and effectiveness and reduce human interface i.e. E-billing, E-reminders and E-payments
- ✚ Develop vibrant local economies to creation of jobs as envisaged under Local Economic Development (LED)
- ✚ Provision of adequate logistics to aid revenue collectors in their collection
- ✚ Recruiting and training of assembly prosecutors to increase the rate of prosecution of defaulters

- ✚ Build trust with rate payers by undertaking regular social accountability to inform them of how funds collected are utilized and the challenges being faced by the Assembly with non or delay in payment

OTHER STRATEGIES FOR REVENUE MOBILIZATION

- ✚ Approval and gazetting of by-laws and fee fixing resolution
- ✚ Conduct valuation of all commercial properties
- ✚ Participation, inclusiveness and empowerment of citizens
- ✚ Provide adequate logistics and incentives for revenue collectors
- ✚ Sensitization campaigns to update the citizenry of their civic responsibilities
- ✚ Community/Ratepayer stakeholder consultation prior to fixing fees
- ✚ Accounting records and other financial reports should be produced, maintained and disseminated in line with existing legislations

2023 REVENUE IMPROVEMENT ACTION PLAN

S/ N	ACTIVITY	SECTOR	LOCAT ION	OUTPU T INDICA TOR	ESTIM ATED COST (GHC)	TIME FRAME				IMPLEMEN TATION AGENCY	COLLABORATORS
						1	2	3	4		
1	Update and prepare demand notices for the collection of property rates	Governan ce	Ofoase	Data availabilit y	1,500.0 0					DA	DFO/DBO/CBO
2	Update data on economic activities in the District	Governan ce	Ofoase	Data availabilit y on economic activity	1,500.0 0					DA	HOD's
3	Issuance of sticker for commercial vehicles, motor bikes and tricycle	Governan ce	Ofoase	Commer cial vehicles , motor bikes and tricycle allocated with stickers	8,000.0 0					DA	Assembly men/ HOD's
4	Public sensitization of stakeholders on revenue mobilization	Governan ce	Ofoase	Citizens on the need to pay revenue	2,000.0 0					DA	ISD/CBO's/FM

MONITORING PLAN

Revenue Item	Activities	Outputs	Progress with Intervention	Officers Responsible	Remarks
Rates (Basic and Property)	Timely distribution of bills to all institutions Public education on payment of rates Capacity building for revenue collectors Procure software Quarterly review of revenue performances	Improvement of rate collection	Strengthening of revenue mobilization	DCD, DFO, DBA, Revenue Superintendent; Revenue Mobilization Taskforce	

Fees	<p>Strengthening of existing revenue barriers and establishment of new barriers</p> <p>Public education on payment of fees</p> <p>Capacity building for revenue collectors</p>	Improvement of rate collection	Strengthening of revenue mobilization taskforce; Public education; stakeholders meeting	DCD, DFO, DBA, Revenue Superintendent; Revenue Mobilization Taskforce	
License	<p>Timely distribution of bills to all institutions</p> <p>Public education on registration of business</p> <p>Capacity building for revenue collectors</p> <p>Revenue mobilization exercise</p> <p>Quarterly review of revenue performances</p>	Improvement in business registration and payment of B.O.P.	Strengthening of revenue mobilization taskforce; Public education; stakeholders meeting; Data existing business	DCD, DFO, DBA, Revenue Superintendent; Revenue Mobilization Taskforce	
Lands and Royalties	<p>Timely distribution of bills to all institutions;</p> <p>Capacity building for Revenue Collectors.</p>	Improvement of revenue collection	Strengthening of revenue mobilization taskforce,	DCD, DFO, DBA, Revenue Superintendent;	

			Public education, stakeholders meeting	Revenue Mobilization Taskforce.	
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REPORTING TEMPLATE

Revenue Item	Activities	Estimated Cost of Implementation	Expected Returns (Amount)	Actual Returns (Amount) @Aug. 22	Variance	Implementation Challenges	Mitigating Strategies	Remarks
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Rates (Basic and Property)	Timely distribution of bills to all institutions Public education on payment of rates Capacity building for revenue collectors Procure software Quarterly review of revenue performances	5,550.00	55,500.00	53,227.00	(2,273.00)			Satisfactory
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Fees	<p>Strengthening of existing revenue barriers and establishment of new barriers</p> <p>Public education on payment of fees</p> <p>Capacity building for revenue collectors</p>	11,800.00	118,000.00	88,197.00	(29,803.00)			Satisfactory
Licenses	<p>Timely distribution of bills to all institutions</p> <p>Public education on registration of business</p> <p>Capacity building for revenue collectors</p> <p>Revenue mobilization exercise</p> <p>Quarterly review of revenue performances</p>	24,210.00	242,100.00	182,097.90	(60,003.00)			Satisfactory

Fines	Quarterly review of revenue performances	120.00	1,200.00	200.00	(1,000.00)	Inadequate assembly prosecutors No Recalcitrant rate payers	Recruitment of Assembly prosecutors	On-going
Lands and Royalties	Timely distribution of bills to all institutions; Capacity building for Revenue Collectors.	14,400.00	144,000.00	11,867.00	(132,133.00)	1.Poor enforcement of by-laws 2.Inadequate logistics for revenue collectors	Enforcement of by-laws Adequate provision of logistics to ensure optimal collection	On-going
Investment	Advertisement and public awareness	50.00	500.00	-		Lack of publicity and outbreak of pandemic	Advertisement and public awareness	On-going
Total		56,130.00	561,300.00	335,588.90	(225,711.10)			

TOOLS TO AID IN IGF MOBILIZATION

In addition to the laws (Local Governance Act, 2016 (Act 936), PFM Act, 2016 (Act 921), PFM Regulations 2019 (L.I 2378)) and policy strategies, the following tools can also aid in our quest for an improved revenue mobilization:

- ✚ Fee Fixing Guidelines
- ✚ Internally Generated Fund Strategy and Reference Guide

STAKEHOLDERS TO BE ENGAGED

Internal Stakeholders

- ✚ DCE
- ✚ DCD
- ✚ Finance and Administration Sub-Committee
- ✚ Budget Committee
- ✚ Heads of Departments and Units
- ✚ Revenue Head
- ✚ Internal Auditor

STAKEHOLDERS TO BE ENGAGED

External Stakeholders

- ✚ Traditional Authorities
- ✚ Religious Bodies
- ✚ Media
- ✚ Civil Society Organizations and Faith Based Organizations
- ✚ Development Partners
- ✚ Organized Groups (Market women, Artisans, Farmers, PWDs etc.)
- ✚ Citizens

CONCLUSION

It is our expectation that when the proposed strategies are adopted and the templates considered for implementation, it will improve the revenue mobilization drive of the District Assembly, reduce the inefficiencies and improve service delivery in the District Assembly.

NAME OF DCE: Hon. Paul Asamoah

NAME OF DCD: Mr. Seth Anim Boadi

SIGNATURE AND STAMP:

SIGNATURE AND STAMP:

DATE:

DATE: