

SEKYERE SOUTH DISTRICT ASSEMBLY

2023 REVENUE IMPROVEMENT ACTION PLAN

PREPARED BY BUDGET UNIT

INTRODUCTION

As Ghana braces itself up, a lot more pressure has been brought to bear on local authorities (District Assemblies) to intensify their internal revenue mobilization effort in order to generate enough revenue to compliment government's effort in bringing about change and development to the citizenry.

Revenue mobilization poses a constant challenge to governments at all levels, as money is needed to finance public welfare programmes and development. In Ghana, District Assemblies are created for management of district affairs and to provide for a general welfare of their inhabitants. It is an undeniable fact that district development and welfare of citizens depends to a very large extent on increased revenue generation. Assemblies are by law obliged to strive to enhance local revenue generation and judiciously utilizing the resources to finance service delivery. Having that in mind, the Sekyere South District Assembly has formulated a comprehensive 2023 Revenue Improvement Action Plan aimed at increasing revenue generation.

2022 REVENUE PERFORMANCE

The Assembly's Revenue performance as at August 2022 was **61.50%** representing **Five Hundred and Fifty-Three Thousand, Four Hundred and Fifty-Nine Ghana Cedi, Fifty-Five Ghana Pesewas (GH¢553,459.55)** out of an Approved Budget of **Nine Hundred Thousand Ghana Cedi Only (GH¢900,000.00)**.

Details can be found as below.

TREND OF REVENUE PERFORMANCE AND PROJECTIONS

S/N	REVENUE ITEM	BASELINE			PREVIOUS YEAR (S)			BUGDET YEAR			MEDIUM TERM TARGETS		
		Approved Budget 2020	ACTUAL @Dec 2020	%	Approved Budget 2021	ACTUAL @Dec. 2021	%	Approved Budget 2022	ACTUAL @August 2022	%	2023	2024	2025
1	Licenses	190,085.71	153,043.00	80.51	190,085.71	164,186.00	86.37	185,600.00	114,391.45	61.63	195,000.00	204,750.00	214,500.00
2	Fees	218,000.00	196,052.61	89.93	218,000.00	152,792.49	64.65	191,500.00	111,368.00	58.16	199,100.00	209,055.00	219,010.00
3	Fines	6,000.00	6,130.00	132.04	6,000.00	62,751.00	1045.85	16,400.00	15,280.00	93.17	16,400.00	17,220.00	18,040.00
4	Rent	216,914.29	185,891.00	85.70	216,914.29	77,815.00	35.87	143,300.00	95,330.00	66.52	94,200.00	98,910.00	103,620.00
5	Rates	184,000.00	266,120.00	144.63	184,000.00	194,385.00	105.64	269,000.00	112,541.00	41.84	269,000.00	282,450.00	295,900.00
6	Land	185,000.00	90,358.48	48.84	185,000.00	69,243.25	37.43	94,200.00	104,549.10	110.99	124,200.00	130,410.00	136,620.00
	Total	1,000,000.0	897,595.09	89.76	1,000,000.0	721,172.74	72.12	9000,000.00	553,459.55	61.50	947,000.00	994,350.00	1,041,700.0

From the table above, the Assembly receipted **61.89%** out of the Approved Budget as at August, 2022, indicating high performance for the Eight month estimated rate of **66.67%**. The under performance is attributed to time and seasonal pattern of farmers. Mostly, citizens have the willingness to pay revenue during the major farming and Cocoa Season which normally occur in the last quarter of the year. However, considering the fast rate of development of the various communities in the District, the Assembly performed better in terms of generating Revenue Internally to fund its operations and develop the various communities.

The following reasons were attributed to the unachieved target set:

- a. Inadequate logistics to support revenue mobilization
- b. Low capacity of revenue staff
- c. Inadequate supervision and monitoring of revenue collection.

DRAFT 2023 REVENUE TARGETS

The Assembly at its General Meeting to approve the 2023 Annual Composite Budget, the amount of **GH¢947,000.00** was set as target for its **2023** Internally Generated Funds.

Breakdown as follows.

NO	REVENUE ITEM	2023 ESTIMATE
		GH¢
1	Property Rate	269,000.00
2	Fees	199,100.00
3	Fines	16,400.00
4	Licenses	195,000.00

5	Land	124,200.00
6	Rent	143,300.00
	Total	947,000.00

To establish the basis for developing strategies for the Revenue Improvement Plan, a detailed SWOT analysis of the present situation of the Sekyere South District Assembly was carried out to identify the strengths, weaknesses, opportunities, and threats. The SWOT analysis focused on the operational areas that management considered key in the short and medium term. Other operational areas that directly or indirectly influence those that management deemed critical were also analyzed to provide a holistic comprehensive platform for a more coherent strategy formulation/development.

SWOT ANALYSIS

Strengths	Weaknesses	Opportunities	Threats
Staff willingness to work overtime	Lack of means of transport for revenue mobilization	Availability of public transport to facilitate revenue collection	Lack of political will to deal with defaulters
Availability of revenue collection centers	Inadequate revenue collectors	Existence of revenue task force	Delayed payment of commissions
Availability of some taxable economic activities	Ineffective collection and supervision	Private revenue collection Agents	High consultancy/commission charges

Availability of huge arrears/tax base	Lack of commitment to recover arrears	Software to track defaulters	High illiteracy among revenue collectors
Competent finance staff	Lack of IT equipment	Availability of computer software	Siphoning of revenue
Existence of FM/radio stations	Low level of awareness/sensitization	more patronage for radio program mes	High level apathy among citizens
Existence of sub-structures to support revenue generation	Non-functioning Area Councils	Presence of local information centers	Low involvement in local governance by the people
Availability of a legal framework for local revenue generation	Poor communication between revenue collectors, management, and taxpayers	Enactment of by-laws to enforce collection	Political interference
Existence of large markets	Inadequate market infrastructure	Closeness of the district to Mampong	Competing markets
Dedicated revenue collectors	Lack of motivation	Availability of capacity building opportunities	Lack of funds

REVENUE STRATEGIES

The under listed strategies will be vigorously pursued by the Assembly in 2023 and beyond to improve internal revenue mobilization. Key amongst them is the following:

- Setting of revenue targets for revenue station
- Issued Bills promptly and at regular intervals to alert rate payers.
- Training of revenue taskforce and prosecution of tax defaulters.
- Instituting an award scheme to reward outstanding Revenue Collectors
- Embark on rigorous routine tax education

ACTION PLAN

REVENUE ITEM	STRATEGIES/ACTIVITIES	OBJECTIVES	EXPECTED OUTPUT/OUTCOME	IMPLEMENTATION PERIOD				LOGISTICS REQUIRED	ESTIMATED COST	RESPONSIBLE OFFICER	FUND SOURCE
				1 ST	2 ND	3 RD	4 TH				
				QTR	QTR	QTR	QTR				
Property Rate	Engagement of Land valuation division to revalue properties in Agona, Wiamoase, Kona, and Jamasi township	To increase revenue on Property Rate by 60% annually	Properties in Agona, Wiamoase, Kona, and Jamasi township revalued	↔				Vehicles, Information Horns		Physical Planning Officer, Real Estate Officer, and the DCD Physical Planning Officer,	DACF/IGF IGF

	Defaulters Prosecuted		Adherence to regular payment	↔	↔	↔	↔	Computers		Real Estate Officer, and the DCD	
	Revenue collection to be audited	Quality Assurance	Quarterly Auditing carried	↔	↔	↔	↔	Computers, Calculators		Internal Auditor, Revenue Officer	IGF
Basic Rate	Education campaign on the need to pay Basic Rate	To increase revenue on Basic Rate by 40% annually	Public Sensitization on Basic Rate Payment	↔	↔	↔	↔	Vehicles, Information Horns		Revenue Officers, DCD, DFO and Works	IGF
	Collection ceded to Town/Area council		Decentralizing Basic rate collections	↔	↔	↔	↔	Motor Bikes		Town/Area council	IGF
Fees	Engagement of Stakeholders to update data on Fees	To increase revenue on Fees by 25% annually	Data update on fees	↔	↔	↔	↔	Vehicles, General Counterfoil Receipt		Revenue Officers	DACF

Fines	Engagement of Stakeholders to update data on Fees	To increase revenue on Fees by 25% annually	Data update on fees	↔	↔	↔	↔	Vehicles, General Counterfoil Receipt		Revenue Officers	DACF
Licenses	Revenue Campaign to be held in all Zonal Councils	To increase Revenue on License by at least 20% annually	Data on License updated Awareness created on the payment of license	↔	↔	↔	↔	Vehicles, Information Horns		Town/Zonal Councils	DACF
Land											
1. Stool land	Pay your Stool Land Levy campaign in all communities	To increase the Stool Land Revenue by at least 10% annually	Public Sensitization on payment of Revenue on Stool lands	↔	↔	↔	↔	Vehicles, Information Horns		Revenue Officers, Stool Land Officer	IGF
2. Building Permit	Taskforce resourced to perform effectively	To increase Revenue on Building permit by at least 10% annually	Building Inspection Taskforce formed	↔		↔		Vehicles		Works Department, Physical Planning	IGF

Rent	Taskforce resourced to perform effectively Defaulters Prosecuted	To increase Revenue on rent by at least 10% annually	Revenue Taskforce formed Adherence to regular payment	↔	↔	↔	↔	Vehicles		Revenue officers	IGF
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2023 REVENUE IMPROVEMENT ACTION PLAN

GOAL: To improve upon the overall revenue mobilization by 10% by December 2023

SPECIFIC OBJECTIVE:

- To update Revenue Database by June 2023
- To enhance capacity of Revenue Staff and their efficiency by December 2023
- To intensify Public Education on Rate/Fee payment by December 2023

Objective 1: To update Revenue Database by June 2023

NO	ACTIVITIES	TIME FRAME	RESPONSIBILITY	EXPECTED OUT COME	INPUTS	BUDGET	SOURCE OF FUNDING

1	Review of existing data	January- June 2023	Budget committee	Existing data updated	Snack/ Allowance for meeting	18,000.00	DACF
2	Setting of Targets for Revenue Collectors	January-March 2023	Budget committee	Targets for Revenue Collectors set	Snack/ Allowance for meeting	1,000.00	IGF
3	Organize meeting to validate updated Data	June 2023	Budget committee/F&A Sub-Committee	Reliable data available	Snacks/T&T / Allowances	1,000.00	IGF
4	Gazetting of Fee Fixing Resolution and Bye-Laws	March 2023	Budget Unit/Environmental Office	Fee Fixing Gazetted, Bye-Laws Resolution acquired	T&T and Cost of Gazet	12,000.00	DACF
	Sub-total					32,000.00	

Objective 2: To enhance capacity of Revenue Staff and their efficiency by December 2023

N O	ACTIVITIES	TIME FRAME	RESPONSIBILI TY	EXPECTED OUTCOME	INPUTS	BUDGET (GH₵)	SOURCE OF FUNDING
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1	Organize training/workshop for all revenue staff	April 2023	HR, Revenue unit, Budget Unit	Capacity of revenue staff enhanced	Meals/T&T/Resource persons/Facilitators/ Stationery/Miscellaneous	5,000.00	IGF
2	Motivate revenue staff	Monthly	DCD	Prompt payment of T&T and commissions	T&T/Commission for Revenue Staff, Purchase of Protective Clothing	12,000.00	IGF
3	Organize meeting for revenue staff with management	Quarterly	DCD	Motivational meeting held	Snacks/T & T	5,000.00	IGF
	SUB-TOTAL					22,000.00	

- **Objective 3: To intensify Public Education on Rate/Fee payment by December 2023**

NO	ACTIVITIES	TIME FRAME	RESPONSIBILITY	EXPECTED OUT COME	INPUTS	BUDGET (GH₵)	SOURCE OF FUNDING
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1	Activities of revenue mobilization and building permit Task forces strengthened	January-December 2023	DCD/Task Force members	Defaulters are compelled to comply with payment	Fuel/Allowances/Meals	5,000.00	IGF
2	Pay-your levy campaign to be undertaken	Monthly, 2023	Revenue Unit, Information Services Dept./NCCE	Rate payers made aware of their civic duties	Fuel /Snack	3,000.00	IGF
3	Distribution of demand notices to rate payers	January – April 2023	DFO/Revenue Head	Rate payers made aware of their civic duties	Vehicle, Fuel	3,000.00	IGF
5	Prosecution of Rate Defaulters	October-December 2023	Assembly's prosecutor	Deterrent to non-payment	Summons book	1,000.00	IGF
6	Organize stakeholders meeting for the fixing of fees	August 2023	DCD	Stakeholders involved in fee fixing	Water, Snack	10,000.00	IGF

8	Supervision/monitoring of Revenue Staff	Quarterly	DFO/Revenue Head/ Gov't Inspector/ Internal Auditor/ F&A Sub-Committee	Revenue Leakages eliminated	Fuel/T&T/ Allowances	2,000.00	IGF
	Sub-total					24,000.00	

SUMMARY OF COST OF PLAN

OBJECTIVE	SOURCE OF FUNDS (GH¢)	
	IGF(GH¢)	DACF(GH¢)
Objective 1	2,000.00	30,000.00
Objective 2	22,000.00	
Objective 3	24,500.00	
SUB-TOTAL	48,000.00	30,000.00
TOTAL	78,000.00	

STAKEHOLDERS TO BE ENGAGED

Internal Stakeholders

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

External Stakeholders

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

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(ANTHONY KWENIN)
CHAIRMAN

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(RABIATU ISSAH)
SECRETARY