



REPUBLIC OF GHANA

KINTAMPO MUNICIPAL ASSEMBLY

2023 REVENUE IMPROVEMENT ACTION PLAN

OCTOBER, 2022

KINTAMPO MUNICIPAL ASSEMBLY BUDGET AND RATING UNIT

MEMORANDUM

TO: MUNICIPAL COORDINATING DIRECTOR

FROM: MUNICIPAL BUDGET ANALYST

DATE: 11TH OCTOBER, 2022

**SUBJECT: SUBMISSION 2023 REVENUE IMPROVEMENT ACTION
PLAN**

Please, find attached the 2023 Revenue Improvement Action Plan for your attention and necessary action. The plan contains the various activities outlined for implementation to ensure the achievement of the revenue targets set for Fiscal Year.

Thank you.

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MUNICIPAL BUDGET ANALYST

1. INTRODUCTION

The Kintampo Municipal Assembly as part of its mandate is to provide development using funds obtained from both internal and external sources. The internal sources include basically the Internally Generated Funds (IGF) which is generated through the efforts of the Assembly. There is therefore, need for the improvement of IGF every year to help meet the funding gap faced by dwindling external funding. Accordingly, the 2023 RIAP was approved on 26th October, 2022 for implementation.

The Revenue Improvement Plan for the year 2023 was prepared to address the expenditure requirements in the 2023 Fiscal Year's Composite Budget. The main objective of the Plan was to increase Internally Generated Fund by at least 15.61%. It has various activities with corresponding objectives, output indicators, strategies, timeline, budget and implementing agent. Also, Revenue Targets for 2023 as set by management are contained in the Plan.

2. ESTABLISHMENT OF THE DISTRICT

a. Location and Size

Kintampo District was established in 1988 under LI 1480. In 2004 the Kintampo District was divided into North and South. The District was named Kintampo North District by Legislative Instrument of the Local Government Act, Act 462, LI 1762, and later upgraded to Kintampo Municipal by Legislative Instrument of the Local Government Act, Act 462, L. I. 1871 in 2007. The Kintampo Municipal is one of the 11 Municipals/Districts in the Bono East Region of Ghana.

b. POPULATION STRUCTURE

Kintampo Municipal Assembly has an estimated population of 136,226 comprising 49.1% male and 50.9% female and Age distribution: 0-14 (29.5%), 15-64 (64%), 65% and above (6.5). The growth rate is 2.6% and a population density of 21.75 persons per square kilometer. (Source 2010 PHC)

3. DISTRICT ECONOMY

a. Agriculture

The Kintampo Municipal economic activity can be described as purely agrarian in that almost every resident in the area is a farmer. Yam is the main crop produced in the area and constitutes the main source of household income for the people. Other crops grown in the area are Maize, Cowpea, Cassava, Rice, Plantain, Egushie, Groundnut and Beans. Cashew, Mango, Tomatoes, Onions, Water Mellon, Garden eggs and Soya beans which have potential to increase the incomes of farmers.

b. TRADE

Brisk Commercial activities takes place in Kintampo weekly market (Every Wednesday) with and attract traders from neighboring countries (Burkina Faso and Togo). Major traded goods in the market includes yam, charcoal, maize and Cassava. There are five other operational markets at Babatokuma, Dawadawa, Gulumpe, New-Longoro and Kunsu.

The Municipality is also privileged to have three (3) rest/bus stops where there are booming economic activities.

c. Road Network

The Trans Sahara Road passes through the District with a major stop over station (STC and Falls Rest).

There are two other arterial roads which are the Ntankoro, Kunsu road to the east and New Longoro Road to the West

d. Tourism

One classification of the tourist attractions in the Municipality is the historical heritage which includes the Geographical Centre of Ghana located at the Municipal capital, Kintampo. The Slave Market, Caves and Night Lamp at Kunsu. European Cemetery where eight of the “Gold Coast Regiment” were buried also in Kintampo. The British established several operational offices during the colonial period. Kintampo was the seat of the Commissioner of the Ashanti Region. Several of the original British buildings are still standing.

The main natural attractions are the Pumpum River which falls 70m down some beautiful rocky steps to form the Kintampo Water Falls which continue its journey towards the Black

Volta at Buipe, and the Fuller falls 7km west of Kintampo which provides a cool swim in a pool; stool- like carved rocks to sit. These natural sites have been sources of revenue to the Kintampo Municipal.

4. VISION OF THE DISTRICT ASSEMBLY

The vision of Kintampo Municipal Assembly is to be a first class tourist and educational centre with a highly developed local economy within a functional decentralized local governance system

5. MISSION STATEMENT OF THE DISTRICT ASSEMBLY

The Kintampo Municipal Assembly exists to improve the quality of life of the people in the Municipality through the provision of Social Infrastructure and Amenities, Promotion of Human Development and the Creation of Employment Opportunities

6. GOAL

The Kintampo Municipal's main development goal is to "achieve a sustainable socio-economic growth by creating an enabling environment geared towards reduction of socio-economic inequalities, insecurity, and gender inequality and ensure rapid poverty reduction with special emphasis on agriculture and tourism with active participation of the citizenry in a decentralized environment"

7. KEY ISSUES AND CHALLENGES:

- ✓ **Physical development:** Jumbled development of settlement, poor drainage system, poor road network in Kintampo Township and the Arterial roads etc
- ✓ **Water and Sanitation:** Inadequate and poor quality water supply, Inadequate financing, open defecation, poor sanitation and waste management system
- ✓ **Health and Health services delivery:** Inadequate awareness on preventive and curative practice; and inadequate and poor health facilities
- ✓ **Education:** Inadequate and poor school infrastructure, and financing of other educational programmes to improve teaching and learning

- ✓ **Climatic Variability and Change:** Deforestation (bush burning, nomadic activities and charcoal burning)
- ✓ **Finance:** Inadequate revenue generation and delay in release of funds from Central Government
- ✓ **Security:** Highway robbery, chieftaincy, land and communal disputes

8. CORE FUNCTIONS

The core functions of the District are outlined below:

1. Exercise political and administrative authority in the district,
2. Promote local economic development and provide guidance, give direction to, and supervise other administrative authorities in the district.
3. Performs deliberative, legislative and executive functions.
4. Responsible for the overall development of the district and shall ensure the preparation of development plans and annual and medium term budgets of the district related to its development plans.
5. Promote and support productive activity and social development and remove any obstacles to initiatives and development
6. Formulate and execute plans, programmes and strategies for the effective mobilization of the resources necessary for the overall development of the district.
7. Initiate programmes for the development of basic infrastructure and provide municipal works and services in the district.
8. Responsible for the development, improvement and management of human settlements and the environment in the district.
9. Responsible, in cooperation with the appropriate national and local security agencies, for the maintenance of security and public safety in the district.

10. Initiate, sponsor or carry out studies that are necessary for the performance of a function conferred by Act 462 or by any other enactment.

11. Take the steps and measures that are necessary and expedient to

- i. execute approved development plans and budgets for the district;
- ii. guide, encourage and support sub-district local government bodies, public agencies and local communities to discharge their roles in the execution of approved development plans;
- iii. initiate and encourage joint participation with any other persons or bodies to execute approved development plans;
- iv. promote or encourage other persons or bodies to undertake projects under approved development plans; and
- v. Monitor the execution of projects under approved development plans and assess and evaluate their impact on the people's development at the local, district and national economy.

12. Finally, a District Assembly in the performance of its functions, is subject to the general guidance and direction of the President on matters of national policy, and shall act in co-operation with the appropriate public corporation, statutory body or non-governmental organizations.

9. TREND ANALYSIS OF IGF REVENUE PERFORMANCE

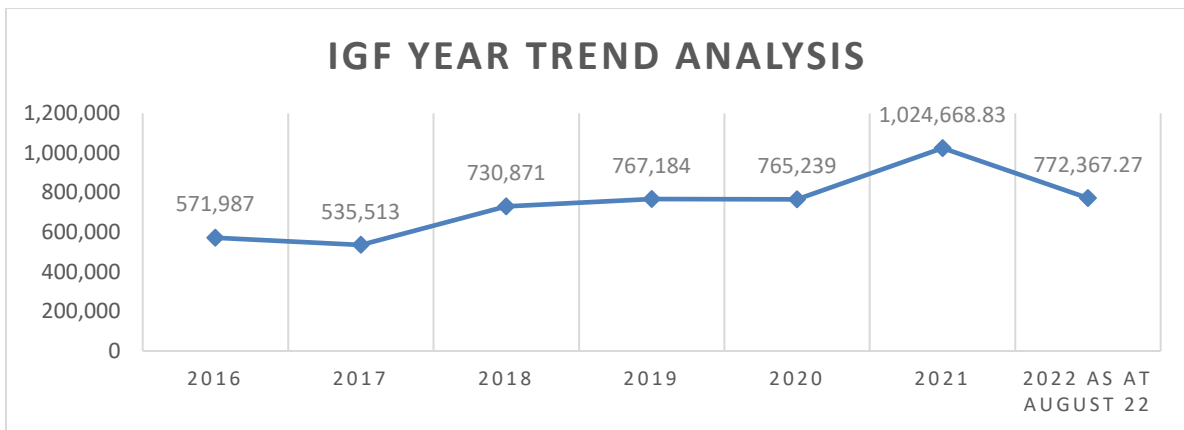
Table 1: REVENUE PERFORMANCE FOR IGF ONLY

ITEM	2020		2021		2022			
	Budget	Actual	Budget	Actual	Budget	As At August	%	Revised
Property Rates	40,000	15,706	138,000	18,035	138,000	38,423	27.84	138,000
Cattle Rate	20,000	8,500	60,000	41,445	40,000	9,583	23.96	40,000
Fees	377,000	300,419	461,000	354,742.5	530,200	304,582	57.45	530,200
Fines	2,500	15,993	7,500	18,300	7,500	6,230.5	83.07	7,500
Licenses	299,300	290,599	335,800	315,523	359,800	310,180.36	72.17	429,800
Land	104,800	75,624	135,500	154,545.97	240,500	64,991.35	27.02	240,500
Rent/ Equipment and Buildings	45,500	54,655	81,000	122,077.36	121,000	25,190	22.69	111,000
Investment	60,000		160,000		120,000	13,187.06	21.99	60,000
Miscellaneous		3,743						
Total	949,100	765,239	1,378,800	1,024,668.83	1,557,000	772,367.27	49.61	1,557,000

1. Provisional data for the period January to August, 2022 shows that, revenue performance was generally below target for the period.
2. The revenue realised as at August, 2022 represents 49.61% of the annual target of GHs1,557,000.
3. Rents and investment performed poorly for the period under review showing 22.44% against the annual target. This item is characterized by the fact that most of the assemblies stores and other facilities had been paid in advance.
4. Fees shows an average performance of 57.45% against the annual target. Yams under this item which is a major contributor peaks in the second half. Other tolls are also performing low due to the poor state of the market

5. License recorded the second highest performance of (72.17%) and also makes the major contributor of revenue in terms of quantum for the period under review.
6. Lands: actual shows 27.02% performance against annual target.
- Delays temporal structure permits contributed to the low performance.
7. Fines: fines recorded 83.07% of the annual target but in-terms of quantum it's the lowest per the IGF revenue lines.
8. Rates: Cattle and property rates recorded 23.96% and 27.84% respectively as against the annual target.

Line Graph Showing IGF Trend



1. There is no defined trend for IGF revenue over the 6-year period under consideration but there is positive indication for improving the level of collection in 2022.
2. The trend started with a decreased from 2016 and 2017 fiscal years but changed trend in 2018
3. Actual revenue performance saw an increasing progression in 2018 and 2019 but slightly fell in 2020.
- ✓ From 2019 to 2020, the growth in revenue drastically fell to 4.97%. Despite significant improvement in the two major revenue items (fees and licenses), this could not compensate for the effect of the revenue from new market stores in 2018.
- ✓ 2020 being an election year and with the adverse effect of Covid-19 on the local economy, revenue decreased by GHs1,945.00 from the 2019 actual.

- ✓ The highest progress was in the 2021 fiscal year where 74.31% of the annual target was achieved with a significant growth of 33.90% from 2020 fiscal year

10.OBJECTIVE OF THE PLAN

The 2023 Revenue Improvement Action Plans seeks to achieve at least 30% increase in IGF for the 2023 Fiscal Year.

A revolution of the revenue status of the Assembly is expected as total commitment from management is assured

11.REVENUE TARGETS

The assembly is expecting to raise an amount of GHs1,700,000.00 for the 2023 fiscal year.

The rate of growth is pegged at a minimum of 30% of the 2022 Fiscal Year.

There is assurance of political support and that of the General Assembly see to the realization of the full revenue potential.



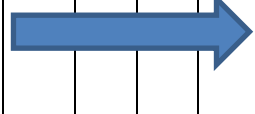

The results from the ongoing strategies provides the indications that the target is feasible.

2023 REVENUE TARGET

IGF HEADINGS	2022 BUDGET	2022 ACTUAL AS AT AUGUST.	2023 BUDGET
PROPERTY RATES RATE	138,000.00	38,423.00	150,000.00
CATTLE RATE	40,000.00	9,583.00	60,000.00
FEES	530,200.00	304,582.00	550,000.00
FINES	7,500.00	6,230.50	10,000.00
LICENSES	429,800.00	310,180.36	500,000.00
LANDS	140,500.00	44,991.35	150,000.00
RENT	111,000.00	25,190.00	120,000.00
INVESTMENT	60,000.00	13,187.06	60,000.00
STOOL LANDS	100,000.00	20,000.00	100,000.00
TOTAL	1,557,000.00	772,367.27	1,700,000.00

12. REVENUE IMPROVEMENT ACTION PLAN FOR 2023

	ACTIVITY	OBJECTIVE	OUTPUT INDICATOR	STRATEGIES	TIME SCHEDULE IN QUARTERS				BUDGET (GHC)	IMPLEMENTING AGENT
					1	2	3	4		
									Local	
1	Regular Rotation of Revenue Staff	To help improve revenue collection and accountability	Revenue Heads and Collectors Rotated regularly	1. Draw a schedule for revenue heads every quarter 2. Perform and analysis of revenue realized among collectors and heads					1,000.00	MCD, REVENUE HEAD, MFO, MIA AND BUDGET
2	Undertake Monitoring and Supervision of Revenue Collection	To ensure compliance to laws and regulations and reduce leakages	Proper recording and reporting of revenue received	Carry out visits to rate payers for inspection of receipts Conduct uninformed inspection of Value Books 3.Revenue mop-up exercises with revenue officers. 4. Secure a means of transport					5,000.00	REVENUE HEAD, MFO BUDGET, AMIA
3	Acquire Computerized Software	To ensure ease of generating bills, capturing data and tracking revenue.	Installation and use of software System generation of bills	Liase with GIZ for the acquisition of the Software Assign a staff for use of Software Generation of system reports Confirmation of receipt through rate payer messaging					12,000.00	MIS, BUDGET, MCD, MFO

	ACTIVITY	OBJECTIVE	OUTPUT INDICATOR	STRATEGIES	TIME SCHEDULE IN QUARTERS				BUDGET (GHC)	IMPLEMENTING AGENT
					1	2	3	4		
									Local	
4	Update Revenue Data Base	To ensure effective and realistic targeting of revenue	<ul style="list-style-type: none"> ▪ Data base updated quarterly ▪ Revenue targets realistically set 	<ol style="list-style-type: none"> 1. Involve staff of the Statistics Department in revenue mobilization activities 2. Create templates and excel spreadsheet for collection and capturing of Revenue Data 					20,000.00	STATISTICS, BUDGET, REVENUE
5	Sensitization of rate payers	To create awareness of the civil obligation to tax and induce voluntary adherence to payment of rates	Number of public education on radio and open forums	Use of mass media, one-on-one education, stakeholder engagements, town hall meetings					8,000.00	BUDGET, MFO, REVENUE HEAD
6	Effective Management of Revenue Barriers	To reduced leakages diversion of export revenue	Number of Revenue Barriers Reconstructed and furnished	<p>Deployment of new collectors at the revenue barriers</p> <p>Introduce night operations at the revenue barriers</p> <p>Construct offices at the barriers</p>					10,000.00	FINANCE WORKS REVENUE
7	Provision of essential public facilities/services	To improve on rate payer compliance	Number of Services/Facilities provided	<p>Provision of street lights at public places (market, transport yards etc)</p> <p>Provision of places of convenience at public places (Main Market)</p>					20,000.00	FINANCE WORKS REVENUE

	ACTIVITY	OBJECTIVE	OUTPUT INDICATOR	STRATEGIES	TIME SCHEDULE IN QUARTERS				BUDGET (GHC)	IMPLEMENTING AGENT
					1	2	3	4		
				Maintenance of markets (Kintampo Weekly Market, Daily Market, Babato Market)					Local	
8	Training of Revenue Collectors	To enlighten revenue collectors and advance strategies to improve revenue collection.	Number of Revenue collectors trained	Training of all revenue collectors both Permanent and Commission staff.					10,000.00	FINANCE, REVENUE AND BUDGET
				GRAND TOTAL					80,000.00	

The table above provides details of how the Assembly intends to go about its revenue mobilization in the 2023 Fiscal Year. We are confident that the application of this strategies to the later will lead us to achieve our target for the Year

Compiled by:

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(Municipal Budget Analyst)

Verified by:

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(Municipal Finance Officer)

Certified by:

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(Municipal Coordinating Director)