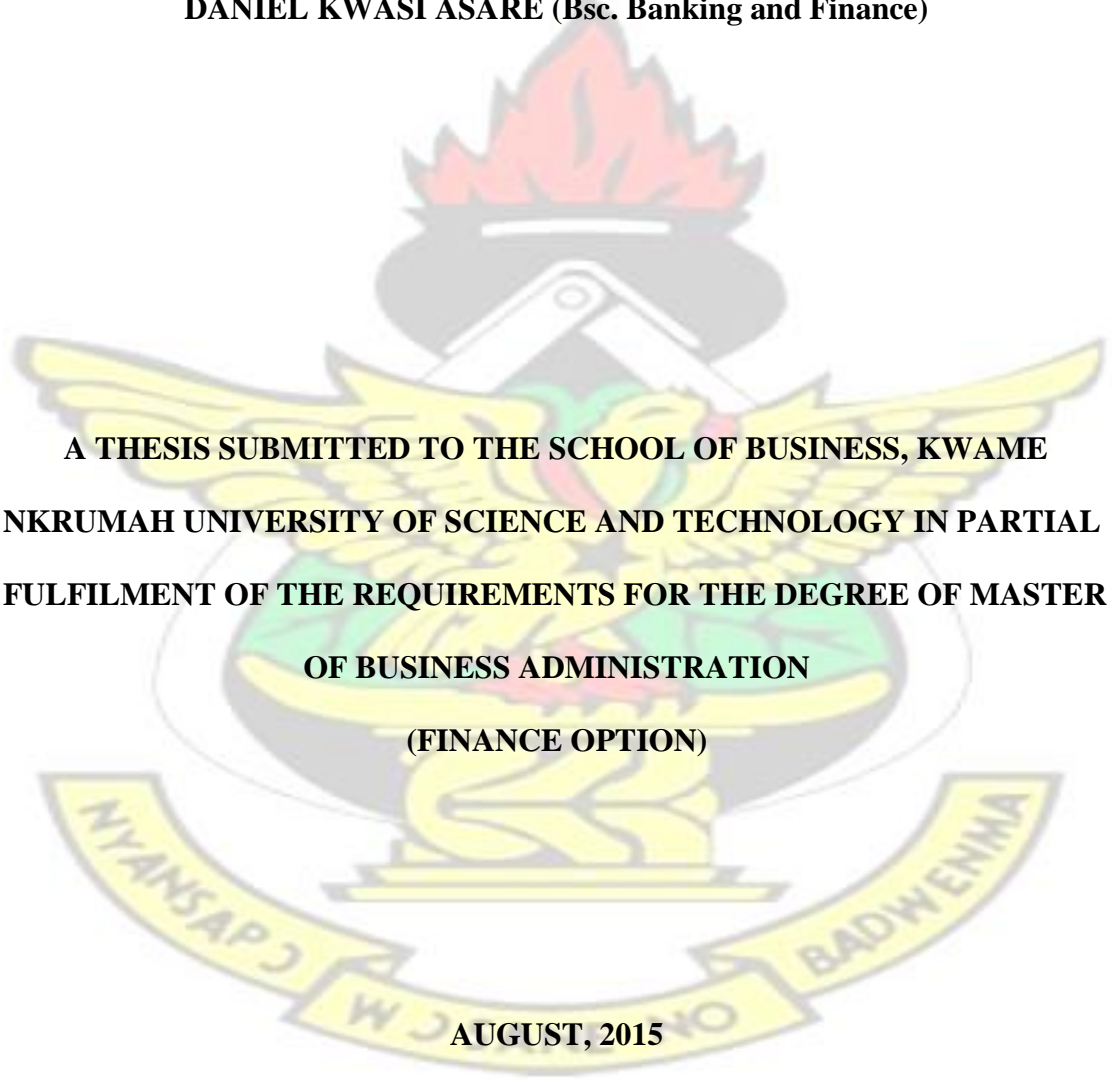


ASSESSING THE FINANCING OF BEREKUM MUNICIPAL ASSEMBLY

KNUST
SUBMITTED BY :

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**A THESIS SUBMITTED TO THE SCHOOL OF BUSINESS, KWAME
NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY IN PARTIAL
FULFILMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTER
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(FINANCE OPTION)**

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DECLARATION

I, Daniel Kwasi Asare hereby declare that this thesis is my own work toward the award of the Masters in Business Administration Degree and that, to the best of my knowledge, it contains no material previously published by another person nor material which has been accepted for the award of any other degree of the University, except where due acknowledgements has been made in the text.

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DEDICATION

I dedicate this work to my dear wife, Monica, my children, Nana Asare Dapaah, Adwoa Foriwaa Asare Dapaah and Yaw Twum Asare Dapaah.

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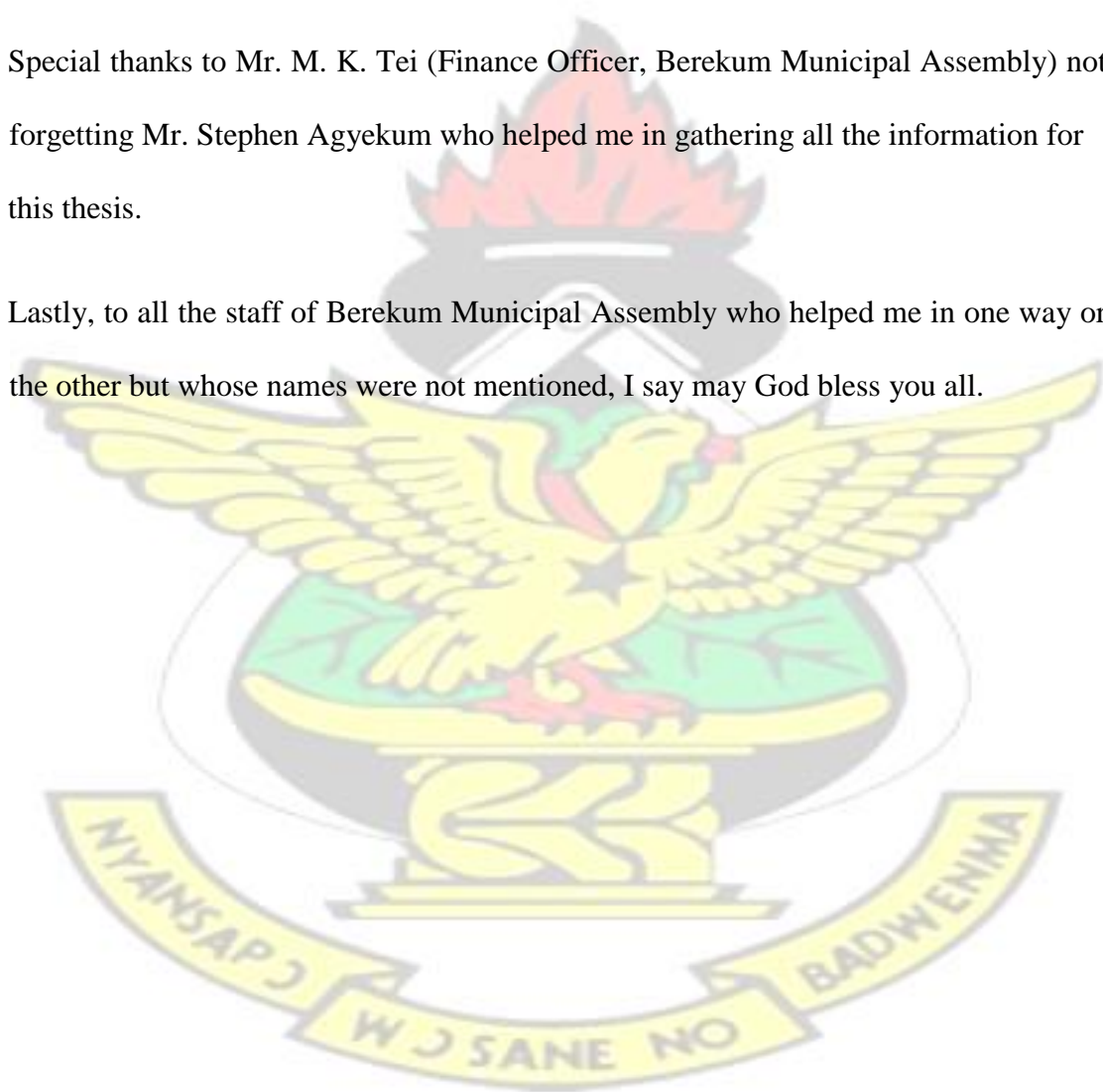
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All thanks and glory to the almighty God who guided and protected me through my studies. May His name be praised forever.

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ABSTRACT

The study is on the topic assessing the financing of Berekum Municipal Assembly.

The study set out to identify the major sources of revenue of Berekum Municipal Assembly; assess the procedures involved in accounting for revenues collected; assess the revenue mobilization strategies adopted by BMA and to assess challenges facing revenue mobilization in BMA. The sample was made up of the management of the assembly, revenue collectors, assembly members and other staff of the assembly. Stratified sampling technique was used to group respondents into three main strata. In all, 50 questionnaires were administered to the carefully selected sample size through the use of purposive sampling techniques for management and simple random sampling for each category of strata. A one-on-one interview was also conducted with the Municipal Finance Officer to solicit his views and gather some facts on the topic. The study revealed that BMA has other sources of revenue activities aside the traditional sources that can contribute immensely towards IGF of the assembly when given the necessary attention. It was also clear that gender and educational background of revenue collectors had great implications on revenue targets as well as educated female revenue collectors have the tendency of meeting revenue targets. The study identified challenges such as lack of logistics, lack of motivation and lack of training for revenue staff to be affecting revenue generation at the municipality. The study revealed that respondents were very much conversant with the accounting procedures of the assembly as stipulated in the accounting manual 2010 of MMDAs. However, it usually takes revenue collectors up to 3 years to be conversant with these procedures. The study therefore recommends that the assembly should recruit more female revenue collectors with higher educational background, preferably tertiary level of education. Orientations should also be organized for new revenue staffs to get them acquainted with accounting

reporting procedures even before they commence their duties. Finally, the assembly should organize regular training programs to revenue staff and other stakeholders to enable them communicate effectively with the general public on revenue issues.

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LIST OF ABBREVIATIONS AND ACRONYMS

MMDAs	Metropolitan Municipal District Assemblies
DACF	District Assembly Common Fund
IGF	Internally Generated Fund
MLGRD	Ministry of Local Government and Rural Development
BMA	Berekum Municipal Assembly
FO	Finance Officer
MFO	Municipal Finance Officer
DDF	District Development Facility

UDG	Urban Development Grant
GoG	Government of Ghana
HODs	Heads of Departments
MCE	Municipal Chief Executive
MCD	Municipal Coordinating Director
CHIPS	Community Health Planning Services
ABTS	Asuo Bomosadu Timber Sawnmill
FOAT	Functional and Organisational Assessment Tool
MOFA	Ministry of Food and Agriculture



CHAPTER ONE

GENERAL INTRODUCTION

1.0 Introduction

The chapter one of the study looks at the background to the study, problem statement, objectives of the study, research questions, significance of the study, scope and limitations of the study and the organisation of the study.

1.1 Background to the Study

It is the responsibility of every central government to make human and environmental development its main focus and priority. Decentralisation is very critical tool that can ensure that these goals are achieved through efficient allocation of resources to agencies such as local authorities to promote development. Decentralisation is defined by Rodinell (1981) as the transfer of power to plan, formulate decisions and control public functions from a superior level of government to individual, organisation or agency at lower level. Decentralisation can be classified into four types, namely administrative, political, economic and fiscal, Aryee (1999).

Metropolitan, Municipal and District Assemblies (MMDAs) in Ghana were set up with the single objective of promoting good quality contacts with the people of the country, and to bring decision making down to the level where development generally takes place. MMDAs were also made to help in strengthening the democratic process of governance and put in place foundation for the upsurge of independent institutions of governance within the structure of the state. To Aryee and Amponsah (2003), the

MMDAs have brought about prospective benefits such as spreading developmental skills all over the society.

Decentralisation reforms started in Ghana at the end of 1970s since when efforts were made consecutively by governments to give authority to the people at the local level. Some of these reforms took the form of regional devolution and district targeted public administration. Advancement of the decentralisation agenda was very slow until the 1980s, when the decentralised scheme was reformulated to a four-tier structure including Regional, District, Local Councils and Towns and Village Development Committees. The District Councils were made the main focus of local government with administrative and executive power for local level development and governance. According to Korkor (2003), the Local Government Act, Act 462 (1993) has made considerable improvement in creating the broad legal and fiscal structure for decentralisation. The decentralisation effort of Ghana was started to promote broader citizen participation in governance, decision making and development process.

According to Act 462, (1993), the main focus of decentralisation and the creation of MMDAs are to give real power to local people to permit them to deal with local priorities and among other issues establish a democratic atmosphere and institutions in Ghana for governance and development at the local level. The broader local governments are the MMDAs which are agencies of the central government that are responsible for the development of Ghana and as partners, they are expected to raise resource in addition to the subventions which are given to them by the central government to enable them carry out developmental projects. The resources mobilised domestically are used to support the statutory District Assemblies Common Fund (DACF) to give infrastructural development and services to the people. MMDAs are tasked with the responsibility of providing services and maintaining law and order, all

of which necessitate sufficient financial resources, hence internal revenue mobilisation is principal since the local authorities are not permitted to take loans to fill their revenue-expenditure gaps.

Korkor (2003) has noted that financing the development of local government programmes in the country by MMDAs happen to be difficult due to the failure of the Assemblies to collect enough revenue from their areas of jurisdiction. The possible reason for this phenomenon is that MMDAs do not utilise majority of the funds generated from taxation because greater part of those funds are remitted by the central government. Though there are huge resources available to the MMDAs, they have not been able to optimise their revenue mobilisation, therefore causing them to be dependent on the central government for the implementation of development programmes. The current Assemblies in Ghana were created as decentralised authorities, combining oversight of de-concentrated line Ministries with the revenue powers and functions of devolved democratic local government. Due to the inability of MMDAs to generate substantial revenue to support development in their jurisdiction, they tend to rely heavily on District Assembly Common Fund (DACF) received from the central government to implement their development agenda, Aryee (2003). Low levels of local resources generated and the misappropriation of funds by MMDAs is a source of concern to the central government. This has necessitated the need for the development and adoption of strategies to improve local resource mobilisation to address the short-falls in development.

The strategies include strategic revaluation of landed property rate; fair increase in rate payment levels; formation of ad-hoc revenue task force for enforcement of revenue payments and intensification of revenue mobilisation campaigns and education (Agyapong, 2012). MMDAs have sufficient backing of the law to collect internal

revenue for development. In spite of the legal support, local authorities in Ghana are still struggling to develop effective strategies to mobilise enough revenue at the local level. Due to the important role played by MMDAs towards the achievement of development goals, their financial capacity in terms of revenue mobilisation needs to be studied regularly. The reason is that their development effort can only thrive if they have strong financial base. Academics, opinion leaders and other stakeholders have expressed much worry about the reality that revenue mobilisation does not match expectation for development (Olowu & Wunsch, 2003). From this backdrop, a study to assess the financing of MMDAs is ideal especially when there is the growing need to alleviate poverty and provide decent livelihood to the people.

1.2 Statement of the problem

MMDAs are very key in ensuring effective decentralisation and in providing infrastructural development to the people. The major sources of revenue available to MMDAs to embark on developmental projects can be generally grouped into two namely; External Source Funds (government transfers and donor transfers) and Internally Generated Funds. The Local Government Act 1961 (Act 54) gives authority to the MMDAs to mobilise and manage revenues locally to fund their developmental projects and other operations. The Ministry of Local Government and Rural Development (MLGRD, 2008) indicates that Internally Generated Funds (IGFs) are the only funds which the MMDAs have total control over. It is believed that since the District Assemblies Common Fund (DACF) and most development partner funds are targeted toward development and cannot be used for recurrent expenditures, the ability of the assemblies to maintain existing, new and on-going infrastructure has become more difficult (Fynn, 2011). This necessitates the need to improve upon IGFs.

Despite several workshops and seminars organised with the aim of improving the assemblies' local revenue capacity, most of the MMDAs, according to Tetteh (2006), continue to experience huge gaps between reported and projected local revenues over the years. Funding has therefore become a very crucial factor affecting the successful implementation of the decentralisation policy in Ghana simply because functions given to MMDAs units do not often correlate to their financial resources (Yankson, 2008). MMDAs continuously fail to meet their IGF targets. In 2011 the municipality could only achieve 62% of their target for IGF, which further dropped to 33% in 2012 (BMA, 2013 Composite Budget).

The effect of this problem in some districts including the Berekum Municipal Assembly has been the delay in the implementation of development programmes and projects which has serious implications on the standard of living of the people. The situation in the BMA compels one to question the mechanisms the Assembly has put in place to mobilize revenue locally for development. There is also the need to appreciate the challenges the Assembly faces in its attempt to improve upon its local revenue generation. This study, therefore, focused on assessing the financing of BMA with more emphasis on Internally Generated Funds in order to suggest measures for improvement.

1.3 Objectives of the study

The general objective of the study is to assess the financing of Berekum Municipal Assembly. The specific objectives of the study are;

- i. To identify the major sources of revenue of BMA; ii. To assess the procedures involved in accounting for the revenues collected; iii. To assess the revenue mobilisation strategies adopted by BMA;
- iv. To assess challenges facing revenue mobilisation in BMA.

1.4 Research Questions

The following research questions are posed to address the research objectives:

- i. What are the major sources of funding for BMA?
- ii. Does accounting for revenue adhere to the set standards? iii. What measures can be taken to improve the revenue of BMA? iv. What are the major challenges affecting revenue mobilisation at BMA?
- v. What are the revenue mobilisation strategies adopted by BMA?

1.5 Scope of the study

The researcher could have used any of the MMDAs in Ghana but decided on BMA due to its nearness to him. Also the researcher has good relationship with staffs of the assembly hence access to them was easier than would have been the case in other MMDAs. The researcher concentrated more on the top level management and the finance department especially the Finance Officer for most of its information. This is because financing of every organisation is very sensitive and BMA is no exception.

1.6 Significance of the study

This study is important because it can serve as a guide for the management of BMA in future financial decision making. The recommendation on effective strategies for revenue mobilisation can help MMDAs improve their revenue. It can also serve as a

reference for ensuring prudent financial management in BMA. Also the study's recommendations can help BMA address some of the major challenges it faces during revenue mobilisation. Lastly, it can also serve as a guide to policy makers, development partners and stakeholders in Ghana and the world as a whole.

Finally, students, lecturers and academicians that want to undertake studies related to financing of MMDAs in Ghana can find the research very helpful. The study bridges the gap in the literature on the financing of MMDAs in Ghana. It can further serve as secondary data for prospective researchers. It serves as a reference point for further research and adds to existing literature on the subject.

1.7 Limitation of the study

The study was successful as respondents were largely cooperative especially the management of BMA. However, there were some limitations posed to the researcher but did not affect the validity of the data collected because the researcher took necessary steps to deal with the setbacks.

The data coverage of this action research is limited to Berekum Municipal Assembly. Hence, this may limit the ability of the researcher to generalise the findings for other MMDAs in Ghana. Again there were time and financial constraint and as such data collection on this study was cross sectional. Perhaps a longitudinal study could have varied the study findings.

Some staffs of the assembly were either not willing to answer some of the questions on the questionnaires or take part in the research. Some officials of the assembly were also unwilling to release some information for the research.

1.8 Organisation of the study

The study is categorised into five main chapters. Each chapter deals with an important aspect of the action research.

Chapter one looks at the background of the study. It focuses on the background of the study, statement of the problem, objectives of the study, research questions, significance, limitation and organisation of the study.

Chapter Two also deals with the review of related literature. It reveals the views of other people, textbooks and other sources about the financing of MMDAs. It focuses on the theoretical framework and the empirical basis of the study.

Chapter Three also deals with the research methodology of the study. It highlights the sample size and techniques, method of data collection, study type, study design, population, method of data analysis and organizational profile.

Chapter Four is about data presentation and analysis. In this chapter data collected was presented and interpreted.

Chapter Five, which is the final chapter, deals with the findings, summary, recommendations and conclusion of the study.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter deals with related literature bordering on the topic under study. It consists of Conceptual framework and empirical bases. The chapter looks at

Decentralisation Concept, Types of Decentralisation, the Concept of Revenue Mobilisation and Sources of Revenue for MMDAs as well as revenue inflows of

BMA over the past 5 years.

2.1 The Concept of Decentralisation

Decentralisation is any act in which a central government formally cedes powers to actors and institutions at the lower levels (Smith, 1995). It means sharing political power and responsibilities between levels of government as well as giving local governments the financial, legal, institutional and managerial resources to fulfil those duties. It also implies that local governments must be accountable to both central governments and their constituencies (World Bank, 1989). The allocation of power amongst all levels of government is a basis for democracy.

The expression decentralisation implies the shift of authority on a physical basis to local government units or particular legal bodies. It can be explained that decentralisation takes the variety of de-concentration (delegation) of authority to field units of the same department, or the level of government, or by devolution of authority to local government (Badu, 2007).

Fass & Desloovere (2003), on the other hand, viewed the idea of decentralisation as “any act in which a central government formally cedes powers to actors and institutions at lower levels in a political administrative and territorial hierarchy. This implies that decentralization is the mechanism for bringing government closer to the governed and helps to improve public administration by empowering local authorities to be the planning and decision making bodies, thus enhancing government capacity to achieve local participation”. Rondinelli (1981) defines decentralisation as the transfer of authority to plan, make decisions, and manage public functions from a higher level of government to any individual, organisation, or agency at a lower level.

The concept of decentralisation, though widely discussed, is interpreted differently (World Bank, 1989). Some writers identify different forms of decentralisation as deconcentration, devolution and privatisation (Manor, 1999) but others distinguished among three main forms as de-concentration, delegation and devolution.

2.2 Historical Development of the District Assemblies in Ghana

Local administration started as far back as during the colonial era. In the colonial days, 355 local authorities, consisting of chiefs and some unit of native royals were hand-picked by the colonial masters to represent their people. Though they were not democrats, they were selected with the aim of helping the British colonial government to administer law and order with limited involvement in local administration.

The Municipal Ordinance of 1859 was later on instituted to create municipalities in the coastal towns of the then Gold Coast. A new ordinance was established in 1943 to elect town councils for Accra, Sekondi-Takoradi, Kumasi and Cape Coast. The Municipal Councils Ordinance was passed in 1953. In 1961, the Local Government Act 54 was also passed to improve local governance after independence. In all of these pieces of legislation, the difference between central and local government institutions was not changed. The two primary qualifications have been; one situated in the capital with branches at the local (district) level and another separate and region level, situated in very much characterised regions and alluded to as local government. The function of the central government bodies at the local level are to deal national matters and also to draw well qualified personnel to provide management skills and professional expertise. The agencies of the central government had less clearly defined authority as far as local responsibilities were concern, but had a much better presence because of their position as bodies of central government (Ahwoi, 1999).

Due to the fact that these bodies had to refer decisions on most issues of any importance to the ministry in Accra, decision-making was being unduly delayed. This caused the tempo of activities to be slower than were supposed to be. Local government bodies were given the power to specifically deal with local matters, and had grown up together with the central government agencies that operated at the local level. They were expected to provide municipal services and facilities in their localities without considering whether or not they had the resources to deliver. Because the bodies lacked skilled personnel and people with professional expertise, they were not able to generate enough funds to meet their obligations. The local government only succeeded in creating unpleasant images for themselves and was seen to be incompetent.

2.3 Types of Decentralisation

Wikipedia 2015, the free encyclopaedia identifies five types of decentralisation to include the following:

2.3.1 Administrative decentralization

Administrative decentralisation is the set of policies that puts administration and delivery of social services such as education, health and social welfare in the hands of local governments. If revenues are transferred from the centre to meet the costs of the administration and delivery of social services, administrative decentralisation is funded (and coincides with fiscal decentralisation). If local governments bear the costs of the administration and delivery of transferred services with their own preexisting revenues, administrative decentralisation is not funded. Four major forms of administrative decentralisation have been described.

- Decentralisation, the weakest type of decentralisation, moves obligation regarding decision making, finance and execution of certain open capacities

from authorities of local governments to those in existing district or, if necessary, new ones under direct control of the central government

- Delegation passes down obligation regarding decision-making, finance and usage of certain functions to semi-self-sufficient entities not entirely controlled by the central government, but rather at last responsible to it. It includes the making of public private ventures or enterprises, or of "authorities", uncommon tasks or service districts. Every one of them will have a lot of decision-making discretion and they may be excluded from common administration prerequisites and may be allowed to charge clients for services.
- Devolution transfers all responsibility for decision-making, finance and implementation of certain public functions to the sub-national level, such as a regional, local, or state government.
- Divestment, also called privatisation, may mean merely contracting out services to private companies. Or it may mean relinquishing totally all responsibility for decision-making, finance and implementation of certain public functions. Facilities will be sold off, workers transferred or fired and private companies or non-for-profit organisations allowed to provide the services.

2.3.2 Fiscal Decentralisation

Fiscal decentralisation refers to the set of policies designed to increase fiscal independence of local governments. Fiscal decentralisation policies can assume diverse institutional structure including an increase in fund from the central government, the creation of new local taxes, and the delegation of tax authority from central government to local government.

Fiscal decentralisation also implies raising revenue and/or expenditure of moneys to a lower level of government while maintaining financial responsibility. It can actually be a way of increasing central government control of lower levels of government, if it is not linked to other kinds of responsibilities and authority.

Fiscal decentralisation can be achieved through user fees, user participation through monetary or labour contributions, expansion of local property or sales taxes, intergovernmental transfers of central government tax monies to local governments through transfer payments or grants, and authorisation of municipal borrowing with national government loan guarantees. Transfers of money may be given conditionally with instructions or unconditionally without them.

2.3.3 Political Decentralisation

It is the set of constitutional amendments and electoral reforms designed to open new, or activate existing but dormant or ineffective spaces for the representation of sub national politics. Political decentralisation policies are also designed to devolve electoral capacities to sub national actors. Regarding the consequences of each type of decentralisation, Falleti (2004) expected administrative decentralisation to have either a positive or negative impact on the independence of local government executives. As administrative decentralisation improves local and state bureaucracies, advance training of local officials, or facilitates learning through the practice of delivering new responsibilities, it is also likely to increase the organisational capacities of local governments. However, administrative decentralisation without the transfer of funds may decrease the independence of local government officials, who will be more dependent on subsequent national fiscal transfers and/or sub national debt to be able to deliver public services. Equally, fiscal decentralisation may have either a positive or negative impact on the level of independence of the local government depending largely

on the design of fiscal decentralisation policy being implemented. Higher levels of automatic transfers increase the autonomy of local government officials because they profit from higher levels of resources without being accountable for the costs of collecting those revenues.

Political decentralisation focuses on giving power to citizens or elected representatives. It may be related to pluralistic politics and representative government, but it also means giving citizens, or their representatives, more influence in the formulation and implementation of laws and policies. Depending on the country, this may require constitutional or statutory reforms, the development of new political parties, increased power for legislatures, the creation of local political units, and encouragement of advocacy groups.

2.3.4 Economic or Market Decentralisation

Economic decentralisation occurs through the privatisation of public owned functions and businesses. It can also be done by deregulating or eliminating restrictions on businesses competing with government services, for instance, postal services, schools, garbage collection etc. Even as private companies and corporations have worked to have such services contracted out to or privatised by them, others have worked to have these turned over to non-profit organisations or associations.

Since the 1970s there has been deregulation of some industries, like banking, trucking, airlines and telecommunications which resulted generally in more competition and lower prices. According to Cato Institute, an American libertarian think-tank, some industries deregulation of aspects of an industry were offset by more ambitious regulations elsewhere that hurt consumers, the electricity industry being a prime example. For instance in banking, Cato Institute deem some deregulation allowed banks

to contend across state lines, increasing consumer choice, while an actual increase in regulators and regulations forced banks to do business the way central government regulators commanded, including making loans to individuals who are unable to pay, which eventually leads to the financial crisis of 2007–2008.

One example of economic decentralisation, which is based on a libertarian socialist model, is decentralised economic planning. Decentralised planning is a form of economic system in which decision-making is disseminated amongst a variety of economic agents or localised within production agents. An instance of this system in practice is in Kerala, India which commenced in 1996 as, The People's Planning in Kerala.

Some argue that government standardisation in areas from commodity market, inspection and testing procurement bidding, building codes, professional and vocational education, trade certification, safety, etc. are essential. Emmanuelle Auriol and Michel Benaim write about the „comparative benefits“ of decentralisation versus government regulation in the setting of standards. They find that while there may be a need for public regulation if public safety is at stake, private creation of standards usually is better because „regulators or experts“ might misrepresent consumers“ tastes and needs. As long as companies are hesitant to unsuited standards, standards will be created that suit needs of a modern economy.

2.3.5 Environmental Decentralisation

Central governments themselves may own large tracts of land and control the forest, water, mineral, wildlife and other resources they contain. They may manage them through government operations or leasing them to private businesses; or they may neglect them to be exploited by individuals or groups who defy non-enforced laws

against exploitation. It also may control most private land through land-use, zoning, environmental and other regulations. Selling off or leasing lands can be profitable for governments willing to relinquish control, but such programs can face public scrutiny because of fear of a loss of heritage or of environmental damage. Devolution of control to regional or local governments has been found to be an effective way of dealing with these concerns. Such decentralisation has happened in India and other third world nations.

2.4 The Concept of Revenue Mobilisation

With regards to the district assemblies; revenue mobilisation involves the increase in assets of governmental funds that do not increase liability or recovery of expenditure. This revenue is obtained from taxes, licenses, fees, permits etc. In simple terms, Revenue is income that an organisation receives from its normal business activities, usually from the sale of goods and services to customers. Revenue mobilisation is the act of marshalling, assembling, and organising financial contributions from all incomes accruing from identifiable sources in an economic setting. Olowu & Wunsch, (2003) stated that sound revenue system for local governments is an essential precondition for the success of fiscal decentralisation.

Oates (1998) adds that local revenue mobilisation has the potential to foster political and administrative accountability by the empowering communities. Revenue generation has been defined as the process of acquiring revenue through investments that bring returns, while revenue mobilisation is also defined as the use of available resources to harness revenues that are by law to be paid by citizens, corporate institutions and quasi-governmental organisations on their operations.

An extensively found trait of local government revenue systems in Africa is the enormous figure of revenue instruments being employed by local authorities

(Bahiigwaet, 2004). In several countries, local governments intends to increase taxes, fees and charges they are proficient of mobilising regularly without perturbing extremely about the economic distortions and distributions effects that these instruments may make (Brosio, 2000). Kessey & Gunter (1992) stipulated that principally internal revenue mobilisation is made up of two aspects, which are policy formulation and administration. With regard to policy formulation, it deals with the physical goal determination and formulation of laws and rules for the attainment of such goals. The administration on the other hand deals with the executions of the physical policies formulated. Though equally important in revenue mobilisation, policy formulation and administration do not receive equal attention both in theory and practice.

The concept of internally generated revenues is as old as the concept of local governance itself. When sub-national and local governments become the agencies that provide services to identifiable recipients up to where the value placed on the last amount of services that the recipients are. The need for aggressive internal revenue mobilisation by sub-national institutions has become very essential in view of the fact that local authorities have the responsibility to provide services to their respective geographical areas.

In this case, effective financial planning which requires continual review of how the resources of the local authorities are generated, how they are allocated to services and predicting the benefits gained from those services in addition to efficient revenue generation strategies, needs to be put in place (Ebel & Vaillancourt, 1998).

2.5 Sources of Revenue for MMDAs

For the purpose of this research, revenue generated by MMDAs in Ghana and for that matter Berekum Municipal Assembly has been classified into two main categories thus External Funds and Internally Generated Funds. The two main classifications are explained below;

2.5.1 Internally Generated Funds (IGF)

IGF (Locally generated) sources of revenue are obtained from six major sources, namely rates, land, fees, licenses, trading services, and miscellaneous sources. But Ahwoi (1992) believes that the major local revenue sources in Ghana have been the basic rates, user charges, grants and loans. The local revenue sources appear to be erratic and undependable. This leads to low level of development at the local level (Smoke, 2001). To strengthen the revenue generation powers of the MMDAs in Ghana, Articles 245 and 252 of the 1992 Constitution designate MMDAs as the sole rating authorities at the local level and empower them to levy and collect taxes. The criterion for rating, types of properties to be rated and the general sources of revenues mandated to be raised locally by the MMDAs are provided in the 6th Schedule of Act 462 (Ghana Government, 1992; 1993). MMDAs are therefore to mobilise revenue in the form of fees and taxes, rates, rents, royalties, registration and licenses for local level development.

Rates: Property rates make up a large part of the total revenue for local assemblies, however the collection is often not efficient. This is a common problem not only for Ghana, but for many developing countries (Yeboah & Johanson, 2010). The basis for the rate is the resident adult population and immovable properties. The property rate is levied on immovable property.

Licenses: Fees on licenses are revenue collected based on economic activities in the district. The licenses serve as the permit for undertaking any such activity in the district. Business operating permits, development permits etc. are forms of licenses given to people to allow them carry out some activities in the district. It provides revenue to support local authorities in the performance of their functions (Yeboah & Johansson, 2010). Whilst some of such licenses are paid on annual or quarterly basis, a greater number of them are paid on monthly basis and thus increasing the cost of collection.

Fees, fines grants and Rents: Fees are charges or tolls paid by the users of the services provided by the Assembly. These services include the provision of markets, lorry parks etc. by the District Assembly mostly from the DACF. Therefore, users of these facilities pay for the usage of these facilities. Rents are also collected from hiring of market stalls/stores, Assembly quarters etc. Fines include court fines on people who violate the Assembly's bye laws.

2.5.2 Externally Generated Funds

Apart from funds that the MMDAs mobilise locally, they receive other funds from external bodies; including the Government of Ghana and other donor countries. Some of the major external funds received by MMDAs are as follows:

Intergovernmental transfers; Intergovernmental transfers constitute the dominant revenue for financing local government budget. In Ghana, the main intergovernmental transfers are; block grants such as District Assembly Common Fund (DACF) and categorical grants for sectors such as Ministry of Food and Agriculture (MOFA), Feeder and Urban roads, Social Welfare/Community Development etc. The District Assemblies' Common Fund (DACF) is a pool of resources created under section 252 of the 1992 constitution of Ghana. It constitutes a minimum of 7.5% of the national

revenue that is set aside to be shared among all District Assemblies in Ghana with a formula approved by Parliament. The fund is a Development Fund which ensures that the nation's wealth is used throughout Ghana to the benefit of all citizens. Part of the DACF is given directly to District Assemblies in accordance with the approved

Formula that is referred to as „direct transfers.“ The MMDAs use the funds for projects and programmes determined by their respective Assemblies. In 2013 and 2014, about 50 percent of the total amount for the Common Fund was allocated for „direct transfer“ to the Assemblies.

District Development Facility; A new funding source for MMDAs is the District Development Facility (DDF). Pooled funding from both development partners and Government of Ghana is used to fund the new DDF. The DDF includes performance based criteria to serve as an incentive to enhance financial management practices at the Districts; yet, designed in such a way that no MMDAs is punished for actions beyond their control. The District Assemblies who meet the criteria receives additional resources. Assessment is conducted based on the Functional and Organisational Assessment Tool. The DDF also provides a more systematic approach to capacity building as capacity building is targeted at those Districts that are not performing adequately based on the Functional and Organisational Assessment Tool (FOAT) assessment. But the DDF is targeted toward development and capacity building and does not impact recurrent expenditures (MLGRD, 2008).

Donor Support; Most district assemblies benefit from donor grants from development partners such as DANIDA, GTZ etc to carry out certain projects in the assembly. For instance, DANIDA provided water and sanitation facilities to some communities in the Greater Accra districts. The Berekum Municipal Assembly has received support from

European Union, World Vision International and other donor organisation which are present in the Municipality.

Borrowing: Aside intergovernmental transfers and internally generated funds, borrowing is also another instrument for financing the gap between expenditure responsibilities and revenue assignment. The exception is that borrowing is appropriate for certain types of local spending, such as long-term capital development projects. It is generally not for recurrent spending as has been the practice in certain local governments. One of the main instruments among others, used extensively by local governments is municipal bonds. Municipal bonds are debt obligations issued by states, cities and other governmental entities, which use the money to build schools, highways, hospitals, sewer systems, and many other projects for the public good.

In Ghana, the local government Act 1993, Act 462 states “a District Assembly may raise loans or obtain overdrafts within Ghana of such amounts, from such sources, in such manner, for such purposes and upon such conditions as the Minister in consultation with the Minister responsible for Finance, may approve; except that no approval is required where the loan or overdraft to be raised does not exceed ₵2,000.00 and the loan or overdraft does not require a guarantee by the Central Government”. The municipal financing bill which was prepared in 2008 is being revised for implementation. Until the revision is done and the provision in the law is repealed or amended, all assemblies are to comply with the provision in the Act.

2.6 Revenue Mobilisation and Procedures

The decentralisation programme devolves revenue and expenditure responsibilities to the local authority. The districts thus adopt a number of techniques to support them in mobilising as much revenue as possible.

There are two main categories of revenue collected by the Assemblies as discussed above. These are Grants or funds from the Central Government and revenue generated by the Assembly itself in the forms of fees and rates. The Head of the Assembly is charged with the responsibility of generating and collecting internal revenue for the Assembly's operations. All such revenues collected are deposited into the Assemblies designated Bank Accounts (Accounting Manual, 2011). Revenue collection in the Assemblies consists of appointment of commission rate collectors and the Assembly's own staff who collect rates on behalf of the Assembly.

Before the revenue collectors start the collection for the assigned area, they are issued the following items: a ledger, a daily report book and identification card. In the discharge of their duties, the following procedures are observed for the collection of revenue: the appropriate serial numbers of rateable persons are checked, appropriate ledger sheet used, and after collection is done, the collector returns the ledger together with the daily report, collections and identification card to the senior collector. The senior collector then, checks each of the amount collected to ledger to see whether the correct amount has been collected. He/she then reviews the daily reports sheet for details of not available ratepayers, defaulters, and other relevant matters that are indicated in the ledger. Finally, the revenue head carries out a final check of all ledger books and pass them to the appropriate progress sheet for subsequent forwarding to the finance officer and update of his register (MMDA Manual, 2010).

2.7 Strategies for Improving Revenue Performance

To strategize to improve revenue mobilisation in various MMDAs, Korkor (2003) enumerated the following to the MMDAs:

Regular town hall meetings with the stakeholders, especially petty traders.
Enforcement of bye-laws of MMDAs

Privatizing revenue collections of MMDAs

Proper orientation of revenue collector.

2.7.1 Records of Rateable Persons and Tenements

To facilitate the planning and execution of revenue collection, each district has been divided into geographical main control areas. The main control areas are in turn divided into sub-control areas. Each sub-control area is represented by a ledger book, or sometimes more than one book in the case of very large sub-control areas, the ledgers are split into more managerial sizes. In distinguishing between each rateable person and tenement in the sub-control area, area code, revenue code and account number are prescribed.

2.7.2 Monthly Revenue Collection Programme

At the middle of each month, the revenue heads prepare a programme for the following month, showing for each unit committee within the main town or area council in the district, the date on which the collection is to be made and by when (MMDA Manual, 2010).

2.8 Factors that Affect Low Revenue

According to Aryee (2003) factors that account for low revenue mobilisation in MMDAs include the following:

- Poor administrative capacity to assess the revenue base and enforce the payment of taxes.
- Explicit and intentional tax evasion and resistance from taxpayers.
- Corruption, including embezzlement of revenues by revenue collectors.

- External pressure on the local finance department to provide optimistic projections in their budgets.
- Political pressure on the local tax administration to relax on revenue collection especially during election periods.
- Poor budget formulation and implementation.

2.9 Strategies for Effective IGFs

To generate enough IGFs, Korkor (2003) suggests the following strategies to MMDAs;

- Public education on payment of rates, fees, licenses, etc by corporate bodies, traders, property owners etc.
- Revaluation of immovable properties to reflect the true earnings values of such properties.
- Introduction of new business operating permits.
- Engagement of private revenue collectors.
- Use of task force and the police to enforce payment of fees, licenses, etc.

2.9.1 Evidence

Fjeldstad (2000), posit that a widely found characteristic of local authority IGF systems in Africa is the huge number of revenue instruments used for revenue mobilisation. In many countries, local governments seem to raise taxes, fees and other charges, notwithstanding their possible adverse economic effect on the masses. Fjeldstad and Semboja (2001) observe that the levels and types of local revenue instruments by themselves can result in the tax burden falling more on the poor than on the rich. This is mainly due to the basic design of the local revenue system and the way revenues are collected in most parts of Africa.

Bardhan and Mookherjee (2002) argue that a complicated and non-transparent local government revenue system is costly to administer and it facilitates corruption and mismanagement. Moreover, many local taxes have a distorting effect on resource allocation decisions, thus have an inhibiting effect on the start-up of new enterprises and the achievement of economic growth. In Sander's (2003) view these effects occur when effective rates vary greatly between different goods that are traded and when license fees are set too high for start-up small-scale enterprises to survive.

Despite the many comprehensive central government tax reforms during the last decade, local government revenue systems in Sub-Saharan Africa have remained largely unchanged until recently (Falleti 2004). Generally, a fundamental requirement when redesigning local revenue systems is greater emphasis on the cost-effectiveness of revenue collection, taking into account not only the direct costs of revenue administration, but also the overall costs to the economy, including the compliance costs to taxpayers. In addition, losses through corruption and evasion need to be reduced. Clearly, improved revenue administration cannot compensate for bad revenue design. Thus, reforming the revenue structure should precede the reform of revenue administration since there is not much merit in making a bad revenue system work somewhat better (Fjeldstad, 2001)

2.10 Revenue Inflows of BMA over the Past Five Years

This section of the chapter looks at the trend of revenue of Berekum Municipal Assembly for the past five years. It looks at the various sources of revenue to the assembly and the amount contributed by the source between 2010 and 2014. On the average, IGF contributes 15% of total revenue of the assembly which is also the second least contributor of revenue to the assembly, GoG funds is the highest revenue

contributor to the Assembly with as share of 39.6% of total revenue whereas Donor fund is the least contributor with an average of 6.1%. The DACF is ranked second on the list with an average percentage contribution of 36.3%.

Table 1: Budgeted Internal Generated Funds versus Actual for a 5 Year Period

YEAR	2010	2011	2012	2013	2014
TOTAL REVENUE (GH¢)	1,163,612.96	1,857,228.04	2,681,445.71	3,848,999.28	3,888,813.17
ESTIMATED (IGF) (GH¢)	392,952.82	465,306.82	465,306.82	414,046.00	653,954.00
ACTUAL (IGF) (GH¢)	292,587.70	285,183.83	277,527.75	337,987.60	600,443.98
% OF TOTAL REVENUE	25.14%	15.36%	10.35%	8.78%	15.44%

BMA Finance Office, June 2015

In 2010, the Berekum Municipal Assembly's budgeted internal revenue fund was GHS392,952.82 but a revenue of GHS292,587.70 was mobilised, representing 25.14% of the total revenue. In 2011. An amount of GHS465,306.82 was budgeted but a total of GHS285,183.83 was realised. This represents 15.36% of the total revenue in the year which is a drop from 25.14% in 2010. Again, the figure dropped from 15.36% in 2011 to 10.35% in 2012. The internally generated funds mobilised in 2013 further dropped to 8.78% as indicated in table 1 above. However, an actual amount of GHS600,443.98 as against a budgeted figure of GHS653,954.00 was realised, representing 15.44% of the total revenue in 2014. On the average, IGF is the least contributor of revenue to BMA.

Table 2: Budgeted District Assembly Common Fund versus Actual For 5 Years

YEAR	2010	2011	2012	2013	2014
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TOTAL REVENUE (GH¢)	1,163,612.96	1,857,228.04	2,681,445.71	3,848,999.28	3,888,813.17
ESTIMATED (DACF) (GH¢)	1,498,147.96	1,498,147.96	1,499,597.96	992,758.00	2,492,284.55
ACTUAL (DACF) (GH¢)	871,025.26	871,025.26	765,126.22	713,738.18	1,068,201.77
% OF TOTAL REVENUE	74.86%	46.90%	28.53%	18.54%	27.47%

BMA Finance Office, June 2015

In 2010, revenue totalling GHS1,163,612.96 was received by BMA. An amount of GHS871,025.26 as against a budget figure of GHS1,498,147.96 of DACF was realised. This represents 74.86% of the total revenue for the year. On the other hand, out of a budget of GHS1,498,147.96, an actuals of GHS871,025.26 was realised, representing 46.90% of the total revenue in 2011 as indicated in table 2 above. Again, GHS765,126.22 was received as DACF as against a budgeted figure of GHS1,499,597.96 in 2012. In 2013 however, out of the budgeted figure of GHS992,758.00, GHS713,738.18 was received. This represents 18.54% of the total revenue received by BMA. In 2014, a total of GHS1,068,201.77 DACF was received, representing 27.47% of the total revenue received In the year.

Table 3: Budgeted Government of Ghana Funds versus Actual Received from

2010 to 2014

YEAR	2010	2011	2012	2013	2014
TOTAL REVENUE	1,163,612.96	1,857,228.04	2,681,445.71	3,848,999.28	3,888,813.17
ESTIMATED (GoG)	-	527,278.00	527,778.00	675,736.00	2,901,777.00
ACTUAL (GoG)	-	675,736.06	1,638,791.74	1,741,095.03	2,154,542.74
% OF TOTAL REVENUE	0%	36%	61%	45%	55%

BMA Finance Office, June 2015

In 2010, BMA received no GoG funds. On the contrary, BMA budgeted GHS527,278.00 for GoG funds and GHS675,736.06 was received, representing 36% of the total revenue received in 2011. Quite apart from the above, GHS527,778.00 of the budgeted figure GHS1,638,791.74. was received in 2012 as indicated in table 3. This shows 61% of the total revenue received in 2012. In 2013, a budget of GHS675,736.00 was made by BMA. An actual of GHS1,741,095.03 was received by BMA, representing 45% of the total revenue of GHS3,848,999.28. In 2014 however, a total of GHS3,888,813.17 of DACF was received. Out of this, a total of GHS2,154,542.74 representing 55% of the revenue was realised as DACF

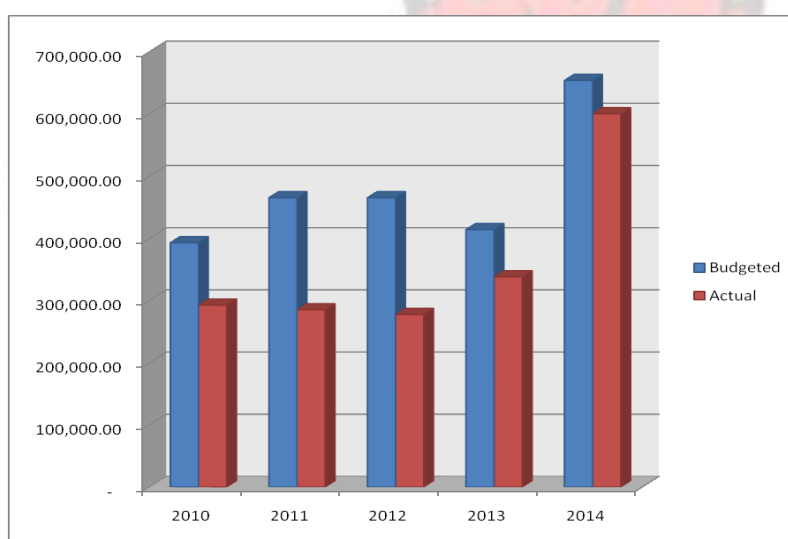
Table 4: Budgeted Donor Funds versus Actual Received from 2010 to 2014

YEAR	2010	2011	2012	2013	2014
TOTAL REVENUE	1,163,612.96	1,857,228.04	2,681,445.71	3,848,999.28	3,888,813.17
ESTIMATED (DONOR FUNDS)	-	30,000.00	-	1,249,467.80	87,952.00
ACTUAL (DONOR FUNDS)	-	25,282.89	-	1,056,178.47	65,624.68
% OF TOTAL REVENUE	0%	1%	0%	27%	2%

BMA Finance Office, June 2015

In 2010, the BMA had GHS1,163,612.96 as its revenue. No donor funds were received by the BMA. In 2011, GHS25,282.89 out of a budget of GHS30,000.00 was received as donor funds. No donor funds were received in 2012. Again, GHS1,056,178.47 as against a budget of GHS1,249,467.80 was realised. This represents 27% of the total revenue of GHS3,848,999.28 in 2013. Also, GHS65,624.68 donor funds were received in 2014 as against a budget of GHS87,952.00 as shown in table 4 above.

Figure 1: Budgeted IGF versus Actual IGF Received



BMA Finance Office, June 2015

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the method and procedures that would be used in collecting and collating data for the analysis. The chapter provides information on the study site, sample size and techniques, method of data collection, study type, study design, population, method of data analysis and organizational profile.

3.2 Sample size and technique

The researcher used stratified sampling technique to categorise respondents into three different strata. Purposive sampling technique was then used to select the officials (Management) of the Assembly whilst simple random sampling technique was used to select staff and Assembly Members of the assembly in the other strata. In all fifty (50) respondents were selected for the research; ten (10) management staffs and forty (40) other staffs and assembly members. This method of sampling was used because the information the researcher was looking for could best be gained from the selected groups mentioned.

3.3 Method of Data Collection

The researcher depended on primary and secondary sources for data collection. The primary sources of data came from interviews, questionnaires and discussions from the staffs and management of BMA. The primary data provided detailed data that represent the actual situations or responses arising out of the field study. The secondary sources of data were from published and unpublished articles, from social science journals, thesis as well as related studies on the financing of MMDAs. The data collection instruments were mainly questionnaires, interviews and face-to-face discussions with key respondents. Two different questionnaires were prepared; one was administered to top level management of the assembly (Finance Officer, Budget Officer, and Planning Officer etc) and the other for both revenue collectors and assembly members. Respondents were asked to answer the questions or give their views and opinions to the researcher where necessary

3.3.1 Study Type

This research is a descriptive case study. A descriptive case study is that which is focused and detail in which propositions and questions about a phenomenon are carefully scrutinized and articulated at the onset. It helps to specify the boundaries of the case and contributes significantly to the rigour of the finished case study. This descriptive case study therefore looks at assessing the financing of Berekum Municipal Assembly. Hence, it is a case study limited to Berekum Municipal Assembly alone.

3.3.2 Study Design

The research design used for the study was mixed approach. Both qualitative and quantitative research methods were used for the study. A case study approach was adopted since it has the advantage of allowing for an intensive collection of information needed to achieve the objectives of the study. It also provides in-depth understanding of the issues under investigation.

3.3.3 Population of the study

The population of the study consists of the entire management of BMA including the Municipal Chief Executive (MCE), Municipal Coordinating Director (MCD), Heads of Department (HODs) and staffs of the Assembly (revenue collectors) and the various departments. It also includes members of various sub-committees, Assembly Members including the Presiding Member and Budget Committee members of the Berekum Municipal Assembly.

3.4 Method of Data Analysis

Data collected was edited, evaluated and measured against the research to ensure their completeness, consistency, accuracy and relevance. Microsoft Excel was used in the processing of primary and secondary data gathered through the administration of the data collection instruments. This enabled data gathered to be presented into tables, graphs and charts for qualitative explanations and analysis.

3.5 organizational profile

This focuses on the profile of the organization.

The physical features of the Berekum Municipality is made up of natural environment, namely climate, vegetation, relief and drainage, location and size, the social and cultural environment in which the people live. The physical features are therefore essential elements or factors affecting the socio-economic development of the municipality.

Berekum Municipal came into existence as a semiautonomous spatial unit by virtue of the decentralization policy adopted by the Government in 1988. Geographically, the Municipality can be located in the Western part of Ghana in the Brong-Ahafo Region. It lies between latitude 7°15' South and 8.00° North and longitudes 2°25' East and 2°50' West. The Municipality shares boundaries with Wenchi Municipal and Jaman District to the Northeast and Northwest respectively, Dormaa East District to the Southwest and Sunyani West District to the East.

The Municipality is a habitat for 129,628 representing 5.6% of the region's total population out of which 59,869 (46.2%) are males and 69,759 (53.8%) are females according to the 2010 population census. 65.5 percent of the municipality's population live in the urban areas, and has a sex ratio of 85 males to 100 female. About 41.6 percent of the population of the municipality is youthful, depicting a broad base population pyramid which tapers off with a small number of elderly persons (3.7%)

The municipality lies within the wet semi equatorial climate zone which occurs widely in the tropics and it experience a maxima pattern of rainfall with a mean annual rainfall ranging between 1,275mm – 1,544mm in May to June.

Basically the municipality has the moist semi-deciduous forest type of vegetation which covers over 80 percent of the entire stretch of the land. However, there are patches of wooded savannah in the northern part of the municipality, and at the eastern corner of the municipality.

The assembly by law is the highest administrative and political body in the municipality. The highest decision making body of the assembly is the General Assembly which comprises 63 assembly members, out of which, 47 are elected whilst the rest are government appointees. The political and administrative head is the municipal chief executive who is assisted by the municipal co-ordinating director. There are eight zonal councils in the municipality which exercise delegated functions of the assembly.

Two constituencies namely, Berekum East and West make up the municipality. There are five (5) sub-committees of the assembly that deliberate on specific issues and recommends to the executive committee to present to the general assembly for adoption and implementation.

Berekum traditional area is made up of one Paramount that is the Asokore – Berekum with sub-chiefs such as the Kyidom, Gyaase, Akyempem, Apagya, Adonten etc. The major ethnic group is the Akan with Mole-Dagbani, Guan and other ethnic groups coexisting peacefully. In the pre-colonial era, the Asante kingdom, in order to secure its conquered territories as well as the kingdom itself adopted a strategy of establishing security posts to act as a barrier between its enemies and the kingdom. This concept

gave birth to the Asokore – Berekum state, which later metamorphosed into modern day Berekum. The name Berekum come from the Akan word “Bere na wakum” literally meaning, one gets game with difficulty. It was later corrupted to sound Berekum and eventually became the name of present day Berekum (Nana AgyeiKodie Anane –Agyei, 2012).

The major economic activities in the municipality are agriculture and constitutes the highest. It engages about 57% of the total labour force in the municipality. The major crops cultivated are maize, yams, vegetables, cassava, cocoyam, plantain, cocoa, cashew, citrus and mangoes.

There are eleven (11) market centres in the municipality. Berekum has one of the largest markets in the Brong Ahafo Region. The market attracts people from all the adjoining districts and people from Ivory Coast because of its proximity to that country. The major markets are Berekum Central Market, Berekum Newtown Market,

Rawlings Park Market, Jinijini Market, Koraso Market, Senase Market and Kato Market.

The industrial sector comprises metal based industry, wood based industry, agroprocessing industry and sachet water production sector. The industrial sector employs 17 percent of the labour in the municipality whilst the service sector employs 7 percent. The major wood based industry is Asuo Bomosadu Timber sawnmill (ABTS). The assembly has also set an industrial area to promote this sector. The condition of road network in the municipality is such that vehicles accessibility is smooth year-round. The municipality has about 190km length of trunk roads.

The municipality has four (4) commercial banks namely, the Agricultural Development Bank, GCB Bank, Fidelity Bank, Societe Generale and rural banks which include

Wamfie Rural Bank, Kaaseman Rural Bank, Suma Rural Bank, Nafana Rural Bank, Bomosadu Rural Bank, Nsoatreman Rural Bank etc. There are other nonBank Financial Institutions such as Bayport Financial Services, First Allied Financial Services etc. These institutions can support and promote investment in the municipality by facilitating and granting loans to prospective investors.

The municipality has some potential tourist sites; these include the Koraso cave, Nkyenkemamu Rocks and natural thick forest at Jinijini, Koraso, Namasua, Domeabra etc which serve as home for many tropical animals. The Berekum municipality can also boast of decent hotels which can match any hotel in Kumasi and Accra. These include; Gyinat Hotel, Runners hotel, Green Gate Hotel, Vision Hotel, Vic-Manuel Hotel etc. Among the facilities in most of these hotels include conference halls with projectors and public address system, swimming pools, internet cafe's, air conditioned rooms, bed and breakfast and many more.

Some investment potentials in the municipality are cassava processing (industry starch and gari), Plantain and cocoyam processing, animal husbandry, furniture and finished wood products, garment and textiles, agro-forestry, maize production and processing, cashew processing, oil palm processing, honey production etc.

Berekum municipality has the following educational facilities; 96 kindergarten, 93 primary schools, 74 Junior High Schools, 8 Senior High Schools, a teacher training college and a nursing training college.

The municipality has the following; two hospitals, 5 health centres, 7 rural clinics, 7 maternity homes, 8 private clinics and 3 community health planning services (CHIPS). Currently, a large number of the population in the municipality have access to MTN, Airtel, Vodafone, Glo and Tigo networks.

The Berekum Municipal Assembly exists to improve upon the quality of people in the municipality through the effective co-ordination of resources and activities of all stakeholders for the effective delivery of service by well-motivate staff.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

4.0 Introduction

This chapter presents and analyses data collected through administration of questionnaires to respondents at Berekum Municipal Assembly and an interview with the Finance Officer (FO) to find answers to the research questions. In using the research instruments, attempts were made to determine correlations that existed among variables.

4.1. Demographic Characteristics of Participants

The study collected information on the demographics of the respondents. Information was collected on the sex of the respondent, age, status or position in the Assembly and the number of years that the respondents had been working at the Assembly.

4.1.1 Sex of Respondents

In the study, males and females working in the Berekum Municipal Assembly responded to the items. The data revealed that 40 respondents representing 83% were males while 8 respondents representing 17% were females. This showed that majority of the respondents used in the study were males.

Table 5: Gender of respondent

Gender	Frequency	Percentage
Male	40	83
Female	8	17
Total	48	100

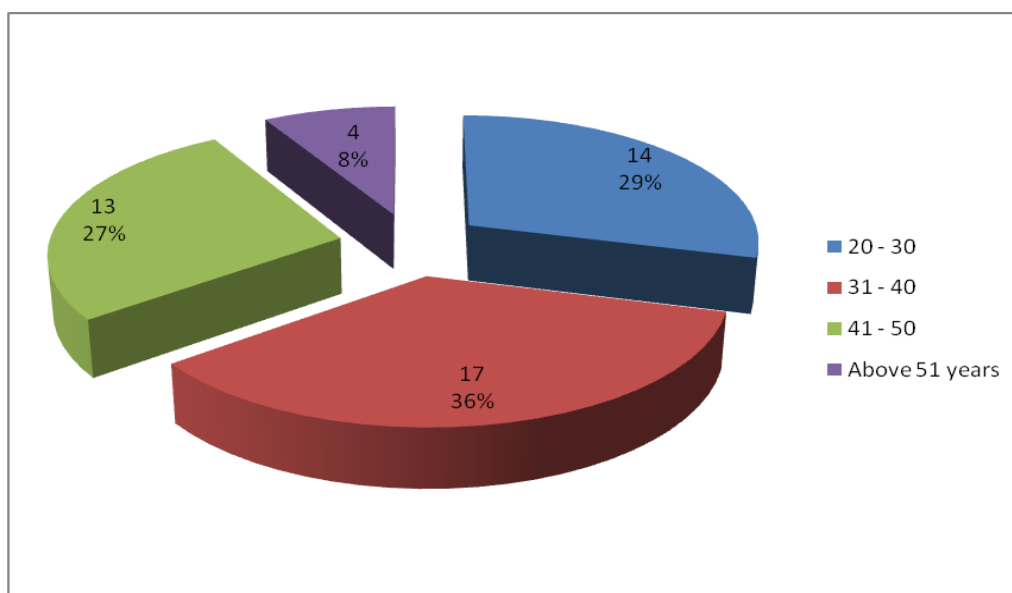
Field data, June 2015

The next sample characteristics examined in the study were the ages of the participants. The results revealed that majority of the respondents were age between 31 – 40 years, followed by participant age between 21 – 30 years. Specifically, 17 respondents representing 35% were age between 30 – 39 years while 29% were age between 20 – 30 years. Interestingly, there were elderly participants too. The data revealed that 27% of the participants were age between 41 – 50 years and 8% above 51 years. From the results, it could be concluded that respondents are both young and experienced, which could complement each other in their duties.

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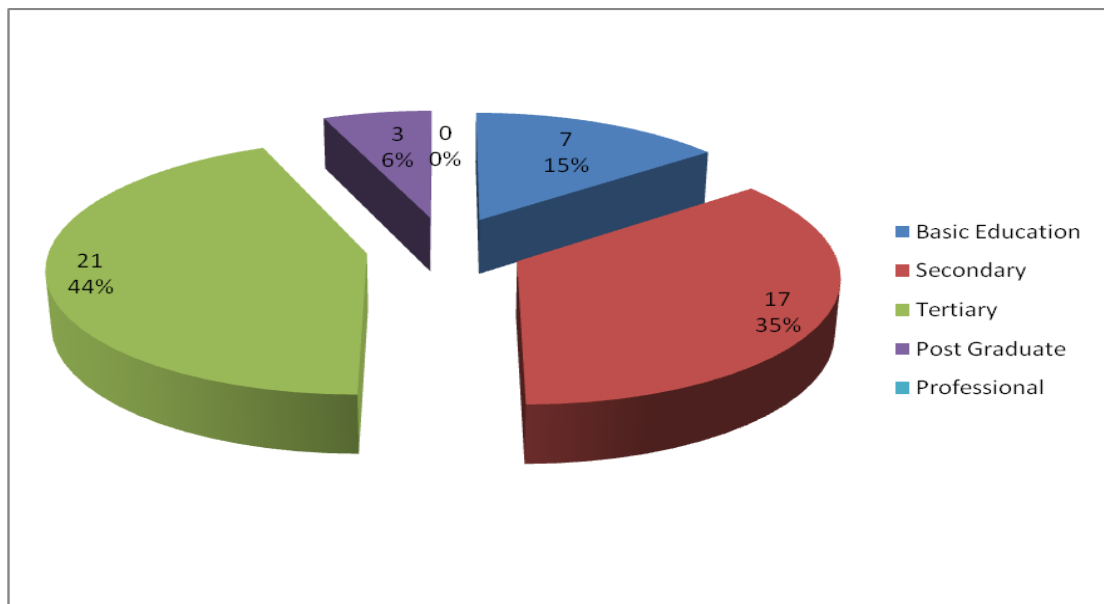
Figure :
2 Age of respondents



Field data, June 2015

The study also sought to find out the educational level of respondents with emphasis on revenue staff. Out of 48 respondents, 15% had basic education, 35% had secondary education, and 44% had tertiary education whereas 6% had post graduate qualification. It was realised that 5 out of the 7 respondents that had basic education and 10 out of the 17 respondents that had secondary education were revenue collectors. Only 4 out of the 19 revenue collectors had tertiary education.

Figure :
3 Respondents Level of Education

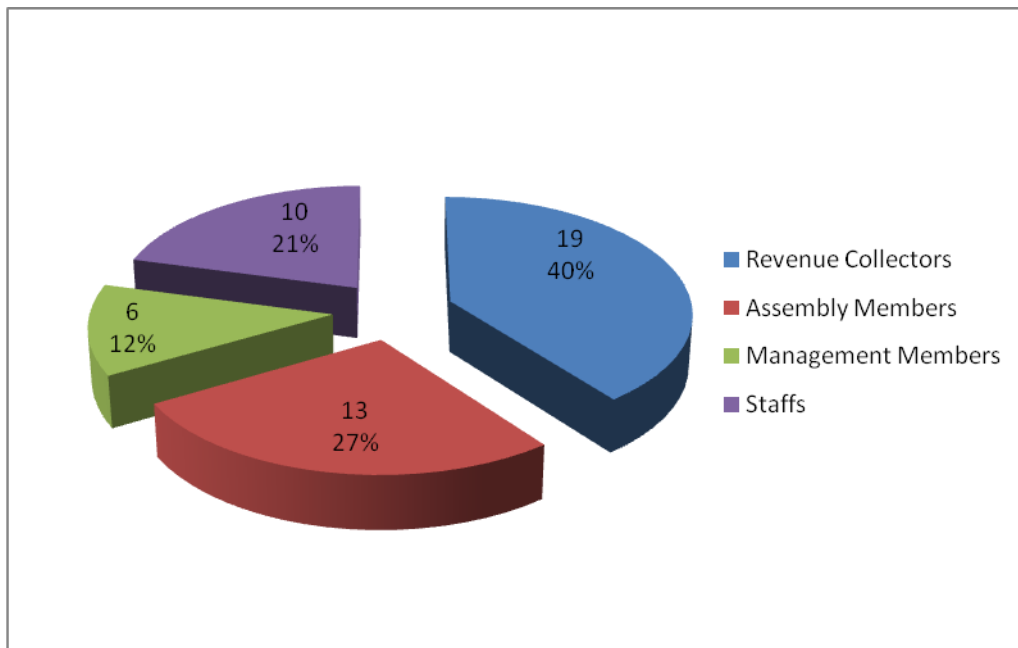


Field data, June 2015

Further, the researcher was interested in the various positions or roles played in the Berekum Municipal Assembly by respondents. The results showed that the sample was made up of individuals who were revenue collectors, management members, staff, and Assembly Members representing the various Electoral Areas in the Municipality. From the analysis, 40% of the respondents representing the majority of participants were revenue collectors. This was followed by assembly members who constitute 27% of the respondents. The rest of the respondents were Staff who formed 21% of the respondents while 13% were management members of the assembly. Further, it can be said that only 40% (n=19) of the respondents were actually engage in revenue collection. The rest are either in administration or in policy making positions, which could have significant impact on revenue mobilisation since the staff involved are not many.

Figure :

4 Positions of Respondents in the Assembly

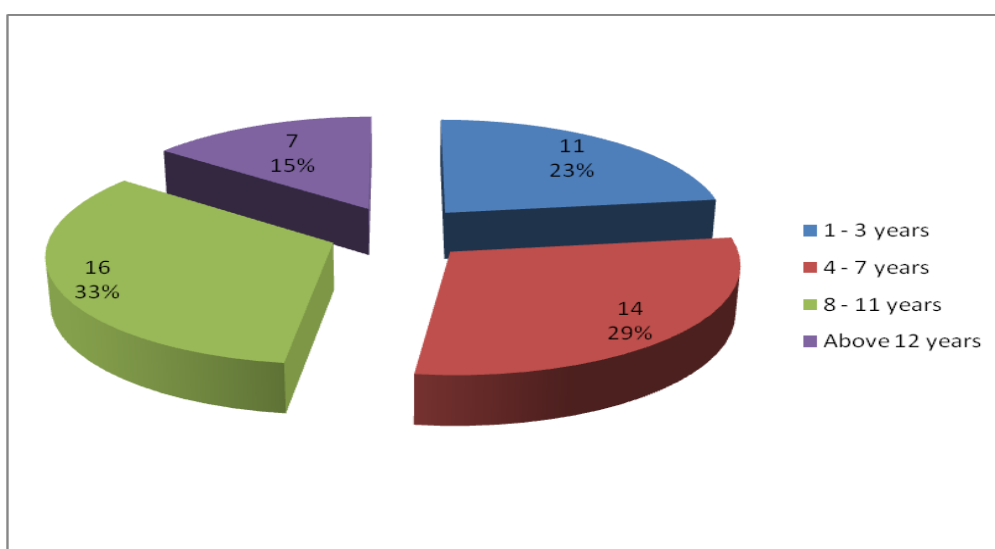


Field data, June 2015

The analysis further revealed that the respondents had varying number of working experience at Berekum Municipal Assembly. The study showed that 23% (n=11) of respondents had served in the assembly for between 1 – 3 years while 29% mentioned that they had been with the assembly for 4 – 7 years. The study further showed that 33% of respondent had also worked with the assembly for 8 – 11 years and 15% had served for over 12 years. The analyses showed that respondents have enough experience in executing their task as most respondent (62%) have served for 4 – 11 years at the assembly.

Figure :

5 Years of Service at Berekum Municipal Assembly



Field data, June 2015

4.2 Sources of Revenue for Berekum Municipal Assembly

Respondents were asked whether or not the sources of revenue at the assembly were adequate, 81% (n=39) of respondents were convinced that BMA has adequate revenue sources. However, 19% (n=9) of respondents believe that the revenue sources are not enough. Further analysis revealed that 5 and 2 respondents out of the total respondents that perceived the revenue sources of the assembly to be inadequate were assembly members and other staff respectively. Also, 2 of the revenue collectors also shared this view. All management members and 33 respondents on the other hand held a contrary view and responded that revenue sources were adequate. This could be due to information available to respondents as management staffs and more experience respondents were able to share more revenue sources than other respondents. Thus the more information available to the respondents the more they appreciate the revenue sources of the assembly, which can enable them focus on generating more from the available sources rather than look for more.

When respondents were asked to list some revenue sources of the assembly, they showed good knowledge of the revenue sources of the assembly especially the IGF. Respondents listed some of the revenue sources of the assembly to include; the district development fund (DDF), urban development fund (UDG), district assembly common fund (DACF), rent and rate, licenses and operational permits, tolls (market and road tolls), artisan fees, miscellaneous etc. This shows that respondents have appreciable knowledge on the revenue sources of BMA.

The researcher further probed in a one-on-one interview with the Finance Officer (FO) of the assembly to find out if there were other sources aside the traditional known sources expressed by respondents. The finance officer identified three main sources of revenue to the assembly, thus internally generated funds, funds from the government of Ghana and donor funds. According to the FO, BMA had some other rewarding sources of revenue that is helping the municipal assembly to generate more income. The Assembly has heavy duty vehicles including two tipper trucks, selfloader etc. that generate some revenue for the assembly. According to the assessment of the finance officer, the municipality has not exhausted the huge potential that the heavy duty vehicles possess to the assembly but was convinced that this source of revenue can be massive if given the necessary attention. He suggested that the vehicles should be privatised while the assembly focuses on its core revenue generating activities.

Another revenue source that was identified by the finance officer is stool lands revenue. According to the finance officer, revenue from stool lands includes ground rent, and royalties from forestry and mineral concessions. The assembly is entitled to

50% of this revenue, 30% to the chieftaincy and 20% for the administrative duties of stool lands. This is also another potential that the finance officer believes the assembly can tap by supporting stool lands to be able to generate more of this type of IGF.

On funds from the government of Ghana (GoG), the finance officer also made some interesting revelations on some other sources of revenue to the assembly. For instance, all local government staffs are paid by the government of Ghana that is also another source of revenue because these staffs work for the assembly. Under normal circumstances, staffs of the assembly should be paid by the assembly but this is not the case thus this is also another source of revenue for the assembly. He also made mention of the Disability Fund, funds for the School Feeding Program and the MP Common Fund, which are all recorded in the books of the assembly as revenue from the Government of Ghana.

Donor funds also constitute a significant portion of the assembly's revenue. According to the finance officer, the Urban Development Grant (UGD) is the largest revenue that the assembly receives for development. Apart from the known District Development Facility (DDF), other donor funds he mentioned include, Adolescent Reproductive Health Program (granted to MMDAs in the Brong Ahafo Region from 2014 to 2017) and Social Intervention Fund (formally HIPC).

Table 6: Respondents Perceive Revenue Sources of BMA to be Adequate

Status of Respondents	Yes	No	Total
Revenue Collectors	17	2	19
Assembly Members	8	5	13
Management Members	6	0	6
Other staff	8	2	10
Total	39	9	48

Field data, June 2015

4.3 Challenges BMA Face in Revenue Mobilisation

To find out the challenges Berekum Municipal Assembly face in revenue mobilisation, the study first sought to examine the revenue mobilisation capacity of the assembly. Revenue collectors were asked whether they were able to achieve revenue targets. Out of the 19 collectors that responded to the questionnaire, 84% (n=16) of respondents said they are unable to achieve their revenue targets while 3 representing 16% of respondents said they are able to achieve their targets. It was also clear that 47% (n=9) of the total respondents could achieve less than 50% of revenue targets while 37% (n=7) could achieve 51 – 100% of revenue targets as shown in appendix 1. The study also revealed that 2 out of the 3 collectors that were able to achieve their targets were females with only 1 being a male. Thus, only 5% (n=1) of the female respondents was unable to achieve her target as against 79% (n=15) males that were not able to achieve their revenue targets. This finding implies that female collectors are more effective than their male counterparts. The assembly will therefore benefit from employing more female collectors as compared to male revenue collectors.

The study also discovered that all 3 respondents that were able to achieve their revenue targets had tertiary education. The study further showed that respondents who achieved

less than 50% of revenue targets had basic education while those with secondary education were able to achieve between 50% - 100% of revenue targets. This means that the educational background of collectors play a significant role in revenue generation, thus the assembly should consider employing collectors with tertiary educational background.

Table 7: Respondents are Able to Achieve Revenue Targets

Response	Frequency	Percentage
Yes (Female)	2	11
Yes (Male)	1	5
No (Female)	1	5
No (Male)	15	79
Total	19	100

Field data, June 2015

The study again sought to find out the main challenges accounting for low IGF mobilisation at BMA. The results showed that, the major challenges identified by respondents were lack of motivation to revenue collectors, followed by lack of public education on payment of tax and other fees to the Assembly. The other problems mentioned were lack of logistics to aid in revenue collection, inadequate revenue data on revenue items and low capacity of revenue collectors. The result presented in Table 8 shows that 33 of respondents said that revenue collectors are not well motivated to generate more funds. Respondents also mentioned that revenue collection would have increased tremendously had the general public been well educated on the Assembly's bye – laws on revenue and the Local Government Act on Revenue mobilisation. Next, there was complaint that the assembly lacks the required logistics to assist collectors in revenue collection. From the analysis 27 participants mentioned this as a problem which was thwarting their efforts to increase revenue for the Assembly. Lack of revenue data:

data on revenue items, tax payers and chart that shows weekly/monthly revenue collections, as another problem that hindered their operations.

The Finance officer in an interview also identified some challenges that affect revenue mobilisation to include the following: First, is political interference or the lack of political will to implement by-laws of the assembly. According to him, the assembly has shown very little interest in prosecuting offenders of the by-laws especially defaulters of taxes due the assembly. The assembly is also supposed to gazette its own bye-laws out of the local government act that will empower the assembly and make it easier for prosecution in the courts of law in case of default. This has not been done due to the lack of political will on the part of the authorities of the assembly.

The FO also said that revenue collectors usually resist changes and initiative that are meant to improve revenue generation. He also identified the lack of effective monitoring and evaluation as one of the challenges facing revenue generation at the assembly.

Table 8: Challenges Affecting Revenue Mobilisation in Berekum Municipal

Assembly	
Challenges	Number of Respondents

Lack of Motivation	33
Lack of Public Education	29
Inadequate Revenue Data	10
Lack of Logistics	27
Low capacity of collectors	22

Field data, June 2015

4.3.1 Reasons Tax Payers Give for Non-payment of Taxes

Considering the assembly's inability to meet its IGF target over the last five years, the researcher sought to find out the reasons that tax payers give to officials of the municipality for non-payment of tax obligations. The results revealed that lack of public education, perceived corruption in the municipality, financial mismanagement and lack of accountability and transparency were some of the reasons given to justify non-payment of revenue. The table below shows the number of respondents and the reasons they gave. Perceived corruption was the top reason given by 42 of respondents, financial mismanagement was another reason given by 40 respondents whereas lack of accountability and transparency and lack of education were the other reasons given by 39 and 30 respondents respectively.

Table 9: Reasons Tax Payers Give for Non-payment of Taxes

Challenges	Number of Respondents
Perceived Corruption	42

Lack of Public Education	30
Financial Mismanagement	40
Lack of Accountability and Transparency	39

Field data, June 2015

The study also sought to assess the performance of revenue collectors at BMA. The study realized that respondents rates the performance of revenue collectors of the assembly as average as confirmed by 58% (n=28) of respondents including some revenue collectors. Other respondents (17%) rated the performance of revenue collectors as low while 8% (n=4) assessed them as very low. However, 8 respondents representing 17% of respondents still rated revenue collector's performance as high.

Table 10: Performance Assessment of Revenue Collectors at BMA

Response	Frequency	Percentage
High	8	17
Average	28	58
Low	8	17
Very Low	4	8
Total	48	100

Field data, June 2015

Respondents were asked who in their view, was responsible for the poor performance of revenue at the municipality. This was to enable the assembly know which group of people to spend more resources and energy on to improve revenue generation. Out of the 48 respondents, 40% of the respondents believed that tax payers are responsible for the low revenue generation, 23% blames the management team, and 21% blamed revenue collectors whereas 17% thought assembly members are responsible for the poor revenue performance. This implies that all stakeholders have one role or the other to play in improving revenue generation at BMA. However, taxpaying public requires

a lot of education to alleviate negative perception that some taxpayers have about the assembly and also make them understand the importance of tax payment.

Table 11: Who Respondents Blame for Poor Revenue Performance of BMA

Response	Frequency	Percentage
Management Team	11	23
Assembly Members	8	17
Revenue Collectors	10	21
Taxpaying Public	19	40
Total	48	100

Field data, June 2015

4.4 Accounting Reporting Procedures

The study also assessed the accounting procedures involved in reporting revenue collected. The items sought to find out whether respondents are conversant with the accounting reporting procedures of revenue collection, examine whether proper systems of control were in place to properly administer the revenue collection process and finally, whether there was monitoring unit in the Assembly. The analysis of the data revealed that the respondents were very much conversant with the accounting procedures of the Assembly and as stipulated in the Accounting Manual 2010 of MMDAs. The result indicated that a total of 75% (n=36) of the respondents strongly agreed and 10% agreed to the statement “I am conversant with the accounting reporting procedures of revenue collection”. Interestingly, 5% of respondents do not know whether accounting procedures are followed in reporting revenue while 10% disagreed with the statement. Juxtaposing the response to the number of years respondents had served with assembly gives more interesting results. From Table 12, it is clear that all respondents that felt indifferent or did not know about accounting reporting procedures had served with the assembly for less than 3 years. This implied that though majority

of the respondents mentioned that accounting reporting procedures are strictly followed in reporting revenue collected, it takes at least 3 years for respondents to be conversant with the accounting reporting procedures. The first part of this finding conforms to the expectations indicated in the Accounting Manual 2010 of MMDAs in Ghana. However, for it to take respondents more than 3 years to be conversant with the reporting procedures is not good enough and needs to be addressed quickly. It is in the interest of the assembly to orient its members both staff and stakeholders involved in revenue mobilisation to make it easier and faster for them to understand and be conversant with the accounting reporting procedures.

Table 12: Respondents are Conversant with Accounting Reporting Procedures of Revenue Collection

Years of Service	Strongly Agree	Agree	Indifferent	Disagree	Total
1 - 3 years	4	0	2	5	11
4 - 7years	11	3	0	0	14
8 - 11 years	14	2	0	0	16
Above 12 Years	7	0	0	0	7
Total	36	5	2	5	48

Field data, June 2015

Out of the number that reported positively that they were conversant with the accounting reporting procedures of revenue collection, all of the respondents representing 71% confirmed that they had been implementing these procedures in their operations at the Assembly. This finding could imply that the BMA had proper financial records and thus proper accounts would thus be prepared at the end of each accounting year. See results in Table 13 below.

Table 13: Respondents Implement Accounting Procedures in their Operations

Response	Frequency	Percentage
Yes	34	71
No	14	29
Total	48	100

Field data, June 2015

Again, the researcher wanted to find out whether there were proper systems of control in revenue administration and whether there was monitoring control unit. In the first place, the results showed in response to the question “do you have proper systems of control in the administration of Revenue collection in the Assembly?” that 57 respondents representing 65% of the respondents responded yes, implying proper systems of control in the administration of revenue collection was in place. However, 23% of the respondents said no, there were no proper systems of control while, 13% were not sure whether control systems existed at the Assembly.

Table 14: Proper Systems of Control Exist in the Administration of Revenue

Response	Frequency	Percentage
Yes	31	65
No	11	23
Not sure	6	13
Total	48	100

Field data, June 2015

On the issue of the presence of monitoring unit to monitor revenue collection procedures at the Assembly, the study revealed that 69% of the respondents confirmed that the monitoring unit existed while 27% said no it did not exist and 4% were not sure whether the Monitoring Unit existed in the Assembly or not.

Table 15: Existence of Monitoring and Control Unit in the Assembly

Response	Frequency	Percentage
Yes	33	69
No	13	27
Not sure	2	4
Total	48	100

Field data, June 2015

4.5 Strategies to be adopted to Encourage Efficient Revenue Mobilisation

To be able to propose effective and efficient revenue mobilisation strategies for Berekum Municipal Assembly, the researcher first examined the strategies adopted by the assembly. Respondents were asked if the assembly had revenue mobilisation strategies and the respondents' responses are shown in Table 16. Out of the 48 respondents, 22 of respondents, representing 46% said the assembly has got revenue mobilisation strategies, 20 representing 42% of respondents said no while 12% were not sure. This means that 58% of respondents are not aware of revenue mobilisation strategies of the assembly that is if there are strategies.

Table 16: BMA has Revenue Mobilisation Strategies

Response	Frequency	Percentage
Yes	22	46
No	20	42
Not sure	6	12
Total	48	100

Field data, June 2015

Again respondents were asked to mention some of the revenue mobilisation strategies of the assembly they knew of. Three major strategies were mentioned by respondents to include; education of the public, orientation of revenue collectors and holding of town hall meetings with stakeholders. Out of the 22 respondents that responded positively to whether the assembly had revenue mobilisation strategies, 18 of them mentioned education of the general public to be one of the strategies. Another 12 said orientation of revenue collectors whereas 6 said town hall meetings with stakeholders were some of the strategies adopted by the assembly.

Table 17: Revenue Mobilisation Strategies Adopted by BMA

Response	Frequency	Percentage
Education of the general public	18	46
Orientation of revenue collectors	12	42
Town hall meetings with stakeholders	6	12

Field data, June 2015

The study also solicited the views of respondents on the strategies to be adopted to encourage efficient revenue mobilisation at the Municipal Assembly. The result identified four areas that have been outlined by the respondents. These are: increased Public Education, prosecution of tax defaulters, motivating revenue collection staff and providing adequate logistics for personnel to work with. Table 18 revealed that increase public education and motivating revenue collection staffs were the strategies most conceded to by the respondents. Forty-four and 40 respondents suggested these strategies respectively. The next strategy outlined was the prosecution of tax defaulters that was proposed by 36 respondents and providing logistics for revenue collection also

by 30 respondents. The finance officer also suggested strategies such improvement and consistent update of revenue data base and no or minimal political interference.

Table 18: Strategies to be adopted by BMA

Strategies	Frequency
Increase Public Education	44
Prosecution of tax defaulters	36
Motivating revenue collection staffs	40
Providing logistics for revenue collection	30

Field data, June 2015



CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This chapter presents the summary of major findings of the study, presented conclusion and recommendations of the study. The study assesses the financing of Berekum Municipal Assembly. The study set out to achieve the following objectives. In the first place, the study aimed at identifying the major sources of revenue of BMA. Secondly, the study examined the strategies adopted by the Assembly to ensure effective and efficient revenue collection. It also examined the procedures involved in accounting to determine whether the procedures were effective and efficient and finally, assess the challenges facing revenue mobilization in BMA.

5.2. Summary of Findings

Firstly, the study found out that respondents had great knowledge on the various sources of revenue of the assembly. The study revealed that the assembly has adequate revenue sources; however, knowledge on adequacy of revenue sources was dependent on the position and respondents' involvement in revenue generation activities. The study discovered other revenue sources that were not being adequately explored by the Assembly. The research discovered that the assembly had heavy duty vehicles that could be hired out for revenue. The assembly also receives 50% of revenue generated from stool lands thus the higher the amount received by stool lands, the higher the revenue the assembly could generate from them. Thus by supporting stool lands to generate more revenue the assembly could also receive more revenue inflows.

Secondly, the study revealed that gender and educational background of revenue collectors play influential roles as to whether or not revenue collectors are able to meet revenue targets. Female collectors are able to meet their revenue targets as compared to their male counterparts. The study further discovered challenges that affect the smooth operations of revenue collectors of the assembly. Challenges such as lack of motivation of revenue collectors, lack of education of the taxpaying public, lack of logistics, inadequate revenue data on revenue items and low capacity of revenue collectors. Other challenges identified by the finance officer included political interference, low interest in prosecuting tax defaulters and lack of gazette bye-laws. Other challenges according to the FO were the lack of effective monitoring and evaluation and resistance put up by revenue collectors whenever there are new initiatives causing for changes.

Further examination of the data revealed that, the problems mentioned in the study were as a result of corruption on the part of financial managers and collectors of the Assembly and lack of education. The study revealed further that reasons tax payers also give for non-payment of taxes included; perceived corruptions at the assembly; lack of public education; financial mismanagement and the lack of accountability and transparency at the BMA.

Again the study found out that though majority of respondents believed that the taxpaying public should be blamed for poor revenue mobilisation there is a consensus that all stakeholders have roles to play in improving revenue generation. Thus the assembly has the responsibility of educating the general public to alleviate all negative perceptions they may have about the assembly as well as explain to them the benefit derived in tax payment. Respondents again rated the performance of revenue collectors

as average. Thus more needs to be done to ensure that collectors are able to live up to expectation or at least achieve revenue targets.

The study also assessed the accounting procedures involved in reporting revenue collected. It further sought to find out whether revenue collectors were familiar with the accounting reporting procedures, examine whether proper systems of controls were in place to properly administer the revenue collection process and finally, whether there were monitoring unit in the assembly. The study revealed that the respondents were very much conversant with the accounting procedures of the Assembly and as stipulated in the Accounting Manual 2010 of MMDAs. However, though majority of the respondents mentioned that accounting reporting procedures are strictly followed in reporting revenue collected, it takes at least 3 years for respondents to be conversant with the accounting reporting procedures. The study also found out that respondents implement accounting procedures in their operations and this was confirmed by 71% of respondents. Finally the study identified that proper control systems exist in the administration of revenue collection as well as the existence of monitoring and control unit to monitor revenue generation activities.

Finally, the research found out that respondents were not all that conversant with revenue generation strategies of the assembly as only 46% of respondents knew about the strategies of the assembly. The 46% mentioned some revenue mobilisation strategies adopted by the assembly to include education of the general public, orientation of revenue collectors and town hall meetings with stakeholders. In addition, other strategies that could be adopted were mentioned to include an increase in public education, prosecution of tax defaulters, motivating revenue collection staffs and providing logistics for revenue collection.

5.3 Recommendations

Following the findings of this study, the under listed recommendations have been proposed for practice.

1. The assembly should recruit revenue staff or collectors with higher educational background, ideally tertiary education to enable it achieve its targets. The assembly should also consider recruiting more females to be revenue collectors to complement the efforts of their male counterparts.
2. Orientation sessions should be held for all revenue collectors to ensure that they become well vest with the accounting reporting procedures as soon as they are recruited.
3. The study also recommends that the other sources of revenue, especially hiring out of heavy duty vehicles of the assembly should be privatised to enable the assembly concentrate on its core revenue generation activities.
4. That the municipality should gazette its own bye-laws as early as possible as prescribed by the local government act, to enable it prosecute effectively tax defaulters to deter others from doing same.
5. Regular training programmes should be held for revenue collectors, assembly members and assembly staff to ensure they are equipped with the necessary information to deal with the general public on revenue matters.
6. Political heads of the assembly should not interfere in the tax collection process to allow the system to work effectively.
7. The municipality should focus on exploring more of the other alternative sources of revenue as identified in the study to improve its revenue generation for development.

5.4 Conclusion

The following conclusions have been reached based on responses from respondents as well as records and confirmation made available to the researcher. That Berekum municipal assembly has great potentials as far as internally generated funds are concerned. However, for the assembly to reach its full potential, it has to take a critical look at its challenges as identified in this study. The assembly can also take advantage of less exhausted revenue sources such as hiring out its heavy duty machines and equipment to generate more income and also support stools lands in order to improve its inflows. Beyond this, the assembly can adopt effective strategies such as intensifying its public education among others to improve revenue generation of the municipality.

Though the trends of IGF keeps increasing at the assembly, there is still more room for improvement as IGF has the potential of becoming the highest source of revenue if its full potential realised. At the moment, the assembly's highest sources of revenue are the District Assembly Common Fund and Donor Funds. This does not promote effective decentralisation because, decentralisation is meant to ensure that the assembly is able to seek the wellbeing of its citizens without necessarily waiting on the central government. This can be effectively achieved if the assembly puts in more efforts in achieving higher internal revenue to support its budget activities without depending too much on the central government and the donor funds.

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QUESTIONNAIRE

The researcher is a student of the Kwame Nkrumah University of Science and Technology (KNUST) College of Arts and Social Sciences School of Business, Department of Accounting and Finance, pursuing a master's degree programme in Business Administration. I am undertaking a dissertation on the topic: **Assessing the Financing of Berekum Municipal Assembly.**

Important Note: Information supplied by you will be treated as strictly confidential. Identity of position will not be revealed. Information will be used for only academic work. I greatly appreciate your co-operation.

BACKGROUND OF RESPONDENTS

1. Gender: Male ☐ Female ☐
2. Age:
20 – 30 years ☐ 31- 40 years ☐ 41-50 years ☐ Above 51 years ☐
3. Marital status. Married ☐ Single ☐
4. Status in the assembly
Administrator ☐ Assembly member ☐ Revenue collector ☐
5. What is your level of education?
Nil ☐ Basic ☐ SHS ☐ Tertiary ☐
Others, specify
6. For how long have you been employed by the Assembly?
1 - 3 years ☐ 4 - 6 years ☐ 7 - 10 years ☐ Above 10 years ☐
7. I am a
 - Permanent Revenue collector ☐
 - Commission Revenue collector ☐
 - Staff of Urban, Town and Area Council ☐
 - Head of Department / DPCU ☐
 - Assembly Member ☐

SECTION B: SOURCES OF REVENUE FOR BMA

8. List the major sources of revenue for Berekum Municipal Assembly you know?

- i.
- ii.
- iii.
- iv.
- v.

9. How will you rate revenue mobilization efforts in the Berekum Municipal Assembly? Very Effective [] Effective [] Satisfactory [] Ineffective []

10. Revenue mobilization processes in the Berekum Municipality is very cumbersome.

I strongly agree [] I agree [] I do not know [] I disagree [] I strongly disagree []

11. Berekum Municipal Assembly has efficient and effective revenue mobilization team :

I strongly agree [] I agree [] I don't know [] I disagree [] I Strongly disagree []

12. Please, in your view what strategies should be adopted to encourage efficient revenue mobilization at the Assembly?

.....

.....

.....

13. I am conversant with the accounting reporting procedures of revenue collection at BMA.

I strongly agree [] I agree [] I don't know [] I disagree [] I strongly disagree []

14. If your respond to Q. 13 is positive, do you implement these procedures in your work?

Yes [] No []

15. Do you have proper systems of control in the administration of Revenue collection at the assembly? Yes [] No [] I am not sure []

16. Do you have monitoring control unit? Yes [] No [] I am not sure []

17. Revenue collectors are motivated enough to collect the revenue.

Strongly agree [] Agree [] Strongly disagree [] Disagree [] Do not know []

18. The Assembly has competent staff to collect the revenue.

Strongly agree [] Agree [] Strongly disagree [] Disagree [] Do not know []

19. Management provides the needed logistics to revenue collectors for effective revenue mobilization.

Strongly agree [] Agree [] Strongly disagree [] Disagree [] Do not know []

SECTION C: IMPACT OF REVENUE

20. Does the Berekum Municipal Assembly fund some development projects in the Municipality? Yes [] No [] I am not sure []

21. Do you consider the quantum of Internally Generated Fund of the Assembly enough to embark on development projects in the Municipality? Yes [] No [] I am not sure []

22. Please, list some major projects undertaken by the assembly using Internally Generated Fund in the last 5 years.

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.....

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.....

23. Given the quantum of revenue collected, are you satisfied with the projects over the years?

Strongly Satisfied [] Satisfied [] I am not sure [] Not Satisfied []

Strongly not satisfied []

SECTION D: GOVERNMENT AND DONOR SUPPORT

24. Does the Central Government remit funds to the Berekum Municipal Assembly?

Yes [] No [] I am not sure []

25. Government's contribution to development in Berekum surpasses contribution from Internally Generated Funds.

I strongly agree [] I agree [] I am not sure [] I disagree [] I Strongly disagree []

26. . External sources of funds have a greater impact on development in Berekum Municipality than the Assembly's IGF.

I strongly agree [] I agree [] I am not sure [] I disagree [] I Strongly disagree []

SECTION E: SOURCES OF REVENUE AND THEIR CONTRIBUTION TO TOTAL REVENUE (to be completed by Heads of Departments only)

27. Revenue accounting procedures at the Berekum Municipal Assembly are very efficient.

I strongly agree [] I agree [] I am not sure [] I disagree [] I Strongly disagree []

Thank you.

