

The impact of district assembly common fund on the economic welfare of Ghanaians (A case study of GA South Municipal Assembly)

Godson Ahiabor
Department of Economics, Central University College
P. O. box 2305, Tema-Ghana.
+233 244731219 E-mail: gkhiabor@yahoo.com

Abstract

The District Assemblies Common Fund (DACF) was established in 1993 to give the Metropolitan, Municipal and District Assemblies (MMDAs) financial autonomy to actually make decisions locally. The DACF has since then become an important tool for the achievement of fiscal decentralisation in particular and overall decentralisation in general. Our study seeks to find out the impact of the DACF on the economic welfare of the people in Ghana with Ga South as our focal point. Questionnaires, which were our main tool of gathering primary data were administered to a total of hundred members of selected communities in the Ga South Municipal Assembly. Descriptive statistics, SPSS, Microsoft Excel were used to analyse data collected from the field. The analysis of data collected revealed that a large percentage of the local population are unaware of the uses of the DACF and thus are unable to insist on its effective use. Also, it was gathered that the DACF meets the needs of the local population through the implementation of developmental projects particularly the provision of educational facilities, health centres, security and employment. There is therefore the need for community sensitisation about the DACF and its purposes. Also, more developmental projects should be undertaken in the communities to meet the basic needs of the growing population.

Keywords District assembly common fund, Decentralisation, Welfare, Local communities, Ghana.

1. Introduction

Decentralisation refers to the transfer of authority on a geographic basis to local government units or special statutory bodies. This could either be by de-concentration (delegation) of authority to field units of the same department, or level of government or by devolution of authority to local government units or special statutory bodies. Decentralisation is a mechanism for bringing government closer to the governed and helps improve public administration by empowering local authorities to be the planning and decision making bodies and thereby enhancing the capacity of government to achieve local participation. The concept of the local government was introduced in the Gold Coast (now Ghana) during the colonial era with native authorities, centred on chiefs, which were not democratic because the chiefs were handpicked. Their main interest was to help the British Colonial Government, with limited involvement in local administration, to administer law and order. The Municipal Ordinance of 1959 established municipalities in the coastal towns of the Gold Coast, and in 1943, a new Ordinance set up elected town councils for Accra, Kumasi, Secondi-Takoradi and Cape Coast. In 1953, the Municipal Councils Ordinance was passed and this was followed by the Local Government Act of 1961, Act 54. In all of these pieces of legislation, the distinction between Central and Local Government institutions was maintained (Amadu, 2004). This dual Hierarchy Model of Administration posed certain problems as follows: First, decision making took unduly long time because the local government agencies had to refer decisions on most matters of any significant importance to a central ministry in the capital, and second, there was lack of clearly defined responsibility or authority thus the central government agencies encroached on the rights and responsibilities of the weaker local government.

In view of this, various legislations setting up local authorities were enacted to enquire into the administration of the country. Most of their recommendations were accepted but attempts at decentralization could not materialize until 1974 due to the change of government in 1972. The 1972 local government described as the "Single Hierarchy" Model sought to abolish the distinction between local and central government at the local level and create a common structure (District Councils). This model came along with its own problems which prevented it from achieving its goals. The present decentralisation system is the most serious attempt so far in Ghana's history. In 1988, a new Local



Government system (The District Assemblies Concept) was enacted by the promulgation of PNDCL 207 which is also enshrined in the 1992 Constitution of Ghana. This concept sought to ensure that people are directly involved in the decision making process and are responsible for their own development. In furtherance of this objective, metropolitan, municipal and district assemblies (MMDAs) were created and charged with the responsibilities under section 10(3) of the Local Government Act 1993 (Act 462). As decentralized institutions, the DAs are expected to exercise initiative, resourcefulness and discipline in the management of their activities.

Ga South Municipal Assembly with its capital Gbawe, forms part of the new districts and municipalities, created under former President J.A Kufuor's administration, which were inaugurated at their various locations simultaneously on the 29th of February 2008. The then President by an Executive Instrument (E.I) created 27 new Districts, 4 Municipalities, Upgraded 26 existing Districts and 2 existing Municipalities. All the inaugurated and confirmed MMDAs established are operational with immediate effect hence bringing the total number of MMDAs to 169. These new creation arose as a result of the large size of some of the then 138 MMDAs which were one way or the other not allowing the government to fully implement its policies of local governance to the benefit of the entire citizenry.

1.1 The District Assemblies Common Fund (DACF)

Decentralisation can lead to severe imbalances in the regional distribution of wealth and development, as the resources of local authorities are often unequal. This explains why, and in the view of the problems most of the district assemblies face in generating their own revenues to meet their financial commitments and to give effect to the decentralisation programme, there was the need for the setting up of the DACF (King et al., 2003). The DACF is a developmental facility granted to resource MMDAs to enable them plan and implement developmental programmes and projects in their respective area of jurisdiction (Fynn, 2011). In accordance with Article 252 of the 1992 Constitution, subject to the provision of this Constitution, Parliament shall annually make provision for the allocation of not less than 5% of the total revenue of Ghana to the District Assemblies for development; and the amount shall be paid into the DACF in quarterly installment. The purpose of this fund is to facilitate developmental activities at the grassroots and to execute the political agenda of the government. The enactment of the 1992 Constitution clearly stated in this Article that a fund known as the DACF is to be created by Parliament. This Article re-emphasises the fact that Parliament in its own wisdom has the right to create its own public funds under Article 175. In this wise, that requirement was fulfilled in 1993 by the enactment of Act 455-The District Assemblies Common Fund Act 1993(Act 455). This Act defines total revenue as "all revenue collected by or accruing to the central government other than foreign loans, grants, non-tax revenues or revenue already collected by or for DA under any enactment of force. In effect, it is only tax revenue collected by, for or on behalf of central government that is covered by this definition. The distribution of the fund is based on a formula by the administrator and approved by Parliament and used by the administrator of the fund for such allocation. Five factors have been considered in the districts' share of the Common Fund since its inception. These are Need, Responsive, Service Pressure, Reserve and Equality factors. In 2003, a "Poverty factor" was included but was scrapped afterwards. The definition of what each factor is has remained the same since their inception (Bamful, 2009).

1.2 Statement of the Problem

The District Assemblies Common Fund (Act 455), 1993 has been in operation for the past eighteen (18) years. It was set up with the goal of fighting poverty and improving the lives of the people especially those in the rural areas. The DACF was created to meet five main objectives, namely to encourage local governance and deepen Government's commitment to decentralisation in general and fiscal decentralisation in particular, promote self-help development, complement the internally generated funds of the MMDAs to undertake development programmes in their areas of jurisdiction, ensure equitable distribution of developmental resources to every part of Ghana, and support creation and improvement of socio-economic infrastructure in Ghana.

However, the local communities are still characterised by poor electricity supply, lack of potable water, poor sanitation, poor drainage systems, poor healthcare facilities, poor infrastructure, high illiteracy rate, underdeveloped natural resources, and bad maintenance culture and so on. The DACF is selected because the DAs are agencies that are in close relationship with the people at the grassroots and their activities most directly impact the lives of the poor and the people at that level. Furthermore, the fund is the single most significant source of funding for the majority of the MMDAs and it is released from the Consolidated Fund, into which each Ghanaian contributes. Besides, the fund has been created because most of the assemblies cannot generate enough revenue on their own to meet the development needs of their constituents. The efficient use of the fund is, therefore, in the best interest of all

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Ghanaians no matter whether they stand to gain personally from it or not. Our study therefore seeks to find out whether DACF is promoting sustainable self-development, improving socio-economic infrastructure in Ghana and impacting on the economic welfare of the people in the local communities in Ga South.

2. Literature Review

The local government units in Ghana are called the Districts assembly. The constitution provides that for the purposes of local government, Ghana has been divided into districts, which existed immediately before the coming into force of the constitution. The Parliament may enact legislations to make provisions for the redrawing of the boundaries of districts or for re-constituting the districts. The constitution also prescribes that the district assembly shall be highest political authority in the district. The district assembly shall have deliberative, legislative and executive powers. The constitution also provides, among other things, the foundation for determining the composition the districts assemblies, and the bases for determining their financial resources. The Local Government Act No.462 of 1993 provides that, there are three kinds of districts- districts, municipalities and metropolises- and each of them has an assembly as the highest political authority in the district: (i) Districts Assemblies are districts with a minimum population of 75,000 people; (ii) Municipal Assemblies are districts with a minimum population of 250,000 people.

In view of the above classification of districts, the District, Municipal and Metropolitan Assemblies are all often commonly referred to as District Assemblies and our study focuses on the Ga South Municipal Assembly. Decentralisations have various definitions because it means different things to different people. Among the various definitions of decentralisation, there are some commonly accepted interpretations. The United Nations (UN)'s definition of decentralization which appeared in the UN report "Decentralization for national and local development (1962)", has become the standard and has been refined since then by various scholars. The United Nations defined decentralization as "the transfer of authority on a geographic basis whether by deconcentration (i.e. delegation) of administrative authority to field units of the same department or level of government or by political devolution of authority to local government units, or special statutory bodies." Decentralization refers to "the transfer of political power, decision making capacity and resources from central to sub-national levels of government (Walker, 2002). Another definition which has become a cornerstone and cited by many scholars is the Rondinelli and Cheema's; where decentralisation is defined as the transfer of responsibility for planning, management and the raising and allocation of resources from the central government and its agencies to field units of government agencies, surbodinate units or levels of government, semi-autonomous public authorities or corporations, area-wide, regional or functional authorities or nongovernment, private or voluntary organisations (Rondinelli, 1989). According to Baffour Agyeman-Duah (2008), in political terms, decentralisation refers to the process of transferring or devolving power through administrative structures from the center of national governance to sub-national governments (SNGs). The World Bank divides decentralisation into four broad categories, namely: political, administrative, market and fiscal decentralisation. There are different types of decentralisation but our study focused on fiscal decentralisation because if decentralised units are to carry out their responsibilities effectively there needs to be adequate levels of revenue and Financial responsibility is a core component of decentralisation. Fiscal Decentralisation refers to the transfer of financial resources from the central government to local government units taking account of the responsibilities allocated to these institutions. The ceding of revenue to local government units by the central government, the mobilisation and management of resources by the local government units and revenues sharing formula are indicative of fiscal decentralisation.

King et al in their report on the tracking of the DACF stated that decentralization leads to several imbalances in the regional distribution of wealth and development, as the resources of the local authorities are often unequal. The report further went on to say that there was therefore the need for the setting up of the DACF to help alleviate the problems most of the District Assemblies face in generating their own revenues to meet their financial commitments and to give effect to the decentralization program. According to the report, the DACF is 5% or more of the state revenue. The report further went on to state that among all the sources of revenue to the assemblies, the DACF is the single most significant source of funding for the majority of MMDAs and it is released from the Consolidated Fund, into which every Ghanaian contributes. The efficient use of the fund is therefore in the best interest of all Ghanaians no matter whether they stand to gain from it personally or not. A paper issued by the Ministry of Local Government, Rural Development and Environment (March, 2008) - Intergovernmental Fiscal Decentralisation Framework (Page 19) reported that the introduction of the DACF was an important achievement for fiscal decentralisation. The DACF



is allocated to each MMDA annually based on a formula approved by Parliament. The DACF is available to the MMDAs primarily for investment purposes and is a reliable source of funding.

2.1 District Assemblies Financial Resources

In Ghana, District Assemblies have three major sources of financial resources: Internally Generated Funds, Intergovernmental Fiscal Transfers, and other Financial Arrangements. (Kazentet, 2011). The first source is the Intergovernmental transfers which include the DACF, Recurrent Expenditure Transfers and Ceded Revenue. The second source is Internally Generated Funds which comprises own revenues from tax and non-tax sources such as rates, lands, licenses, fees, investment, rent and miscellaneous sources. Districts have additional sources of finance from other financial arrangements for their capital investments. This can have different forms such as borrowings, investment fund and non-monetary arrangement that include community contributions. Despite the varied sources of revenue for the districts, the IGFs and other financial arrangements do not yield much revenue, not even for the recurrrent expenditure of the districts and so most districts depend almost entirely on the DACF. Also, the fund is the single most significant source of funding for the majority of MMDAs and it is released from the Consolidated fund, into which every Ghanaian contributes. It is based on the development agenda of this fund that our study proposes to examine the impact of the DACF on the economic welfare of the local communities in Ghana with the Ga South Municipal Assembly (GSMA) as our focal point. Based on the above theoretical literature review, this research gives emphasis on assessing and analyzing the DACF, its efficient use and its contribution to the development of the Ga South Municipal Assembly.

3. Methodology

This was a descriptive cross-sectional study. A self-administered structured questionnaire that had closed ended questions was applied to collect the information. The questionnaire was split into 4 sections made up of personal data, educational/occupational data, knowledge of the DACF, and information related to the impact of the fund. The questionnaire took a minimum of ten minutes and a maximum of fifteen minutes to complete. I employed a combination of qualitative and quantitative data, where I used qualitative as a follow up investigation to throw more light on and expand upon the quantitative findings. The economic wellbeing of the local communities in the district was measured in terms of health, security, education and employment.

3.1 Data Collection

The Ga South Municipal Assembly is made up of several communities and indeed not all of them can be covered in this study which takes a relatively short period of time. Therefore the main focus here was on these selected communities: Amanfurom, Aplaku, Gbawe, Bortianor and Kokrobitey. The specific district was chosen because of proximity to researchers and the ongoing related works in the district. Respondents used were hundred (100) selected members from the listed communities; split into 50 males and 50 females. We used stratified random sampling to divide our population into males and females. The respondents were members of the listed communities who were present at the time of our visit and were willing to participate in the study. The sample size of hundred was used because the number was representative of the population and also ensured external validity of the study as well as generalization of the study to the entire population. The study employed both primary and secondary data collection techniques. The primary data collection techniques used was observation and survey research. The survey research types we employed were interviews and the issuing of questionnaires. The observation entailed gathering data related to our research by viewing conditions in the communities; that is obtaining physical evidence. The findings from our observation informed most of the important questions we asked at our subsequent interviews with the people in the community and the relevant agencies. Face to face interviews were carried out with members of the communities who were not proficient with the English language. Such interviews were undertaken in the following local languages: Ga, Ewe and Akan. Also, the relevant agencies involved in the allocation and disbursement of the DACF were interviewed. The secondary data was obtained from the internet, municipal statistics and the library. The Statistical Package for the Social Sciences 16.0 (SPSS

4. Results and Discussions

The economic wellbeing of the local communities in the district was measured in terms of health, security, education and employment. Below are findings from our investigations.



Table 1: Projects on-going in the District

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|-----------|---------|---------------|--------------------|
| ELECTRICITY | 22 | 22.9 | 22.9 | 22.9 |
| HOSPITALS | 24 | 25.0 | 25.0 | 47.9 |
| SCHOOLS | 20 | 20.8 | 20.8 | 68.8 |
| SECURITY | 10 | 10.4 | 10.4 | 79.2 |
| OTHERS | 20 | 20.8 | 20.8 | 100.0 |
| TOTAL | 96 | 100.0 | 100.0 | |

From Table 1 above, 90% of respondents were of the view that they have access to prompt and quality health care due to the availability of health facilities in the district. 10% however indicated that they do not have access to prompt and quality health care; their reasons being that the health centres were still crowded and were not adequately resourced to meet their health needs. Again, 25% of the respondents indicated that among the developmental projects was the construction of health facilities. Interviews, observations, statistical records and information gathered from the internet concerning Ga South Municipal Assembly also revealed that among the developmental projects taking place in the district is the constructing of health centres. A new health centre which promises to deliver prompt and quality health care is nearing completion at Aplaku, a deprived community in the Ga South Municipal Assembly. This brings the number of health centres being put up in the municipality to five. When the said facility at Aplaku is completed, it will help mitigate problems residents in and around the municipality go through in their quest to assess quality health care. The completion of the health facility also promises to reduce the pressure on the existing ones, hence making it possible for health officials to attend to patients on time, which in essence leads to preserving lives that would have been lost as a result of the delay in health care delivery. Also, resources (money and time) that would have been used to assess health care elsewhere are saved as a result of the proximity of the facilities and used to expand their businesses. Similarly, the lives that are saved also increase productivity in their communities and the nation as a whole through the services they render. This implies that the existence of the DACF is of importance to the development of the health sector.

Table 2: Frequency Of The Organisation Of Communal Labour

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|--|-----------|---------|---------------|--------------------|
| | Frequency | Percent | Valid Percent | Cumulative Percent |
| Weekly | 6 | 6 | 6 | 6 |
| Monthly | 11 | 11 | 11 | 17 |
| Semi-annually | 27 | 27 | 27 | 44 |
| Annually | 26 | 26 | 26 | 70 |
| Not at all | 17 | 17 | 17 | 87 |
| Periodically | 13 | 13 | 13 | 100 |
| Total | 100 | 100 | 100 | |

From Table 2, communal labour(specifically cleaning) which happens to be one of the ways through which the outbreak of pandemics could be curbed, is said to be organised weekly by 6% of the respondents,11% are of the view



that it is organised monthly, 27% are of the view that it is organised semi-annually,26% are of the view that it is organised annually,13% are of the view that it is organised periodically and 13% are of the view that it is not organised at all. Further interviews of some of the assembly members carried out revealed that the municipality is fumigated periodically to curb the outbreak of suspected pandemic.

Analysis of Education

From Table 1, 20.8% of the respondents were of the view that schools have been and are being constructed in the district. On education, because Ga South Municipality hosts several deprived towns in the Greater Accra Region, interventions from government has helped in the construction of a number of new schools to reduce the number of schools operating in dilapidated structures or under trees. The presence of the DACF has improved educational infrastructure in the area; this has led to the construction of new schools and projects to reduce the number of schools operating in dilapidated structures or under trees, the existing ones are supported by the Municipal Assembly in terms of scholarships, books, school uniforms, recreational facilities and toiletries. From Table 4.3 below, 12% of the respondents were of the view that the Ga South Municipal Assembly provides the existing educational institutions in the municipality with scholarships, 20% indicated that the existing educational institutions are provided with books, 60% indicated school uniforms, 8% indicated toiletries. All the respondents were of the view that at least the assembly assists the educational institutions.

Table 3: Provision of Educational Facilities

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------------|-----------|---------|---------------|--------------------|
| | | | | |
| Scholarships | 12 | 12 | 12 | 12 |
| Books | 20 | 20 | 20 | 32 |
| School Uniforms | 60 | 60 | 60 | 92 |
| Recreational Facilities | 0 | 0 | 0 | 92 |
| Toiletries | 8 | 8 | 8 | 100 |
| Total | 100 | 100 | 100 | |

Analysis of Security

From Table 3 above, 10.4% of respondents indicated that security is provided by the assembly. Interviews with some respondents proved that security is provided in the form of street lights, community watchdogs and police patrols. We also gathered that there is a police station being put up at Gbawe Lafa. This would help boost the security in the municipality. Observations during our visit to the community revealed that there were street lights in the some of the communities. In other communities however, electricity poles have been erected giving a clear indication that street lights will soon be put in place. The presence of light in the communities make the place more secure especially at night and this is made possible due to the existence of electricity which 22% of our respondents indicated was available in the district. We also gathered that there are incidents of unrest in the district mainly due to the fallout of chieftaincy disputes that occur in the various communities; despite the level of security provided in the Assembly, the latest of such incidents being the killing of the Oblogo chief. In the absence of financial resources such situations cannot be adequately catered for. Thus the DACF has come in handy in putting in place security measures to curb such occurrences. Had it not been for the DACF to facilitate rapid response to these issues, more lives would be lost in these disputes and the situations would go out of hand.



Table 4: Occupation of the Respondents

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------|-----------|---------|---------------|--------------------|
| Student | 22 | 22 | 22 | 22 |
| Professional | 20 | 20 | 20 | 42 |
| Artisans | 10 | 10 | 10 | 52 |
| Farmer | 15 | 15 | 15 | 67 |
| Trader | 26 | 26 | 26 | 93 |
| Unemployed | 4 | 4 | 4 | 97 |
| Others | 3 | 3 | 3 | 100 |
| Total | 100 | 100 | 100 | |

From the analysis of Table 4, above, 74% of the respondents indicated that they were gainfully employed, which can be broken down into 20% professionals, 10% artisans, 15% farmers, 26% traders and 3% fell within other professions that were not indicated by our questionnaires. 22% of the respondents were students and 4% were unemployed. There are jobs available in the communities and also the conducive atmosphere, in terms of security and the ease of starting and operating businesses due to the absence of stringent rules which deter new market entrants, have made it possible for investors to invest thus creating jobs for the people. Our findings also revealed that the Ga South Municipal Assembly assists its citizens, especially the youth and the physically challenged, by organising entrepreneurial/start up business programmes. The Assembly also sustains the operations of Small and Medium Scale (SMEs) by giving them incentives in the form of short term loans which aids in the sustenance and expansion of their operations. (See Tables D and E in Appendix II for more details). The assistance given the SMEs has helped them expand their operations. These expansions have necessitated employing more labour to help with the operations hence creating employment for the other people in the municipality.

Other Findings from our Research

The DACF is the single most significant source of funding for the majority of MMDAs and it is released from the Consolidated Fund into which every Ghanaian contributes. It serves as the major source of revenue for MMDAs to implement development projects to benefit the citizenry. The awareness level among respondents from the sampled communities in the Ga South Municipal Assembly on the DACF was generally high. In total, 79% had knowledge of the existence of a fund known as the DACF which breaks down into 19% of respondents from Gbawe, 15% from Bortianor, 14% from Aplaku, 15% from Amanfurom, and 16% from Kokrobitey. This is indicated in Table A and Table B in Appendix II for details. Despite the high level of awareness of the DACF, 32% of the respondents had no idea about the purpose of the fund. Of the remaining, 8% and 15% believed the fund was for administrative and academic purposes respectively. 45% of the respondents, most of who were students and professionals indicated that the fund was used to undertake developmental projects in the communities.

Projects undertaken in communities are successful when the local people are involved at all stages of such projects; especially the planning stage, where views are sort about their most pressing needs and alternative methods are developed as to how to achieve them. From our findings, about 56% of our respondents revealed their non-involvement in dialogues concerning the DACF projects. Subsequent interviews with the local people revealed that the reasons for this were the lack of access to information on the DACF projects and ineffective communication systems employed by the MMDAs. On the other hand, 44% indicated their involvement in dialogues concerning DACF projects. Subsequent interviews with some of the members of the municipal assembly revealed that projects are undertaken based on the laid down procedures in the guidelines with the equality, need, responsive, service pressure and reserve factors put into consideration. However, the assembly sometimes deviates from the above



procedures when the circumstance prevailing at that particular moment demands. For instance, according to the guidelines, schools have to be built for a community and there is a rain storm that destroys the only bridge that leads to that community. To avoid the community from being cut off from the other communities the assembly will postpone the construction of the school and put up the bridge instead, to avoid loss of lives especially in cases where the community in question does not have access to health care facility.

The recent guideline for the utilisation of the DACF released in 2009 provides that 2% of the allocations to MMDAs are to be used to assist the activities of PWDs, especially those outside the formal sector. This is aimed at minimising poverty among all PWDs and enhancing their social image through dignified labour. From the data collected, 43% of our respondents were aware of the 2% share of the DACF for PWDs. 57% however had no knowledge about this amount allocated to PWDs (See Table G in Appendix II). Despite the fact that only 43% of our respondents were aware of the 2% share of the DACF for PWDs, 58% of them indicated that the district/municipal assembly provides support for initiatives by PWDs. (See Table H in Appendix II for distribution) This situation throws light on the fact that most of the local people do not know that there is an allocation made to cater for the needs of PWDs. The local people see the support provided by the District Assembly to the PWDs as a privilege to the PWDs and not a right. This being the case, PWDs are not empowered to insist that these funds are utilized to their full benefit.

4.1 Conclusion

Decentralization has the core concept of being the mechanism for bringing the central government closer to the governed by empowering local authorities to be the planning and decision making bodies and thereby enhancing the capacity of government to achieve local participation. The local authorities are empowered when they have adequate levels of revenue to effectively carry out their responsibilities; and this necessitated the setting up of the DACF. The DACF being the flow of resources from the central government to the district assemblies continues to be the leading source of revenue from the MMDAs and represents government's commitment to fully decentralize government to the local level; bringing decision-making closer to the people affected by policy makers' decisions.

The analysis of our findings from the research revealed among others that the guidelines of the DACF are followed. This is evident in the following instances: 2% of the fund allocated to persons with disabilities are used to support initiatives by such persons, portions of the DACF are used to enhance activities of SMEs, the Assembly helps prevent malaria and other diseases in the communities through initiatives such as the organization of communal labour and other sanitation programmes, human capacity building is enhanced by the DA through financing entrepreneurial start up business programmes for the people in the district especially the youth and physically challenged. The resources allocated to the DAs through the DACF can be said to be reflecting in the lives of the people through the evidence of schools, security, health facilities and employment which are the core determinants of welfare. However, the inadequacies of these facilities leaves more to be desired. The inadequacies of these facilities spring from the growing population and the fact that the resources allocated are not sufficient to meet all the developmental needs of the communities.

The DACF is the nation's resource used for providing citizens with hospitals, schools, electricity, and other amenities. The presence of these amenities in the communities gives the individual access to them. An individual's access to and benefits from the hospitals, schools, electricity and other amenities provided to the citizens of Ghana is a clear indication that the nation's wealth is being used to the benefit of all citizens. In effect, the DACF does promote local community development. Its existence boosts the economic wellbeing of the local communities. For instance in the case of health, the availability of quality and affordable health care facilities within the municipality, enables the citizens to save economic resources which would have otherwise been spent seeking those services outside the municipality. In that, monies used in transporting the sick to other municipalities to assess health care are saved and used in more productive ventures. Cleanliness through communal labour prevents the outbreak of pandemic. However, the delays and the short fall between projected and the actual allocations stall some projects, prevent others from being realized and slow developments which would have otherwise impacted on the economic wellbeing of the people.

4.2 Recommendations

In view of the findings of our study, we make the following recommendations for policy consideration with the view of improving the effectiveness of the DACF in the lives of the entire citizenry.

i. The DA should provide the municipality with more heath facilities. The current facilities in the district leaves more to be desired in terms of patient to doctor ratio and equipment.



- ii. The DACF is the people's right and not a privilege bestowed on them. There is the need for further community sensitization about the DACF and its purposes. This would well inform the local people and make them insist that the fund be used to its full benefits.
- iii. In view of the inconsistencies between projected and actual allocations, there is the need for critical planning and forecasting. The MMDAs should prepare cash budget to amend the effects on the inconsistencies in the implementation of projects.
- iv. The provision of higher degree of security especially in the conflict prone communities to avert the occurrence and reoccurrence of frequent conflicts as in the case of the Oblogo Chieftaincy dispute. The municipality should be schooled on the consequences of conflicts and how it draws them back in terms of development.
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