

## **Introduction to the Revenue Improvement Action Plan (RIAP)**

- a) The aim of this Revenue Improvement Action Plan (RIAP) is to support the Assembly's efforts in improving its own source revenues by providing some practical suggestions on potential interventions, activities and resources required to improve Property Rate and other Levies Management and Collection.
- b) In preparing the 2019 Budget Estimate, the Budget and Rating Department and the Budget Committee realized collection gap based on which this RIAP was developed
- c) Endowed with a wide range of typical local government functions, the Prestea Huni Valley Municipal Assembly resource base follows the logic of integrated fiscal decentralization together with their entitlement to annual transfers from the Central Government (general and conditioned grants). However mobilizing even the little available revenue is becoming a difficult task due to uncoordinated effort from most of the Departmental Heads.
- d) The Assembly's resource envelop is limited and the demands and expectations on the part of the communities are high. To solve or minimize the resource deficits so as to position the Assembly to deliver on its mandate, it is important for the Assembly to harness its resource potentials fully since the success of its operations and functions largely depends on the availability of revenue. In such a situation, finding possible and efficient ways of mobilizing local resources such as Internally Generated Revenue/Fund is equally important as that of looking for external sources such as Central Government subsidies/grants.
- e) The actual realistic average collection rate of the property rates and other levies in the Prestea Huni Valley Municipal Assemblies has not been encouraging and would require a concerted effort of Assembly Members, Opinion Leaders including the Traditional Authorities, citizens, and the media both print and electronic to improve the Assembly's revenue mobilization.
- f) In spite of the efforts made by successive and the current Chief Executive and Co-ordinating Directors through training and provision of logistics to enhance and improve IGF mobilization in the Municipality, there still remains a lot to be done to mobilize sufficient revenue to support Central Government and Donor inflows of which are usually erratic thereby delaying and affecting the implementation of the Medium Term Development Plans.
- g) The 2019-2020 Revenue Improvement Plan if successfully implemented would help the Assembly improves on its Internally Generated Revenue Mobilization while also creating much awareness for voluntary payment of levies.

- h) The total cost to be incurred in the implementation of the 2019 RIAP would be GH¢261,550.00. This would help the Assembly to generate an estimated amount of GH¢2,328,150.00 as proposed in the 2019 fiscal year Budget.
- i) Efforts to improve collection and enforcement should include activities to improve collection performance measurement, persuasion measures, enforced collection, and among them all property valuation. The aim is to increase and enforced Property Rate Collection and Levies Payment.

Below are the Activities to be undertaken and the related Estimated Cost with Officers Responsible for the various activities to be undertaken Activities are grouped according to the various interventions as follows:

#### **Property Rate and Licenses**

<b>Revenue Head</b>	<b>2017 Budget Estimate</b>	<b>Actual as at 31<sup>st</sup> December, 2017</b>	<b>2018 Budget Estimate</b>	<b>Actual as at 31<sup>st</sup> December, 2018</b>	<b>2019 Budget Estimate</b>
<b>Rate</b>	308,000.00	97,703.55	316,000.00	416,612.30	1,207,300.00
<b>Licenses</b>	594,350.00	542,188.41	644,870.00	492,889.74	757,550.00

#### **Challenges:**

- i. Lack of Software for Billing and Tracking of Payment
- ii. Inadequate Data on Businesses and Properties for Billing
- iii. Inadequate Valuation Roll to charge realistic Rate
- iv. Low Public Education/Sensitization on the Payment of Property Rate
- v. Lack of Structure and Housing Numbering Plate for Easy identification of Properties and Businesses
- vi. Lack of Proper Addressing System

### Activities to Undertake to Improve Revenue from Rate and Licenses

No.	Activity	Expected Outcomes	D-18	J	F	M	A	M	J	J	A	S	O	N	D	Implementing Offices /Officers	Resources Required	Estimated Cost (GH¢)
1	Develop Software for Billing	Help Improve Internally Generated Revenue especially Property & Basic Rates Collection and BOPs														MCE, MCD , MFO, MBO & MIS	Laptop & Desktop and Fund	7,500.00
2	Orientate Revenue Collectors and NABCO Personnel on the Billing Systems, Bills Distribution and Updating of Existing Data																Funds and Sample Bill	3,500.00
3	Set target for Revenue Collectors and Review their 2019 Performances with them	To help Track Collectors Performances on Monthly and Quarterly Basis														MCD , MFO, MBO & Revenue Head	Venue	-
4	1. Distribute Printed Bills and undertake follow-up of bills	➤ To Ensure Timely Distribution of Bills and also made Rate Payers aware of how much the owe the Assembly														MCD, MIS, MBA, MFO and Revenue Head	A4 Sheet (20 reams) Desktop Computers, vehicle and fund	4,500.00
	2. Update Business and Property Date	➤ To Update the Existing Data																
5	Print and Allocate Rate Payers and Jackpot Sticker to Urban/Zonal Councils	To Easily Track Payment														MCD, MFO, Revenue Head	Fund	1,950.00
6	Revised Municipal By-Law for PHMA and Gazette the By-Law	To Ensure Laws are available for Enforcement														MCE, MCD and Management	Fund and Copies of the By-Law	30,000.00

No.	Activity	Expected Outcomes	D-18	J	F	M	A	M	J	J	A	S	O	N	D	Implementing Offices /Officers	Resources Required	Estimated Cost (GH¢)
7	Undertake Public Sensitization on a. The Assembly Fee Fixing, Rate Impost, Billing	To Ensure Compliance														MCD, MFO, MBO, RH		12,500.00
	b. The new By-Laws															MDPO, MEHO, MBO		15,000.00
	c. Permitting Processes in the Assembly															MCD, MWE, MPPO & RH		10,000.00
8	Undertake Street Naming and Property Addressing	To Ensure Assembly develop Billing Map for Effective Bill Distribution and Revenue Collection														MCE, MCD & Street Addressing Team	Fund and Vehicle	150,000.00
9	Develop Jingles on tax compliance and Payment	To Ensure the Public is constantly educated on their tax Obligations to the Assembly														MCD, MFO, RH, PRO, MIO, MBO	Fund & Vehicle	5,000.00
10	Liaise with Community Addressing Centers and Radio Stations to constantly plays the jingles																	1,500.00
11	Organize training programme for Revenue Collectors & Zonal Council Members	To Improve Councils Revenue Collection														MCE, MCD, MDPO, MBO, GIZ, Council Chairmen	Fund	27,000.00

No.	Activity	Expected Outcomes	D-18	J	F	M	A	M	J	J	A	S	O	N	D	Implementing Offices /Officers	Resources Required	Estimated Cost (GH¢)
12	Undertake Phase 2 of the Property Valuation	To Improve Property Data for Improve Revenue Collection														MCE, MCD, LVD	Funds	100,000.00
13	Print and Commence the Sale of the Motor & Tricycle Registration Stickers	To improve Assembly Revenue Collection														MFO & RH	Fund	1,500.00
14	Commence the Sale of the Municipal Commercial Driver's License																Fund	-

### Fee and Rent

Revenue Head	2017 Budget Estimate	Actual as at 31 <sup>st</sup> December, 2017	2018 Budget Estimate	Actual as at 31 <sup>st</sup> December, 2018	2019 Budget Estimate
<b>Fees</b>	146,150.00	287,541.05	131,095.00	177,034.90	210,100.00
<b>Rent</b>	3,000.00	2,470.00	15,500.00	21,730.00	27,650.00

### Challenges:

- i. Inadequate Data Stores and Stalls for Billing and Payment of Rent
- ii. Inadequate Data on Traders
- iii. Low revenue from Lorry Parks and Markets Tolls

### Activities to Undertake to Improve Revenue from Fees and Rent

No.	Activity	Expected Outcomes	D-18	J	F	M	A	M	J	J	A	S	O	N	D	Implementing Offices /Officers	Resources Required	Estimated Cost (GH¢)
15	Registration of Traders	To Improve on Revenue from Fees and Rent														MCE, MCD, MFO, MBO & RH	Fund	1,500.00
16	Update Stalls and Stores Date																	
17	Develop and Print Business and Contractors Registration Form																Fund	800.00
18	Design and Print Registration and Renewal																Fund	
19	Introduce and Start Night Toll Collection																Vehicle, Name Tag and Overcoat	2,500.00
20	Collect Data on Stalls & Stores	To Protect Assembly's Property while Improving Revenue														MCD, MFO, MDPO, MBO & RH	Vehicle & Fund	3,500.00
21	Introduction of On-Street Parking Fees by Marking Street and Start Collection	To Improve Fees Revenue														MCE, MCD, MFRE, MWE, MFO & RH	Funds	20,000.00

## Cross Cutting Activities

No.	Activity	Expected Outcomes	D-18	J	F	M	A	M	J	J	A	S	O	N	D	Implementing Offices /Officers	Resources Required	Estimated Cost (GH¢)
22	Cede some Revenue Collection to the Urban and Councils	To Ensure Revenue Targets are met														MCE, MCD, PM, MFO, MBO & RH	Value Books	-
23	Meeting with Corporate Organizations & Other Identifiable Group	Familiarization and Discussion of Collaboration to Improve Revenue Mobilization														MCE, MCD, F&A Chairman, MFO, MBO & RH	Fund, Venue and Copies of Fee Fixing & Rate Impost	3,500.00
24	Hold stakeholders discussions on 2019 Fee-Fixed and difficulties faced where possible	Sensitize identified groups on fees and payment														F & A Chairperson, MCD, MFO, MBO, RH, MWE	Fund	15,000.00
25	Organize quarterly tax education programmes for stakeholders and the general public on their duties and obligations in tax payment and usage of tax paid	To educate and build stakeholders confidence in tax payment														MCE & MCD	Fund, Venue & Vehicle	40,000.00
26	Hold F&A and Budget Committee meeting	To Analyze Assembly's Financial Performances and Review the RIAP (when necessary)														F&A Chairman & MCD	Fund & Venue	20,000.00
27	Hold F&A and Budget Committee meeting on categorization of Revenue items in the Fee-Fixing and Rate Impost Resolutions															F&A Chairman & MCD	Fund & Venue	25,000.00

No.	Activity	Expected Outcomes	D-18	J	F	M	A	M	J	J	A	S	O	N	D	Implementing Offices /Officers	Resources Required	Estimated Cost (GH¢)
28	Publication of Income Expenditure on the Notice board weekly/monthly	To Ensure the Public is informed how of the Utilization of the Public Funds														MCD & MFO	Fund	
29	Undertake Quarterly Taskforce to recoup unpaid Levies and Rate	To Remind those who have not to pay while collecting those who has their levies														MCD, MFO, MBO & RH	Fund & Vehicle	13,450.00
30	Prosecute Rate and Levies Defaulters	To Ensure Defaulters are Prosecuted to retrieve unpaid Bills														MCE, MCD, Magistrate	Fund & Vehicle	2,500.00

## Conclusions

Policy initiatives that are likely to enhance the promotion of a more effective revenue mobilization are listed below;

1. Broaden the revenue base while ensuring the existing payers pay on time
2. Promote dialogue with rate payers on new fees
3. Develop revenue billing and tracking software
4. Undertake comprehensive data collection and regularly update the data
5. Provide House numbering Plates for easy distribution of bills
6. Undertake valuation and revaluation of properties
7. Enforce the necessary Assembly laws
8. Engage the various revenue generation departments and units in regular discussion



9. Provide them with the necessary logistics and request result
10. Monitor collectors and revenue generating department
11. Undertake regular social accountabilities to inform the public of how funds collected are utilized and the challenges being faced by the Assembly
12. Revenue strategies development should be coordinated effort with inputs from all sectors
13. Utilized the civil society groups' and public fora to engage with the rate payers
14. Involve the traditional authorities and other opinion leaders in sensitizing the public