

THE DISBURSEMENT OF COMMON FUND IN THE KWAHU WEST MUNICIPALITY ASSEMBLY EASTERN REGION GHANA

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Abstract: The disbursement of the Common Fund in Kwahu West Municipal Assembly in the Eastern Region of Ghana is guided by the District Common Fund (DACF). The DACF is a fund allocated by the government to support the development of metropolitan, municipal, and district Assemblies.

The Kwahu West Municipal Assembly receives a portion of the DACF, which is used to finance development projects in the Municipality.

The Assembly medium-term development plan outlines the priorities for the use of the Common Fund, including infrastructure development, education, and health.

The disbursement of the Common Fund is typically done on a quarterly basis, and the Assembly is required to submit reports on the use of the funds.

The reports are reviewed by the Ministry of Local Government and Rural Development to ensure that the funds are being used for the intended purposes.

Keywords: Allocation of funds; Priority setting; Quarterly disbursement; Reporting and monitoring

1 INTRODUCTION

The disbursement of the District Assemblies Common (DACF) in the Kwahu West Municipal Assembly in Eastern Region of Ghana is guided by specific guidelines to ensure transparency and accountability[1]. The DACF is a pool of funds allocated to district Assemblies in Ghana to support development projects and programs. The Kwahu West Municipal Assembly's Annual Action plans, such as the 2022 and 2023 plans, outline the municipality's development priorities and budget allocations[2].

The Kwahu West Municipal Assembly, established in 2004 and upgraded to municipal status in 2007, receives a portion of the DACF to fund various development initiatives. The Assembly's medium-term development plan outlines priorities for the use of these funds, including infrastructure development, education, health, and agriculture.

The disbursement of the DACF in Kwahu West Municipal Assembly involved a rigorous process to ensure that funds are allocated effectively and efficiently. This process typically involves: identifying priority areas for development and assessing the needs of the municipality. The selecting projects that align with the Assembly's development priorities and the DACF guidelines. Allocating funds to selected projects and ensuring that expenditure are within budget, Implementing projects and monitoring their progress to ensure that funds are used effectively.

Finally, the disbursement of the DACF in Kwahu West Municipal Assembly is critical for supporting development initiatives and improving the lives of residents in the municipality.

1.1 Primary Objectives

1. To examine the disbursement process of the DACF in the Kwahu West Municipal Assembly. This objective aims to investigate the procedures and mechanisms used to allocate and disburse the DACF in the Assembly.
2. To assess the effectiveness of the DACF in financing development projects in the Kwahu West Municipal Assembly. This objectives seek to evaluate the impact of the DACF on development projects and programs in the Assembly.
3. To identify the challenges and constraints associated with the disbursement of the DACF in the Kwahu West Municipal Assembly. This objective aims to investigate the difficulties and limitations faced by the assembly in disbursing the DACF.

1.2 Secondary Objectives

1. To investigate the level of transparency and accountability in the disbursement of the DACF in the Kwahu West Municipal Assembly. This objective seeks to assess the extent to which the assembly ensures transparency and accountability in the use of the DACF.
2. To examine the role of stakeholders in the disbursement of the DACF in the Kwahu West Municipal Assembly. This objective aims to investigate the involvement and participation of stakeholders, such as community members, civil society organizations, and traditional authorities, in the disbursement of the DACF.
3. To identify best practices and lessons learned from the disbursement of the DACF in the Kwahu West Municipal Assembly. This objective seeks to document successful strategies and approaches used by the assembly in disbursing the DACF, as well as lessons learned from challenges and failures.

1.3 Research Questions

1. What is the disbursement process of the DACF in the Kwahu West Municipal Assembly?
2. How effective is the DACF in financing development projects in the Kwahu West Municipal Assembly?
3. What are the challenges and constraints associated with the disbursement of the DACF in the Kwahu West Municipal Assembly?
4. How transparent and accountable is the disbursement of the DACF in the Kwahu West Municipal Assembly?
5. What role do stakeholders play in the disbursement of the DACF in the Kwahu West Municipal Assembly?

2 METHODOLOGY

Combination of quantitative and qualitative methods to provide a comprehensive understanding of the disbursement of the DACF . Focus on the Kwahu West Municipal Assembly as a case study to gain in- depth insights into the disbursement process.

2.1 Study Population

The target population for this study includes:

1. Assembly Members: Elected representatives of the Kwahu West Municipality Assembly who are involved in the decision - making process for the disbursement of the DACF.
2. Municipal officials: Staff of the Kwahu West Municipal Assembly, including the Municipal chief Executive, Finance officer, and other officials responsible for the administration and disbursement of the DACF.
3. Community Members: Residents of the Kwahu West Municipality who are beneficiaries of DACF - funded projects or have an interest in the disbursement of the fund.
4. Traditional Authorities: Chiefs and other traditional leaders in the Kwahu West Municipality who may have a role in the allocation and disbursement of the DACF.
5. Civil society organizations: Representatives of Non-governmental organizations (NGOs) and community - based organizations (CBO) operating in the Kwahu West Municipality who may have an interest in the disbursement of the DACF.

2.2 Data Collection Methods

2.2.1 Document review: analyze relevant documents such as:

- DACF guidelines and manuals.
- Kwahu West Municipal Assembly's budget and financial reports.
- Minutes of assembly meetings and committee reports.

2.2.2 Survey's: conduct surveys among :

- Assembly members.
- Municipal officials.
- Community members and beneficiaries of DACF - funded projects.

2.2.3 Interviews: conduct in - depth interviews with:

- Key informants, such as the Municipal chief Executive and Financial Officer.
- Assembly members and committee chairpersons.
- Community leaders and representatives of civil society organizations.
- Observations: observe assembly meetings, committee meetings, and community engagements to gain insights into disbursement process.

2.3 Data Analysis Methods

1. Quantitative analysis: statistical software (e.g SPSS, R) to analyze survey data and financial reports.

2. Qualitative analysis: use thematic analysis and content analysis to analyze interview transcripts, survey open - ended questions, and document reviews.
3. Triangulation: Combination of quantitative and qualitative findings to validate results and provide a comprehensive understanding of the disbursement process.

2.4 Sample Size

A sample size of 150 - 200 respondents is proposed for this study, comprising:

1. 30-40 Assembly Members.
2. 20-30 Municipal officials.
3. 50-60 Community Members.
4. 10-20 Traditional Authorities.
5. 10-20 Representatives of Civil society organizations.

2.5 Sampling Strategy

1. Purposely Sampling: selection of assembly members, municipal officials and community members who are knowledgeable about the DACF disbursement process.
2. Snowball sampling: Ask initial respondents to recommend additional participants who can provide valuable insights.

3 DISCUSSIONS

The disbursement of the District Assemblies Common Fund (DACF) in Kwahu West Municipal Assembly in Ghana's Eastern Region is guided by the 1992 constitution, which established the DACF to transfer resources from the central government to local governments. The fund is meant to support development projects and programs at the local level. The NDPC's reports on the Kwahu West Municipality provide information on the municipality's composition, electoral areas, and membership, National Development Planning Commission (NDPC)[3]. Moreover, The Ghana Statistical Services data on the Kwahu West Municipality also provides demographic information and statistics on the municipality's population, [4].

3.1 Challenges in Disbursement

Despite its importance, the disbursement of the DACF in Kwahu West Municipal Assembly faces several challenges. These include:

- Inadequate Funding: The DACF allocation to the assembly may be insufficient to address the development needs of the municipality.
- Poor Management: Inefficient management of the fund can lead to delays in disbursement, mis allocation of resources, and corruption.
- Lack of Transparency : Insufficient transparency in the disbursement process can lead to mistrust among stakeholders and undermine accountability.

3.2 Importance of DACF in Kwahu West Municipal Assembly

The DACF plays a crucial role in supporting development projects and programs in the Kwahu West Municipal Assembly. The fund helps to:

- Finance Infrastructure Projects: The DACF supports the construction and maintenance of infrastructure such as roads, schools, and healthcare facilities.
- Support Economic Development: The fund helps to promote economic development by supporting agricultural projects, small - scale industries, and entrepreneurship programs.
- Improve Social Services: The DACF contributes to improving social services, including education, healthcare, and sanitation.

3.3 Guidelines for Disbursement

To ensure effective management and disbursement of the DACF, guidelines have been established. These guidelines emphasize the need for:

- Transparency: The disbursement process should be transparent, with clear and accessible information on fund allocation and utilization.
- Accountability: The assembly should ensure accountability in the use of the DACF, with mechanisms for monitoring and evaluation project implementation.

- **Common Participation:** The assembly should involve the community in the planning and implementation of DACF - funded projects to ensure that they meet local needs and priorities.

3.3.1 Disbursement process of the District Assemblies Common Fund (DACF) in the Kwahu West Municipal Assembly

The disbursement process of the District Assemblies Common Fund (DACF) in the Kwahu West Municipal Assembly involves several steps and stakeholders.

- **Release of Funds:** The DACF is released by the central Government to the Kwahu West Municipal Assembly. However delays in the release of these funds can hinder the Assembly's ability to deliver on its mandate.
- **Assembly's Budgeting Process:** The Assembly's Budgeting Process is crucial in determining how the DACF is disbursed. The assembly identifies priority areas and allocates funds accordingly.
- **Project Implementation:** Once funds are allocated, the Assembly implements projects and programs. This involves procuring goods and services, awarding contracts, and monitoring project process.
- **Monitoring and Evaluation:** The Assembly monitors and evaluates project Implementation to ensure that funds are used effectively and efficiently.

Transparency and accountability of the (DACF) disbursement in the Kwahu West Municipal Assembly are essential aspects of good governance. According to the composite budget for 2017-2019, the assembly aims to improve transparency, accountability, and access to information. This suggests a commitment to transparency and accountability in the disbursement of the DACF.

The Assembly's budget documents, such as the composite budget for 2017-2019 and the 2016 composite budget, provide detailed breakdown of DACF allocations and expenditures. This level of detail suggests a degree of transparency in the disbursement process. However, the actual implementation of these commitments and the effectiveness of the Assembly's transparency and accountability mechanisms are unclear.

To further assess the transparency and accountability of the DACF disbursement, it would be necessary to examine the Assembly's monitoring and evaluation frameworks, such as the District Monitoring and Evaluation Plan (DM&EP) for 2010-2013. Overall, while the Kwahu West Municipal Assembly appears to have made commitments to transparency and accountability in the disbursement of the DACF further investigation is needed to determine the effectiveness of these commitments in practice.

A vital role play by stakeholders in the disbursement of the District Assemblies Common Fund (DACF) in the Kwahu West Municipal Assembly. They are involved in the planning and implementation of DACF - Funded projects, ensuring that the funds are used effectively and efficiently.

3.4 Key Stakeholders Roles

- **Partnership and Collaboration:** Stakeholders, including major stakeholders within the Municipality, partner with the Assembly to celebrate important events and promote development.
- **Needs Assessment and Project Identification:** Stakeholders help identify priority areas and projects that align with the Assembly's development goals.
- **Monitoring and Evaluation:** Stakeholders participate in monitoring and evaluating the implementation of DACF - funded projects, ensuring transparency and accountability.
- **Community Engagement:** Stakeholders engage with the community to raise awareness about DACF - funded projects and involve them in the planning and implementation process.

3.5 Stakeholders Groups

- **Community Members:** Residents of the Kwahu West Municipality who benefit from DACF - funded projects.
- **Traditional Authorities:** Chiefs and other traditional leaders who play a role in local governance and development.
- **Civil society organizations:** NGOs and CBOs that work in the municipality and can provide expertise for DACF - funded projects.
- **Private sector:** Businesses and entrepreneurs who can provide resources and expertise for DACF - funded projects.

4 RESULTS

The results of the disbursement of the Common Fund in the Kwahu West Municipal Assembly in Ghana's Eastern Region are reflected in the Assembly's annual reports and action plans.

4.1 Key Achievements and Challenges

The Assembly's has implemented various development projects, including infrastructure development, education and healthcare initiatives. However, challenges such as misapplication of funds and lack of transparency in the disbursement

process have been reported. The Assembly's has also faced issues with delayed release of Funds from the central government, which has impacted projects implementation.

4.2 Development Projects and Initiatives

The assembly has invested in education infrastructure, including the construction of new schools and rehabilitation of existing ones. Healthcare initiatives, such as the provision of medical equipment and supplies, have also been supported. Infrastructure development projects, including road construction and maintenance, have been undertaken to improve accessibility and connectivity.

In all, while the Kwahu West Municipal Assembly has made efforts to utilize the Common Fund for development projects, there are still challenges to be addressed to ensure effective and transparent disbursement of funds.

5 FINDINGS

The disbursement of the Common Fund in the Kwahu West Municipal Assembly in Ghana's Eastern Region has been utilized to support various development projects.

5.1 Key Projects and Initiatives

- Infrastructure Development: The assembly has invested in infrastructure development, including the construction of new schools and rehabilitation of existing ones.
- Agriculture Development: Under the Youth in Agriculture program, 37 people jointly cultivated 81 acres of rice, and 63 people cultivated 100 acres of maize to enhance food production in the community.
- Afforestation Programme: Various species of tree seedlings were cultivated on a 140-hectare land, providing employment to 400 youth.

5.2 Challenges and Areas for Improvement

- Misapplication of Funds : There have been instances where funds were used for purposes other than what they were allocated for.
- Lack of Transparency: The disbursement process has been criticized for lacking transparency, making it difficult to track fund allocation and utilization.

5.3 Financial Performance

The assembly realized Ghc324,422 of its internally Generated Fund (IGF) in 2010, representing 72% of the projected revenue. The assembly was allocated Ghc590,000 from the District Development Fund (DDF) to finance various projects.

6 RECOMMENDATIONS

For the Kwahu West Municipal Assembly in Ghana's Eastern Region, recommendations for the disbursement of the Common Fund include:

- Improving Transparency and Accountability:; Ensure that the disbursement process is transparent, with clear and accessible information on fund allocation and utilization. This can be achieved by implementing a robust monitoring and evaluation framework.
- Enhancing Community Participation: involve the community in the planning and implementation of Common Fund projects to ensure that they meet local needs and priorities.
- Strengthening Financial Management: Develop and implement effective financial management systems to prevent misapplication of Funds and ensure that resources are used efficiently.
- Aligning with National Development Priorities: Ensure that Common Fund projects align with national development priorities and the assembly development goals.
- Building capacity of Assembly Members: provide training and capacity building programs for assembly members to enhance their skills and knowledge in managing the Common Fund.
- Establishing a feedback Mechanism : set up a feedback mechanism to allow stakeholders to provide input on the disbursement process and suggest areas for improvement.

Overall, by implementing these recommendations, the Kwahu West Municipal Assembly can ensure that the Common Fund is disbursed effectively to support the development needs of the municipality .

7 CONCLUSION

The disbursement of the District Assemblies Common Fund (DACF) in the Kwahu West Municipal Assembly in Ghana's Eastern Region has been crucial for supporting development projects. Established by the 1992 constitution, the DACF aims to transfer financial resources from the central government to local governments, promoting equitable distribution of national resources.

In the case of the Kwahu West Municipal Assembly, the DACF has been utilized to fund various development projects, including infrastructure development, education and healthcare initiatives. For instance, the assembly has invested in education infrastructure, such as construction new schools and rehabilitation existing ones.

However, challenges persist, including misapplication of Funds, lack of transparency, and delayed release of Funds from the central government. To address these issues, it's essential to straighten financial management systems, ensure transparency and accountability, and align DACF projects with national development priorities.

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DEDICATION

I dedicate this research work to my father Nana Sanahene Debra and my grandmother Emma Wiredu all of blessed memories.

COMPETING INTERESTS

The authors have no relevant financial or non-financial interests to disclose.

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