



REVENUE IMPROVEMENT ACTION PLAN

FOR 2025

OFFINSO NORTH DISTRICT ASSEMBLY

INTRODUCTION

As Ghana braces itself up, a lot more pressure has been brought to bear on local authorities (District Assemblies) to intensify their internal revenue mobilization effort in order to generate enough revenue to compliment government's effort in bringing about change and development to the citizenry.

Revenue mobilization poses a constant challenge to governments at all levels, as money is needed to finance public welfare programmes and development.

In Ghana, District Assemblies are created for management of district affairs and to provide for a general welfare of their inhabitants. It is an undeniable fact that district development and welfare of citizens depends to a very large extent on increased revenue generation. Assemblies are by law obliged to strive to enhance local revenue generation and judiciously utilizing the resources to finance service delivery. Having that in mind, the Offinso North District Assembly has formulated a comprehensive 2025 Revenue Improvement Action Plan aimed at increasing revenue.

The specific objectives of the policy are to:

1. Transfer real power to the Assemblies and reduce the workload on remote and under resourced central officials
2. Bring political administrative control over services to the point of delivery in order to improve accountability and efficiency
3. Free local managers from central constraints and allow them to develop organizational structures tailored to suit local circumstances
4. Improve financial accountability by establishing a clear link between the payment of taxes and the provision of services
5. Improve the municipal capacity to plan finance and manage service delivery to their constituents

District Assemblies are created to manage the affairs and provide a good welfare for the people in the district. We all know that development largely depends on revenue, hence the assembly must increase its revenue generation to meet the developmental needs of the citizenry.

Section 86 (3) of the local Governance Act, act 936 grants the Metropolitan/ municipal /Municipal/District Assemblies the power to levy and collect fees from the available source of revenue to execute various programs and projects.

OBJECTIVE OF THE REVENUE IMPROVEMENT ACTION PLAN

The main goal is to support the assembly's effort at improving mobilization and management of its internally generated Revenue. This can be done by providing practical suggestion on potential intervention, activities, timelines and resources required to implement the intervention.

Hence the need to find strategies to increase the revenue generation Offinso north district assembly has formulated a comprehensive 2025 revenue improvement action plan aimed at increasing revenue generation.

The expectation of the Revenue improvement Action Plan is to fully harness the resources, increase local revenue mobilization and collection potential to meet the demand for service delivery as well as create the needed awareness for prompt and voluntary payment of taxes.

SOURCES OF REVENUE FOR THE ASSEMBLY

The main sources of revenue for the Offinso North District Assembly are:

1. Internally Generated Fund (IGF)
2. District Assembly Common Fund (DACF)
3. District Assembly Common Fund Responsiveness Factor Grants (DACF RFG)
4. Government of Ghana Transfers
5. United Nations capital development fund (UNCDF)
6. Ghana productive safety net project (GPSNP)
7. United Nation Children's Emergency Fund – Integrated Social Services (UNICEF-ISS)

INTERNALLY GENERATED REVENUE (IGF)

Internally Generated Revenue (IGR) refers to the funds collected by Assembly from local sources within our jurisdictions. This revenue is essential for the Assembly as it provides financial resources to support local development projects, infrastructure improvements, and public services. The IGF allows the Assembly to reduce dependency on central government allocations and increases our financial autonomy. To strengthen its IGF, the assembly collects revenue from:

Property Rates

Rates are basic, property and special taxes payable by public corporations and organizations owning property in the area of jurisdiction of the District Assembly. A District Assembly according to section 96 of Act 936 has the authority to levy rates on immovable property, possessions and persons throughout the district and special rates for special projects in the district. Basic rate is a link of poll tax is levied on every adult in the active age group. The Assembly through fee-fixing resolutions to raise funds for specific projects imposes special rates. Such rates are area and project specific. Property rate is levied on landed properties in the area of authority of the Assembly.

There is an ongoing valuation of properties in the district. Majority of properties in the district has been valued leaving some unassessed. This has left the Assembly the challenge of not giving accurate bills to some ratepayers.

Fees and Fines:

Charges for permits, business registration, and other administrative services, as well as fines for local infractions.

Licenses

These are taxes generated from issuance of business operating permits from the Assembly. They include hawkers' license, extension of houses, hotels and restaurants, lorry parks overseers, self-employed artisans etc.

The ongoing Property and Business data collection has given a fair idea the number of existing businesses in the district. The completion of this activity will improve the collection of business license. There is an issue low rates charged by the assembly; however,

management is addressing these concerns by digitalizing collection and adopting the local government fee fixing guidelines to improve collection.

Rents: Revenue from leasing government-owned properties or assets.

Land and Royalties: Revenue is generated from the payment of royalties from stool lands, minerals and timber resources. The interference of TDC in processing of building permits is a major concern, which is affecting revenue inflow from that sector since Residents would have to pay to TDC and at the same time pay to the Assembly.

Governing Laws on Internally Generated Funds

Section 124(3) of Ghana's Local Governance Act, 2016 (Act 936) specifies that District Assemblies are responsible for mobilizing their own Internally Generated Funds (IGF) in addition to funds provided by central government.

It provides for IGF of a District Assembly as follows:

- Licenses (Section 137 to 140 backed by Schedules 8 and 9)
- Fees and Miscellaneous charges (Section 141 and detailed in Schedule 11)
- Taxes (Section 142 and detailed in Schedule 12)
- Investment income (Section 143)
- Rates (Sections 144 to 169)

TREND OF REVENUE PERFORMANCE AND PROJECTIONS

REVENUE ITEMS	PREVIOUS YEAR						BUDGET YEAR			MEDIUM TERM TARGETS			
	BUDGET	ACTUAL	GROW TH %	BUDGET	ACTUAL	GROW TH %	BUDGET	ACTUAL	GROW TH %	2025	2026	2027	2028
	2022	2022		2023	2023		2024	As at August 2024		2025	2026	2027	2028
Rates	140,607.50	135,743.00	96.54	136,800.00	111,816.25	81.73	141,200.00	83,432.35	59.1	148,050.00	150,870.00	155,100.00	158,200.00
Fees	150,260.00	149,541.00	99.52	246,048.00	268,122.25	108.97	235,900.00	101,905.00	43.20	265,545.00	270,603.00	278,190.00	281,170.00
Fines	280	-	0.00	280	-	0.00	6,000.00	2,000.00	33.33	3,150.00	3,210.00	3,300.00	3,500.00
Licenses	183,544.00	160,936.27	87.68	193,514.00	161,408.30	83.10	220,000.00	61,305.00	27.87	230,475.00	234,865.00	241,450.00	251,280.00
Land	39,727.50	50,750.00	127.74	65,0000	63,700.00	98	107,950.00	35,705.00	33.08	113,347.50	115,506.50	118,745.00	208,125.00
Rent	10,452.00	21,386.00	204.61	28,000.00	20,121.00	71.86	28,600.00	20,852.00	72.91	30,030.00	30,602.00	31,460.00	32,120.00
Investment	12,000.00	13,000.00	108.33	15,000.00	12,170.00	81.13	64,800.00	63,305.00	97.69	54,075.00	55,105.00	56,650.00	57,200.00
Miscellaneous	300	-	0.00	-	-	-	-	-	0.00	-	-	-	-
Sub-Total	537,099.00	531,356.27	98.93	671,070.00	637,337.80	94.98	804,450.00	368,504.35	45.81	844,672.50	860,761.50	884,895.00	991,595
Stool land	45,000.00	61,623.44	136.94	99,399.00	138,890.00	139.72	100,000.00	70,000.00	70.00	105,000.00	107,000.00	110,000.00	120,000.00
Total	582,099	592,979.71	101.86	770,469.00	776,227.80	100.74	904,450.00	438,504.35	48.48	949,672.50	967,761.50	994,895.00	1,111,595

The table above shows the trend of revenue performance from 2022 to 2024 and projection for the ensuing years.

The 2024 revenue performance reveals a significant shortfall in collections compared to the budget. Many revenue items underperformed, falling well below the target for the year, especially by August. Key revenue categories like rates, fees, and land revenues reflected particularly low collection percentages, highlighting challenges in meeting anticipated revenue goals. However, some items, such as stool land, showed relatively better collection rates, suggesting stronger consistency in certain areas. Overall, the trend points to the need for enhanced collection strategies to close the gap between budgeted and actual revenue.

MAJOR STRATEGIES FOR REVENUE MOBILISATION

The Offinso North District Assembly has implemented several strategic measures to enhance revenue mobilization within the district, aiming to increase collections and broaden the revenue base. The following strategies have been adopted:

1. **Expand the Revenue Base and Ensure Timely Payments:** Efforts are directed at identifying new revenue sources while encouraging timely payment from current contributors.
2. **Strengthen Community Mobilization and Support Initiatives:** The Assembly will actively support local community mobilization efforts, encouraging initiatives that promote civic engagement and responsibility in revenue contributions.
3. **Link Service Delivery to Revenue Sources:** Clearly connecting service delivery to the specific revenue streams required to finance them to help citizens understand the impact of their contributions, fostering greater willingness to pay.
4. **Develop and Maintain a Reliable Economic Database:** A comprehensive database of economic activities will be established to help the Assembly accurately assess revenue potential and track collection progress, supporting revenue targets and enhancing collection efficiency.
5. **Promote Transparency and Accountability in Revenue Use:** Transparent and accountable use of collected revenue will build public trust, encouraging more robust participation and cooperation from taxpayers.
6. **Increase Public Education on Civic Responsibility:** Public awareness campaigns will be intensified to educate citizens on the importance of fulfilling their civic duty by paying levies and contributing to local development.
7. **Enhance Enforcement Measures:** To complement these strategies, the Assembly will implement enforcement mechanisms to ensure compliance, making it easier to meet and potentially exceed revenue targets.

ADDITIONAL STRENGTHS FOR ENHANCED REVENUE MOBILIZATION

The Offinso North District Assembly has identified several strengths to further support and enhance revenue mobilization efforts. These strengths are focused on institutional efficiency, technological integration, and compliance reinforcement, and are outlined as follows:

- **Approval and Gazetting of Bye-Laws and Fee Fixing Resolution:** Ensuring that all by-laws and fee schedules are formally approved and published provides a legal foundation for enforcing revenue collection, creating clarity and consistency.
- **Capacity Building for Staff:** Continuous training and professional development empower staff with the necessary skills to improve collection strategies and engage more effectively with the community.
- **Establishment of Additional Revenue Collection Points:** Increasing the number of collection posts makes it easier for citizens to access payment points, thereby improving compliance and convenience.
- **Leveraging Technology for Revenue Mobilization:** Utilizing digital platforms and electronic systems enhances the efficiency and transparency of revenue collection, making it easier to track and manage collections.
- **Effective Resource Management:** Optimizing the use of resources ensures that revenue mobilization efforts are cost-effective and sustainable.
- **Enforcing Compliance Through Prosecution:** Taking legal action against defaulters helps to discourage non-compliance, creating a culture of responsibility among taxpayers.
- **Recognition for Outstanding Revenue Collectors:** An award scheme to celebrate exceptional revenue collectors motivates staff and fosters a high-performance culture within the revenue mobilization team.
- **Training on Electronic Management Systems:** Training collectors on digital management systems modernizes collection practices, ensuring accuracy and efficiency in revenue management.
- **Timely Issuance of Bills:** Promptly issuing bills at regular intervals keeps ratepayers informed and allows them to plan for timely payments.
- **Diversification of Revenue Sources:** Broadening the range of revenue streams reduces dependence on any single source, increasing overall revenue stability and growth potential.

WEAKNESSES WITH REVENUE MOBILISATION

- Poor Data management and record keeping
- Limited technical capacity
- Resistance from taxpayers
- Inadequate revenue collectors
- Resource Constraints
- Weak Monitoring and evaluation

OPPORTUNITIES FOR REVENUE MOBILIZATION

- Availability of public transport to facilitate revenue collection.
- Existence of revenue taskforce.
- Recruitment of vibrant revenue collectors.
- Availability of computer software to track defaulters.

THREATS FOR REVENUE MOBILIZATION

1. Political interference and limited political will to deal with or prosecute defaulters.
2. Perception of rate payers of no evidence of service delivery.
3. Failure on the part of assembly to organize frequent stakeholder consultation, public for a and town hall meeting to account to the public/citizen about the assembly's stewardship due to financial constraint
4. The government has some years now not recruited revenue collectors so there is fear of revenue collectors having to be laid off by the assembly when their services will no longer be needed.

SPECIFIC CHALLENGES IDENTIFIED WITH RATABLE ITEMS

Revenue Items	Challenges
Fees & Fines	Unwillingness of market women to pay tolls due to poor service delivery
	Relatively very low rates charged
	Inadequate records keeping
Licenses	Poor enforcement of bye-laws
	Resources constraints
	Ineffective distribution of bills due to business location
	Inadequate database and tracking systems of business
Rates	High cost of valuation of properties
	Improper identification of some properties due to poor street and house identification
	Weak enforcement mechanism
	Inadequate Valuation systems
	Relatively low rates, unattractive to collect in the case of basic rate
Rent	Lack of renovation of Assembly properties Limited number of structures to rent out Unwillingness of tenants in Assembly stores and houses to honor their rent obligation Relatively low rates, unattractive to collect
Cross Cutting Issues	Inadequate database on ratable and rate payers Lack of Software for Billing and Tracking of Payment Low Public Education/Sensitization on the Payment of Property Rate

MATRIX FOR REVENUE IMPROVEMENT STRATEGIES FOR 2025

REVENUE ITEM	OBJECTIVE	ACTIVITIES	EXPECTED OUTPUT	OUTCOME INDICATOR	IMPLEMENTATION STRATEGIES	TIME FRAME	EXPECTED COST	OFFICERS RESPONSIBLE
RATE	Achieve 100% of the estimated projection by Dec.2025	Educate and sensitize the public on the need to pay property rate	Citizen education and sensitization	No. of education and sensitization programmes organized	Organize 4 No. quarterly public education and sensitization through town hall meetings and radio programmes	Jan, May, July and Nov. 2025	12,500.00	DBA DFO, REV SUPT&ISD
LAND AND ROYALTIES	Achieve 100% of the estimated projection by Dec.2025	Educate and sensitize public on the need to acquire building permit and permit for temporary structure	Citizen education and sensitization	No. of education and sensitization prgrames organized	Organise 4 No. quarterly public education and sensitization through town hall meetings and radio programmes	Jan, May, July and Nov. 2025	12,500.00	DBA, MFO,REV SUPT AND ISD
LICENCE	Achieve 100% of the estimated projection by Dec.2025	Educate the public on the need to acquire business operating permit	Citizen education and sensitization	No. of education and sensitization prgrames organized	Organize 4 no. quarterly public education and sensitization through town hall meetings and radio programmes	Feb, April, Jjuly and Dec 2025	10,500.00	DBA DFO, REV SUPT&ISD
FEES	Achieve 100% of the estimated	Undertake periodic monitoring	Monitoring programmes organized	NO. of monitoring programme organised	Organise 4 No. quarterly monitoring	Jan, April, July and Oct 2025	10,500.00	DFO, REV SUPT& DIA

	projection by Dec.2025							
FINES/PENALTIES	Achieve 100% of the estimated projection by Dec.2025	Prosecute defaulters	Rate defaulter prosecuted	No. of defaulter prosecuted	Gazetting of Byelaws and prosecuting rate defaulters	October & December	3,000.00	Assembly Prosecutor, DFO and rev Supt.
RENT	Achieve 100% of the estimated projection by Dec.2025	Prosecute defaulters	Rent defaulters prosecuted	NO. of defaulters prosecuted	Gazetting of Byelaws and prosecuting rent defaulters	Oct and November 2025	2,000.00	Assembly Prosecutor, DFO and rev Supt
INVESTMENT	Achieve 100% of the estimated projection by Dec.2025	Initiate court action against defaulters	Rate defaulters Prosecuted	NO. of defaulters prosecuted	Gazetting of Byelaws and prosecuting rent defaulters	Oct and November 2025	3,000.00	Assembly Prosecutor, DFO and rev Supt

MONITORING AND EVALUATION PLAN FOR REVENUE MOBILIZATION

REVENUE ITEMS	OBJECTIVES	ACTIVITIES	EXPECTED OUTCOME	OUTCOME INDICATOR	FREQUENCY OF MONITORING	MONITORING& EVALUATION STRATEGIES	RESPONSIBILITY
RATE	Achieve 100% of the estimated projection by Dec.2025	Educate and sensitize the public on the need to pay property rate	Citizen education and sensitization	No. of education and sensitization programmes organized	Quarterly	Interviews and Survey	DBA, DFO, REV SUPT AND ISD
LAND AND ROYALTIES	Achieve 100% of the estimated projection by Dec.2025	Educate and sensitize public on the need to acquire building permit and permit for	Citizen education and sensitization	No. of education and sensitization programmes organized	Quarterly	Benchmarking	DBA, DFO, REV SUPT AND ISD

		temporary structure					
LICENCE	Achieve 100% of the estimated projection by Dec.2025	Educate the public on the need to acquire business operating permit	Citizen education and sensitization	No. of education and sensitization prgrames organized	Quarterly	Sampling of GCR for physical verification	DBA, DFO, REV SUPT AND ISD
FEES	Achieve 100% of the estimated projection by Dec.2025	Undertake periodic monitoring	Monitoring programes organized	NO. of monitoring programme organized	Quarterly	Benchmarking	DBA, DFO, REV SUPT AND DIA
FINES/PENALTIES	Achieve 100% of the estimated projection by Dec.2025	Prosecute defaulters	Rate defaulter prosecuted	No. of defaulter prosecuted	Quarterly	Benchmarking	REVENUE TASKFORCE
RENT	Achieve 100% of the estimated projection by Dec.2025	Undertake quarterly revenue taskforce	Revenue taskforce organise	No. of revenue taskforce organised	Yearly	Benchmarking	ASSEMBLY PROSECUTOR, DFO AND REV. SUPT
INVESTMENT	Achieve 100% of the estimated projection by Dec.2025	Initiate court action against defaulters	Rate defaulters Prosecuted	NO. of defaulters prosecuted	Yearly	Benchmarking	ASSEMBLY PROSECUTOR, DFO AND REV. SUPT

TOOLS TO AID IN IGF MOBILISATION

In addition to the laws (Local Governance Act, 2016 (Act 936), PFM Act, 2016 (Act 921), PFM Regulations 2019 (L.I 2378)) and policy strategies, the following tools can also aid in our quest for an improved revenue mobilization:

1. Fee Fixing Guidelines.
2. Under declaring of revenues
3. Internally Generated Fund Strategy and Reference Guide.
4. Timely issuance of Demand Notices.
5. Enough revenue Collectors.
6. Promote public awareness on the budget and for that matter, the development projects and programmes of the Assembly.
7. Embark on revaluation of properties and collection of data on all retable items.
8. Set up revenue collection points at various areas to motivate people to pay their fees and rates.
9. Sensitization of the public on the relevance of paying their taxes and rates through the FM stations (Cruz FM, CAN Radio, etc.) Information Centers, religious bodies and the use of information vans.
10. Broad consultation on the fixing of rates between the Assembly and the stakeholders to be paid in every ensuing year.
11. Strengthen of revenue mobilization task force.
12. Motivate revenue collectors by awarding performing collectors.
13. Set achievable targets for revenue collectors on weekly and monthly basis
14. Effective and Efficient supervision and monitoring.
15. Adequate Knowledge and skills among revenue collectors.
16. Education and regular updates on the Payment of levy/rate.

STAKEHOLDERS TO BE ENGAGED

Internal Stakeholders

1. District Co-ordinating Director
2. Budget Committee
3. Internal Auditor
4. Finance and Administration Sub Committee
5. Heads of Departments and Units
6. Revenue Head

External Stakeholder

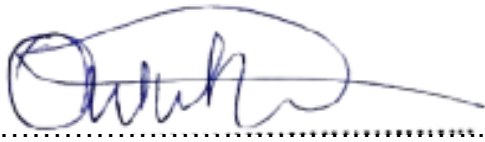
1. Citizens
2. Traditional Authorities
3. Religious Bodies
4. Development Partners
5. Media
6. Civil Society Organizations and Faith Based Organizations
7. Organized Groups (Market women, Artisans, Farmers, PWDs etc.)

CONCLUSION.

The primary goal of the Revenue Improvement Action Plan (RIAP) is to establish a comprehensive framework that will guide all department heads in effectively mobilizing revenue. The Offinso North District Assembly is fully dedicated to allocating the necessary resources and efforts to ensure the successful implementation of this plan.

However, its successful execution depends on the collaborative support of all units, departments, and stakeholders, as well as the timely provision of adequate logistics and resources to support these units and departments.

In addition to this, it is essential for all relevant parties to work together with a sense of urgency and commitment, ensuring that the plan's objectives are met efficiently. A well-coordinated approach and consistent monitoring will be critical in achieving the desired outcomes and enhancing the overall revenue generation capacity of the Assembly.

A handwritten signature in blue ink, consisting of a large, stylized 'O' followed by a series of loops and a long horizontal stroke extending to the right.

**DISTRICT COORDINATING
DIRECTOR**