

**Handbook  
for  
Councillors  
of  
Municipalities  
and Neighbourhood Democratic Councils**

**Volume 1**



**Ministry of Communities  
Building Cohesive, Empowered and Sustainable Communities**

**2017**

# NATURAL REGIONS Map Of GUYANA

0 50 100 Kilometers



## **Acknowledgement**

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# Acronyms

- AREO -- Assistant Regional Executive Officer
- By-Law -- A regulation made by a local democratic organ
- CDC -- Community Development Council
- CED -- Community Economic Development
- CH&PA -- Central Housing & Planning Authority
- Community asset – Facilities, equipment, and material owned by the people and controlled or administered by the local democratic organ
- DDO -- District Development Officer
- EHO -- Environmental Health Officer
- LDO -- Local Democratic Organ
- LGO -- Local Government Organ
- LUP -- Land Utility Plan
- MC -- Municipal Council
- MoC -- Ministry of Communities
- MSME -- Micro, Small and Medium-Sized Enterprise
- NDC -- Neighbourhood Democratic Council
- NGO -- Non-Governmental Organisation
- RDC -- Regional Democratic Council
- REO -- Regional Executive Officer
- RHO -- Regional Health Officer
- Sovereignty – Supreme power or authority
- SWM -- Solid Waste Management
- TC -- Town Clerk

## Local government organs must be representative, inclusive and effective



Local government organs of the Co-operative Republic of Guyana should embody three principal political characteristics. They should be representative, inclusive and effective.

(Local) councils are part of the tripartite system of government – national, regional and municipal / neighbourhood. All three levels must collaborate in order to ensure that citizens, wherever they are, enjoy a high quality of life.

(Municipalities and neighbourhood democratic councils) are an integral part of Guyana's system of local government. They are local government organs.

Councils, therefore, are expected to manifest the virtues and values of representativeness, inclusiveness and effectiveness.

**Representativeness** is the basis of elections. Elected councillors are reminded that their authority is derived directly from the people. Authority within councils should be exercised, therefore, in a democratic manner. The views of all councillors should be considered when making a decision. Internal democracy should be a guiding principle within councils.

**Inclusiveness** is a key concept in local governance. The Constitution of the Co-operative Republic of Guyana mandates that local authorities become inclusive in the management of their communities.

**Effectiveness** is the yardstick by which performance will be measured. (Elected leaders) who have taken their oaths of office must perform. They must produce. They must heed the needs of their constituents and the dictates of the Constitution.

I urge them to ensure that citizens have an input into decisions which are likely to affect their well-being.

I also urge the leaders of Guyana's local democratic organs to emphasise the principles of representativeness, internal democracy and inclusiveness in the administration of their areas.

Adapted from Address of H.E Brigadier David Granger

President of the Co-operative Republic of Guyana

At the Swearing –in Ceremony of

Mayors and Deputy Mayors

2017.03.30

## Message from the Minister

This handbook is a resource guide primarily for you, the some 1170 councillors and administrative staff of municipalities and neighbourhood democratic councils. It is a tool that explains local government laws, particularly in relation to the role, scope and authority of councillors and councils, to assist you to perform your jobs effectively and responsibly. Though every effort has been made to ensure accuracy of the information presented, this guide is not set in stone.

Despite the progressive provisions in the Constitution and subsidiary laws relating to the system of local government, the system in the recent past was considered to have little, if any, relevance. This was as a consequence of central government's attitude over an extended period of time which suffocated local government organs and denied them their constitutional authority.

The ultimate insult was the refusal for over two decades to hold local government elections which are required by law to be held every three years. This contributed to a severe deficit in people's understanding of the role of local government and more significantly to improper management of communities. The result was a severe degradation of the quality of local administration, and poor delivery of services to residents.

This all changed following the November 2011 general and regional elections which saw the advent of Brig. David Granger as Leader of the Majority Opposition and who placed the issue of the necessity of local democracy, front and centre of A Partnership for National Unity's agenda in the 10<sup>th</sup> Parliament.

The new momentum of reform and relevance of local democracy continued with the accession to office in 2015 of the APNU + AFC Coalition administration. The swiftly-held long-overdue local government elections were described by President Granger as 'historic', more out of recognition that the newly-elected councils were coming into being into an environment of empowerment and not merely a reference to renewal of their democratic credentials.

It was a manifestation of the sincerity and stated intent of the government and as articulated by President Granger in his inaugural address on 10 June, 2015 at the opening of the 11<sup>th</sup> Parliament where he said: *'Your Government will adhere to an empowerment policy that regularly renews local democracy by ensuring that local government elections are held as is stipulated in our Constitution. We shall fortify grassroots democracy by ensuring that local residents are allowed to play a greater role in managing their own towns and villages.'*

Now, therefore, is an exciting time to be a part of the local government system as the administration is committed to empowering local democratic organs to discharge their constitutional responsibility to manage and develop their areas. The government holds the firm view that that a functional local government system is essential for the efficient



delivery of public services to residents. The administration sees local government as the gateway to a Good Life.

The philosophy of the government is clear: it is that local government organs are not cosmetic or ornamental bodies, nor are they appendages of the central government but rather, that they represent a vital level of public administration and are partners in national development.

This handbook contains critical information and you (councillors and administrative staff) are urged to read it and make use of it; it will assist you in making your work more effective. **Whether you are a constituency councillor or a PR councillor, I urge you to take ownership of your area, which is the role the Constitution provides for you.** In this quest you will find an ally in me, the Ministry of Communities and the Government of Guyana.

As you go about your vital work, I urge you as individual councillors and collectively, as councils, to challenge conventions. I encourage you to question the status quo. The laws governing your role and authority gives you the power and opportunity to make a positive difference. I encourage you to make use of them, instead of waiting on any other officer-holder to initiate change in your community.

As councillors, you are the bedrock of the system and you are expected to discharge your responsibilities with dedication and integrity. It is acknowledged that you serve out of a sense of commitment. I commend you for your spirit of volunteerism.

I respect the sacrifice that you continue to make to improve living conditions in your communities.

While the credit for the compilation of this handbook belongs to many persons, any errors and omissions are entirely mine.

Yes to peoples' empowerment and to local democracy.

Ronald Bulkan, MP  
Minister of Communities

May 2017

# 1. Introduction

## 1.1 Purpose of this Guide

This *Handbook for Councillors of Municipalities and Neighbourhood Democratic Councils* is intended to provide information that you need to carry out your responsibilities as an elected member of your local democratic organ (LDO). It provides an overview of the framework in which Councils operate as well as your legal authority as a Council member and the rules that govern what you can do. It provides too, some guidance on how to undertake your role effectively.

## 1.2 The Importance of your Role as Councillor

Being a councillor can be a demanding but rewarding experience. You are in a position to make a real difference in improving the quality of life of residents of your community. You have the opportunity to facilitate the social and economic development of your community. This in turn, will contribute to regional and national development.

As a Council member you are expected to engage with the community and to represent the interests of residents and consider their needs when you make decisions.

*Read more about your important role as a councillor in Chapter 4 – “Roles and Responsibilities of Chairpersons, Deputy Chairpersons and Councillors.”*


## 1.3 Councillors and Ongoing Learning

You can be a more effective councillor if you:

- Study local government laws and related legislation (see list of legislation in Chapter 2 of this Handbook)
- Learn about the community you have been elected to serve (see Box ‘Getting to Know your Community’ below).

### **Getting to know your Community**

As you set out to represent and serve the citizens in your constituency and community you will want to become more knowledgeable about the issues the community is facing and the plans and programmes that the Council has to address those concerns.

 *Ask your Town Clerk or Overseer to work with other Council staff to organise orientation sessions for you and the other Council members. Consider these suggested activities:*

- A tour of the Council office, including a stop in each room to meet all of the staff, to see where they work and to hear about what they do

- A meeting with senior staff during which each person briefly describes the activities of his/her unit or team
- A “walk-about” or driving tour to see and learn about Council assets and infrastructure, e.g. the buildings, land, market, parks, playgrounds, bridges, wharves and heavy equipment etc. belonging to the municipality or NDC
- A presentation of the local profile with statistics regarding the geographic area, population, education levels, employment, poverty, infrastructure, cultural and natural assets, institutions, economic activities, etc.
- A presentation of the existing municipal or NDC plans, e.g. Local or Community Development Plan, Plan of Action for municipal or NDC Development, Community Economic Development Strategy, Land Use Plan, Solid Waste Management Plan, Annual Work Plan and Budget; and the status of implementation of the main programmes and projects within each plan
- A meeting, or meetings, with key community leaders with whom the Council interacts, e.g. the business community, religious organisations, educational institutions and community groups

## 2. Overview of the Local Government System

### 2.1 Introduction to Local Government in Guyana

Local government is enshrined in Article 12 of the Constitution which states that, '*Local government by freely elected representatives of the people is an integral part of the democratic organisation of the State.*' Chapter VII, Article 71(1) states that, '*Local government is a vital aspect of democracy and shall be organised so as to involve as many people as possible in the task of managing and developing the communities in which they live.*' Articles 74 (1 – 3) sets out the overall duties of local democratic organs as: the efficient management and development of their area; the organisation of public co-operation within the area; and the improvement of working and living conditions, promotion of social and cultural life, preservation of law and order and safeguard of the rights of citizens.

As of March 2016 the local government organs comprise ten regional democratic councils (RDCs), nine municipal councils (MCs) and sixty-two neighbourhood democratic councils (NDCs). Further, citizen engagement is encouraged through community development councils (CDCs).

Elections for councillors of RDCs are held at the same time as national general elections. Each RDC has a Chairperson and Vice-Chairperson elected from among the councillors. A Regional Executive Officer (REO) is appointed by the central government to act as chief administrator within the region. The REO is also the accounting officer of the RDC (budget agency) and has fiduciary responsibility for allocations to and expenditure by the agency, and clerk to the Council. RDCs have responsibility to formulate development policies and strategies for the region in consultation with stakeholders, administer such policies, and implement programmes of the central government and deliver specified services.

Municipalities are governed by the Municipal and District Councils Act, Chapter 28:01. NDCs are governed by the Local Government Act, Chapter 28:02. Major municipal and NDC responsibilities include maintenance of roads, parks, playgrounds, drains, and bridges; management of public markets; collection and disposal of solid waste; enforcement of building codes and regulations; enforcement of zoning rules; and enforcement of environmental health regulations, among other functions.

Elections for MCs and NDCs are by law, due every three years. Within MCs and NDCs, elections of mayors, deputy mayors, chairpersons and vice-chairpersons, respectively, are due annually. A Mayor and Deputy Mayor are elected by the Council members from amongst themselves. A Town Clerk is appointed to act as chief administrator and clerk to the council (Chapter 28:01, Section 77). A MC may also have a Municipal Treasurer who is the chief accounting officer (Chapter 28:01, Sections 74 and 75). NDC

responsibilities are similar to those of MCs. An appointed Overseer (see Section 43 of Chapter 28:02) performs functions similar to those of a Town Clerk of an MC, and he or she may be the principal accounting officer (Chapter 28:02, Section 133).

## **2.2 Legislation regulating Local Government**

The main legislation governing local democratic organs include:

- Municipal and District Councils Act, Chapter 28:01 and amendments
- Local Government Act, Chapter 28:02 and amendments
- Local Democratic Organs Act, Chapter, 28:09
- Local Authorities (Elections) Act, Chapter 28:03 and amendments
- Valuation for Rating Purposes Act, Chapter 28:04
- Fiscal Transfers Act, No. 16 of 2013
- Local Government Commission Act, No. 18 of 2013

Other legislation assigning responsibilities to local democratic organs include:

- Public Health Ordinance Chapter 145

## **2.3 Role of local democratic organs (LDOs) in Democracy and Development**

Effective local governance is democracy in action. It enables citizens from all sectors of society to actualise their right to participate in decision-making about the issues that affect them.

The administration is committed to decentralising decision-making power and strengthening local governance. The Minister of Finance's Budget Speech 2015 indicated that the government aims to, *"install, equip, train, retool and empower local democratic organs to better serve their communities; to create jobs for themselves; to become involved in community-based economic ventures and investments; and to provide for their own infrastructure and community development needs."*

Functional local governments are central to the nation's economic development strategy. Municipalities and NDCs, through careful planning and with community engagement, have the ability to create environments where businesses can start-up and grow, where people can get the skills they need to find jobs or start businesses, and where people want to live and invest. By co-operating with other NDCs, MCs, RDCs and central government agencies, local government organs can stimulate social and economic development in their communities.

# 3. Legislated Authority, Functions and Responsibilities of local government organs

## 3.1 Introduction to the Legislation governing municipalities and NDCs

As a councillor it is necessary that you understand your authority and responsibilities. Guided by Chapter VII, Article 71(1) of the Constitution, LDOs are mandated to manage and develop their community with the active participation of citizens. Article 74 of the Constitution provides direction to LDOs regarding their overall responsibility for management, development, leadership, stewardship and democratic development within their LDO area as follows:

74(1) It shall be the primary duty of local democratic organs to ensure in accordance with law the efficient management and development of their areas and to provide leadership by example.

74(2) Local democratic organs shall organise popular co-operation in respect of the political, economic, cultural and social life of their areas and shall co-operate with the social organisations of the working people.

74(3) It shall be the duty of local democratic organs to maintain and protect public property, improve living and working conditions, promote the social and cultural life of the people, raise the level of civic consciousness, preserve law and order, consolidate the rule of law and safeguard the rights of citizens.

Specific powers, responsibilities and functions of MCs and NDCs are outlined in Chapters 28:01 and 28:02. NDCs are also designated as local planning and sanitary authorities under delegated powers from the Central Housing and Planning Authority (CH&PA) and the Central Board of Health through the Public Health Ordinance (Chapter 145).

## 3.2 Fiscal Responsibilities

Chapter 28:01 and Chapter 28:02 specify the authority and responsibilities that MCs and NDCs have to:

- levy and collect rates on real estate.
- generate revenue through various fees, rents, tolls and fines.
- borrow money and accept grants.
- own, purchase, lease and sell land, buildings and other fixed assets.

The manner by which central government transfers funds to MCs and NDCs, is set out in the Fiscal Transfers Act 2013.

✚ *See Chapter 10 – “Local Government Finance” for more information on MC and NDC financing.*

### **1.3 Public Services**

Municipalities and NDCs have the responsibility and authority to perform functions that will improve the living conditions of residents, including the following.

#### **3.3.1 Drainage**

A major mandatory responsibility of LDOs is to manage drainage within the area. This duty includes establishing, maintaining, clearing and repairing water courses, canals, trenches, drains, dams, sluices and kokers. LDOs have the responsibility to manage public drainage systems and to regulate, monitor and enforce regulations with regard to the maintenance of drainage systems on private land. They may impose fines for infractions. LDOs also have the authority to enter into agreements with neighbouring LDOs to manage common drainage systems that impact their common areas.

[Chapter 28:02 Sections 91 through 94]

#### **3.3.2 Regulation of Economic Activities**

LDOs may “make by-laws regulating the mode and place in which any trade or manufacture may be carried on.” This means that LDOs wishing to manage industrial development, promote economic growth, or protect areas of environmental or cultural significance, can do so by enacting by-laws that encourage new business and industry in some areas or restrict them in others. This is usually done by Council formulating a land use plan or other planning document along with associated zoning by-laws that map out areas for specific types of use. Regulation is also enforced by only issuing or recommending building permits whose planned use is in conformity with the land use plan.

Managing economic activities may also be done in conjunction with a community economic development strategies or plans that identify sectors for growth and implements strategies to increase economic activity by undertaking projects to attract investment, provide support to small businesses, create employment, address poverty, and generally create the conditions for community development.

[Chapter 28:02 Section 95]

#### **3.3.3 Markets**

Subject to the Public Health Ordinance, LDOs may provide a public market. LDOs have the authority to purchase or lease land, construct market facilities, and collect stall fees. They must give permission for the establishment of markets by others and may make and enforce by-laws pertaining to their operations.

[Chapter 28:02 Sections 96 and 97]

### **3.3.4 Other Public Facilities**

NDCs may also provide, if needed by the community, public slaughterhouses, and public cemeteries. When the NDC provides any of these they must regulate the fees and other conditions of use.

[Chapter 28:02 Sections 98 through 100]

### **3.3.5 Control of Trees and Animals on Public Land**

LDOs have the responsibility to keep public areas clear of overgrowth and stray animals.

[Chapter 28:02 Sections 101 and 102]

### **3.3.6 Emergency and Disaster Response**

Each LDO must respond to emergencies. The LDO may prescribe general procedures for emergency response including the deployment of personnel and equipment. The Council has the authority to authorise infrastructure works in an emergency.

To prepare for emergencies and disasters, LDOs can formulate an emergency management plan.

[Chapter 28:02 Section 141]

[Local Government (Amendment) Act 2015 Section 126 A]

### **3.3.7 Local Constabulary**

An NDC is empowered to establish a local constabulary.

[Local Government (Amendment) Act 2015 Section 170B]

### **3.3.8 Public Health**

The Public Health Ordinance devolves responsibility to NDCs for the enforcement of certain public health regulations.

[Public Health Ordinance of 1945]

### **3.3.9 Building Permits**

LDOs have power to act as the Local Planning Authority by the Central Housing and Planning Authority (CH&PA). They have the responsibility to review and approve building plans and issue permits, and inspect construction to ensure compliance with the plan, and issue certificates of completion.

[Housing Act, Cap 36:20 Section 12]



### **3.3.10 Environmental Protection and Solid Waste Management**

LDOs have responsibility for environmental protection and related matters within their areas.

[Environmental Protection Act of 1996, Environmental (Amendment) Act of 2005, Environmental Protection Regulations of 2000.

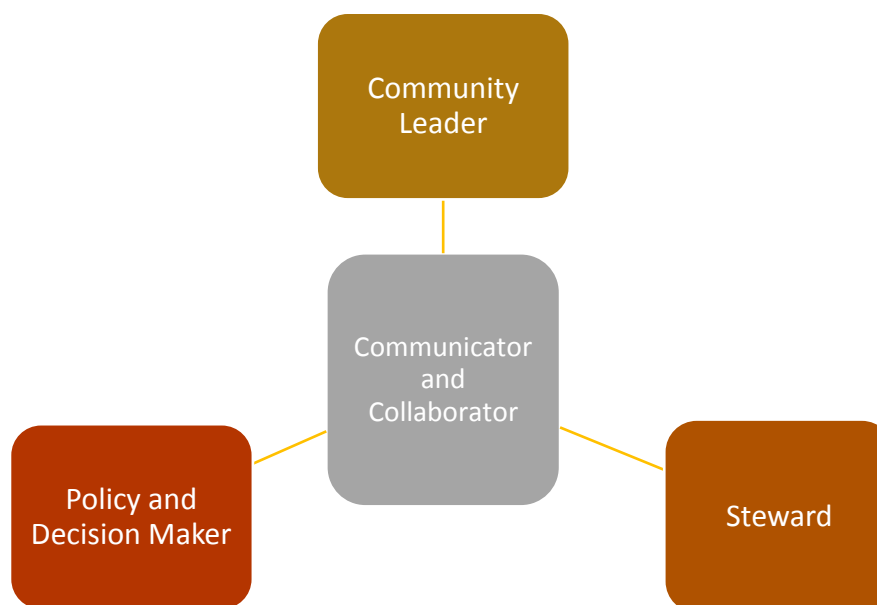
## 4. Roles and Responsibilities of Chairpersons, Deputy Chairpersons, and Councillors (of MCs and NDCs)

### 4.1 Role of Councillors – an overview

Article 74(1) of the Constitution states that it shall be the primary duty of local democratic organs to ensure the efficient management and development of their areas and to provide leadership by example. Section 6 of The Local Democratic Organs Act, Chapter 28:09, states that, *‘it shall be the duty of each local democratic organ and the members and officers thereof within the area to maintain and protect public property; to protect and improve the physical environment; to improve working and living conditions; to stimulate economic activities and improve production and efficiency; to promote the social and cultural life of the people; to raise the level of civic consciousness; to preserve law and order; to consolidate socialist legality; to safeguard the rights of the people; and to give advice, encouragement and support to the people in their daily activities and to give leadership by example.’*

To carry out these responsibilities effectively, councillors have three key functions or roles: **policy and decision maker**, **community leader** and **steward (caretaker or custodian)**. To be effective in these three roles, a councillor must also be a **communicator and collaborator**.

#### *Councillor's Roles*



#### 4.1.1 Policy and Decision Maker

Article 75 of the Constitution states that, *“Parliament shall provide that local democratic organs shall be autonomous and take decisions which are binding upon their agencies and institution and upon the communities and citizens of their areas.”*

Policy making (or by-law enactment) involves a number of steps. Typically Council members will:

- i. identify an issue that Council needs to address.
- ii. direct staff to research the issue, identify options and potential consequences and report back to Council with recommendations.
- iii. solicit input from citizens and other stakeholders.
- iv. review the information and recommendations and consider the options, taking all factors into account.
- v. make a decision by selecting the best course of action.
- vi. direct staff, through the Town Clerk or Overseer, to implement the policy.
- vii. work with staff and concerned stakeholders to evaluate the effectiveness of the policy or by-law and amend it if required.

#### 4.1.2 Community Leader

Councillors are elected to represent the views of their community. However, the views, opinions and priorities of the people may vary, including conflicting interests. As community-leaders, councillors have the responsibility to develop a broader understanding of the issues considering the needs of all sectors of society, and to make a decision that will be in the best interest of the area. There will be times when Council decisions will not be popular with everyone. Good leadership skills will help councillors to communicate Council decisions to the public and garner public support for those decisions.

Regardless of how councillors were elected (by constituency or proportional representation), they all share the same responsibility to work in the interest of the residents of the community.

 *Read Chapter 8, “Local Planning”, to learn more about the role of councillors in local government planning*

#### 4.1.3 Steward or caretaker

Voters place their trust in the councillors they elect. They expect councillors to carry out their duties in a fair manner. They expect councillors to be accountable and transparent about how public resources are used. The public also expects Councils to play a stewardship role in protecting community assets. This means putting policies and plans in place to protect community assets and preserve the environment for present and future generations.

To be effective in its stewardship role, Councils may wish to:

- Clearly set out goals and priorities for managing and developing community assets.
- Establish budgets and financial management procedures.
- Identify the main risks to Council resources and develop strategies to manage or mitigate those risks.
- Provide clear guidelines, directives and objectives to staff regarding policy implementation.
- Ensure that operating procedures, manuals and tools are available to help staff undertake their administrative tasks in an efficient manner.
- Establish procedures that require staff to report to committees and to Council in a standard manner.
- Establish a policy that supports appropriate remuneration, orientation and training.
- Visit sites where Council projects and activities are being undertaken.
- Engage with the public to listen and respond to citizens' concerns.

#### 4.1.4 Communicator and Collaborator

To be effective in their roles as policy maker and community leader, councillors need to communicate and collaborate widely. First, they need to engage citizens in their constituency. This includes individual constituents and representatives from community groups, non-governmental organisations (NGOs) and the business community.

 *Read Chapter 7 – “Governance and Community Engagement” to learn more about why and how to communicate and collaborate with your community.*

An individual Council member cannot take decisions and initiate projects to improve the community. Therefore, councillors must work with each other and communicate as well, with other levels of government to improve efficiency and avoid redundancy.

*Read Chapter 9, “Intergovernmental Relations”, to learn more about how to work with other NDCs and other levels of government*

#### 4.2 Role of Councillors vs Role of Administrators

The council is the primary policy-making body of the local area. The administration is responsible for carrying out Council's policy decisions.

Council's Role	Administration's Role
Provide strategic directions for governance and development of the community	Follow the strategic directions set by Council

Make policies and decisions regarding issues, priorities, plans, programmes and services	Provide technical information, undertake research and give advice to Council regarding issues, priorities, plans, programmes and services
Refer policies and decisions to the Town Clerk or Overseer for implementation by staff	Implement the policies and decisions of Council; Establish procedures to carry out Council decisions
Provide oversight of the Council's day-to-day business, monitor and evaluate progress	Administer the Council's day-to-day business, report to Council on progress

### 4.3 Duties of Mayors and Chairpersons

- Preside over all meetings of Council
- Preside over Council committee meetings that he/she attends
- Serve as ex-officio member of all committees of Council
- Make decisions on behalf of Council when necessary between Council meetings (applicable to NDCs only)
- Report to Council regarding decisions and actions taken between Council meetings
- Carry out all of the functions of a councillor

He or she has the responsibility to:

- Provide general direction to the Council.
- Supervise the selection and appointment of Council members to committees of Council.
- Explain to all Council members that the Office is the official link for liaison between elected officials and administration and the route through which all directives of Council are to be passed to staff.
- Develop a respectful working partnership with the municipality's Town Clerk or NDC Overseer, consult the Town Clerk or Overseer regarding Council decisions, and require him or her to provide reports regarding the implementation of Council policies and decisions.
- Delegate duties to the Deputy Chairperson as appropriate.

### 4.4 Duties of Deputy Mayors or Vice-Chairpersons

- Carry out all of the functions of the Mayor or Chairperson in his/her absence
- Serve as ex-officio member of all committees of Council
- Carry out all of the functions of a councillor

The Deputy may also be given responsibility to:

- Carry out duties of the Mayor or Chairperson that have been delegated to the Deputy, even while the Mayor or Chairperson is available.

#### 4.5 Duties of Council Members

The duties of councillors include:

- Attend all official statutory meetings of Council

Given that the Council is entrusted with the management of the LDO, Council members have the responsibility to:

- Serve as a member of a committee of Council and attend all meetings of any committee of which he/she is appointed as a member.
- Participate actively and make contributions to the discussions and decision-making within meetings.
- Cultivate productive working relationships with other councillors.
- Interface with members of the public with regard to policies and programmes.
- Become familiar with the needs, challenges, resources and development potential of the area.
- Participate in the formulation of local area plans.
- Evaluate programmes and inspect projects, and monitor compliance with Council policies, programmes, and annual work plans.
- Act in a responsible and ethical manner at all times and do nothing to bring the Council into disrepute.

#### 4.6 Some Pitfalls to be Avoided

Article 74(1) of the Constitution states that it is the duty of local democratic organs to “provide leadership by example.” Councillors are advised to avoid the following pitfalls:

- ✗ Awarding contracts for personal gain
- ✗ Awarding contracts to relatives or friends
- ✗ Accepting gifts, favours or money that can reasonably be assumed to have been offered because of the councillor’s position of influence
- ✗ Soliciting benefits from individuals or organisations in exchange for influencing decisions
- ✗ Using inside information about Council decisions for private gain
- ✗ Using Council’s finances or other resources for personal use or making unnecessary trips at Council’s expense
- ✗ Making false expense claims
- ✗ Taking or providing privileges that are beyond those available to other councillors or staff members
- ✗ Using your position on Council for personal gain
- ✗ Using intimidation or threats to influence the actions or decisions of others
- ✗ Using by-laws or regulations selectively to grant favours to friends or to punish persons who do not agree or co-operate with the councillor.

# 5. Duties and Responsibilities of Administration

## 5.1 Appointment of municipal or NDC Staff

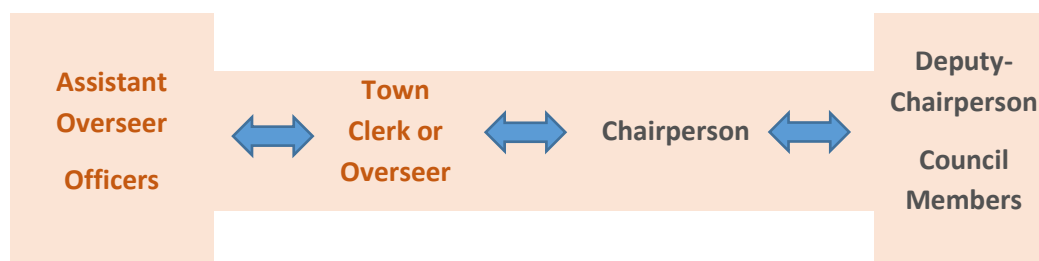
In the interim of the operationalising of the Local Government Commission established by the Local Government Commission Act, 2013, standard best practices in human resources management should be employed. The Commission as prescribed by Article 78 A of the Constitution shall be responsible for all matters related to the regulation and staffing of local government organs. In particular, the Commission shall – (a) be responsible for employment, transfer, discipline and dismissal of staff; and (b) approve of remuneration, superannuation, training, leave and promotion of staff.

In municipal councils, the council has the responsibility for ensuring that the municipality is managed in a professional and competent manner by a qualified Town Clerk (Cap 28:01, Sec. 8 A (g)). The NDC has legal authority to appoint fit and proper persons to be overseer, assistant overseer, clerk, or other officer (Cap 28:02, Sec. 42 as amended by Act No. 5 of 2015). The Council, in collaboration with its officers should put in place a Human Resource Management Policy that provides a framework for managing and remunerating staff.

## 5.2 Duties of Town Clerk or Overseer

The Town Clerk or Overseer is the chief administrative officer of the LDO as well as the Clerk to Council. As such, he or she is the link between the administrative personnel and the elected leadership. While informal communication and opportunities for exchange of information are also important, other Council members should respect this chain of communication and not attempt to give directions or orders directly to staff members outside of this channel.

### *Official Channel of Communication between Administration and Council*



A Typical Position Description for a Town Clerk or an Overseer
<p><b>General Responsibility</b></p> <ul style="list-style-type: none"> <li>➤ Reporting to Council.</li> <li>➤ Managing and taking responsibility for the day to day operations of the LDO, including advising the Council on financial matters.</li> <li>➤ Drafting letters and memoranda, preparing reports as required and assisting the Council in the preparation of the budget.</li> </ul> <p>Responsibility for the effective and efficient:</p> <ul style="list-style-type: none"> <li>• delivery of services.</li> <li>• development of long-term, medium-term and short-term plans.</li> <li>• management of human, financial and physical resources, infrastructure and information.</li> </ul> <p>Responsibility for compliance with the relevant provisions of legislation.</p> <p>The Municipal Treasurer, Town Clerk or Overseer is Collector of Rates</p> <p><b>Also, specific duties</b> <i>(as set out by each Council)</i></p> <p><i>Examples of a full position description are available from the MoC</i></p>

### 5.3 Role of the Environmental Health Officer

The LDO acts as the planning and sanitary authority for the area, it is responsible for the enforcement of building, health and environmental regulations. This responsibility is discharged on the advice of the Environmental Health Officer (EHO) who is not an employee of the LDO, but rather is employed by, and located within the Ministry of Public Health and reports to the Regional Health Officer (RHO). The EHO has a critical role to play in enabling the municipality or NDC to fulfill its responsibilities.

The Ministry of Public Health may assign an EHO to an area covering several Local Sanitary Authorities or LDOs. The EHO serves as the Technical Advisor to the Council or Councils to which he/she is assigned on all matters relating to public and environmental health.



The EHO generally has the following functions:

- review building plans and permit applications and make recommendations to council
- inspect construction sites to ensure the building permit is displayed and construction is proceeding according to the approved plan
- conduct final construction site visits and advise Council of completion
- investigate complaints related to pollution, littering, illegal dumping and environmental nuisances and report same to Council
- actively participate in Council's planning processes, education campaigns, enforcement efforts and other initiatives regarding public health, anti-littering and solid waste management.

EHOs have a direct reporting responsibility to Council and to make recommendations based on their technical inspections. They are required to submit a written report at the Council's monthly statutory meeting and that report, after reading and acceptance, forms part of the official meeting minutes. Council is required to make decisions taking into consideration the EHO's reports and recommendations.

# 6. Council and Committee Operations

## 6.1 Council Meetings

Council members will typically be required to attend four types of meetings.

- Statutory Meetings. These are the regular monthly Council meetings where the Council's general business is conducted.
- Committee Meetings. These are meetings of the standing committees, special committees, sub-committees or advisory committees of which the councillor is a member.
- Extra-Ordinary Meetings. These are special meetings of Council held to address urgent business that cannot wait for the next statutory meeting.
- Public Meetings. These are forums where citizens are invited to provide their inputs, views and concerns to Council.

### 6.1.1 Parliamentary Procedure

Parliamentary procedure is a set of values, practices and rules that guide how a meeting shall be conducted and that every member must follow. The LDO may formulate and adopt its own specific procedural rules to further outline the details of how its official meetings shall be conducted. Parliamentary procedure requires that:

- There is a “quorum” of members. A quorum is the established minimum number of voting members that must be present at a meeting in order for the meeting to be considered official.
- There is an agenda setting out the business of the meeting which is circulated prior to the meeting and which is adopted by the members at the beginning of the meeting. The agenda may be amended by a majority vote prior to being adopted.
- New business for discussion should be introduced through a “motion” by a voting member. Every issue or motion, and any amendment to it, is entitled to discussion and debate by Council. Only one motion shall be discussed at a time and must be voted on, or tabled, before a new issue is discussed.
- Only one member speaks at a time. After being recognised by the Chairperson, the councillor shall stand to make his/her remarks and will address them to the Chair. Other councillors shall not interrupt or carry on side conversations.
- Every motion made and seconded is voted on, with the majority deciding; the motion, the mover and the decision are recorded in the minutes of the meeting. Silence of a member is regarded as consent.

✚ *More information about Parliamentary Procedures and Rules of Debate can be obtained from the MoC*

Note that the public shall be admitted to all meetings of the local democratic organ, so far as there is accommodation. This implies that the time, place and agenda of council meetings must always be made available to the public.

When discussing certain issues for which privacy is imperative (eg. preparation of tenders, sensitive human resources issues), the Council may choose to exclude the public.

### 6.1.2 Council Meeting Agenda

Before any meeting, the agenda for the meeting should be prepared by the Mayor or Chairperson and circulated to all by the Clerk or committee secretary. For Council meetings, the Town Clerk or Overseer should meet with the Mayor or Chairperson to set the agenda and circulate it to members at least 3 days before the meeting. The minutes of the previous meeting should be provided along with the agenda as well as any other information the councillors should review in preparation for the meeting.

The agenda may be changed by a simple majority vote of members prior to its adoption at the Council meeting. Once adopted, the Chairperson will ensure that it is followed, and will only allow further changes to the agenda during the course of the meeting if supported by at least 2/3 of the members present.

Typical Council Meeting Agenda
<ol style="list-style-type: none"><li>1. Call to Order</li><li>2. Opening Exercises (<i>usually, the National Pledge</i>)</li><li>3. Quorum Established (<i>with regrets/excuses reported</i>)</li><li>4. Adoption of Agenda (<i>with revisions if requested and supported</i>)</li><li>5. Adoption of Minutes of Previous Meeting (<i>with corrections as noted</i>)</li><li>6. Matters Arising (<i>from the minutes of the previous meeting</i>)</li><li>7. <i>Report on correspondences</i></li><li>8. Reports (<i>eg. Treasurer's Report, EHO Report, Committee Reports</i>)</li><li>9. Unfinished Business (<i>list of items carried forward from previous meeting</i>)</li><li>10. New Business (<i>list of new items to be introduced and discussed</i>)</li><li>11. Any Other Business (<i>opportunity for members to raise new issues</i>)</li><li>12. Announcements</li><li>13. Adjournment</li></ol>

### 6.1.3 Council Meeting Minutes

Minutes shall be kept of each meeting of Council and of committees of Council. The Town Clerk or Overseer is responsible for recording the minutes of each Council

meeting. He or she should make the draft minutes available to the Council members within one week after the meeting so that corrections can be submitted.

Typical Content of Council Meeting Minutes	
1.	Date, time and place of meeting
2.	Attendance: members present, members excused, members absent
3.	Every motion made
	<ul style="list-style-type: none"> <li>• Exact wording of the motion</li> <li>• Name of councillor making the motion</li> <li>• That the motion was seconded</li> <li>• Any amendments to the motion, with the name of the councillor making the motion to amend</li> <li>• The decision taken on the motion – approved, not approved, tabled</li> </ul>

## 6.1 4 Effective Council Meetings

**Preparation:** The primary way to ensure that a Council meeting is effective is to plan the agenda carefully and circulate it to members well in advance of the meeting along with any background material they need to read to prepare themselves for discussion and decision making.

**Process:** The Chairperson needs to chair the meeting in such a way that it facilitates fair and open discussion while moving efficiently through the agenda and helping Council to make decisions as necessary. The Chairperson may put time limits on each item on the agenda and time limits on the length of time each councillor may speak to any issue. Meeting policies can be set by the Council itself restricting members to speaking only once, or twice, on each item.

**Product:** The Chairperson needs to help the members focus on the objectives of the meeting agenda. What is the desired “product” or end result of the meeting that councillors are trying to achieve?

## 6.2 Committees of Council

LDOs have the authority to form committees. Further information on this subject may be obtained from the MoC

**Standing Committees** are permanent committees of Council. They are generally organised by subject area similar to the Council’s administrative functions, for example: Finance Committee, Works Committee or Social Development Committee. The Chairperson, Deputy-Chairperson and members of standing committees are appointed from among sitting Council members.

**Select or Special Committees** are ad-hoc or working group committees established by Council for a fixed period of time to address a particular issue or undertake a specific

task, for example: a Strategic Planning Committee, a Budgeting Committee or an Event Organising Committee. The Chairperson, Deputy-Chairperson and members of special committees are appointed from among sitting Council members, although members of the public and technical experts may be appointed to select committees as non-voting members.

**Advisory Committees** are committees, either permanent or temporary, established by Council to research and deliberate on a particular issue, for example a Community Economic Development Committee, Youth Engagement Committee or Disaster Response Committee. The chairperson of an advisory committee is usually a member of Council but the deputy-chairperson and members of the committee may be selected to represent key stakeholders such as community organisations, educational institutions, the business community and national government agencies. Advisory committees provide advice to Council or to a Council committee and facilitate co-operation among key stakeholders in addressing the issue.

**Sub-Committees** are sub-groups of standing, select or advisory committee established by the respective committee to undertake a specific function or task and report back to the larger committee.

Regardless of the type of committee, Council has the responsibility to direct the committee by providing a Standing Order which outlines the purpose, mandate and tasks or “terms of reference” of the committee. Generally, committees report to Council with recommended decisions that must be endorsed by Council or with advice and information upon which Council can deliberate. Chapter 28:02 Section 37 (2) states that, *“Every committee shall report its proceedings to the local authority and any order or decision of a committee of which the local authority disapproves shall be null and void.”*

Committee meetings can be more informal than official Council meetings and may not require that members follow parliamentary procedure. The meeting format and procedures should be determined and agreed upon by the committee members and should be designed to encourage discussion and consensus building. However, the Committee Chairperson should still ensure that the meeting agenda is set and circulated to members well in advance of the meeting, that the meeting is conducted in a professional manner that respects each member’s input, that the agenda is followed, and that proper minutes are kept.

### **6.2.1 Role of the Standing Committees**

The Council should ensure that each Committee has a mandate set out in standing orders or terms of reference that outline the committee’s purpose, functions and responsibilities. For example, the typical mandates of common committees are set out below.

***The Finance Committee shall:***

- Consult with citizens and interest groups and discuss with councillors and officers the formulation of the Annual Work Programme and Budget (Estimates) for recommendation to Council.
- Monitor financial administration by examining Council's financial statements.
- Monitor resources utilized in delivering services against the resources allocated in the budget.
- Oversee the planning and implementing of programmes and projects to ensure finance is available to support projects.
- Examine any breach of accounting or procurement procedures, regulations and laws.
- In the case of MCs, the Finance Committee may make administrative decisions on the behalf of Council, for example, payment for authorised and certified work.

***The Works Committee shall:***

- Receive Bills of Quantity for all developmental works within the area carried out by all tiers of Government (central, regional and local).
- Inspect works funded by Council, and recommend payment or corrective works, as appropriate.
- Receive reports from the Clerk of Works (who is the ranger or superintendent of works) who sits on this committee as a technical adviser.

***The Social Development Committee shall:***

- Review and recommend the awarding of academic scholarships.
- Receive and review applications for donations to schools, pensioners and senior citizens, victims of disasters, and other such social and welfare causes and make recommendations to Council.
- Engage with community groups and NGOs regarding social development issues in order to represent concerns during Council planning and deliberations.

**6.3 Councillor Remuneration, Expenses and Resources**

The Council is responsible to determine the stipend to be paid to councillors and the types and limits of expenses that are reimbursable and the other resources to be made available to Council members such as office space or secretarial assistance.

Section 38 A of the Local Government Act states that “*the local authority may, in each year, with the approval of the Minister, appropriate out of the funds of the local authority a sum to be utilized for the remuneration of councillors (other than travelling and subsistence expenses incurred in the course of duty) and may, with that approval, determine the amount which shall be payable to each councillor and the additional remuneration, if any, payable to the chairman and deputy chairman in respect of their offices as such.*”

In the case of municipal councils, Chapter 28:01, Sections 22 and 47 makes similar provisions and stipulations.

The amount of the monthly stipend to be paid to councillors should be set by Council considering:

- Available funds. The LDO can only pay stipends from their internal financial resources. They cannot set a stipend that is higher than what is in their approved annual budget or set a budget for stipends that is beyond their capacity.
- The councillors' workload. LDOs where councillors are expected to work longer hours and provide a greater level of service, such as serving on more committees, may decide to pay a higher stipend.
- Ethical considerations. The LDOs, should establish stipends that would be considered fair and reasonable by a prudent person.

The Council should also set out detailed parameters regarding the councillor's expenses that will be paid by the LDO, such as transportation, meals and communication costs directly related to their Council responsibilities, and the procedures for payment or reimbursement of such costs and expense claims. The parameters, limits and procedures must be clear, reasonable, transparent and equitable.

# 7. Local Government Finance

## 7.1 Introduction to LDO Finance

Local government organs, as other government organisations, are funded by citizens through taxes and other fees that individuals and businesses pay to the government. Some of the LDO's revenue is collected directly by the LDO. Other revenue is collected by the central government and granted back to the LDO through a grant or transfer commonly called an annual "subvention."

The LDO is not a profit-making entity. All of the revenues it receives must be spent directly or indirectly to provide public services to citizens, safeguard the community and facilitate the sustainable development of the LDO area. In undertaking its fiscal responsibilities the LDO is guided by three principles: **transparency, accountability and equity**.

The "fiscal year" for MCs and NDCs is January 1 to December 31. This is the period for which annual financial reports must be provided. This also dictates that the annual budgeting process will happen in November for LDOs under the Municipal and District Councils Act and December for LDOs under the Local Government Act.

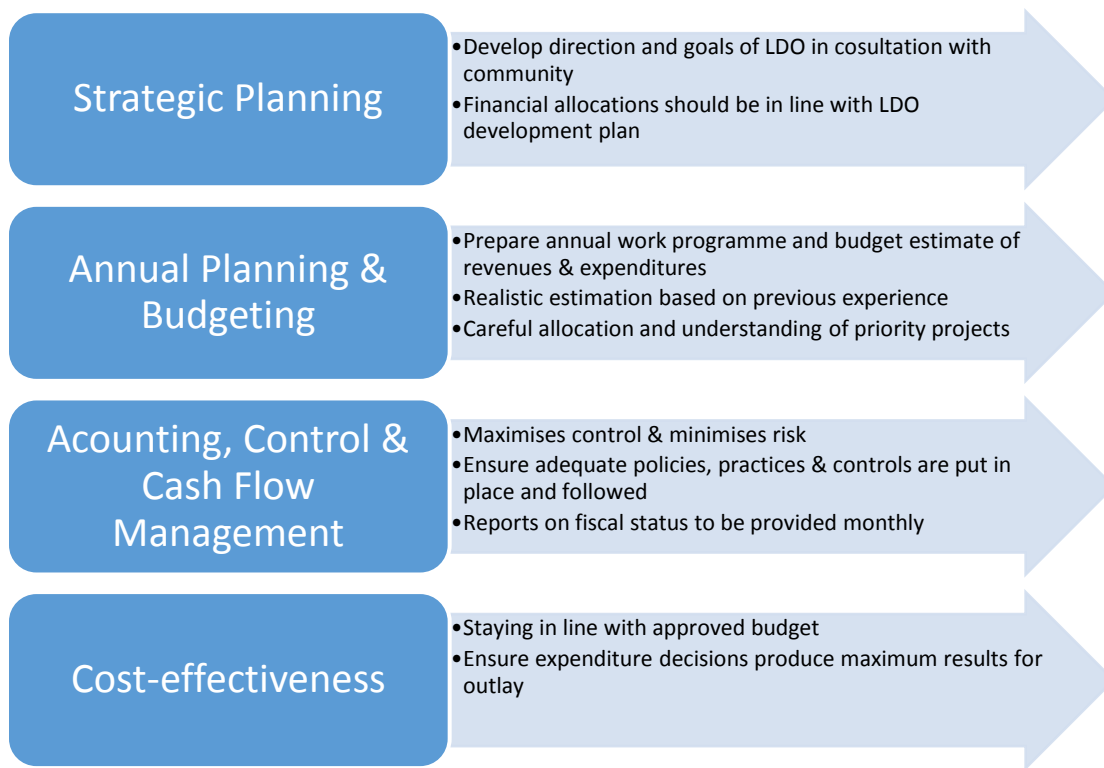
As any other government entity, LDOs are subject to annual audit by the Auditor General's Office. The Auditor General's Office is empowered to undertake an audit of any government entity at any time. The audit process will require that the LDO provide its annual financial statements including a Balance Sheet and a Statement of Revenue and Expenditures. The Auditor General's Office also requires the LDO to have its accounting records and supporting documents and vouchers kept in good order. This must follow the government accounting system and sound financial management.

## 7.2 Financial Management

Effective financial management and control is an essential component of LDO operations and is directly related to how **effectively** and **efficiently** the LDO will deliver services and achieve its short-term, medium-term and long-term goals. The LDO has an obligation to provide the services needed by the citizens, to safeguard assets and to facilitate development. It must do so at a level the LDO can afford i.e. sustained by revenues brought in by the LDO each year.

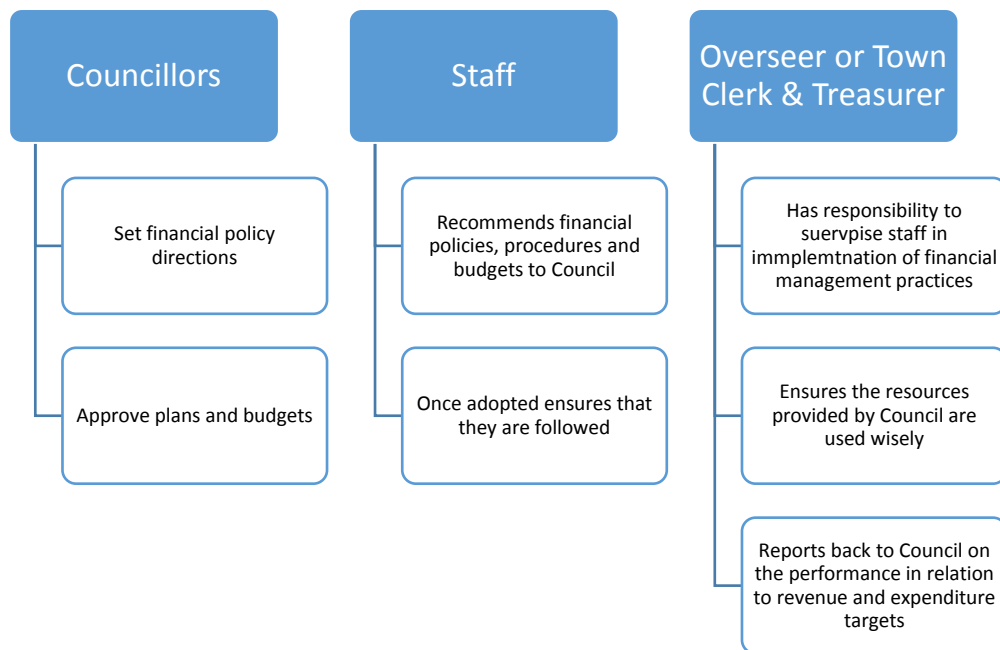
There are a number of key components that form the foundation of Financial Management.



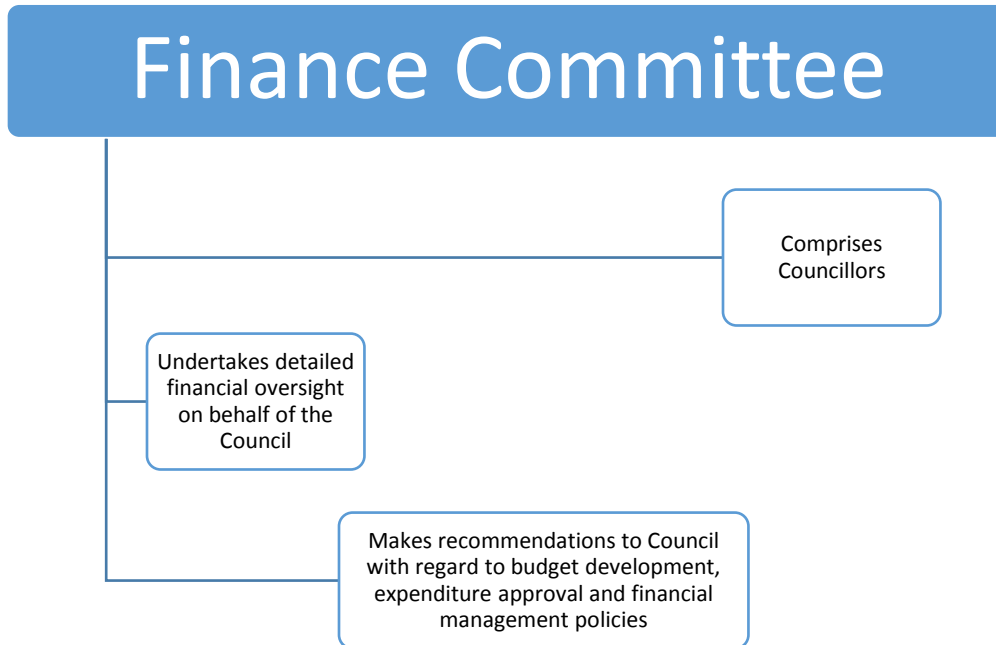


### *Councillor and Staff Role*

Both councillors and staff have a role to play in the development of financial management systems and controls.

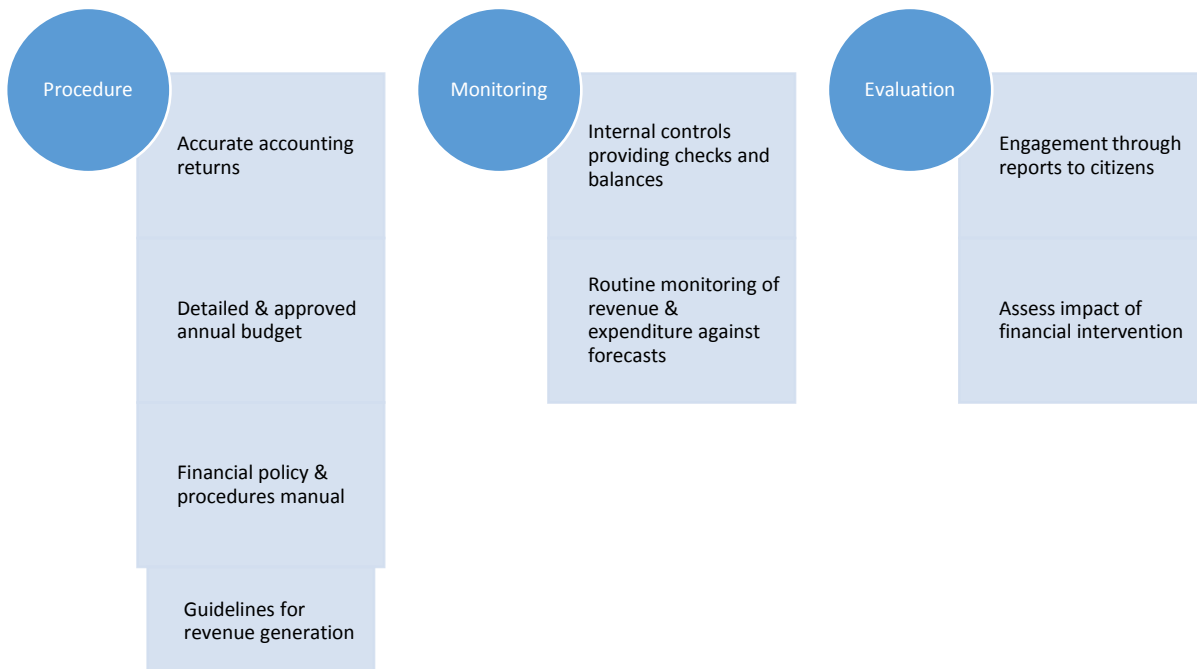


## *Finance Committee's Role*



## *Pillars of Good Financial Management*

Good financial management will require that the LDO has:



### ***Specific Roles of Councillors in Financial Management:***

- Hold community meetings and discussions with staff to solicit input into the budgeting process.
- Review and approve the annual budget or estimate of revenue and expenditure including revenue projections and expenditure projections (the “Annual Programme of Work”) prepared by the Finance Committee and ensure it is aligned with the LDO’s strategic development plans and that it is submitted on time to the MoC.
- Review and approve the annual capital expenditure plan (the “Annual Subvention Programme”) and ensure it is aligned to the LDO’s strategic development plans and that it is submitted on time to the MoC.
- Receive and review financial statements prepared by the Municipal Treasurer, Town Clerk or Overseer (balance sheet, income statement, statement of revenue and expenditures, statement of cash flow, comparison of budget estimates to actual revenues and expenditures etc), monitor actual revenue and expenditure against the estimates provided in the budget, and assess the cost-effectiveness of expenditures in relation to the benefits received by citizens.
- Select Councillors to be members of the Finance Committee.
- Designate a Councilor, who along with the Chairperson, will be authorised to sign payment vouchers and cheques.

With respect to financial management, the LGOs are guided by the following:

- Local Government Act 28:02 and amendments
  - Part VI: Estimates and Rates and Part XI Accounts and Expenditures
- Financial Administration and Audit Act
- Municipal and District Council Act, Cap 28:01
- Fiscal Transfers Act
- Stores Regulations, 1994
- The Procurement Act
- Circulars from the Ministry of Communities



**Key**  
**Legislation**

### 7.3 Subventions from Central Government

The Fiscal Transfers Act of 2013 provides for annual transfers (commonly referred to as “subventions”) from the central government to the LDOs. The Act provides the “objective criteria for the allocation of resources to local authorities and for matters connected therewith.” Section 6 (2), acknowledges that “central government has a responsibility to provide financial resources to local authorities to supplement their own revenues and in order to assist them to discharge their functions and responsibilities”. The Act also establishes the measures that local government organs are legally authorised to take to garner resources (raise revenues) from sources other than rates. These are detailed further in 7.4.

All LDO resources are to be used to assist in the discharge of the LDO’s functions and responsibilities as set out in legislation.




Those include:






1. operations
2. delivery of public services and
3. conduct of social, economic and capital development initiatives

all for the benefit of the citizens within the LGO area

In practice, the subvention is limited to funding the capital expenses of development projects which include construction and the purchase of materials, equipment, hardware and other items.

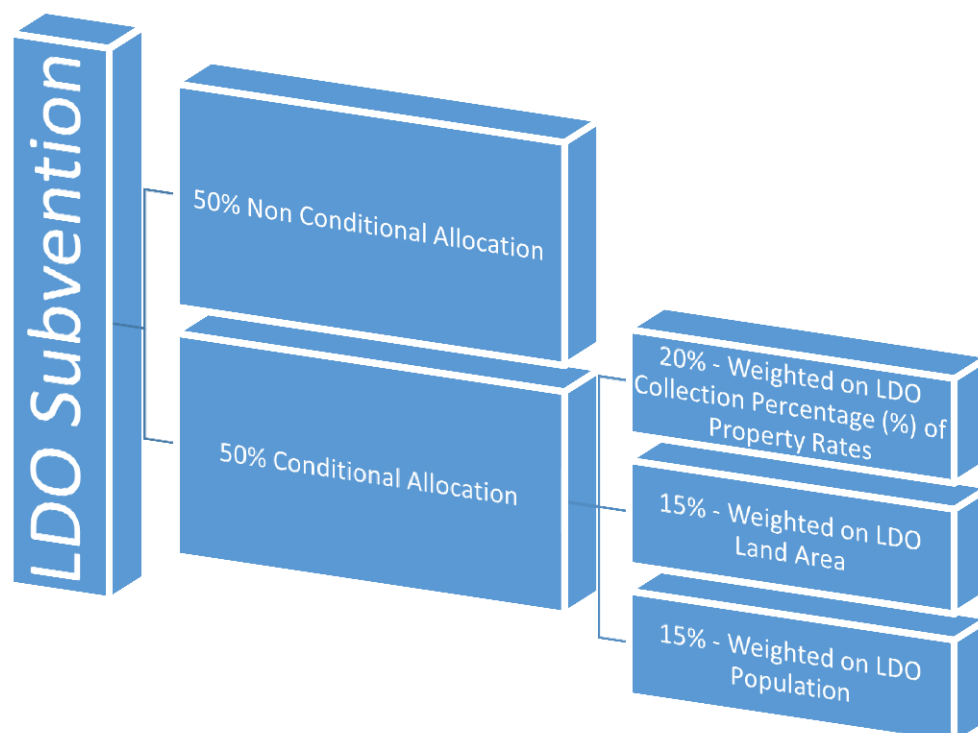
The Act requires that LDOs satisfy a number of conditions in order to be eligible for grants and transfers from the central government. Those are:

	the budget estimates for the following year shall be submitted to the given Council by November 15 of the current year; (For MCs under 28:01 Municipal and District Councils Act) on or before December 31 (For NDCs under 28:02 Local Government Act)
	the budget as submitted, shall include expenditure and revenue data relating to the last year for which actual expenditure and revenue data are available, along with the previous year’s budget estimates;
	the budget as submitted, shall include notes indicating the basis for all revenue forecasts, with specific regard to property rates, the percentage of billable rates collected or to be collected; with the notes also providing explanations for any differences in expected and actual collection of property rates for all actual, budget and supplementary information required to be contained in that budget;

	final financial statements comparing actual and budget expenditure shall be prepared and submitted to the Minister by March 31 <sup>st</sup> of the following year, together with an audited report required by other laws relating to local government;
	the budget shall disclose information in the form or manner that costs of all projects and activities involving capital expenditure can be identified.
	disclose performance indicators <i>viz a viz</i> percentage of actual collection rate and other revenue collections initiated by the LDO such as parking, market rates etc.;
	disclose population profile and new investments, expansion of businesses, new housing and agricultural schemes;
	any other condition the Minister may by regulations, subject to affirmative resolution of the National Assembly, prescribe.

### *Subvention Calculation*

The total amount of the national budget that is transferred to LDOs is stipulated within the national budget as approved by Parliament. The amount of the annual grant or subvention that is transferred to each LDO is calculated by a formula that is set out in the Act.



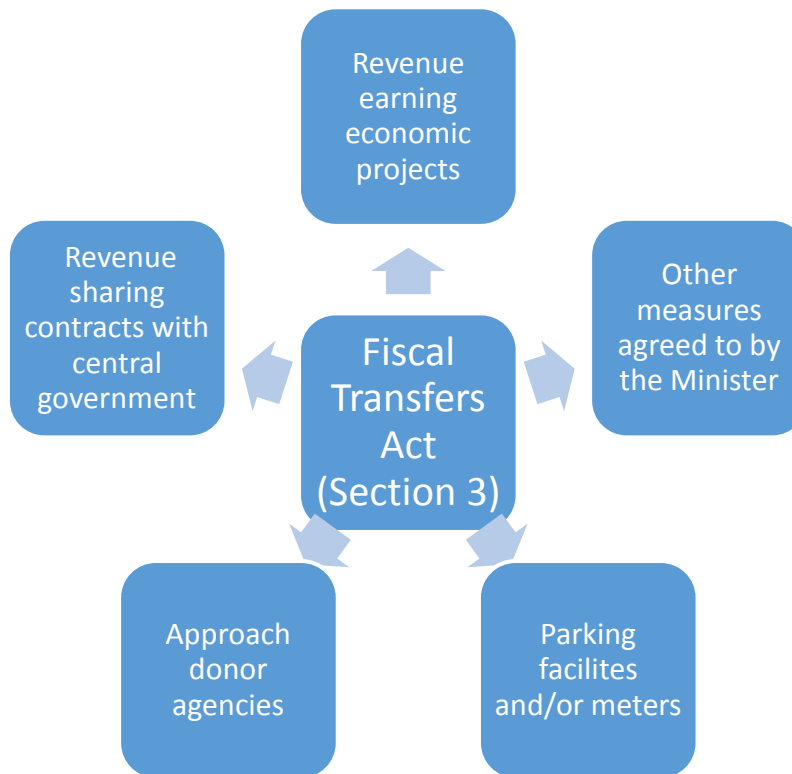
The formula and the method of application are detailed within the Schedule of the Fiscal Transfers Act 2013.

### *7.4 Sources of LDO Revenue*

A significant source of LDO revenue is property or real estate rates. These are levied on residential and commercial properties in the LDO area. Collection efficiency varies dramatically among LDOs, with some collecting over 95% of the rates due annually and others collecting less than 10% of the rates due. Ensuring that rate collection is as efficient as possible should be a priority of every LDO. LDOs should also strive to ensure that property assessments/evaluations and rate registry are as up to date as possible so that there is the greatest likelihood that collection can be maximized and equitable.

### *Sources of LDO Revenue – Fiscal Transfers Act 2013*

The Act, Section 3, lists the following ways in addition to collection of rates by which LDOs can garner resources:

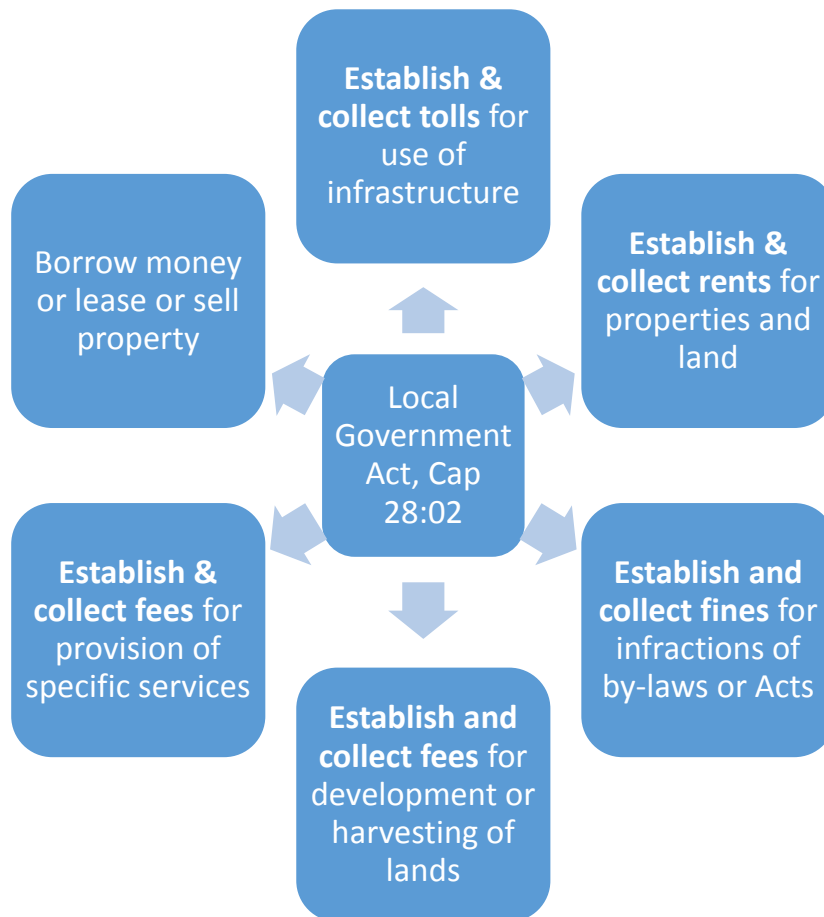


The Act also allows for the LDO to “*enhance its revenue by fiscal transfer to it from another LDO taking into account the mutual benefits.*” This allows LDOs to provide goods and services to another LDO. Doing so they can charge appropriate fees for same and to enter into resource sharing partnerships.

The Act stipulates that “*additional revenues shall, except where the Minister directs otherwise, be paid into the general revenue account of the local authority, from which account disbursements may be made in keeping with financial regulations governing such funds.*”

### *Sources of LDO Revenue – Local Government Act, Cap 28:02*

The Act also lists ways in which LGOs can garner resources, including to:

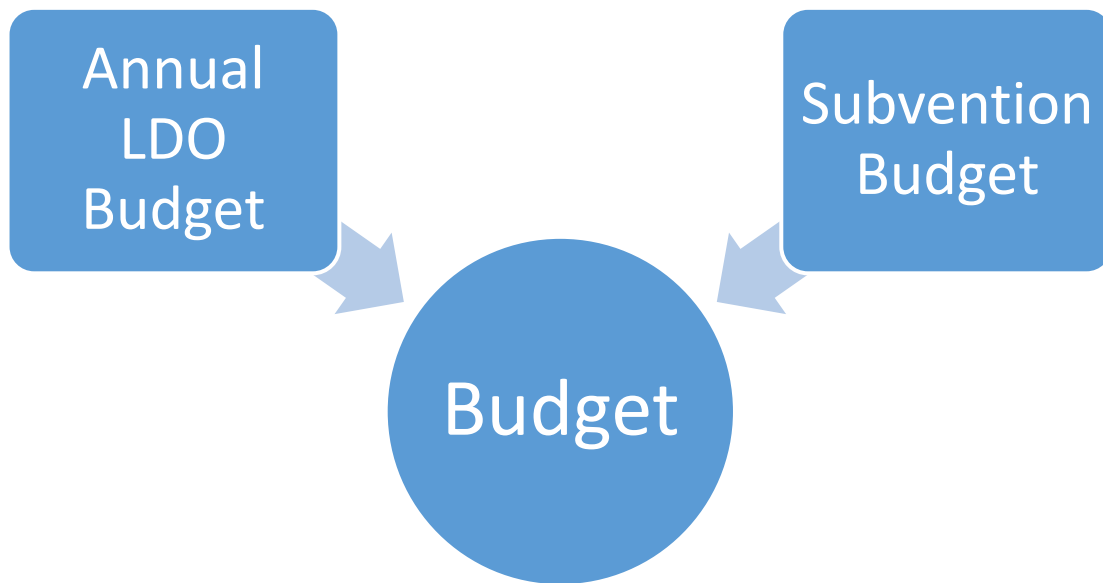


Refer to The Act particularly (Sections 4, 113 and 128) for further information on the authority to borrow.



## 7.5 Summary of Budgeting Process

Every year, LDOs must prepare a budget for the coming year. The fiscal year for LDOs is the calendar year, so the budgeting process must be completed by 15 November (LDOs under Chapter 28:01) or by 31 December (LDOs under Chapter 28:02). The LDO budget will have two components:



### A) Annual LDO budget estimate.

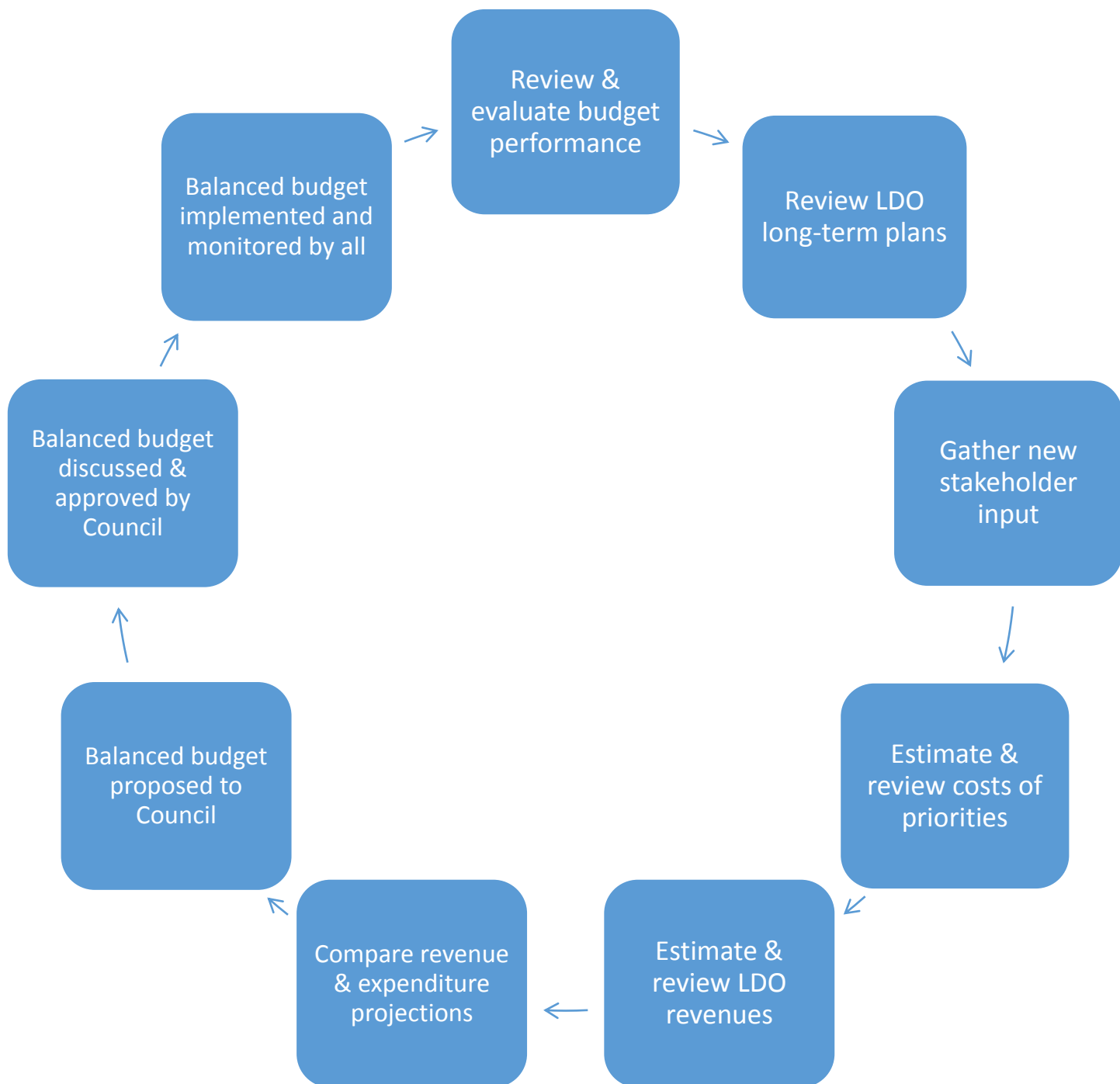
This budget sets out the estimated or projected amount of revenue the LDO expects to earn during the coming year from rates, fees, rents and other sources and the ways in which those funds will be spent or “expended.” The expenditures will be allocated to budget “lines” or categories of expenses for operating costs and project costs.

### B) Subvention Budget.

This budget sets out the estimated costs of development projects that the LDO plans to implement using the grant (fiscal transfer) from central government.

### *Steps to develop the budget*

Each year the LDO should follow these basic steps to develop your overall budget. The budgeting process runs full circle. The monitoring and evaluation of one year's budget must feed into the creation and plans for the following years.



## 7.6 Overview of the Government Procurement Process

Procurement means the purchase of goods or services. This refers to any expenditure that the LDO makes to buy material or equipment or to hire a consultant or maintenance company. The purchase, or procurement, of any goods or services by the LDO is regulated by the Procurement Act 2003 and the Regulations to the Procurement Act as well as circulars from the Ministry of Communities.

These documents are intended to provide:

- fair and transparent process that gives equal opportunity to those individuals and companies interested in the tender.
- ensure the best value for money for the government organisation.
- increased transparency and to reduce the risk of corruption.

LDOs must follow the legislation and regulations including the set limits of authority for approving spending and the range of expenditure amounts that are governed by various procurement procedures. LDO expenditures for goods and services over a specified amount must be undertaken by a procurement board. In the absence of district procurement boards, LDOs must make application to your Regional Tender Board to undertake procurement on your behalf.

## 7.7 Local Government Finance: The Way Forward

### *The Way Forward – Enhancing Current Revenue Streams*

Different local democratic organs receive revenue and incur expenditure in vastly different areas. Part of this is in response to differing local context. However LDOs can learn from their neighbours and network as to how substantially they differ and why. As a result of these discussions knowledge of other potential revenue streams may be imparted or efficient expenditure delivery processes received from others. There is a substantial amount to be learnt from your peers and vice versa.

### *The Way Forward – New Revenue Streams*

Guyana's LDOs have considerably more financial autonomy than their counterparts in both the emerging and developed world. This is something that must be capitalised upon in the coming years. Instead of reliance upon rates and government subventions for their primary revenue base, they must source new revenue streams to finance operations. Two key sources utilised worldwide are:



## *The Way Forward – Rates*

In combination with new revenues streams being utilised, LDOs too must ensure the consistent and continual revenue base of rates is developed.

As councillors you cannot allow yourselves to return to the unfortunate situation that you are in where rates are out-dated, undervalued, poorly estimated, and do not include areas of new development. You may be required to make the politically difficult decision to update the values of real estate in order to deliver public services.

This will form a key part of your **service** to the citizens, your **success** as a councillor in a local government organ and **succession** to the next generation of councillors who will lead your communities to future prosperity. You must therefore be proactive in your requests for rate valuations or changes. You must not wait for central government to allocate time to this, but must seek and request this yourselves.

## *The Way Forward: Financing for Development*

Growth in contributions has resulted in the biggest rise in living standards and economic growth globally. The benefit of networks leads to increased productivity and heightened wages. **As councillors you must therefore look at your LDO's as drivers of development – not as administrative centres.** Where possible your revenue collection and spending should be targeted at delivering those benefits. Capital projects can deliver a better life to citizens.

Areas targeted for spending are:

Infrastructure	Investment	Innovation	Information & Communications Technology (ICT)
<ul style="list-style-type: none"><li>•Reduce transporation costs</li><li>•Provide access to markets</li><li>•Increase the competitiveness of production</li><li>•Stimulate increased output</li></ul>	<ul style="list-style-type: none"><li>•Inflows will spur new industries</li><li>•Aid in overcoming competitive disadvantages and diseconomies of scale</li><li>•Fostering job-creation, particularly in areas of banking and engineering</li></ul>	<ul style="list-style-type: none"><li>•Bold innovations would stimulate agro-processing</li><li>•Business dynamism would enhance manunfacturing</li><li>•Towns should promote new businesses, establish industrial sites &amp; industrial centres</li></ul>	<ul style="list-style-type: none"><li>•Levelling the playing field between rural villages and towns by application of ICT</li></ul>

There are other areas in which LDOs can allocate funds. The key message for councillors with regard to local government finance is that you are financing for development. You have been granted democratic renewal, and with the financial autonomy available must enhance the areas and the lives of citizens you represent by putting development at the forefront of policy.

