
Department for Local Government

ANNUAL REPORT 2006

MISSION STATEMENT

The Department for Local Government is responsible to ensure that all Local Councils have the legislative authority to respond to local needs in accordance with the functions and responsibilities delegated to them in terms of the Local Councils Act. The Department also acts as a stimulant to the devolution and decentralization processes.

OBJECTIVES

In carrying out its objective, the Department has three main roles: (a) a *coordinative role* – the co-ordination of all initiatives by other ministries and departments that directly or indirectly affect the functions and operations of Local Councils; (b) a *guidance role* – by issuing circulars to all Councils to guide them in their operations and to ensure that there is uniformity of application and implementation of legislation and procedures; and (c) a *monitoring role* – through a supervision of Councils' minutes, in particular on areas affecting expenditure, in order to ensure compliance with legislation.

REGULATORY/GUIDING SOURCES

In the exercise of its operations, the Department is guided by the following sources:

- (i) Local Councils Act (Cap. 363)
- (ii) Subsidiary legislation published by virtue of the Local Councils Act;
- (iii) Local Councils Procedures enacted in terms of the Local Councils Act;
- (iv) Other legislation which directly or indirectly refers to Local Councils;
- (v) The European Charter of Local Self-Government of the Council of Europe which Malta ratified on 6 September 1993;
- (vi) Policies regulating public administration, adopted at national level;
- (vii) Policies adopted by the Ministry responsible for local government; and
- (viii) EU legislation affecting public administration.

ORGANIZATIONAL MATTERS

During this year, the Department succeeded in filling in the position of EU desk officer. It has also created the Petition Board and fledged it with 5 employees (amongst which are 2 IPSL workers and 2 PBS workers) who register and file the petitions received by the public, refer them to the respective Authorized Officers for their comments and submit them to the Commissioners for adjudication. In 2006 44 ex-WSC employees who have been revoked with the government, have been deployed with the Gozo Local Councils. The majority of these employees perform manual work.

FINANCIAL ALLOCATION TO LOCAL COUNCILS

For the financial year 2006/2007 (ending on 31 March 2007), Local Councils were allocated the sum of Lm10.25 million. The distribution of these funds to the 68 Local Councils is made by the Department in accordance with the funding formula established in the Tenth Schedule to the Local Councils Act.

In order to determine the part pertaining to the respective Local Council, an updated inventory of assets (directly related to the statutory functions of Local Councils) is maintained by the Department. This inventory is carried out by the Field Services Unit of the Department.

The Department also allocates a financial contribution to the LCA and the AKSLM for their operational activities.

DIRECTIVES AND GUIDANCE TO LOCAL COUNCILS

As part of its role of guiding Local Councils in their operations, the Department for Local Government issues, from time to time, various circulars to all Local Councils. During 2006, the Department issued a number of circulars ranging from guidance on payments, local enforcement system new processes, general deficiencies outlined in the Auditor General's report, information on newly published local government legislation, health and safety issues, and uniformity of application of statutory requirements. Certain circulars also concerned the collection of information from Local Councils in respect of the drawing up of draft replies to Parliamentary Questions.

The Department also continued to give support to Local Councils in replying to various queries regarding financial, tendering and human resources matters.

The Department also assisted and vetted requests by Local Councils to obtain a Bank Loan for the purpose of acquiring new administrative offices. During 2006 five (5) such applications were processed and the respective Letter of Authorisation issued. The Councils involved were Sannat, Qormi, Nadur, Kerchem and Ghajnsielem.

The procedures adopted by Local Councils in appointing new Executive Secretaries or renewing the contracts of existing Executive Secretaries were also vetted by the Department prior to these being forwarded to the Minister for consultation

The Department also gave support in the following particular areas:

(a) Finance and Tendering

Besides answering Councils' queries regarding Finance and Tendering, the Department monitored the submission of financial statutory documents. The Monitoring Unit of the Department assessed the Budgetary documentation of Local Councils and offered advice to the Executive Secretaries on how to improve their submissions.

(b) Human Resources

During 2006, the Department's HR Section was responsible for the following:

- Coordinating the training in the Maltese Language for Departmental Staff and for Executive Secretaries;
- Progressions and promotions of several departmental staff;
- Liaising with WSC in order to get all the data of the 44 ex-WSC officers who were revoked with this Department and assigned with Gozo Local Councils;

- Working of pensions of 3 Departmental Staff, 2 of whom are ex-WSC officers, who either reached the retiring age or else were declared to be unfit for work by the medical board;
- Submitting a monthly return to OPM and ETC on the number of staff employed with this Department and on any changes which occurred during each month;
- Liaising with IPSL on a regular basis regarding information and updates on IPSL officers assigned with this Department and with Local Councils;
- Updating the lists of IPSL and ex-WSC officers and the respective Local Councils where such officers are assigned.

(c) Audit

Following long discussions with the National Audit Office, the Department published the new version of the Audit Procedures which would substitute the existing procedures. The salient features of the new procedures include provisions for a mid-term audit, the drawing up of Special Reports, the holding of 'ad hoc' audits, the new procedure regarding the submission of the Financial Statements as well the new format of the Financial Statements, as well as provisions allowing for specific audits.

CONSULTATION MEETINGS WITH STAKEHOLDERS

The Department, acknowledging the need make consultations with the key stakeholders, held consultation meetings on a regular basis with the LCA and the ASKLM.

In January 2006 a seminar was held between the Parliamentary Secretary (Ministry for Justice and Home Affairs) and department senior officials wherein the annual work plan was discussed. Subsequently, fortnightly meetings were held to discuss pending issues and to keep the Parliamentary Secretary updated on matters of a serious nature.

The Department also had consultation meetings with other public entities on issues relating directly or indirectly to local government, or where action or initiatives would affect the operation of local government. These included the Malta Tourism Authority, the Malta Transport Authority, Local Warden Agencies, etc.

DELEGATION OF FUNCTIONS TO LOCAL COUNCILS

(a) Local Enforcement (LES)

During 2006, as a consequence of Government's commitment to improve the local enforcement system, in particular with a view to render the system more accountable, a new Local Enforcement System Committee was set up by virtue of Legal Notice 237 of 2006. The new Committee was empowered with (executive) functions to draw up and implement a general policy regarding regulations delegated for enforcement to the Local Councils, including the discipline function of Local Wardens. This Committee started functioning towards the end of the year.

Efforts were increased to instil more discipline and enforce environment regulations. During the year under review, Local Wardens and Green Wardens issued 2,500 contraventions between them. This measure has aided considerably in efforts to suppress littering.

In order to curb over-speeding the Local Councils have made 8 applications for the installation of speed cameras. Complaints from the public on the local enforcement system diminished considerably in 2006 following the setting up of the Petitions Board.

(b) Devolution of Government Property

During 2006, after processing by the Department in terms of eligibility and financial feasibility, central Government devolved immovable property to the following Local Councils:

- A playing field in John Borg Street to Birkirkara Local Council;
- An area to be developed into a recreational area by Gharb Local Council;
- Two rooms to be developed into tourist centre by Dingli Local Council;
- A garden and recreational area to Xewkija Local Council; and
- Verdala Playing field to Bormla Local Council.

(c) Petitions Board

In January 2006 a Petitions Board was set up by Legal Notice 414 of 2005 with the competence to decide on petitions relating to an evident mistake in the identity of the offender or in the identification of a vehicle, an evident mistake which resulted in the offender being wrongfully found guilty, humanitarian reasons attenuating the circumstances relating to the commission of the contravention, when the issue of the charge or notice of contravention is manifestly unjust or oppressive, or when the statutory procedures for issuing a contravention have not been followed.

During the year under consideration the Board received over 7,000 petitions. 58% of processed cases were decided in favour of the petitioner.

MONITORING OF LOCAL COUNCILS' FUNCTIONS AND OPERATIONS

During 2006, the Monitoring Unit which falls under the Policy and Planning Section of the Department continued with its efforts to achieve full compliance by all Local Councils in their submission of their statutory documents such as Budgets, Business Plans and Quarterly Financial Reports.

The unit's efforts were also reflected in that for the Local Councils' financial year ended 31 March 2006, only 4 (four) Local Councils registered a deficit in their working capital. This is an all time low since 1997, when Local Councils started keeping their accounts on an accrued basis.

During 2006, this Unit communicated with various Councils with respect to non-compliance in the timely submission of statutory documents (such as Council Minutes, Schedules of Payments, Budgets, Business Plans and Quarterly Financial Statements).

This Unit was in constant contact with the Office of the Auditor General with a view to review existing regulations and procedures, including necessary amendments to statutory documentation. The two Monitoring Officers engaged with this Unit at the end of 2005 were instrumental to finalize the Audit Procedures which have now been published.

This Section was also responsible to investigate reports of alleged abuses or irregularities by Local Council members and staff, and punitive action was taken when allegations were proved.

FIELD SERVICES UNIT

During 2006, the Field Services Unit of the Department carried out the following activities:

(a) Data update

During 2006, the Field Services Unit (FSU) continued to update the inventory of assets data of Local Councils, which serve as the basis for the allocation of funds to Local Councils.

Gardens data surveyed from the following localities was converted into GIS map form – Nadur, Xaghra, Żebbuġ Gozo, Mġarr (1 garden), Żejtun (1 garden), Luqa (1 garden), Gharb (1 garden), San Lawrenz (1 garden), 1 garden at Tarxien, 1 garden at Mqabba, 1 garden at Qormi, 2 gardens at Valletta, 2 gardens at Mdina;

Verges data in Urban Roads surveyed from the following localities was digitised into GIS map form - Birgu, Bormla, Qormi, Żebbuġ Malta, Żabbar, Siġġiewi, Żejtun, Attard, Balzan;

New road signs and markings inventories were carried out in the following localities – Marsaskala, Marsaxlokk, Marsa, Qrendi, Ta' Xbiex, Żurrieq, Msida, Żabbar, Tarxien;

New Bus Shelters Inventory for Financial Year 2007-2008 was carried out in the following localities – Birkirkara, Marsa, Marsaxlokk, Mqabba, Msida, Naxxar, Qormi, Qrendi, San Ġiljan, San Ġwann, Sliema, Swieqi, Mellieħa, Mġarr, Mosta, Pembroke, Rabat, San Pawl il-Baħar, Siġġiewi;

New Bus Shelters Inventory Financial Year 2007-2008 was carried out in the following localities in Gozo - Rabat Gozo, Fontana, Ghajnsielem, Gharb, Ghasri, Kerċem, Munxar, Nadur, Qala, San Lawrenz, Sannat, Xaghra, Xewkija, Żebbuġ Gozo;

New traffic flow survey was carried out and digitised into GIS map form in the following localities in Gozo – Rabat Gozo, Fontana, Ghajnsielem, Gharb, Ghasri, Kerċem, Munxar, Nadur, Qala, San Lawrenz, Sannat, Xaghra, Xewkija, Żebbuġ Gozo.

(b) Efficiency Reports

During 2006, the FSU carried out inspections in Malta and Gozo with respect to the Local Councils' statutory functions of upkeep and maintenance of all roads, street sweeping, road signs and markings, public conveniences, urban footways and non-urban roads, beach cleaning and gardens.

Inspections were carried out as follows:-

December 2005 – March 2006: Birgu, Bormla, Żebbuġ, Żejtun, Attard, Birkirkara, Fgura, Gżira, Ghargħur, Ghaxaq, Iklin, Kirkop, Luqa, Mosta, Msida, Pieta', Safi, Santa Luċija, Swieqi, Mtarfa; Fontana, Xewkija (22 Councils);

April – July 2006: Valletta, Siġġiewi, Birzebbuġa, Kalkara, Marsaskala, Marsaxlokk, Mellieħa, Mġarr, Naxxar, Pembroke, Qrendi, San Ġiljan, San Pawl il-Baħar, Sliema, Ta' Xbiex, Xghajra, Ghajnsielem, Munxar, Nadur, Qala, San Lawrenz, Sannat, Xaghra, Żebbuġ Gozo (24 Councils);

August – November 2006: Mdina, Isla, Qormi, Żabbar, Balzan, Dingli, Floriana, Gudja, Hamrun, Lija, Marsa, Mqabba, Paola, Rabat Malta, San Ġwann, Santa Venera, Tarxien, Żurrieq, Rabat Gozo, Gharb, Ghasri, Kerċem (22 Councils).

(c) Other services

The FSU also gave additional services to the Department, the Ministry and other Ministries, government department and other government entities. These included the provision of all locality maps to the Police Department in connection with a national restructuring process.

NEW LEGISLATION

Subsidiary Legislation and Bye-Laws

During 2006, a substantive amount of subsidiary legislation was enacted during period under review. These were: Legal Notice 22 of 2006 (Local Councils Financial Amendment Regulations); Legal Notice 111 of 2006 (Local Councils, Amendment of Tenth Schedule, Regulations); Legal Notice 140 of 2006 (Petitions (Local Tribunal) Amendment Regulations); Government Notice 696 of 2006 (amending the address of the Gozo Local Tribunal); Legal Notice 193 of 2006 (LCAAmendment Regulations); Legal Notice 225 of 2006 (amending the LCAREgulations); and Legal Notice 328 of 2006 (substituting the Audit Procedures).

Legal Notice 22 of 2006 is considered a landmark legislation as it introduced a new concept rendering Local Council members or officials personally liable in those cases where, without proper explanation to the Director, Local Government, it results that any payment has been made or that there has been any fraud or misappropriation of funds or of Council property, or where any Executive Secretary or other person has wilfully or negligently omitted to collect or receive any monies or that any monies received have not been duly credited to Council accounts.

Legal Notice 328 of 2006 is another important piece of legislation that has replaced the existing Audit Procedures to make provision for new procedures regarding *inter alia* submission of financial statements and management letters and compliance with the latest International Financial Standards.

During 2006, two Bye-Laws were published by Local Councils after approval by the Minister. These were L.C.B.L. 47/1/2006 by Pieta Local Council prohibiting loitering in and around St Luke Square and L.C.B.L. 52/2/2006 by San Ġiljan Local Council regulating Advertisement on Street Furniture being Council property.

INTERNATIONAL COMMITMENTS

UDITE Congress in Malta

The Department sponsored the first UDITE (Union of European Local Council Executives) in Malta. The Director also participated in this Congress as chair of one of the work groups.

Participation in International Seminars/Conferences/Meetings

The Department for Local Government is also actively involved in international for a relating to local government. The Department is a member of the Commonwealth Local Government Forum (CLGF), the Steering Committee for Local and Regional Democracy (CDLR) of the Council of Europe, and the URBACT (EU Programme) Monitoring Committee. Senior officials also participate in other seminars, conferences and meetings relating to local government organised by other entities, such as activities organised by national authorities of other EU and other states.

During 2006, department officials participated in: the LR-DP Committees (a sub-committee of the CDLR), the URBACT Monitoring Committees, and the EU High Level Meeting on Local Governance.

NEW INITIATIVES

In accordance with the proposals for the introduction of several measures as provided for by the 2005-10 Public Service collective agreement the following initiatives were taken up:

- **Flexibility in work schedules.** A questionnaire was devised and sent to all Local Councils (as main Departmental clients) to evaluate and give suggestion on the Service provided by this Department. Besides Quality Service this questionnaire was also aimed to compare the office working hours of the Local Councils with that of the Department for Local Government.
- **Flexibility arrangements (flexitime, job sharing and teleworking etc).** During 2006 arrangements were put in place to accommodate two members of the staff to work reduced hours/flexitime.
- **Electronic Attendance Verification.** This Department is in the process of evaluating several electronic attendance verification systems and quotations before deciding which system is most beneficial to the Department.
- **European Union matters:** During the year under review, the Department for Local Government undertook several initiatives in connection with **European Union training** for Councillors, Executive Secretaries and other members of the staff:
 - *March* - met with Mr Michael Ashley, Executive Director, Local Government International Bureau (UK) to discuss areas of activities.
 - *May* - Mr Michael Ashley took part in a half day seminar organised by the Department and the following day he held one-to-one meetings with several Executive Secretaries.
 - *December* - One day seminar for Councillors and Executive Secretaries was held regarding Local Councils' experiences in European programmes.
 - During 2006 the Department collaborated and worked closely with several local and international organisations /entities regarding E.U. matters, including: the British High Commission in Malta, the European Commission Representation in Malta, the European Union Programmes Unit (EUPU), Europe Direct Malta, Youth Programme, and the Local Government International Bureau (UK)
- **Green Travel Plan.** The Department for Local Government's Green Travel Plan has been carried out by the Administration Unit and based on the instructions laid out by the Principal Permanent Secretary. These included the study of the guidelines, carry out the necessary discussions and consultation within the Department and draw up draft GTP for consideration and eventual implementation.
- **Training Courses/Seminars.** During 2006 the following courses/seminars were held/organised by this Department:
 - *March/Apri* - Training Courses in the Maltese language orthography for Local Councils' Executive Secretaries. (Three sessions were held for the Executive Secretaries in Malta and one for the Gozitans)
 - *May* - Senior Management Development Programme. Two courses of four sessions each for the Executive Secretaries and other Local Councils' Staff.

- *May* - Half day Seminar ta' Informazzjoni għas-Segretarji Eżekuttivi.
- *December* - One day Seminar Esperjenzi ta' Prattiċi Tajbin minn Kunsilli Lokali fi Proġetti ta' l-Unjoni Ewropea.

FOKAL (Forum of Local Actors)

During 2006 the Department chaired two FOKAL (Forum of Local Actors) meetings. The FOKAL is a consultative body composed of representatives from the National Youth Council (KNZ), National Commission for the Promotion of Equality (NCPE), National Commission Persons with Disability (NCPD), the ASKLM and the LCA (as observers). The Forum is chaired by the Director, Local Government.

Two major issues discussed during the forum led to concrete action for assistance by the Department in the promotion and support for the Youth Council initiative co-ordinated by the KNZ for the second time, as well as include accessibility to all persons as a matter of policy both at departmental and local government levels.

Euro Changeover

The Department was assigned the responsibility of project leadership for the Euro Changeover plan with respect to the area of local government. A Project Team was set up under the leadership of the Director, Local Government, whereby a business plan was drawn up. In addition, the relevant local government legislation that needed amendment as a result of the euro changeover was identified. Two seminars were organised with the support of NECC and collaboration of the Local Councils Association, whereby the implications for and input by local government were discussed.

Malta – UK Co-operation

Through collaboration with the LCA and the support of the UK High Commission in Malta, close co-operation links were forged with the Local Government International Bureau of the UK Local Government Association. Through this co-operation, senior UK government and local government officials visited Malta twice whereby assistance was given to those Local Councils wishing to establish close links with UK municipalities with a view to participate jointly in EU projects. This co-operation was rendered possible through the personal involvement and support of the outgoing UK High Commissioner for Malta, H.E. Mr Vincent Fean.

Support for Youth Councils initiative by National Youth Council

The Department fully supported the new Youth Council project organised by the National Youth Council (KNZ). The Director participated both in the preparatory work done by the KNZ as well as the seminars organised for Local Councils.

Natalino Attard

Director, Local Government

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