POLICY OBJECTIVE (GUIDELINES) FOR THREE STRATEGIC AWS

NEW Local Governance Act

Major features of the new Local Governance Act outlined below will constitute the policy guidelines for the drafting of the new legislation and are as follows:

1. The inhabitants of the parishes of Kingston and St. Andrew, and the inhabitants of every other Parish in Jamaica, shall be declared to be a Municipal Corporation, bearing the name of the Parish(es) in which they are incorporated.
2. Local Authorities, in addition to having responsibility for the provision of specified local services and performing specified regulatory functions, will be charged with the good governance, sustainable local development and maintenance of good civic order within their respective jurisdictions.
3. Provision will be made for the establishment of second tier local government domains (as in the case of Portmore), which are to be declared to be City or Town Councils, bearing the name of the City or Main Town of the related area.
4. Existing provisions regarding the election of Mayors will be retained
5. The title of Mayor of the capital town/city will be automatically conferred on all Chairmen of Parish Councils. Under present legislation, the title is conferred at the discretion of the Minister.
6. Provision will be made to confer legal recognition on civil society and community based participatory mechanisms such as Parish Development Committees (PDCs), Development Area Committees (DACs) and Community Development Committees (CDCs), provided they satisfy specified criteria.
7. The term of the Councils of Local Authorities will be four (4) years , which shall expire on the anniversary of the election of the Council. New elections shall be held within ninety (90) days of the expiration of the term of the Councils.
8. The new legislation will define the roles and responsibilities of, and relationship between, the political and administrative directorate of Local Authorities.
9. The discretionary power of the Minister to dissolve a Local Authority shall be repealed and replaced by a process that must be initiated by a petition signed by a specified percent of voters in the locality, or a report of the Auditor General, Contractor General or other oversight organ of the state, indicating gross misconduct or persistent failure to discharge its legal responsibilities by the local authority. An order for dissolution will require a positive resolution of Parliament.
10. The new Act makes provisions intended to enhance accountability, transparency and high ethical standards. These include requirements for Local Authorities to constitute Local Public Accounts Committees, on which civil society will have representatives, and the publication of Annual Reports on their performance.

11. Local Authorities will also be empowered to spearhead the formulation of Local Sustainable Development Plans and promote/facilitate physical, social and economic development within their local jurisdictions, or any part thereof.
12. Local Authorities will be assigned the function of collaborating with and coordinating the activities of all entities that operate within their jurisdiction.
13. Local Authorities will be empowered to establish a municipal police force to enhance its capacity to effectively enforce civic laws and regulations for which they have enforcement/compliance responsibilities.
14. Provision regarding penalties and remedies for breaches of civic laws/regulations will be revised to ensure that they constitute effective deterrence to such offences.
15. The new legislation will establish criteria and procedures for the granting of city status to major urban centres that satisfy such criteria.
16. Salient provisions from the Acts that are being consolidated (i.e. KSAC, Parish Councils, and the Municipalities Acts), into the new legislation will be retained and/or modified to be consistent with the new local governance paradigm.

NEW Local Government Financing and Financial Management Act

Major features of the new Local Government Financing and Financial Management Act outlined below will constitute the policy guidelines for the drafting of the new legislation and are as follows:

1. The Act will require Local Authorities to prepare and submit – by December 1 of each year, an annual budget, consisting of estimates of expenditure and projected revenues, for the forthcoming fiscal year. Annual Budgets shall be accompanied by a Medium Term (3 Year) Corporate Plan/Policy Framework
2. The new legislation will contain provisions aimed at ensuring that the Annual Budgets of Local Authorities are approved by the Minister within 30 days of the passage of the Appropriations Bill in Parliament.
3. The Act will make provisions to facilitate the participation of citizens/civil society in consultations associated with the preparation of the Annual Budgets of Local Authorities, as well as the preparation of Medium and Long Term Sustainable Development Plans for the Parish, which will guide and inform the annual budgets.
4. While the Minister will continue to have power to approve the Annual Budget of the Local Authorities, this will be restricted to ensuring that such Budgets conform to established guidelines and statutory requirements and be in compliance with national fiscal and other relevant policies.
5. Local Authorities will be required to adopt, on a phased basis, a modified Accrual Accounting system which reflects international public sector accounting principles, while being cognizant of local realities, and having approval by the Ministry of Finance.

6. The Act will require Local Authorities to prepare and submit Annual Financial Statements that provide a full and accurate picture of the financial performance of the Authority over the previous year and assessment of its financial status at the end of the year.
7. Provisions of the Act will strengthen the quality and standards in managing the financial affairs of Local Authorities by requiring the adoption of financial management principles and standards that are consistent with international best practices.
8. The Act will establish the major sources from which the operations and activities of local government are to be financed and guidelines regarding the purposes for which specified sources of funding may be used .
9. Local Authorities will also be required to adopt and apply the principles and practices of cost/profit centre accounting in the structure of their budget and accounting systems, so as to readily match the costs associated with the provision of a service or regulatory function to revenues generated from such service/regulatory function.
10. Local Authorities will be required to adopt and apply the principle of full cost recovery in setting user fees and service charges, while having the discretion to establish mechanisms to provide relief in the case of vulnerable groups which cannot afford to pay the full economic costs.
11. The power of Local Authorities to raise loans and float municipal bonds, which already exists, will be enhanced. This power will however, be subject to requirements that Local Authorities establish their own creditworthiness and financial management capabilities and safeguards to prevent the compromising of national fiscal policies or interests. It will also be subject to provisions of the FAA Act and the PBMA Act, regarding the raising of loans by public bodies. Provision will be made to ensure that loans or other obligations of Local Authorities will not, in the event of a default, become contingent liabilities on the Consolidated Fund.
12. Provisions of the Act will seek to establish and/or strengthen mechanisms aimed at enhancing accountability, transparency, openness and the observance of high ethical standards in the operations and performance of Local Authorities.
13. Existing provisions regarding inspections of the financial transactions and accounts of Local Authorities by the Auditor General, and oversight and monitoring by the Minister, shall be retained and strengthened.
14. Salient provisions from the Acts that are being consolidated (i.e. Parochial Rates and Finance Act, the Loans (Local Authorities) Act, the Kingston and St. Andrew Loans Act and Part VIII of the KSAC Act), into the new legislation will be retained and/or modified to be consistent with the new local governance paradigm.

NEW Local Government (Unified Services and Employment) Act

Major features of the new Local Government (Unified Services and Employment) Act outlined below will constitute the policy guidelines for the drafting of the new legislation and are as follows:

1. The Act will create a single Local Government Services Commission, to replace the two (2) - the Parish Councils Services Commission and the Municipal Services Commission, which currently exist.
2. It will create a single Local Government Unified Service for all gazetted staff of Local Authorities. At present, the staff of the KSAC does not form part of the Parish Councils Unified Service.
3. The Act will make provisions regarding the composition of the Board of the Commission, and the method for nominating members to serve on the Board. The following are the major changes contemplated in relation to the composition of the Board and the functioning thereof:
    - The new unified Commission will have a membership of not less than seven (7) or more than nine (9), whereas currently, each of the two (2) Commissions has a membership of six (6).
    - Provision is made for persons with expertise in relevant disciplines – i.e. human resources management and law, to be included in the membership of the Board.
    - Provision is made for the naming of a vice-chairperson of the Commission, which is not now the case.
4. The new legislation will delineate the roles and functions of the Commission as against those of the Local Authorities, and also the political directorate versus those of the administration, in the management and control of the Local Government workforce, as well as in providing a conducive environment for employees to aspire to, be facilitated and achieve excellence in the performance of their duties.
5. Provision is made for the Commission to be able to delegate aspects of its responsibility for the management and control of members of the Unified Local Government Service, to individual Local Authorities, and to impose such conditions as it might deem appropriate, in making such delegation.
6. Provision is to be made regarding the management and control of non-gazetted members of staff employed by Local Authorities, who fall directly under the control of the respective Councils. At present, there is no specific legislation that addresses that situation.
7. The Act will make provision regarding the right of appeal of different categories of employees, against decisions about which they are aggrieved. In the case of gazetted officers, appeal against decisions of the Commission is to the Privy Council. Where it is a decision of the Local Authority under powers delegated to it by the Commission, the appeal is to the Commission. Non-gazetted staff will have the right to appeal to the Commission against decisions of the Local Authority.

8. Salient provisions from the Acts that are being consolidated (i.e. The Parish Councils (Unified Services) Act, the Municipal Services Commission Act, the Poor Relief Officers (Unified Services) Act, the Municipal Officers (Surcharge) Act and the Pensions (Parochial Officers) Act, will be retained and/or modified to be consistent with the new local governance paradigm