
Department for Local Government

ANNUAL REPORT 2007

MISSION STATEMENT

The Department for Local Government is responsible to ensure that all Local Councils in Malta and Gozo 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

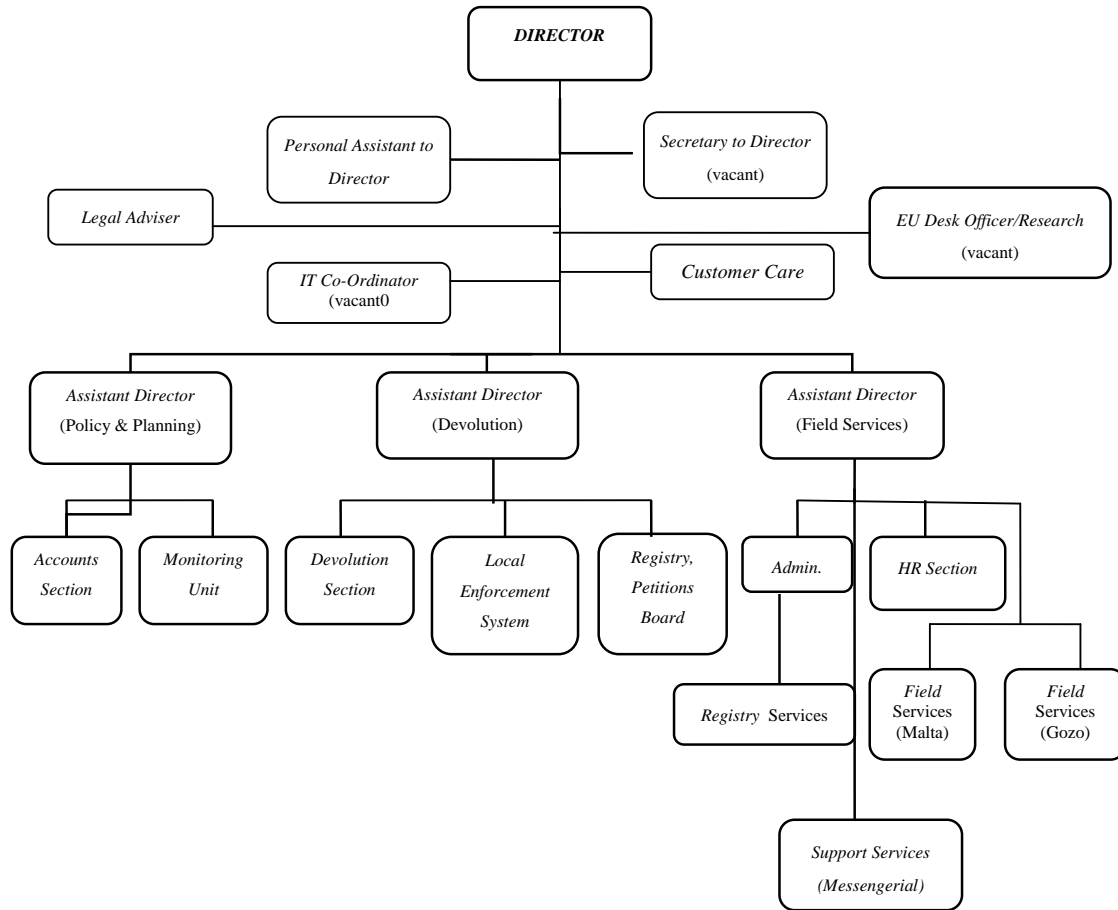
In the exercise of its operations, the Department is guided by the following sources:

- (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 national 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) EU legislation affecting public administration;
- (vii) Other international conventions posing obligations regarding local government issues;
- (viii) Policies regulating public administration, adopted at national level; and
- (ix) Policies adopted by the Ministry responsible for local government.

ORGANIZATIONAL MATTERS

(a) Organizational set-up

The organizational chart below illustrates the current organizational set up of the Department for Local Government.



The Department’s staff complement during 2007 consisted of 45 employees (including Field Service officers working in Gozo). In addition, the Department is also responsible for 137 IPSL workers assigned with Malta Local Councils and 30 assigned with Gozo Local Councils, ie a total of 212 employees.

During year under review, the Department’s organizational set-up was strengthened with the engagement of the officer-in-charge and a clerk within the, Registry, Petitions Board, and another official who was assigned with the Field Services Unit. On the other hand, the post of EU Desk Officer and IT Co-ordinator remained vacant.

In its stated objectives of sustaining the administrative setup of key local government entities, two Department officials carried out duties with the Local Councils Association and another official was assigned as EU Project Manager with the Valletta Local Council.

(b) Personal Development

Personal development is one of the core departmental values. For this reason, both internal as well as external training is given from time to time to all staff, whereas individual employees are given the necessary training to strengthen their competences in their given field of work. EU training was given to all senior management, whereas other employees attended SDO courses on various subjects.

Three employees continued with their university studies after being sponsored to do so by the SDO and the department. These officials are carrying out studies at Masters, BA(Hons) and certified courses from the University of Leicester and the University of Malta.

FINANCIAL MATTERS

(a) Financial allocation to Local Councils

The Department was responsible to allocate funds made available by central government to all the 68 Local Councils in accordance with the funding formula in the Tenth Schedule to the Local Councils Act. For financial year 2006/2007 (ending 31 March 2007), the sum allocated to Local Councils for their functions and operations was of € 23.88 million (Lm 10.25 million). The sum for financial year 2007/2008 (starting 1 April 2007), was increased to € 23.92 million (Lm 10.27 million). In addition, as a result of the assignment of IPSL and former WSC worker, Local Councils in Malta and Gozo were saving around Lm1.2 million (Euros 2.79 million) in terms of salaries for the said employees

The following table indicates the direct and indirect funds allocated by central government to Local Councils since their setting up in 1994.

| Direct and Indirect Financial Allocation to Local Councils by central government 1994 - 2008 | | | | | | | | |
|---|--|---------------|--|--------------|--|-------------|--|---------------|
| Financial Year | Direct Financial Allocation (in mill.) | | Salaries of Government employees seconded with Local Councils (in mill.) | | Funds for Special Needs 1994-2000 (in mill.) | | Total funds from central Government (in mill.) | |
| | Lm | Euro | Lm | Euro | Lm | Euro | Lm | Euro |
| 1994-1995 | 4.50 | 10.48 | 0.00 | 0.00 | 0.03 | 0.07 | 4.53 | 10.55 |
| 1995-1996 | 6.30 | 14.68 | 0.00 | 0.00 | 0.08 | 0.19 | 6.38 | 14.86 |
| 1996-1997 | 7.25 | 16.89 | 0.00 | 0.00 | 0.09 | 0.21 | 7.34 | 17.10 |
| 1997-1998 | 6.25 | 14.56 | 0.00 | 0.00 | 0.12 | 0.28 | 6.37 | 14.84 |
| 1998-1999 | 5.83 | 13.58 | 0.00 | 0.00 | 0.12 | 0.28 | 5.95 | 13.86 |
| 1999-2000 | 6.50 | 15.14 | 0.00 | 0.00 | 0.12 | 0.28 | 6.62 | 15.42 |
| 2000-2001 | 9.67 | 22.53 | 0.00 | 0.00 | 0.00 | 0.00 | 9.67 | 22.53 |
| 2001-2002 | 10.24 | 23.85 | 0.00 | 0.00 | 0.00 | 0.00 | 10.24 | 23.85 |
| 2002-2003 | 10.54 | 24.55 | 0.00 | 0.00 | 0.00 | 0.00 | 10.54 | 24.55 |
| 2003-2004 | 10.70 | 24.92 | 0.00 | 0.00 | 0.00 | 0.00 | 10.70 | 24.92 |
| 2004-2005 | 10.15 | 23.64 | 0.60 | 1.40 | 0.00 | 0.00 | 10.75 | 25.04 |
| 2005-2006 | 10.20 | 23.76 | 1.14 | 2.66 | 0.00 | 0.00 | 11.34 | 26.42 |
| 2006-2007 | 10.25 | 23.88 | 1.40 | 3.26 | 0.00 | 0.00 | 11.65 | 27.14 |
| 2007-2008 | 10.27 | 23.92 | 1.20 | 2.80 | 0.00 | 0.00 | 11.47 | 26.72 |
| Total | 118.65 | 276.38 | 4.34 | 10.11 | 0.56 | 1.30 | 123.55 | 261.08 |

(b) Departmental Operations and Maintenance expenditure

In its efforts to curtail costs, for the fourth year running, by the end of the year, the Department managed to make cost savings of € 22,638.88 (Lm 9,718.87) with respect to the operations and maintenance budget. This amounts to 9.3% of the voted budget. The overall cost savings made by the Department during 2007 amounted to € 66,351.90(Lm 28,484.87).

DEPARTMENTAL SERVICES TO LOCAL COUNCILS

(a) Approval of request for bank loans

During 2007, the Department processed requests by three Local Councils for the approval of a bank loan. The requests were from the Msida and Pembroke Local Councils for the construction of their respective administrative offices, and the Santa Lucija Local Council to enable it to buy the premises serving as its administrative offices. The requests were evaluated by the Department and after consultations with the Ministry of Finance, recommendations were made to the Minister responsible for local government and the Minister responsible for finance, to grant approval for these loans.

(b) Human Resources

The Department is also responsible for the vetting of the procedure leading to the engagement of Local Council Executive Secretary. This is done in order to advise the Minister responsible for local government whether to endorse or not such an engagement. In those instances where the engagement is not possible for some justifiable reason, an Acting Executive Secretary is appointed by the Minister on the advice of the Department.

During 2007, 6 new Executive Secretaries were engaged in the Ghaxaq, Mosta, Pieta', Siggiewi, Sliema and Zejtun Local Councils. In 5 other Local Councils a Deputy Executive Secretary was appointed to carry out duties whenever the Executive Secretary could not do so. In addition, an Acting Executive Secretary was appointed in the San Gwann Local Council.

Also during this year the appointment of a new Executive Secretary for the Local Councils Association was approved.

The requests for redeployment of IPSL workers assigned with Malta Local Councils were evaluated and changes implemented by the LeGA (Local e-Government Agency) Committee composed of the Director (Local Government), the President of the Local Councils Association and the Head, Human Resources Section of the Department. During 2007, 135 IPSL employees were assigned with Malta Local Councils whereas 31 public officers formerly detailed with WSC Gozo were transferred on the Department's payroll and deployed with the 14 Gozo Local Councils.

(c) Audit Matters

In collaboration with the National Audit Office (NAO), the Local Councils Association (LCA) and the Association of Local Council Executive Secretaries (ASKLM), the Local Councils Audit Procedures were amended to reflect new audit practices and regulations. These new procedures were explained to Mayors, Executive Secretaries and Council Accounts staff during an *ad hoc* seminar organised by the Department in conjunction with the LCA and the ASKLM.

(d) Training to Council members and staff

In the second quarter of 2007, a Training Seminar was organised to all Local Council Executive Secretaries and Mayors on *Local Government Financial and Audit Legislation*. This seminar was a

success in terms of course content, the attendance of Mayors and Executive Secretaries, participation and the interest shown.

(e) Euro Changeover

The Department was actively involved, as Euro Changeover Project Leader for local government, over the past two years. During the year under review, the Department coordinated a number of meetings with key stakeholders in order to monitor progress. In addition, a number of circulars were issued to all Local Councils as guidance. A Euro Councillor was also appointed in the majority of Local Councils to serve as a catalyst in his/her locality for the dissemination of information to local citizens.

The Department was also responsible to identify existing local government legislation that include currency as well as all electronic hardware and software that needed adjustments for the Euro conversion. The Department also facilitated arrangements with the Accounts software provider for the provision of services to all Local Councils with respect to the Euro conversion.

In conjunction with the NECC Information Officers, the NECC Public Sector Sectoral Committee, the LCA and ASKLM, information seminars were organised to all Local Council Executive Secretaries. This training programme was phased in two, one held in April and one in October 2007. In addition, a seminar on good practices experienced in Austria, was also facilitated in March in conjunction with the NECC whereby Euro Councillors and Executive Secretaries and another information seminar was held in April 2007.

DELEGATION OF FUNCTIONS TO LOCAL COUNCILS

(a) Local Enforcement (LES)

The Department was responsible for the co-ordination and provision of secretarial duties to the Local Enforcement System Committee (LESC) which was set up in October 2006 to manage the whole system of local enforcement (LES). During 2007 the LES met an average of once a month. In addition, several meetings were held with the key local enforcement stakeholders, including the Chairmen and Authorised Officers of the 10 Joint Committees (9 in Malta, 1 in Gozo), the Police, the ADT, the Licensing and Testing Department, the LES electronic system service provider, and the Local Warden Agencies.

The functions and operations of the LES included the evaluation and processing of applications by Local Councils for speed cameras and CCTVs, replies to queries by individuals and other entities, the issue of directives to LES Joint Committees, the preparation and publication of a Code of Ethics for Local Wardens, the formulation of a Code of Discipline for Local Wardens, and the review of the ETC modules for the Local Wardens training programme. With respect to Local Wardens the main objectives were: (a) to upgrade the status of the Local Warden position; and (b) to instil more discipline and ethical conduct in the performance of the functions and operations of Local Wardens.

(b) Petitions Board

The Department manages the Registry, Board of Petitions. This Board was set up in January 2006 in terms of Legal Notice 414 of 2005, empowering the Board Member to determine a petition submitted by any person who is charged or about to be charged with a contravention. Until the end of 2007, the Petitions Board received *circa* 20,000 petitions, of which 12,000 were processed.

Following a call for applications, towards the end of 2007, an officer-in-charge Registry, Board of Petitions was engaged. Also during this period, restructuring was done to three offices to house the Registry, including the archives of files.

MONITORING OF LOCAL COUNCILS' FUNCTIONS AND OPERATIONS

One of the major roles of the Department is that of monitoring the functions and operations of Local Councils to ensure that these operate within the parameters of the law. During the year under review, our monitoring function resulted in identifying irregular payments by Local Councils and meting out the necessary punitive measures. During 2007 the Department effected deductions amounting to € 34,479.39 (Lm 14,802) from several Local Councils for payments done not in accordance with the financial legislation, whereas 11 Councils had a total amount of € 11,395.29 (Lm 4,892) withheld for non submission of statutory documents. The Department also referred four cases of alleged breaches of a criminal nature to the Police for further investigation.

FIELD SERVICES UNIT

The Field Services Unit of the Department carried out the following activities:

- (a) Data inventory update was carried out in 40 localities.
- (b) Inspections with respect to efficiency of services carried out by Local Councils were carried out in all the 68 Local Councils. These were compiled in reports that were tabled in the House of Representatives.
- (c) The Field Services Unit was also involved in the provision of additional services to government and other entities, through the provision of data (eg financial allocation, measurements, locality inventories, etc) as well as the provision of locality maps.

NEW LEGISLATION

(a) Subsidiary Legislation

The Department was involved in the publication of eleven (11) subsidiary local government legislation. These included: Orders of Delegation of Administration of public property to Local Councils, regulations amending the Local Councils' Audit Procedures, the Local Councils' Financial Regulations and the Local Councils Human Resources Regulations, amendments to the First and Ninth Schedule to the Local Councils Act concerning respectively in the change in the coat-of-arms of Mosta and a change in the locality boundaries of San Gwann, amendment regulations adding more NGO's that can be given donations by Local Councils, regulations permitting the Department to charge fees for the provision of locality maps, and amendments to the Petitions Regulations enabling the suspension of all procedures before the Local Tribunal until a final decision on a petition is given by the Board Member.

(b) Local Council Bye-Laws

During year under review five Bye-Laws proposed by Local Councils were approved by the Minister responsible for local government. These were: the Msida and Sliema Local Councils Control of Pigeons Bye-Laws, the Mgarr Local Council Camps and Vehicles at Gnejna Bay Bye-Laws, the Fgura Local Council Advertisements on Street Furniture Bye-Laws, and the Ta' Xbiex Loitering in Specific Streets in Ta' Xbiex Bye-Laws.

The Mgarr Bye-Laws are innovative Bye-Laws that prohibit the installation of tents or the parking or placement of any vehicle on the sand at Gnejna Bay.

CONSULTATION MEETINGS WITH STAKEHOLDERS

The Department carried out consultation meeting with the key stakeholders, namely the Local Councils Association and the Association of Local Council Executive Secretaries.

Consultation meetings were also held with other ministries, government departments, non government organizations and other entities. These included the Parliamentary Secretary within the Ministry for Justice and Home Affairs, the Office of the Ombudsman, the National Audit Office (NAO), the Ministry for Rural Affairs and the Environment (MRAE), the Ministry for Urban Development and Roads (MUDR), Ministry for Gozo, the Office of the Attorney General, the Police, Management and Personnel Office (MPO), Planning and Priorities Co-ordination Directorate (PPCD), Public Registry Department, the National Council for the Promotion of Equality between Men and Women (NCPE), the National Euro-Changeover Committee (NECC), the Malta Tourism Authority (MTA), MEPA, Enemalta Corporation, the Internal Audit and Investigations Directorate (IAID), the Local Enforcement System Joint Committees, the Management Efficiency Unit (MEU), MITTS, Datatrak Ltd, Kullegg Nazzjonali ghall-Ilsien Malti, Wasteserv Ltd, HSBC, the UHM and GWU, the Forum Malta fl-Ewropa (MFE), and the Protocol and Consular Services (Ministry of Foreign Affairs).

INTERNATIONAL COMMITMENTS

Participation in International Seminars/Conferences/Meetings

During 2007 Department officials participated in international seminars and conferences as Malta representatives at the URBACT (EU Programme) Monitoring Committee and Council of Europe Steering Committee on Local and Regional Development and the Sub-Committee on Democratic Participation. In addition, the Director participated also at a Seminar held in The Hague on the EU Services Directive, the Forum on Local Democracy held in Sweden, and a High Level Meeting on Governance and the EU held in Portugal attended by senior state and local government officials responsible for regional and local government.

OTHER INITIATIVES/ACTIVITIES

Support for Youth Councils initiative by National Youth Council

The Department actively supported and assisted the National Youth Council (KNZ) in setting up Youth Local Councils in several localities around Malta and Gozo. The Director attended several meetings with the KNZ, including an *ad hoc* seminar that promoted the setting up of new Youth Local Councils.

Participation as local partners in the EU EQUAL Project

The Department participated as local partner in the EQUAL Project. The objectives of this project are: to reach out to the inactive segment of the Maltese population, particularly women, and encourage them to be part of, remain and advance in the labour market by promoting the uptake of opportunities in different fields; and to effectively make use of role models that have improved their employment status after they have undergone training and/or sought employment to develop their career.

Kumitat għall-Izvilupp tal-Libreriji Pubblici (KILP)

The Director, as member of the Kumitat għall-Izvilupp tal-Libreriji Pubblici (Committee for the Promotion of Local Public Libraries), facilitated the meetings and the activities of this committee, including meetings with several Embassies and other entities. Through the work of the KILP, the American Embassy donated a number of books to several regional and local libraries.

National Conference on Public Risk Management in Local Government

In conjunction with the LCA and the ASKLM, the Department organised a National Conference on Public Risk Management in Local Government that was attended by senior officials in the Public Service, Mayors, Councillors and Executive Secretaries. Speakers included foreign and local experts in the field of Risk Management, the Auditor General, the President of PRIMO Europe, and representatives of the Occupational Health and Safety Authority (OHSa).

Swearing-In Ceremony of Newly Elected Local Councillors

On 15 March 2007, the Department organized the ceremony for the swearing-in of the 140 Local Councillors elected on 10 March. The newly elected Councillors from 22 localities, namely: Birgu, Qormi, Siggiewi, H'Attard, Birzebbugia, Floriana, Gzira, Gharghur, Hamrun, Kercem, Luqa, Marsaxklokk, Mosta, Munxar, Paola, Qala, Hal-Safi, San Lawrenz, Santa Lucija, Swieqi, Xaghra (Gozo) and Zebbug (Gozo) took their oath of office in a ceremony attended also by guests and held at the Mediterranean Conference Centre. The 2007 Local Elections were contested by 242 candidates, of which 201 (83%) were male and 41 (17%) were female. Of the 140 successful candidates, 116 (83%) were male, and 24 (17%) were female, thus retaining the same proportion of male and female candidates. It is also interesting to note that 2 female Councillors were elected Mayors, and 15 former Mayors were reconfirmed as Mayors by the electorate.

Natalino Attard

Director, Local Government

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