THE LOCAL GOVERNMENT LAWS (MISCELLANEOUS AMENDMENTS) ACT, 1999

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THE UNITED REPUBLIC OF TANZANIA



No. 6 of 1999

Benjamin W. Mkaf President 14th April, 1999.

An Act to amend certain written laws pertaining to the local government and related Laws

Enacted by the Parliament of the United Republic of Tanzania.

PART I

PRELIMINARY PROVISIONS

1. This Act may be cited as the Local Government Laws (Miscellaneous Amendments) Act, 1999.

PART II

AMENDMENT OF THE LOCAL GOVERNMENT (DISTRICT AUTHORITIES) ACT, 1982

Construction, commencement and application Act No.7 of 1982

- 2.-(I) This Part shall be read as one with the Local Government (District Authorities) Act, 1982 herein referred to as "the principal Act."
- (2) This part shall come into operation on such dates as the Minister may, by notice, published in the *Gazette* appoint subject to subsection (3).
- (3) The Minister may, in exercising the powers under subsection (2), appoint different dates of commencement for different provisions in relation to such local government authorities as may be specified in the notice.

Amendment. of Section 3

- 3. The principal Act is amended in section 3 which relates to interpretation by-
 - (a) deleting phrase the "Area Commissioner" and substituting for it following definition the in the appropriate alphabetical order-

""District Commissioner" has the meaning ascribed to it by the Regional Administration Act No. 19 of 199/ Act, 1997, and -

- (i) when used in relation to a district means the District Commissioner for the District concerned; and
- (ii) when used in relation to a local

government
authority means
the District
Commissioner for
the district in
which that local
government
authority, is
established;"

- (b) generally deleting the title "Area Commissioner" wherever it appears in the Act and substituting for it the title "District Commissioner;"
- (c) deleting the definition "court" and substituting for it the following'court" means any court in mainland Tanzania of competent jurisdiction and

includes a ward tribunal established under the Ward Tribunals Act, 1985;"

Act No.7

- (d) by deleting the definition "Proper

 Officer" wherever the term appears in the Act.
- (e) the principal Act is amended by adding the following definition in its appropriate alphabetical order"service board" when used in relation to this Act means service board established in accordance with section 86A:

- 4. The principal Act is amended in section 4 by deleting subsection (3) and substituting for it the following subsections-
 - "(3) The Minister shall in exercising the powers and' discharging the functions under this Act, be guided and bound by the need to- promote decentralisation and the devolution of functions powers and services from the central government system to local government and within the local government- system from district

council levels to lower level of local government.

(4) The Minister shall endeavour to ensure that there is adequate financial and other resources for various sectors or aspects of local government so as to ensure the effective and efficient development of the local government system.

(5) The Minister shall-

ensure availability and (a supply of adequate personnel trained, skilled or qualified for work in various sections of local aspects government so as to secure the growth and development of an

- effective and efficient system of local government;
- (b) endeavour to ensure that
 the local government
 authorities are strong and
 effective institutions and
 that are more and more
 autonomous in managing
 their own affairs and
 they operate in a more
 transparent and
 democratic manner;
- (c) ensure that local authorities are accountable to the people and are generally so facilitated to improve their capacities towards

being stronger and effective in delivering services to their people"

(d) endeavour to ensure that there is available adequate financial and other resources for various sectors, or aspects of local government SO as to ensure the effective and efficient development of local government the system,

Amendment of section 23

5. The principal Act is amended in subsection (2) of section 23 by deleting the whole of subsection (2) and substituting for it the following-

"(2) The chief executive officer of the district council shall be the assistant registrar Of villages situated in the area of that district council."

Repeal of section 3 1

6. The principal Act is amended by repealing section 31 and substituting for it the following-

"Establish- 31.-(i) There is

ment of Ward hereby established

a ward Development

Committee Committee for every

ward established in the

area of every district

council'.

(2) Every Ward

Development Committee

shall consist of-

- (a) a councillor representing the ward who shall be a chairman or in his absence members shall elect a presiding chairman from amongst village Chairmen;
- (b) chairmen of all village councils within the ward;
- (C) any person who is

 a member of a

 district council by

 virtue of section

 35(1)(c) of this

 Act and who is

ordinarily resident in the ward;

- (d) any other persons who may be invited by the Committee who shall include persons from nongovernment alorganisations and other civic groups involved in the promotion of development in the ward but shall have no right to vote.
- (3) The Ward Executive Officer shall

be the Secretary of the ward development, committee.

- Development

 Committee shall ordinarily meet at least four times a year but may hold a special or extra-ordinary meeting whenever necessary.
 - (5) The Secretary of the ward development committee shall record the proceedings of the meetings and shall submit the minutes to the ward development committee and district

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council.

(6) The Ward Development Committee may for the purpose of coordinating the functions or projects amongst different wards, joint establish ward committees.

(7) The joint ward committee established under subsection (6) shall each consist of such members as may be determined by the ward development committee.

The funds and (8) resources of ward development committee shall consist of such sum as may be determined and appropriated by the district council for the purpose of the ward development committees.1)

- I Section 32 of the principal Act is amended by deleting subsection (1) and substituting for it the following.-
 - "(1) The Ward Development Committee shall be responsible for ensuring the implementation of the decisions and policies of the district council, and of the

development schemes, which relate to the and without prejudice to the ward, generality of that duty, shall, in particular, be responsible for-

- promoting the establishment (a) development of coand operative enterprises and activities within the ward;
- (b) the initiation or formulation of any task, venture or enterprise designed to ensure the welfare and well being of the residents of the Ward;
- the supervision coand (C) ordination of the implementation of projects and programmes of the district council within the ward;

- (d) planning and co-ordinating activities of, and rendering assistance and advice to the residents of the ward engaged in any activity or industry of any kind;
- (e) the formulation and submission to the Village Councils or to the district councils, of proposals for the making of bylaws in relation to the affairs of the ward.
- (f) monitoring revenue collection;
- (g) initiating and promoting participatory development in the ward;
- (h) supervising all funds established in and entrusted in the ward;

- (i) managing disaster and environment related activities;
- (i) promotion of gender issues.

Amendment of section 35

- 8. The principal Act is amended in subsection (1) of section 35 by adding paragraph (e) immediately after paragraph (d) as follows-
 - "(e) any other member of parliament whose nomination originated from organs of political parties within the area of jurisdiction of the district council."

- 9. Section 45 of the principal Act is amended in subsection (1) by adding paragraph
 - (e) immediately after paragraph (d) as follows:-
 - "(e) such number of women members who are qualified to be elected to the township authority being not less than one quarter of all the members referred to in paragraphs

(a), (b) and (c) to be proposed by the political parties represented in the township authority in such numbers as shall be proportional to the number of members of those parties elected to the township authority which the electoral authority shall declare to have been elected into the township authority."

- 10. Section 57 of the principal Act is hereby amended by deleting subsection (3) and substituting for it the following subsection-
 - "(3) As soon as may be practicable after the expiry of five years from the date when the village council was elected by the village assembly, the village council shall, in the manner prescribed by the Minister in the regulations convene a meeting of the

village assembly for the election of new members of the council."

- 11. Section 71 of the principal Act is, amended-
 - (a) by deleting the marginal notes and substituting for it the following:

 councillors or officers interest In contracts, agreements."
 - (b) in subsections (1), (2), (5), (6), (7),(8), (9) and (I 0) by inserting the word"or officer" after the word "member"wherever it occurs in thoseprovisions.
 - (e) in subsection (8) by deleting the phrase "two thousand shillings and substituting for it the phrase "three

hundred thousand shillings'

(d) in subsection (2) by deleting the term "proper officer" and substituting for it the title "Regional Commissioner."

Addition of section 7 1 A

12. The principal Act. is amended by adding section 7 1 A immediately after section 71 as follows:

councillors

liability

71 A. Where a councillor exercises the powers conferred on

him by this Act in abuse of the authority of his office then he as well as any other person involved in procuring the councillor to exercise power in abuse of authority, is guilty of

an offence and may be proceeded against in accordance with section

cap. 16 96 of tile Penal Code."

Repeal of section 74

13. The principal Act is amended in section 74 by deleting the whole of section 74 and substituting for it the following:

"Standing 74(1) Every district

Committee shall establish of the standing committees

Distric for-

- (a) Finance,
 Administration
 and Planning;
- (b) Education,
 Health
 and Water; and

- (c) Economic affairs
 works and
 environment.
- Notwithstanding (2) subsection (1) a district council such other may establish standing committees not exceeding three as may be necessary for the proper discharge of the functions of the council taking into account the local needs and priorities.
- (3) The Minister may by regulations published in the *Gazette* prescribe the limit of the number of committees that may be established by a district council and the annual cost of meetings of a council of its

committees and subcommittees.

- Any committee (4) appointed under this section may invite other persons who are not members of the district council to provide expertise and other assistance but such invited persons shall not take part in the final decisions of the committee.
- (5) The number of members standing of a committee established under this Act shall be such as may from time to time be determined by the district council.
 - Each standing (6)

committee other than standing committee for finance administration and planning shall consist of not more than one third of the members of the district council.

Repeal of section 76

14. Section 76 of the principal Act is hereby repealed.

Addition of section 86A

15. The principal Act is amended by adding immediately after section 86 the following section:

ment of council may, for the purpose service of discharging its functions

Board establish by instrument published in the *Gazette*, a service board for provisions

of services within its area of jurisdiction.

- (2) The constitution and tenure of office of a board established under subsection (1) shall be as may be determined by the Council in the establishment instrument or any other authority.
- (3) Every service board shall be accountable to the district council and shall perform such duties and functions as may be specified in the instruments of its establishment".

Repeal of section 96

16. The principal Act is amended by repealing section 96 and replaced with the following:

"Power to 96.-(I) Every township
establish Authority shall establish
Standing Standing committees
Committees for-

- (a) Finance,Administrationand UrbanPlanning;
- (b) Education, Health, and Water
- (e) Economic affairs, works and environment.
- (2) A township authority may establish not more than two other standing

committees which are necessary or expedient for the better performance of functions and the efficient management of the affairs and business of the township authority.

- (3) The term of office of the members of the committee shall from time to time be determined by the township authority.
- (4) A standing committee established under this section may invite such other persons, who are not members of the authority as may deem necessary for the efficient

execution of any task undertaken by it.

Addition of section I I A

17. The principal Act is amended by adding immediately after section III the following section:

for the functions specified in section I I I it shall be the objective of the local authorities in performing their functions-

(a) to give effect to
the meaningful
decentralisation in
political, financial
and administrative
matters relating to
the functions

powers,
responsibilities
and services at all
levels of local
government
authorities;

- (b) to promote and ensure democratic participation in, and control of decision-making by the people concerned; and
- (C) to establish and maintain reliable sources of revenue and other resources in order to enable local

government
authorities to
perform their
functions
effectively and to
enhance financial'
accountability of
local government
authorities, their
members and
employees.

- (2) In the performance of their functions, local government authorities shall-
 - (a) provide their services in an efficient and costeffective manner and foster co-

- operation with civic groups and other persons or authorities;
- (b) accord due recognition to, and promote, gender awareness; and
- (C) provide for the protection and proper utilization of environment for sustainable development.
- (3) Nothing in this Act shall be construed as prohibiting local government authorities from performing any function which is not the

exclusive responsibility of the central government or any other local government authority.

For the purposes of (4) subsection (3), the Minister may from time to time by Order published in the specify for Gazette, local authorities government any matters which are the exclusive responsibility of the central government and those of various levels of the local government authorities.".

Addition of section I 1 1 B

18. The principal Act is amended by adding immediately after section I 1. IA the following section:

"Public

1 1 1 B. The Minister may,

hearings

for the purpose of effective, efficient and participatory running of the affairs of local government authorities, by regulations published in the *Gazette* prescribe the procedure and the manner in which Public hearings shall be held in cases whenever a local government authority intends to carry out a scheme of major public interest.

- 19. Section 116 of the principal Act is amended by adding immediately after subsection (2) the following subsections:
 - "(3) There shall be freedom of speech and debate in any proceedings of

the district authority during meetings and such freedom of speech and debate shall not be liable to be questioned in any court or place outside the meetings of the district authority.

Notwithstanding the provisions, (4) of this section, a member of a district authority who exercises. the powers conferred on him by this Act in abuse of the authority of his office, commits an offence and, may be proceeded against in accordance with section. 96 of the Penal Code."

Cap. 16

- 20. Section 118 of the principal Act is amended
 - subsection (a) in (1) by adding immediately after paragraph (f) the following paragraph:

"(g) to take all necessary
measures to provide for the
protection and proper
utilization of the environment

for sustainable development.-

(b) by renumbering paragraph (g) as (h)

Repeal of section I 19

21. The principal Act is amended by repealing section 119 and substituting for it the following:

riperformance 119. Any district council may Perform any functions delegated to lawfully delegated to it as a local government authority by agreement with a central government or with the, district council or other local government, authority

or body within mainland Tanzania, whether or not it is a body corporate, adhering to conditions laid down in the agreement subject to such terms and conditions as may be agreed upon with the District Council which shall include the provision of sufficient resources to enable the council- to Perform such functions.,,"

Amendment 22. Section 120 of the principal Act is amended-

- (a) by inserting the words any organisation or body" before the words a "township" appearing .in the sixth line of subsection (1);
- (b) by inserting the words any organisation or body" before the words "the township" appearing in the first and second line of subsection (2);
- (C) by adding the following words at the end of subsection (2)-

as directed by the District Council.

Addition of section 120A

23. The principal Act is amended by adding immediately after section .120 the following section:

Abuse of 120A. Where a director

Authority or officer exercises the

by a powers conferred on him by

Director this Act in abuse of the a

authority of his office he as

well as any other person

involved in procuring the

director to exercise powers in

abuse of the authority

commits an offence and may

be proceeded against in

accordance with section 96

Cap. 16 of the Penal Code. 19

Repeal of 24. The principal Act is amended by repealing section 125 section 125 and substituting for it the following-

"Power to 125.-(I) A district council contract may enter into a contract with

any person in order to perform any of its functions under this Act.

(2) No district council shall, enter into any contract of supply of goods or materials, the execution of any works or the provision of any without service, complying with procedure of competitive tendering and other procedures set out in the Local Government Financial Memoranda issued in accordance with the Local **Government Finances**

(3) Any contract made by a district council shall be

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of 1982

Act No.9 of 1982

made in accordance with the Local Government Financial Memoranda issued under the Local Government Finances Act, 1982, if no provision in the memoranda which relates to the making of contracts, then in accordance with the standing orders or directions of the district council or, as may be appropriate, in accordance with the district council budget.

(4)- A person entering into a contract with an authority shall not be bound to enquire whether the entering by the council into the intended contract complies with the

standing orders of the council or with the directives of the authorities and all contracts so entered into by a district council shall if otherwise valid be valid, notwithstanding the standing orders or directions of the Minister not having been complied with. .

Amendment

of section 127

25. Section 127 of the principal Act is amended-

- (a) by deleting the designation "proper officer" wherever it occurs and substituting for it the designation "Regional Commissioner"
- (b) by adding the following new subsection immediately after subsection (4)
 - "(5) Notwithstanding the provisions of section 127, if the council is aggrieved by any of the decisions made by the Regional Commissioner under this section it may appeal to the Minister whose decision in the matter shall be final.

26. Section 135 of the principal Act is amended- Amendment

of section 135 (a) by deleting subsection (2) and substituting for it the following:

> "(2) No township authority shall enter into any contract for the supply of goods or materials or the execution of any works or the provision of any services, without complying with the procedure for competitive tendering and other procedures set out in the Local Government Financial Memorandum issued in accordance with the Local

Act No.9 of 1982 Government Finances Act.

by deleting subsection (4) and (b) substituting for it the following subsection:

"(4) A person entering into a

contract with a township authority shall not be bound enquire whether the to entering by the council to the intended contract complies with the standing orders of the township authority and all contracts entered into by a township authority, if otherwise valid, shall have force full and effect relation to the obligations of authority under them, the notwithstanding the standing directions orders or having been complied with".

Repeal of section 137

27. The principal Act is amended by repealing section 137 and substituting for it the

following:

66 Power to-

write off

arrears of

revenue,

cash and

stores

137. Subject to such

general or specific limitations

or conditions as the district

council may by order

published in Gazette, local

newspaper or a notice posted

at a notice board, specify in

relation to any township

authority or category of

township authorities, section

127 shall apply mutatis

mutandis to township

authorities in respect of the

power to write off arrears of

revenue cash and stores as if

references to a district council

in that section were references

to a township authority."

Repeal of sections 143, 1,44, 145 and ~ 146

28. Sections 143, 144, 145 and 146 of the principal Act are. hereby repealed.

Amendment of section 150

- 29. Section 150 of the principal Act is hereby amended-
 - (a) by deleting subsection (3) and substituting for it the following new subsection-
 - "(3) After the By-laws have been made by a district council they shall be lodged with the Regional Commissioner in the region in which the council is situated for comments by him; and the Regional commissioner shall, as soon as practicable, submit the by-laws to the Minister for his approval.
 - (b) by deleting subsection (S) and substituting for it the following:

"(5) The Minister may, before approving any by-law which affects a reserve or specific area or any other enacted law, consult the Minister responsible, for the relevant law or matter as the case may be.

Amendment of section 151

30. Section 151 of the principal Act is amended-

- (a) in subsection (3) by deleting the words "five thousand shillings" and substituting for them the words "three hundred thousand shillings."
- (b) in subsection (1)(c) by inserting after
 the word "Minister" the words
 "Regional Commissioner or local
 government authority"

Amendment of section 1 53

- 31. Section 153 of the principal Act is hereby amended-
 - (a) by renumbering the contents of section 153 as 153.-(1);
 - (b) by adding after subsection (1) the following subsection-
 - "(2) The Director may where
 he is satisfied that any person
 has committed an offence
 under any by-laws made
 under this Act, by order under
 his hand compound such
 offence by requiring such
 person to make payment of a'
 sum of money:

Provided that-

(a) such sum of money shall not be more than the

maximum fine provided for such the and offence the of whole of any amount or penalty levy such from due person;

- (b) the power conferred by this subsection shall only be exercised where the person admits in writing that he has committed the offence;
 - (C) give to the Person

from whom he receives such sum of money a receipt therefor."

Amendment 32. Of section 164

- Section 164 of the principal Act is amended
 - by renumbering subsection (a) (3) as subsection (2);
 - (b) by adding a new subsection (3) immediately after subsection (2) as follows:
 - "(3) Any by-law made by a village council under this section shall be in accordance with this Act and shall not contravene any written law and nothing in this

Act shall De deemed to
empower any village
council to make any
by-law which is
inconsistent with any
by-laws made by a
district or other local

government organ above the village council for the time being in force in relation to that Village Council".

Amendment of section 167

33. Section 167 of the principal Act is amended in subsection (1) by deleting the phrase -two thousand shillings" and substituting for it the phrase "fifty thousand shillings."

Addition of section 170

53

34. The principal Act is amended by adding immediately after section 170 the following section-

conduct may make regulations

prescribing the code of

conduct for councillors

of a local government

authority.

(2) Regulations made under subsection (1) shall be published in the *Gazette*.

Addition of Part VIIA 35. The principal Act is amended by adding immediately after section 174 the following Part-

"PART VIIA

FUNCTIONS OF THE CENTRAL GOVERNMENT IN RELATION TO LOCAL GOVERNMENT

Relations 1/4A In relation to the
with central powers and functions of
government district authorities conferred
by this Act the central,
government shall-

(a) facilitate the 'exercise of those powers and the discharge of those, functions in a manner that gives due recognition to the autonomy of local government authorities-

- (b) formulate a national policy and regulatory framework for the local government system;
- co-ordinate and (c) monitor the performance of local government for authorities compliance with policies, national and guidelines standards-
- (d) develop policies and provide for regulatory framework to

ensure that the district councils lead other development agencies in their areas of their jurisdiction in the proper execution and implementation of those policies;

(e) provide the necessary technical support or assistance to district councils for the development of

respective sectors in the districts;

(f) assist in work for the implementation of decisions and resolutions of district councils which affect the development of their respective sectors,

and central government shall have due regard to the need to recognise and enhance the role of local government authorities in the provision of services and supervision of

development activities within their respective areas. .

Amendment

58

of section 179

36. Section 179 of the principal Act is amended in subsection (1) by deleting the phrase "two hundred shillings" and substituting for it -the phrase "fifteen thousand shillings."

Amendment of section 180

37. The Principal Act is amended in section 180 by deleting the phrase "three hundred shillings" and substituting for it the phrase "twenty thousand shillings"

PART III AME NDMENT OF THE LOCAL GOVERNMENT (URBAN AUTHORITIES) ACT, 1982

Construction and application Act No.8 of 1982 38.-(I) This Part shall be read as one with the Local Government (Urban Authorities.) Act, 1982 in this Part referred to as "the principal Act",

- (2) This part shall come into operation OR such dates as the Minister may, by notice in the *Gazette* appoint subject to- subsection (3).
- (3). The Minister may in exercising the different powers under subsection (2), appoint dates of commencement for different provisions in relation to such local government authorities as may be specified in the notice.

Amendment of section 3

39. Section 3 of the the principal Act is amended-

- (a) by deleting a semicolon at the end of the definition "City Council" and adding the following phrase:
 - "and includes a City Council established under section 5 subject to section 7A of this Act;"
- (b) by deleting a semicolon at the end of paragraph (c) in the definition "the Council" and adding the following phrase:

"and includes the city Council established under section 5 subject to section 7A of this Act"-

by adding the phrase at the end of the definition "court" as follows-; and includes a ward tribunal

established under the Ward

Act No.7 Tribunal- Act, 1985"-, of 1985

(d) by deleting the definition "proper officer" wherever the term appears in the Act.

(e) by inserting at the appropriate alphabetical order the following definition''service board'' means the service board established under section 52A!'

Amendment of section 4

40. Section 4 of the principal Act is amended by deleting subsection (3) and substituting for it the following subsections-

(3) The Minister shall-

(a) ensure the availability and adequate supply of personnel trained, skilled or qualified for work in various sections or aspects of local government so as to secure the growth and development of an effective

- and efficient system of the local government;
- (b) endeavour to ensure that the local government authorities are strong and effective institutions that are more and more autonomous in managing their own affairs and that they operate in a more transparent and democratic rnanner;
- ensure that local government (c) authorities are accountable to the people and are generally so improve facilitated to their capacities towards being effective stronger and in delivering services to the people;

- (d) endeavour to ensure that there is available adequate financial and other resources for various sectors or aspects of local government so as to ensure the effective and efficient development of the Local government system.
- '(4) The Minister shall, in exercising the and discharging the functions powers under this Act, be guided and bound by the need to promote decentralisation and devaluation of functions, powers and services from the central government to the local government system and within the local government system from higher levels lower levels of urban to authorities."

Amendment of-section 5

- 41. Section 5 of the principal Act, is amended-
 - (a) by deleting subsection (1) and substituting for it the following subsection:

Subject to sections 7 440) 7A' and to other and provisions of this part, the Minister Order by may, 'in published the Gazette, area of any establish in Tanzania Mainland an appropriate urban authority or authorities."

- (b) in subsection (4) by deleting paragraph (c) and substituting for it the following paragraph-
 - 6,(c) A city council shall be known as the city and shall be

of such characteristics as to Jurisdiction, size, area. functions or other description as may be specified in the Order establishing it."

Amendment of section 7

- Section 7 of the principal Act is 42. deleting by subsection (1) and amended substituting for it the following subsection:
 - No urban authority shall be (1) established except in accordance with the procedure prescribed by this Act."

Addition of section 7A

The principal Act is amended by 43. adding immediately after section 7 the following section:

7A.-(I)Where it is "Procedure for intended to establish a city establishing council in respect of an area a city or areas of -urban authority council or authorities, the Minister in urban shall, by a two months notice authority published in the Gazette give notice of intention indicating its composition and jurisdiction and such other matters as the Minister may, deem necessary and call upon interested persons to lodge with him in writing any objections within such time as may be prescribed in the notice.

- (2) Where upon. the expiration of the notice, no objections are received from any person the Minister shall proceed to make and publish in the *Gazette* the establishment Order under section 5.
- Where objections are (3) Minister lodged with the pursuant to the notice given subsection(1), under the Minister take into may account the objections and may after consultation with president the determine whether or not to establish a city council.

The Minister shall, as (4) practicable after soon under making the order section (5), lay before tile National Assembly a copy of the notice issued under subsection (1) together with a Order of copy the under subsequently made section 5."

Amendment 44. of section 14 amended-

44. Section 14 of the principal Act is

- (a) in subsection (3) by inserting immediately after the word "Mitaa", the words "or village"
- (b) in subsection (4) by inserting immediately after the word "Mtaa", the words "or village.

- adding immediately by after (c) subsection (4) following subsection:
 - "(5) Every Mtaa shall hold meeting at least once in every two months and shall after the meeting submit the minutes of the meeting to the development ward Committee.

Addition of section 14A

The principal Act is amended by 45. adding immediately after section 14 the following section-

14A-(I) There shall be "Mitaa committees established a Mtaa committee in each Mtaa, which shall be composed of not more than six members elected from

amongst residents of the Mtaa.

- (2) The functions of the Mtaa committee established under subsection (1). shall be-
 - (a) to implement councils' policies;
 - (b) to advise the

 Council on matters
 relating to
 development plans
 and activities of
 the Mtaa;
 - (c) to advise the Ward
 Development
 Committee on
 matters relating to
 peace and security
 in the Mtaa.

- (d) to keep proper record of residents of the Mtaa;
- and to do such (e) other things as may be conferred upon it by ward development committee."

Amendment of section 15

- Section 15 of the principal Act is 46. amended
 - deleting subsection (a) (2) and substituting for it, the following subsections:
 - "(2) Every ward development committee shall consist of-

- (a) a chairman who shall be a member representing the ward in the urban authority and in his absence members shall elect a presiding chairman from amongst chairmen of the Mitaa;
- (b) chairmen of the Mitaa within the ward;
- (c) Councillors of urban authorities who are resident in the ward;

- (d) chairmen ofvillage councilwithin the ward
- (e) a person who 13 a member of. urban authority by virtue of section 19(1)(C), (2)(c) and (3)(c) of this Act and who is ordinarily resident in the ward'; and
- (f) other invited persons as may be determined by the committee but shall have no right to vote."

- (b) by deleting subsection (4) and substituting for it the following subsection:
 - "(4) There shall be a ward executive officer who shall be the Secretary to the ward development committee.
- (c) by renumbering subsection (3) as subsection (4) and subsection (4) as subsection (5).

Amendment 47. Section 16 of the principal Act 'is of section 16 amended-

- (a) in subsection (1) by adding immediately after paragraph (e) the following paragraph:
 - ordinate the activities of "Mitaa within the ward"

subsections-

- "(4) The council may for the purpose of co-ordinating the functions or projects amongst different. wards, establish joint ward committees;
- (5) The ward joint committees established under subsection (4) shall each consist of such members as may be determined by the council.
- of ward development committee shall consist of any sum as may be determined and appropriated by the

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council for the purposes of ward Committees."

Amendment 48. Section 19 of the principal Act is of section 19 amended-

- (a) by adding immediately after subsection (3) the following subsections:
 - "(4) A city council established subject to section 7A shall consist of the following members:
 - (a) a ma or elected by councillors of the urban authorities within the area of the city council from amongst elected councillors-

- (b) a deputy mayor elected by councillors of the city council from amongst elected councillors except that where the mayor is from one urban authority, the deputy mayor shall be from a different urban authority;
- (c) five members of parliament at least one from each urban authority, and at least one of whom shall be a woman, each elected from amongst themselves by members of parliament from and resident in the city.";
- (d) three councillors
 from each of the
 urban authorities
 and at least one of
 whom shall be a
 woman;

- (C) the mayor of each urban authority within the city council.
- (5) The mayor elected under subsection (4) shall hold office for a period of five years and may be eligible for re-election.
- (6.) A Deputy Mayor shall hold office for a period of one year and may be eligible for re-election to that office.
- (7) The city director shall be the Secretary at all meetings of the city council but shall have no right to vote;"
- (b) by renumbering subsection (4) as subsection (8).
- 49. Section 38 of the principal Act Amendment of section 38

- (a) in subsection (1) by inserting immediately after the word "member" the words officer"
- (b) in subsection (9) by deleting the words "district council" and substituting for it the words "urban authority"

Repeal of section 42

50. the principal Act is amended by repealing section 42 and substituting for it the following:

Standing 42.(1) Any urban

Committees authority other than a city

Council shall establish a

standing committees for-

(a) finance and administration;

- (b) economic affairs, health, and education;
- (c) urban planning and environment."
- Notwithstanding (2),subsection the council (1) may establish such other standing committees not exceeding three as may be necessary for proper the discharge of the functions of the council to local needs and priorities.
- (3) A city Council established under section 7A shall establish such committees as may be

determined by the Minister in the order establishing it.

- (4) Each standing committee except the standing committee for finance administration and shall consist of not more than one third of the members of the urban council.
- (5) The Minister may, by regulations published in the gazette prescribe the limit of the number of committees that may be established by an urban council and the annual cost of meetings of council, committees its and subcommittees.

established under this section may invite other persons who are not members of the council to 'provide expertise and other assistance but such, invited persons shall not have the right to vote."

Addition of section 52A

51. The principal Act is amended by adding immediately after section 42 the **following section-**

of Service authority may for the
Board purpose of discharging its
functions within its area,
establish by instrument
published in the Gazette.

such service boards as it may deem necessary.

(2) A Service board established under subsection (1) shall be answerable to the authority urban and shall perform such duties and functions exercise such as specified in may be the instrument establishing it"...

- Amendment of section 54.
- 52. Section 54 of the principal Act is amended-
 - (a) by deleting the marginal note and substituting for it the following-

"Objectives and functions of the local government . authorities;";

- (b) in subsection (l) by adding immediately after paragraph (c) the following paragraphs-
 - 44(d) to take necessary
 measures to protect/and
 enhance the
 environment in order to
 promote sustainable
 development.
 - to give effect to the (e) meaningful decentralisation in political, financial and administrative matters relating to the functions, power, responsibilities and services of all levels government of local authorities;

- (f) to promote and ensure democratic participation in, and control of, decision-making by the people concerned; and
- to establish and maintain (g) reliable of sources other revenue and resources enabling local government authorities perform their functions effectively -and financial enhance to accountability of local government authorities, their members and employees."-,

- "(2) in the performance of then-functions, local government authorities shall
 - their (a) provide services in an efficient and costeffective manner foster coand operation with civic other and groups or persons authorities;
 - (b) accord due recognition to, and promote gender awareness,.

- (3) Nothing in this Act shall be construed as prohibiting local government authorities from performing any function which is not the exclusive responsibility of the central government or of any other local government authority
- For the purposes of (4) subsection (3), the Minister may from time to time by order published in the specify for urban Gazette, authorities any matters which are the exclusive responsibility of the central government and those of any

No. 6

other local government authority."

by renumbering subsection (2) as (d) subsection (5).

Addition of section 54A

The principal Act is amended by 53. the immediately after 54 adding section following section-

> 54A. In relation to the ⁴⁶Relations with powers and functions Of Urban Central authorities conferred by this Government Act, the central government shall-

> > (a) facilitate the of those exercise powers and the discharge of those function in manner that gives

due recognition to the autonomy of local government authorities-

- (b) formulate a national policy and regulatory framework for the local government system in urban areas;
- (c) co-ordinate and monitor the performance of urban authorities for compliance with nationals. policies, guidelines aid standards; and

(d) have due regard to need the to recognise and enhance the role of local government authorities in the of provision and services of supervision development activities within respective their areas.

policies (e) develop provide for and regulatory and framework that the ensure authorities urban

shall lead other
development
agencies in their
area of jurisdiction
in the proper
execution and
implementation of
those policies;

- (f) provide the necessary technical support to urban authorities for the development of respective sectors in their areas;
- (g) assist in work for the implementation of decisions and resolutions of the

urban authorities
which affect the
development of
-their, respective
sectors;"

Amendment of section 58

- 54. Section 58 of the principal Act is amended by adding immediately after subsection (2) the following subsections:
 - "(3) There shall be freedom of speech and debate in any proceedings of the urban authority during council meetings and such freedom of speech and debate shall not be liable to be questioned in any court or other place outside the councils meetings.
 - (4) Notwithstanding the provisions of this section, any member of an urban authority who exercises the powers

conferred on him by this Act in abuse of the authority of his office, commits an offence and may be proceeded against in accordance with section 96 of 'the Penal Code.¹⁹

Cap. 16

Amendment of section 67

- 55., Section 67 of the principal Act is amended by adding immediately after subsection (2) the following subsection:
 - Where a director exercises the powers conferred on, him by this section in abuse of the authority of his office, then, he as well as any other person involved in procuring the director to exercise the power in abuse of authority commits an offence and may be proceeded against in accordance with section 96 of the Penal Code. 55

Addition of section 69A

and a

subheading

56. The principal Act is amended-

(a) by adding a new subheading and section 69A as follows-

"C-Functions of the City Council

established subject to section 7A "

functions 69A. The

of the Functions

city of tile city

council council

shall be:

(a) to co-

ordinate the

powers and

functions of

the urban

authorities

regarding

infrastructure

and land use planning; (b) to prepare a coherent city-wide frame work for the of purpose enhancing sustainable development; (c) to promote co-operation between the city council and, or amongst

local

government

authorities

within the

city area;

(d): to cleal with

all matters in

which there!

is an inter-

dependancy

among the

urban

authorities;

(e) to support

and facilitate

the overall

functioning

and

performance

of the urban

authorities;

- (f) to provide peace and security and emergency services such as fire prevention and control, ambulance and police;
- (g) to perform such other functions may be agreed upon between the City Council and other urban

authorities;

and

- (h) to perform major functions relating to protocol and ceremonies.
- (b) by renumbering subheading "C" as subheading "D".

Addition of section 78A

57. The principal Act is amended by adding immediately after section 78 the **following section:**

"Power of 78A In relation to the

Regional exercise of powers and

and performance of functions of

District local government authorities

Commissioner conferred by this Act, the role

of the Regional

Commissioner and of the

District Commissioners shall

be to investigate the legality when questioned of actions and decisions of local government authorities within their areas of jurisdiction and to inform the Minister or take such other appropriate action as may be required."

58. Section 81 of the principal Act is amended in subsection (5) by deleting the word "consent" which appears in the first line and substituting for it the word "approval";

Amendment
Of section 9 I

Amendment of section 88

- 59. Section 88 of the principal Act is amended-
 - (a) by deleting the phrase "five thousand shillings" and substituting for it the phrase "fifty thousand shillings".
 - (b) by adding immediately after subsection (2) the following section:

"(3) The Director may, where he is satisfied that any person has committed an offence under any by-laws made under this Act, by order under his hand compound such offence by requiring such person to make payment of a sum of money;

Provided that:-

(a) such sum of money shall not be more than the maximum fine provided for such

offence and
the whole of
the amount
of any levy
or penalty
due from
such person;

(b) the power conferred by this subsection shall only be exercised the where person admits Ш writing that has he committed

the offence;

the Director (c) shall give, to person the from whom he receives such sum of an money official receipt therefor."

Amendment of section 92

60. Section 92 of the principal Act is amended in paragraph (c) by deleting the words "five hundred" and substituting for it the words "fifty. thousand".

Amendment of section 93

Section 93 of the principal Act is 61.

amended in paragraph (b) of subsection (1) by deleting the words "two hundred" and substituting for it the words "fifty thousand"

Amendment of section 94

62. Section 94 of the principal Act is amended by deleting the words "three hundred" and substituting for them the words "fifty thousand".

Addition of . A. 109A

63. The principal Act is amended by adding immediately after section 109 the following section:

the Code of 10.9A.-(l) The Minister may, by regulations published in the *Gazette*, establish a code of conduct for members of urban authorities.

PART IV

THE AMENDMENT OF THE LOCAL GOVERNMENT FINANCE ACT, 1982

Construction and application Act No.9 of 1982

- 64.-(]) This Part shall be read as one with the Local Government Finances Act, 1982 in this Part referred to as "the principal Act"
- (2) This part shall come into operation on such dates as the Minister may, by notice in the *Gazette* appoint subject to subsection (3).
- (3) The Minister may in exercising the powers under Subsection (2) appoint different dates of cornmencement for different provisions in relation to such local government authorities as may be specified in the notice.

Amendment of section 4

65. Section 4 of the principal Act is amended-

(a) by adding immediately after the definition "authority" the following definition:

"blockgrant" means subvention whether conditional or unconditional granted to a local government authority by the central government under section I OA; "

(b) by adding immediately after the definition "district authority" the following-

"equalisation. grant" means subvention granted by the central government in agreement with the local government authorities to enable least developed local

authorities meet the cost of services based on the degree to which a local government unit is lagging behind the national standard.

(c) by deleting the definition "proper officer", wherever the term appears in the Act;"

Addition of section 9A

66. The principal Act is amended by adding immediately after-section 9 the following section:

"power of 9A .-(I) No person shall
the alter any item or revenue

Minister source that may affect the
local government authority or
authorities without
consultation with the Minister

responsible for local government.

(2) Notwithstanding sections 6, 7, 8 and 9(1)- of this Act, the Minister may, after consultation with other stakeholders, by regulation decide on the distribution of sources of revenue among various levels of councils."

Amendment 67. Section I 0 of the principal Act is of section 10 amended-

- (a) in subsection (3) by adding immediately after paragraph (e) the following paragraph:
 - "(f) Such sum as the

 Minister may after

 consultation with the

Minister responsible for finance determine as being the costs incurred by the district council on the provisions and of maintenance agriculture and livestock. extension services within the area district t he o f authority."

(b) by deleting subsection (6).

Addition of section 10A

68. The principal Act is amended by adding section 10A immediately after section 10 the following section:

"Block grants

to local

government

authorities

10A -(I) There

shall be paid annually to an urban authority by

way of block grants

from the public revenue

of the United Republic

the following amounts,

for which payment

there shall be no further

authorization other than

this section such sum as

the Minister may after

consultation with the

minister responsible for

finance determine as

being the cost to be

incurred.by the urban

authority for

development and

maintenance of services particularly education, health, water, roads and agriculture.

(2) There shall be paid annually a district council by way of block grants from the public revenue of the United Republic the following amount for which payment there' further shall be authorization other- than this -section such sum as the Minister May after consultation with the Minister responsible for finance, determine

being costs to be incurred by the district council in the provision . of essential social service; particularly health, education, roads and water, agriculture.

Payment of (3) block grants under subsections (1) and (2) may vary from one local authority to another depending on grades the and standards as may be prescribed by the Minister.

(4) The government where it is may, satisfied that a particular local authority has a weak revenue base, pay to that local authority an equalization grant to enable it to provide maintain and develop necessary other services within its area.

The Minister (5) regulation by shall, the published in the gazette, prescribe for the criteria of provision equalization grant.

Amendment of section 19

- 69. Section 19 of the principal Act is amended in item (iv) of paragraph (b) of subsection (1) by deleting item (IV) and substituting for it the following item
 - any tenement specifically exempted by the council in writing except that the Council shall in making the exemption ensure that there are other sources of revenue to compensate for the revenue of exempted tenement and the exemption is immediately reported to Regional the Commissioner and copied to the external auditor"

Amendment of section 21

70. of Principal Act is Section 21 amended-

- (a) in subsection (1) by deleting the subsection (1) and substituting for it the following-
 - "(I) Any person who neglects, fails, or refuses to pay any rate payable by him to a local government authority under this Act, commits an offence and is liable on conviction to a fine not exceeding fifty thousand shillings or to imprisonment for a term not exceeding three months unless he proves that the apparent neglect, failure or refusal, was due to provable circumstances beyond his control";

(b) in subsection (4) by deleting the phrase "one thousand" and substituting for it the words "fifty thousand"

Amendment of section 22

71. Section 22 of the principal Act is amended in by deleting the words "one thousand" and substituting for them the words "fifty thousand".

Amendment of section 23

72. Section 23 of the principal Act is amended in paragraph (b) by deleting the words *one thousand" and substituting for them the words "fifty thousand".

Amendment of section 2-5

- 73. Section 25 of the Principal Act is amended-
 - (a) in subsection (1) by deleting the words "one thousand" and

- substituting for them the words "fifty thousand";
- (b) in subsection (2) by deleting the words "five hundred" and substituting for them the words "fifty thousand";
- (c) in subsection, (3) by deleting the words "five hundred" and substituting for them the words "fifty thousand".

Amendment of section 27

74. Subsection 27 of the principal Act is amended in paragraph (d) by deleting the words "one thousand" and substituting for them the words "fifty thousand".

Amendment of section 28

75. Section 28 of the principal Act is amended by deleting subsection (1) and substituting for it the following subsection-

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- appoint a person or persons as (a) agents for the collection of rates imposed by the authority on the person or persons who are not within its area of jurisdiction; and
- (b) enter into such agreement as it may deem necessary with a person or persons so appointed as to the performance of the functions his and to remuneration. 19

Amendment of section 33

Section 33 of the principal Act is 76. amended by deleting subsections (1), (2) and (3)

Amendment

- *77*. of section 34 amended-
- (a) In subsection (1) by deleting the term -proper officer" and substituting for it the title "Minister";

Section 34 Of the Principal Act is

(b) by deleting subsections (2) and (3)

Amendment Of section 35

- 78. Section 35 of the principal Act is amended by deleting subsection and substituting for it the following subsection:
 - "(2) A local government authority may instead of providing any service which it is authorized to provide make a financial contribution or management to the service board established under the local government Acts, where the board is providing the service or so that it may

provide the service within the area of that local government authority"

Repeal of section 37

79. The principal Act is amended by repealing section 37 and substituting for it the following-

"Advances	37 A local
and	government authority
deposits	may make advances
	and operate deposit and
	suspense accounts."

Amendment of section 38,

80. Section 38 of the Principal Act is amended by deleting the phrase "with the prior approval of the proper officer from time to -time" which appears in the second line of the section.

Repeal of section 43

81. The principal Act' is amended by repealing section 43, and substituting for it the

following-,

Estimates

43.-(I) Every local government -authority shall, not less than two months before the beginning of every financial year, at a meeting specially convened for the purpose, pass a detailed budget (in this Act called "annual budget") of the estimates of the amounts respectively-

(a) expected to be received; and

- (b) expected to be disbursed,
- by the authority during the financial year, -and whenever circumstances so require, an authority may pass a supplementary budget in any financial year.
- officer shall for the purpose of obtaining advice regarding national policies, programmes and financial regulations, arrange a meeting with the Regional Secretariat at. any time before the passing of the councils' annual or supplementary budget.

- (3) The annual budget and every supplementary budget shall be in such form and include such details as the Minister may direct.
- (4) Where a budget is, not approved or disapproved by the local government authority before the commencement of the financial year for which it is prepared, the chief executive officer of the authority concerned authorize may expenditure, in accordance with the budget up to fifteen percent of its revenue for the preceding year

- (5) Where the local government authority approves the annual budget or supplementary' budget as a budget whole, the as approved shall be binding on the local government authority, which shall confine its disbursement within the items and amounts contained in the applicable estimates as approved..
- (6) Subject to the provisions of any financial memoranda relating to it, a local government authority may by resolution-
 - (a) adjust expenditure limits to take

account of
circumstances not
reasonably
foreseable at the
- time the budget
was prepared-,

- (b) authorize the of expenditure money appropriated for any one purpose in approved an. budget on any purpose other contained in the budget.
- (7) Where a Local Government Authority has not, within three months of

the beginning of the financial year, approve its budget, the Minister shall take such appropriate action he considers necessary including the power to direct that the council shall not make any without his expenditure approval.

Where at any time (8)during the implementation of the annual or supplementary budget it appears the local Minister that a government authority is in contravention of any national policies, guidelines or take standards, he shall appropriate measures to ensure that these are complied with and, for that purpose, may issue directives 'for the implementation of those measures, and such directives shall be binding on the local government authority."

Repeal of section 44

82. The Principal Act is amended in section 44 by repealing section 44 and substituting for it the following-

'Access to

44. The -Regional

Commissioner may

of Local! authorise in writing any

Government person to have access to the

authorities records of an authority and a

person so authorized shall at

all reasonable times have

access to and be entitled to

inspect all books of
accounts and records of the
authority and may advise the
authority on the matters
contained in them and submit
a report to the Regional
Commissioner in connection
with the records"

Amendment of section 45

83. Section 45 of the principal Act is amended in:-

- by deleting subsection (2) and substituting for it the following subsection:
 - "(2) The accounts, of a township authority shall be audited by such auditor as may be appointed in that behalf

by the Minister, or by a public officer or local authority authorized by the Minister.";

(b) by deleting subsection (3) and substituting for it the following subsection:

"(3) The accounts of a village council shall be audited by such public officer or. organisations as the district council or as the case may urban council may in writing direct".

Amendment of section 64

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84. Section 64 of the principal Act is amended by deleting the words "two thousand"

and substituting for them the words "'fifty thousand".

PART V AMENDMENT OF THE LOCAL **GOVERNMENT SERVICE ACT, 1982**

Construction A tNo.10 of 1982

- 85.-(I) This Part shall be read as one with the Local Government Service Act in, this part referred to as "the principal Act."
- This part shall come into operation on such dates as the Minister may, by notice in the Gazette appoint subject to subsection (3).
- (3) The Minister may in exercising the powers under subsection (2) appoint different. dates of commencement for different provisions in relation to such local government authorities as may be specified in the notice.

Addition of section 20A

86. The Principal Act is amended by adding immediately after section 20 the following section:

code of 20A The Minister

conduct may by regulations

published' in the Gazette,

prescribe the code of conduct

for employees of the local

government authorities.

Addition of section 33A

87. The principal Act is amended by adding immediately after section. 33 the following section:

Power to

33A.-(I) Notwithstanding the provisions of this Act,
every specified local
government authority may
subject to subsections (2) and

(3) appoint, remunerate,

Promote, develop, discipline and dismiss its own employees.

- (2) The Minister shall, by regulation published in the. prescribe Gazette the procedure and manner which specified local government authorities referred to in subsection (1) shall appoint remunerate, promote-, develop, discipline and dismiss categories of employees as may be prescribed by the Minister.
- (3) The specified local government authorities shall, for all matters regarding employment an& policies

scheme of service, be guided

by the local government

service commission

established under this Act"

PART VI

AMENDMENT OF LOCAL GOVERNMENT

NEGOTIATING MACHINERY ACT, 1982

- 88. This Part shall be read as one with Construction Act No. II the Local Government Negotiating Machinery of 1982 Act, 1982, in this Part referred to as "the principal Act.
- 89. Section 4 of the principal Act is Amendment amended by deleting the definition "trade union" of section 4 and substituting for it the following definition.

"trade union" means any registered workers union whose members are employees of a local government authority."

90. Section 5 of the principal Act is Amendment amended by deleting the acronym "OTTU" and of section 5 wherever the acronym appears in the Act and substituting for it the phrase "any Local government workers union or unions as may be determined by the Minister".

PART VII

AMENDMENT OF THE REGIONAL ADMINISTRATION ACT, 1997

Construction Act No. 19

of 1997

91. This Part shall be read as. one with -the Regional Administration Act, 1997, in this Part referred to as "the Principal Act.

Amendment of section 3

92. Section 3 of the principal Act is amended in section 3 by deleting the definition "Minister" and substituting for it the following definition:

Minister" means the Minister responsible for regional administration and local government. 15

Amendment of section 20

93. Section 20 of the principal Act is amended in subsection (2) by deleting the word "Secretariat" and substituting for it the word "Secretary".

PART VIII

AMENDMENT OF THE URBAN AUTHORITIES (RATING) ACT, 1983

Construction

Act No. 2 1983

- 94. -(I) This Part shall be read as one with the Urban Authorities (Rating) Act. 1,983, in this Part referred to as "the Principal Act. 55
- (2) This part shall come into operation on such dates as the Minister may, by notice in the Gazette appoint subject to subsection (3).
- (3) The Minister may in exercising the powers under subsection (2) appoint different dates of commencement for different provisions in relation to such local government authorities as may be specified in the notice.

Amendment section 2

95. Section 2 of the principal Act is amended by deleting subsection (2) and substituting for it the following:

"(2) The council may exempt any part of the area of its jurisdiction from the application of all or any of the provisions of this Act. 95

Amendment of section 4

- 96. Section 4 of the-Principal Act is amended by deleting subsection (1) and substituting for it the following:
 - "(1) The local government authority of the higher level shall subject to this Act appoint a valuation surveyor who shall be responsible for the preparation of a roll or supplementary roll for all the rating authorities within its area of jurisdiction."
- 9.7. Section 5 of the principal Act is amended in the last sentence of subsection (2) by deleting the words "two thousand" And substituting for them the words "fifty thousand".

Amendment of section 7

- 98. Section 7 of the principal Act is amended-
 - (a) in item (ix) by deleting of the item and substituting for it the following:
 - "(ix) such other property as the urban authority may prescribe"
 - (b) by deleting subsection (2).

Amendment of section 8

- 99. Section 8 of the principal Act is amended by adding immediately after subsection (3) the following, subsection:
 - "(4) Notwithstanding subsections (1) and (3) of this section, the rating authority may, where it deems it necessary or expedient, require the owner of the rateable property to furnish the authority with the value of the property.

Amendment of section 13

- I00. Section 13 of the principal Act is amended by adding immediately after subsection (2) the following subsections:
 - "(3) A person who has lodged an objection under subsection (1) may, at any time before the date fixed for hearing by the tribunal, withdraw his objection.
 - (4) The withdrawal of objection under subsection (3) shall be made in the prescribed form. ¹⁵

Amendment of section 16

- 101. Section 1-6 of the principal Act is amended by deleting subsection (2) and substituting for it the following subsection:
 - "(2) The rates levied under this section shall be distributed among various levels of local government authorities in accordance with the regulations made by the Minister

No. 6

under the provisions of the Local

Act No.9 Government Finances Act, 1982,

of 1982 regarding the distribution of sources of revenue.

Amendment 102. Section 23 of the principal Act is of section 23 amended-

(a) by deleting subsection (l) and substituting for it the following:

and any other provisions of remission this Act, the rating of rates authority may reduce or remit any rate levied on any rateable property..

- (b) by adding immediately after subsection (1) the following:
 - "(2) The rating authority shall in making the remission

or reduction under subsection
(1) ensure that there are other
sources of revenue to
compensate for the revenue
of remitted or reduced levy
and the remission or reduction
is reported to the Regional
Commissioner and copied to
the external auditor.",

- (c) in subsection (4) by deleting the words "two thousand" and substituting for them the words "fifty thousand";
- (d) by renumbering subsections (2) as (3), (3) as (4) and (4) as (5).

Amendment of section 26

103. Section 26 of the principal Act is amended in subsection (2) by deleting the phrase "upon the resolution of the rating authority in that behalf."

PART IX

AMENDMENT OF THE DISTRICT CORPORATIONS ACT, 1973

Construction Act No. 16 of 1973 104. This Part shall be read as one with the District Corporations Act, 1973 in this Part referred to as "the principal Act."

General

Amendments

105. The principal Act is generally amended by deleting the title "District Corporations" and substituting for it the title "District Development Corporations."

Amendment of section 2

106. Section 2 of the principal, Act is amended by deleting the definition "district", "Minister", "Regional Development corporation" and substituting for them following definitions in respective appropriate alphabetical order:

"district" means all the area which is wholly within the jurisdiction of a local authority;

"Minister" means the minister for the time being responsible for regional administration and local government; 107. Section 3 of the principal Act is amended,

Amendment of section 3

(a) by deleting the marginal note and substituting for it the following:

"Local authorities to establish district development corporations":-

- (b) by deleting subsection (1) and substituting for it the following:
 - '(1)A local government authority or two or more local government authorities may, instrument establish a by development district corporation for the carrying on of the commercial industrial activity or enterprise which may be specified in the establishment instrument.

Repeal of section 4

108. the principal Act is amended by repealing section 4 and substituting for it the following:

"Shareholding

4. Where a district

District

development corporation

Development

is established under section 3,

Corporations

the local authority of the

district or local authorities of

the districts for which

the corporation is

established shall

subscribe for all the

shares of the

corporation. 19

Repeal of section 6

109. The principal Act is amended by repealing section 6 and substituting for it the following:

Establishment

6, Where a local

of District

government authority

Corporations

or authorities establish

any district corporation

amendment of section 6A

under the provisions of this Act, the local government authority or authorities shall by regulation provide for the management of the District Corporation."

- .110. Section 6A of the principal Act is amended by deleting the word "Minister" wherever it appears and substituting for it the words "local government authority"
- amended by deleting the word "Minister" amended by deleting the word "Minister" wherever it appears and substituting for it the words "local government authority".
- 112. Section 6C of the principal Act is *Amendment* amended in subsection (2) by deleting the word of section 6C "Minister", and substituting for it the words "local government authority".
- 113. Section 7 of the principal Act is Amendment amended by deleting the word "Minister" and, of section 7 substituting for it the words "local government authority"

Repeal of section 8

114.,, The principal Act is amended by repealing of section \$ and substituting for it the following-

,"Establishment office

8. Subject to such exceptions as a local government authority may in any case allow, no district corporation shall establish an office for the corporation without the written consent of the local government authority."

Repeal of section 9

115. Section 9 of the principal Act is

repealed.

Amendment' of section 10

amended by deleting the word "Minister" and substituting for it the words "local government authority".

Amendment

117. Section I I of the principal Act is amended-

of section I I

(a) by deleting the word "Minister" and substituting for it the words "local government authority"*

(b) by deleting the phrase "United Republic" which appears in paragraph (a) of subsection (4) and **substituting** for it the words "local government authority"

Amendment of section 12

118. Section 12 of the principal Act is amended-

- (a) by deleting the word "Minister" and substituting for it the words "local government authority"-
- (b) by deleting subsection (1) and substituting for it the following:
 - '(1) In the event of the dissolution of any district development corporation under the provisions of this Act, the local government authority shall as soon as may

practicable after the be effective date, cause the accounts and activities of the development district fully be to corporation auditors by examined appointed by the local government authority and the auditors shall prepare or cause prepared audited be to of the sheets balance corporation and profit and loss accounts for the period expiring on the effective date and the auditors shall submit their report of the balance sheets and profit and loss the local account to government authority.,

- (c) by deleting the phrase "consolidated fund" which appears in subsection (3) and substituting for it the words "funds of the local Authority"
- (d) by deleting the whole of subsection (4) and substituting for it the following:
 - "(4) Compensation payable under this section shall be paid in such manner and by such instalments as the local government authority may direct."

Arnendment of section 13

- 119. Section 13 of the principal Act is amended by deleting subsection (1) and substituting for it the following:
 - "(1) Where a local government authority dissolves any district development

corporation . under this Act the local government authority may, by order in the Gazette, determine the rights and privileges of any employee of that district development corporation,.

Repeal of section 14

120. The principal Act is amended in by repealing section 14. and substituting for it the following-

"Delegation of powers

14.-.(I) 'The Minister, or as the case may be the local government authority may by order published in the *Gazette* delegate any of their, functions under this Act to any public officer.

(2) Notwithstanding subsection(1) the Minister or as the case maybe the local government authority

shall not delegate the power to establish or dissolve a district or regional development corporation."

121. Section 16 of the. principal Act is amended by deleting the word "Minister" and substituting for it the words 'Local government authority".

Amendment of section 16

Passed in the National Assembly on the 12th February, 1999

Clerk of the National Assembly