

Royal Government of Bhutan

Ministry of Works and Human Settlement

Thimphu: Bhutan



Thromde Rules, 2011
of
The Kingdom of Bhutan



དཔལ་ལྷན་འབྲུག་གཞུང་། རབ་མ་རྟོག་ལྷན་ཁག།

**ROYAL GOVERNMENT OF BHUTAN
MINISTRY OF WORKS & HUMAN SETTLEMENT
POLICY AND PLANING DIVISION**



Foreword

Pursuant to the powers granted by the Local Government Act 2009, enacted by the first Parliament in its 3rd session on the 15th day of March 2010, the Ministry of Works and Human Settlement hereby adopts the Thromde Rules of the Kingdom of Bhutan, 2010. These Rules are intended to facilitate and assist the Thromdes in addressing their challenges as they evolve from rural economy to urban society of rapid economic growth and urbanization.

The urban population is growing and will continue to grow in the years ahead. It is projected that the urban population would reach 50% of the total population by the year 2020. Therefore, the administration, management, planning, infrastructure development and provision of essential services in a sustainable manner by facilitating direct participation of the people in the development and management of their social, economic and environmental well being is vital for the Thromde and its residents.

These Rules provide for a democratic and accountable government for local urban communities and sets forth criteria to enable the government to establish and upgrade Thromdes. It also provides for setting up of bodies to administer and promote good governance for Class B and Yenlag Thromdes. Furthermore, these Rules empower the Thromdes to provide essential services, review and implement physical plans, to promote public participation in decision making and to manage the resources and growth of the Thromde in a sustainable manner for the general well being of the residents of the Thromde.

I hope these Rules in conjunction with the Local Government Act 2009 will enable Thromde Tshogde to govern and administer Class A Dzongkhag Thromdes while also facilitating the Dzongkhag Tshogdu to provide overall governance for Class B and Yenlag Thromdes.

The Thromde Rules shall come into force from the 15th day of the 7th month of the Iron Male Tiger Year corresponding to the 12th day of September, 2011.

Tashi Delek

(Yeshey Zimba)
Minister

Ministry of Works and Human Settlement

Table of Contents

CHAPTER - 1: PRELIMINARY	1
Title, Extent and Commencement	1
Repeal and Saving	1
Objective of these Rules	1
CHAPTER - 2: OBJECTIVES, ROLES AND FUNCTIONS OF	
THROMDE	2
Objectives of Thromde	2
Roles of Thromde	2-3
General Functions of a Thromde	3-5
CHAPTER – 3: DECLARATION OF THROMDE AND	
REPRESENTATION TO DZONGKHAG TSHOGDU	5
Types of Thromde	5
Seal of the Thromde Tshogde	5
Class A Dzongkhag Thromde	6
Procedure for Declaration of Thromde	6
Criteria for Declaration of a Class A Thromde	6-7
Criteria for Declaration of a Class B Thromde	7
Criteria for Declaration of a Yenlag Thromde	7
Applying the Criteria	8
Representation to Dzongkhag Tshogdu	8
Decision of Dzongkhag Tshogdu	9
CHAPTER – 4: THROMDE TSHOGDE	9
Composition of Thromde Tshogde	9
Chairperson and Deputy Chairperson of the Thromde Tshogde	9-10

Tenure	10
Resignation	10
Powers and Functions of the Thromde Tshogde	10-12
Powers and Function of the Thrompon	12

CHAPTER – 5: THROMDE TSHOGCHUNG AND COMMITTEES 13

Thromde Tshogchung and Yenlag Thromde Tshogchung	13
Committees	14
Functions of a Thromde Tshogchung	14
Spatial Planning Committee	14-15
Urban Village /Zone Committees	15
Enforcement Committee	15
Composition of Enforcement Committee	15-16
Functions of Enforcement Committee	16
Ad-hoc Committees	16-17
Other Committees	17-18
Sitting Fees and Tenure	18
Roles and Responsibilities of Thromde Tshogde Thuemi or Thromde Tshogchung Member in relation to their Constituencies.	19
Conduct of Members	20-21
Penalty for Breach of Code of Conduct	21

CHAPTER – 6: MEETINGS 21

First Session of the Thromdes	21
Conduct of Meetings	21-22
Special session	22-23
Close door meeting	23-24
Participation by Dzongdag	24

Meeting Agendas	24
Petitions	24
Conduct of Business	25
Submission of Motions/Resolutions to Parliament	25
Record of the Proceedings.....	25
Voting	26
Record of Votes	26
Dissenting Opinion.....	26
Protocol about Absence	26
Opening and Closing of Sessions	27
CHAPTER – 7: THROMDE ADMINISTRATION.....	27
Class A Thromde Administration	27
General Powers and Functions of a Class A Thromde Administration	27
Power and Function of Executive Secretary	27-28
Administration of Class B Thromde & Yenlag Thromde.....	29
Office of the Municipal Executive Officer	29
Municipal Executive Officer	29
General Functions of Class B Thromde & Yenlag Thromde administration	29-30
Functions of the Municipal Executive Officer	30-31
Coordination.....	31
Administration of Geog Throms	31-32
Appointment of Executive Secretary and Municipal Executive Officer	32
Leave of Absence	32-33
Temporary Appointment of an Officiating Executive Secretary or Municipal Executive Officer.....	33
Delegation of Power and Functions.....	33

Engagement on Contract	34
Employment Processes on Contract	34-35
Conduct Principles.....	35
CHAPTER – 8: FINANCIAL MANAGEMENT	35
Thromde Revenues	35-37
Land and House Valuation.....	37
Power to Invest and to Borrow	37-38
Budget for Class A Thromde	38-39
Budget for Class B and Yenlag Thromde	39
CHAPTER – 9: PLANNING AND LAND MANAGEMENT	40
Administration of Government Land in Thromde.....	40
Thromdes’ Functions relating to Land Management and Transactions.....	40
Minimum Plot Size.....	41
CHAPTER – 10: PROCEDURES TO MAKE AND REVIEW RULES.....	41
Application of this Part.....	41
Public Notice	41-42
Approval of the Rules.....	42
Procedures for Review of Rules	42-43
Review of the Rules by the Ministry	43
CHAPTER – 11: FUNCTIONS OF THE MINISTRY	44
Functions of the Ministry	44-45
CHAPTER – 12: MISCELLANEOUS.....	45
Annual Reports	45-46
Definitions	46-47

THROMDE RULES 2011

In exercise of the power granted by section 300 of the Local Government Act, 2009 of the Kingdom of Bhutan, the Ministry of Works and Human Settlements hereby prescribes the Thromde Rules as follows:

CHAPTER - 1: PRELIMINARY

Title, Extent and Commencement

- 1 These Rules shall:
 - (a) be called the Thromde Rules, 2011;
 - (b) extend to all the declared Thromdes of the Kingdom of Bhutan;
 - (c) come into force on the day on which they are approved by the Ministry.

Repeal and Saving

- 2 These rules shall supersede all bye-laws and executive orders including notifications and circulars and any other rules and regulations that are inconsistent with the provisions of these Rules.
- 3 Notwithstanding anything contained in Rule 2, the Land Pooling Rules 2009, Urban Area Property Regulations 2003 and Bhutan Building Rules 2002 shall continue to be in force as if they have been framed as part of these rules and regulations.

Objective of these Rules

- 4 The objective of these Rules is to give effect to the provisions of the Local Government Act, 2009 in relation to Thromdes.

CHAPTER - 2: OBJECTIVES, ROLES AND FUNCTIONS OF THROMDE

Objectives of Thromde

- 5 The primary objective of a Thromde is to:
 - (a) give effect to the provisions of the Local Government Act, 2009 in relation to Thromdes;
 - (b) provide a democratic and accountable government for local urban communities; and
 - (c) to achieve the best outcomes for the local communities, having regard to the long term and cumulative effects of its decisions.
- 6 In seeking to achieve its objectives, a Thromde shall:
 - (a) promote good urban governance and forge partnerships with other local government including residents and business communities;
 - (b) involve urban communities in the matters of urban governance for the general well being of the residents of the Thromde;
 - (c) promote the social, economic and environmental viability and sustainability of its municipal area;
 - (d) ensure that resources are used efficiently and effectively;
 - (e) improve the quality of life of people in the local community;
 - (f) promote appropriate business and employment opportunities;
 - (g) ensure the provision of urban services in a sustainable manner and that the services and facilities provided by the Thromde are accessible and equitable;
 - (h) ensure transparency and accountability in decision making.

Roles of Thromde

- 7 The role of a Thromde includes:
 - (a) acting as representative government by taking into account the diverse needs of the the local community in decision making;

- (b) providing leadership by establishing strategic objectives and monitoring their achievements;
- (c) maintaining the viability of the Thomde by ensuring that resources are managed in a responsible and accountable manner;
- (d) advocating the interests of the local community to other communities and government; and
- (e) fostering community cohesion and encouraging participation in public life.

General Functions of a Thomde

8 The general functions of a Thomde include:

- (a) advocating and promoting planned developments which are in the best interests of the local community;
- (b) planning for and providing services and facilities for the local community;
- (c) providing and maintaining community infrastructure and services in the local area;
- (d) undertaking strategic and local area planning for the municipal area;
- (e) raising revenue, borrow, spend and invest money to enable the Thomde to perform its functions;
- (f) purchasing, leasing, or acquiring land and property or otherwise disposing it off in the interest of the Thomde in accordance with the policies of the Royal Government;
- (g) making and enforcing local and national rules for the performance of its functions;
- (h) exercising, performing and discharging the duties, functions and powers of Thomde under the Act and other Acts;
- (i) preserving and promoting cultural, architectural and aesthetic aspects of the Thomde;

- (j) protecting monuments and sites of cultural and historical interests;
- (k) protecting drinking water sources for its residents through catchment protection programmes which shall be jointly undertaken with the other relevant agencies;
- (l) protecting rivers, streams and the urban environment from deterioration through enhancement programmes;
- (m) providing safe water supply;
- (n) protecting the environment and planting of trees on roadsides and wherever needed;
- (o) prevention and management of disasters;
- (p) registration and control of dogs and impounding of animals;
- (q) registration of births and deaths;
- (r) conducting population survey and registering / recording census of Thromde resident;
- (s) acquiring land for public purposes or for any of the purpose of carrying out any of its functions in accordance with the Land Act and procedures laid down by the Government from time to time;
- (t) providing land substitution for any land that has been acquired in accordance with the law made by the Parliament or as per the procedure laid down by the government from time to time;
- (u) facilitating and approving land subdivision, consolidation and registration of land and property ownership;
- (v) establishing and operating waste collection and disposal including landfill sites and recycling plants and litter control;
- (w) establishing and maintaining sewage network, plants and disposal;
- (x) entering into public-private partnership ventures and undertaking them;
- (y) serve final notices or warnings to any defaulters;

- (z) demolish unsafe and unauthorized structures, buildings or portion of structure that have deviated from the approved building drawings; and
 - (aa) carry out any other function or activity relating to the governance of the municipal area or as may be directed by the Ministry.
- 9 Subject to any limitations or restrictions under the Act or any other Act, a Thromde has the power to do all things necessary or convenient to be done in connection with the achievement of its objectives and the performance of its functions.

CHAPTER - 3: DECLARATION OF THROMDE AND REPRESENTATION TO DZONGKHAG TSHOGDU

Types of Thromde

- 10 There shall be two types of Dzongkhag Thromde, namely:
- (a) Dzongkhag Thromde which shall comprise of:
 - (i) Class A Thromde
 - (ii) Class B Thromde
 - (b) Dzongkhag Yenlag Thromde.

Seal of the Thromde Tshogde

- 11 Thromde Tshogde shall have a seal, which must:
- (a) bear the title of the Thromde and any other words, letters, or design determined by the Thromde Tshogdu or Thromde Tshogde or Thromde administration;
 - (b) be kept at the Thromde Tshogde office or Thromde administration office;
 - (c) Be used with the signature of the appropriate authority.

Class A Dzongkhag Thromde

- 12 A Class A Thromde shall have a Thromde Tshogde headed by the Thrompon.
- 13 The Thromde Tshogde shall comprise of such number of members as set forth in rule 27 who are elected from the constituencies of the Thromde in accordance with the Election Act of Bhutan and its rules and regulation.

Procedure for Declaration of Thromde

- 14 Based on the criteria set out in these Rules, the Ministry shall recommend to the Parliament through the Cabinet for approval of:
 - (a) the establishment of certain geographical or administrative or economic area of the country as new Dzongkhag Thromde or Yenlag Thromde or
 - (b) any proposed change in the Thromde boundary.
- 15 The demarcation of the approved Thromdes shall be carried out in consultation with the National Land Commission Secretariat and local governments.

Criteria for Declaration of a Class A Thromde

- 16 The criteria for declaring a Class A Thromde are:
 - (a) the declaration must be consistent with the Government's national human settlement policy or urbanization strategy; and
 - (b) the area is a predominantly an urban area with the following characteristics:
 - (i) a resident population of more than 10,000 irrespective of their census;
 - (ii) a population density of 1000 persons or more per square kilometre;
 - (iii) an area of not less than 5 square kilometres; (iv) 50% or more of the population is dependent on non-primary activities;

- and
- (v) the area will provide the Thromde with a revenue base sufficient to finance the establishment and maintenance of infrastructure and provision of services; and
- (vi) The urban area has national administrative significance, such as being the capital city or servicing more than one Dzongkhag.

Criteria for Declaration of a Class B Thromde

17 The criteria for declaring a Class B Thromde are:

- (a) the declaration must be consistent with the Government's national human settlement policy or urbanisation strategy; and
- (b) the area is a predominantly an urban area with the following characteristics:
 - (i) a resident population of more than 5,000 irrespective of their census;
 - (ii) a population density of 300 persons or more per square kilometre;
 - (iii) an area of not less than 1 square kilometre;
 - (iv) 50% or more of the population is dependent on non-primary activities; and
 - (v) it is a significant commercial, industrial or institutional centre

Criteria for Declaration of a Yenlag Thromde

18 The criteria for declaring a Yenlag Thromde are:

- (a) a resident population of more than 1,500 irrespective of their census;
- (b) 50% or more of the population is dependent on non-primary activities; and
- (c) An area of not less than 50 acres.

Applying the Criteria

- 19 In deciding whether to declare, establish or upgrade a Thromde, the Government shall prior to submission to Parliament:
- (a) take into consideration the criteria set out in these rules; and
 - (b) may decide:
 - (i) to implement the proposal although not all of the criteria have been satisfied; or
 - (ii) not to implement the proposal even though some or all of the criteria have been satisfied.

Representation to Dzongkhag Tshogdu

- 20 The Dzongkhag Tshogdu shall comprise:
- (a) From Class A Thromde in the Dzongkhag – the Thrompon or any of the Thueme of the Thromde Tshogde;
 - (b) from Class B Thromde in the Dzongkhag - one elected representative or simply Thromde Thueme; and
 - (c) from all Yenlag Thromdes in the Dzongkhag - one elected representative or simply Thromde Thueme.
- 21 Representatives to the Dzongkhag Tshogdu from Thromdes under rule 20:
- (a) shall participate in the deliberations of the Dzongkhag Tshogdu having regard to the powers, functions, roles and responsibilities of the Dzongkhag Tshogdu;
 - (b) shall exercise such powers and privileges in accordance with the Act, these rules or any other law in force; and
 - (c) shall report to the respective Thromde Tshogde, Class B Thromde Tshogchung and Yenlag Thromde Tshogchung on the deliberations of the Dzongkhag Tshogdu and the decisions made by it.

Decision of Dzongkhag Tshogdu

- 22 A decision of the Dzongkhag Tshogdu is not binding on a Class A Thromde located within the Dzongkhag.
- 23 A Class A Thromde shall take into consideration decisions of the Dzongkhag Tshogdu which are of a coordination and advisory in nature.
- 24 Any boundary or water resource/catchment or any other issues arising between a Dzongkhag Tshogdu and Thromde Tshogde shall be referred to the Ministry, for settlement or onward submission of the issue to the government.

CHAPTER - 4: THROMDE TSHOGDE

- 25 The Thromde Tshogde shall be the highest decision making body of Class A Thromde.
- 26 The Thromde Tshogde shall be a body corporate having perpetual succession and a common seal with such powers subject to the provisions of the Act and its rules.

Composition of Thromde Tshogde

- 27 The Thromde Tshogde shall consist of Thromde Thuemis of not more than 10 and not less than 7 elected members including the Thrompon.
- 28 The Executive-Secretary of the Thromde shall be the Member-Secretary of the Thromde Tshogde.

Chairperson and Deputy Chairperson of the Thromde Tshogde

- 29 The Thrompon shall be the chairperson of the Thromde Tshogde.
- 30 The Deputy Chairperson shall be elected from amongst the Thuemis by the Thromde Tshogde through a secret ballot.

- 31 The candidate who receives the highest number of votes cast shall be elected as the Deputy Chairperson of the Thromde Tshogde. In the event two or more candidate secures equal number of votes, the Chairperson shall cast the deciding vote.
- 32 The elected candidate shall serve as the Deputy Chairperson for a period of five years unless he/she resigns or is removed from office as provided for under section 31 of the Act.

Tenure

- 33 The Thrompon and the Thuemis shall serve for a term of five years unless he /she is re-quired to vacate the office due to ill health, death, removal, resignation or dissolution of the Thromde Tshogde as provided in the Act.

Resignation

- 34 A member of the Thromde Tshogde including the Thrompon may resign in a manner provided for in section 26, 27, 28 and 30 of the Act and shall cease to be a member of the Thromde Tshogde.
- 35 The Deputy Chairperson may resign from the post in the manner provided in section 26, 27, 28 of the Act but shall continue to be a Thuemi of the Thromde Tshogde.

Powers and Functions of the Thromde Tshogde

- 36 The Thromde Tshogde shall have the following powers and functions:
- (a) formulate policies and priorities in respect of the Class A Thromde;
 - (b) review and approve the annual budget and endorse budget proposals for submission to the Ministry of Finance for government funding;
 - (c) preserve and promote cultural, architectural and aesthetic aspects of the Thromde;
 - (d) protect monuments and sites of cultural and historical interests;
 - (e) provide civic and other services which are essential for the general well-being of the the residents of a Thromde;

- (f) ensure that development and other activities within a Thromde occur in a planned and harmonious manner;
- (g) protect and improve the city's environment, control noise pollution, regulation of parking, protection of parks, trees and plantations;
- (h) approve structure plans or urban development plans including land use plans in conjunction with the Ministry;
- (i) use its budget, grants, local fees, service charges, fines and taxes;
- (j) levy taxes, fees and charges as provided for in section 64 of the Act and in this rules;
- (k) approve purchase, lease, acquisition of land and property or dispose of the same in the interest of the Thromde in accordance with the policies of the Royal Government;
- (l) raise, borrow, spend, and invest money to carry out its functions in accordance with laws in force or as per the Government's policies;
- (m) protect its own property such as water supply sources and take action for its protection. If it is shared with other bodies, such actions shall be taken jointly;
- (n) approve local area plans or land pooling schemes or any other planning techniques deem fit for local areas' development;
- (o) administer and manage government lands within the boundaries of the Thromde in accordance with the Land Act, its rules and regulations and approved local area plans in accordance with the laws made in this behalf by the Parliament;
- (p) frame and adopt rules, guidelines for enabling the Thromde to carry out its functions;
- (q) frame and enforce rules for protecting the health, safety and wellbeing of the residents of the Thromde;
- (r) frame or otherwise enforce laws relating to the protection of the environment of the Thromde;
- (s) prepare urban development plans or amend such approved plans to regulate and enforce land use and building activity in the Thromde;

- (t) formulate guidelines for entertainment and recreational activities and venues;
- (u) frame rules for regulating workshops, non – conforming land use, building activity;
- (v) regulate squatter and illegal settlements and commercial activities; and
- (w) perform such other functions as may be required by the Government.

Powers and Function of the Thrompon

37 The Thrompon shall have the following powers and functions:

- (a) act on behalf of the Thromde and in its name;
- (b) oversee the affairs of the Thromde and ensure proper implementation of the Thromdes rules and regulations, plans and its activities;
- (c) attend to the grievances of the residents of Thromde;
- (d) submit periodic reports to the Thromde Tshogde and to the Ministry on the status of progress of work as well as the status of funds approved by the Thromde Tshogde;
- (e) submit report on his or her ex-country travel to the Minister;
- (f) authorize his/her own travel within the country;
- (g) undertake his or her ex-country travel with the approval from the Minister;
- (h) issue notifications based on the resolutions of Thromde Tshogde and implement the resolutions;
- (i) accord financial sanctions for activities up to the limit set by the Ministry of Finance from time to time as per the procurement rules and regulations;
- (j) Convene, if required, special sessions of the Thromde Tshogde in accordance with the with the provision of this rules and regulations;
- (k) Make request to the royal government for seeking technical or other forms of assistance from the relevant sectors to the Thromde;

- (l) Chair the meetings of the Thromde Tshogde;
- (m) Chair the Thromde tender committee meetings; and
- (n) Carry out any other functions as may be prescribed by other laws.

CHAPTER - 5: THROMDE TSHOGCHUNG AND COMMITTEES

Thromde Tshogchung and Yenlag Thromde Tshogchung

- 38 There shall be a Class B Thromde Tshogchung for each Class B Thromde and a separate Yenlag Thromde Tshogchung for all Yenlag Throms in the Dzongkhag.
- 39 The Dzongkhag Administration, on the directive of Dzongkhag Tshogdu, shall constitute a Class B Thromde Tshogchung for each Class B and Yenlag Thromde Tshogchung for all Yenlag Thromdes within a Dzongkhag, which shall comprise of:
 - (a) an elected representative from the Dzongkhag Thromde and Yenlag Thromde to the Dzongkhag Tshogdu, who shall serve as the Chairperson of the respective Tshogchungs; and
 - (b) Such other members, who shall be appointed by the Dzongkhag administration from amongst the residents of the Thromde in accordance with rule 41.
- 40 For constituting a Thromde Tshogchung or Yenlag Thromde Tshogchung, the Dzongkhag administration shall:
 - (a) divide the Class B and Yenlag Thromde into zones for the purpose of nominating a member;
 - (b) invite nominations for appointment to the Thromde Tshogchung or Yenlag Thromde Tshogchung from the residents of each zone; and
 - (c) appoint one resident from each zone from amongst the nominated candidates.

Committees

- 41 The Thromde Tshogde or Thromde Tshogchung may constitute committees for carrying out any of their specific functions or for administering the provision of services and planned development in the respective Thromdes.

Functions of a Thromde Tshogchung

- 42 The functions of a Thromde Tshogchung shall be, to:
- (a) identify issues relating to the municipal services, land, planning and infrastructure;
 - (b) discuss and resolve issues relating to land and buildings including construction and demolition of buildings, taxes, charges, services and infrastructure provision in the Thromde;
 - (c) refer issues which cannot be resolved by the Committee to the appropriate authority for review and decision;
 - (d) consider and review petitions which are submitted to the Committee or referred to it by the Dzongkhag Tshogdu;
 - (e) consider, review and endorse local area plans and any other planning techniques;
 - (f) review rules and regulations which affect the Thromde area, including rules and regulations relating to traffic and environmental management and make appropriate recommendations to the Dzongkhag Tshogdu;
 - (g) consider and advise on priorities affecting administration of the Thromde area; and
 - (h) Carry out such functions and directives issued by the Dzongkhag Tshogdu and the Ministry.

Spatial Planning Committee

- 43 The Thromde Tshogde may constitute a Spatial Planning Committee to hear public grievances, review local area plans and development control regulations and submit recommendations to the Thromde Tshogde.

- 44 In case of Class B and Yenlag Thomdes, the respective Thomde Tshogchung may act as Spatial Planning Committee to:
- (a) hear public grievances and resolve them amicably;
 - (b) review local area plans and development control regulations and approve the same;
 - (c) recommend approval of structure plan by the Ministry.

Urban Village /Zone Committees

- 45 A Thomde may form a zone/urban village committees.
- 46 An urban village/zone committee shall be chaired by the elected member of that urban village for Class A Thomde or by the appointed representative from the respective zone to the Thomde committee in the case of Class B or Yenlag Thomde.
- 47 The objective of an urban village/zone committee is to provide a forum for discussion of issues affecting the urban village/zone of a Thomde and / or endorse local area planning scheme or local area plan.

Enforcement Committee

- 48 A Thomde local government may establish an enforcement committee to:
- (a) protect the health and safety of its residents and tenants, and
 - (b) to protect the environment of the Thomde.

Composition of Enforcement Committee

- 49 The Enforcement Committee shall consists of:
- (a) Chief Development Control Officer of Class A Thomde or Municipal Executive officer for Class B Thomde and Yenlag Thomde who shall be the chairperson of the committee;

- (b) One officer accompanied by constables from the Royal Bhutan Police;
- (c) One legal officer;
- (d) One officer from each utility company/agency;
- (e) One appointed Thromde Tshogde member for class A Thromde or Thromde / Yenlag Thromde committee member in case of Thromde B/Yenlag Thromde; and
- (f) Technical persons directly appointed by the Executive Secretary or Municipal Executive Officer of a Thromde Administration.

Functions of Enforcement Committee

- 50 The powers and functions of an Enforcement Committee are to, but not limited to following:
- (a) demolish unsafe and unauthorized structures, buildings or those portion of structures that have deviated from the approved building drawings;
 - (b) penalize defaulters who do not comply with final notices or warnings of the Thromde administration;
 - (c) prevent street hawking and vending;
 - (d) implement laws, rules and regulations;
 - (e) pull down or disconnect unauthorized connection of municipal utility services; and
 - (f) deal with such other issues, which in the opinion of the Thromde, concerns public safety, health and the environment.

Ad-hoc Committees

- 51 An ad- hoc committee may be constituted by the Chairperson of the Thromde Tshogde or Thromde Tshogchung on the recommendation of the Thromde administration, if a matter cannot be resolved by the administration.

- 52 An ad-hoc committee shall comprise of such number of members as may be determined by the chairperson of the Thromde Tshogde or Thromde Tshogchung.
- 53 The members to the ad-hoc committee shall be appointed under the authority of the Chairperson from amongst the residents of the Thromdes and at least one or more members shall be experts in the field for which the ad-hoc committee is constituted or be relevant officials from any national agency, ministry, department and regional office.
- 54 Ad- hoc committee members shall serve for a period as determined by the Chairperson of the Thromde Tshogde or Thromde Tshogchung.
- 55 An ad- hoc committee shall,at the earliest possible, place before the Chairperson of theThromde Tshogde or Thromde Tshogchung who in turn may submit to the local government its opinions and recommendations on the matters referred to it.
- 56 All recommendations and opinions provided by the ad-hoc committee shall require the endorsement of the respective local governments for enforcement.
- 57 The ad- hoc committee shall be dissolved on the day it presents its opinion and recommendation to the local government.

Other Committees

- 58 In addition to various committees of the Thromdes in these rules, the Thromde Tshogde for Class A Thromde and Dzongkhag Administration for Class B Thromde may constitute such other committees to carry out its functions.
- 59 A committee constituted under these Rules must:
- (a) specify the names and objectives of the Committee;
 - (b) comprise of at least one member from amongst the members of

the respective Thromde Tshogde or Dzongkhag Tshogdu;

- (c) comprise of a Chairperson who is elected from amongst the members of the committee by secret ballot or any other means appropriate; and
- (d) comprise of such number of members appointed by the Chairperson of the local government, out of which at least one or more member must be an expert or a relevant official from any national agency, ministry, department and regional office or the voters of the Thromde.

- 60 For an appointment of an expert/relevant official, Thromde Tshogde and/or Dzongkhag Administration must request the national agencies or regional offices for the services for the services of relevant experts/ professionals.
- 61 The member who receives the highest number of votes through secret ballot or any other appropriate means shall be elected as the chairperson of the committee.

Sitting Fees and Tenure

- 62 The sitting fees and such other benefits of the members of the Thromde Tshogde and the elected representative from Class B Thromdes and Yenlag Thromdes to the Dzongkhag Tshogdu shall be determined by the Royal Government from time to time.
- 63 The travelling allowances for the members of the Thromde Tshogde, the elected representative from Class B Thromdes and Yenlag Thromdes to the Dzongkhag Tshogdu shall be as decided by the government.
- 64 The sitting fees and such other benefits for the members of the various committees constituted under a local government may be determined by the concerned local government subject to approval of the government.
- 65 The members of the various committees under a local government shall serve for such period as may be determined by the concerned local government.

Roles and Responsibilities of Thromde Tshogde Thuemi or Thromde Tshogchung Member in relation to their Constituencies

- 66 A member of a Thromde Tshogde or Thromde Tshogchung shall in addition to any of the functions provided for in chapter 6 of the Act and these Rules, shall :
- (a) participate and preside over meetings of the urban village/zone committee on any matter or issues affecting the urban village/zone ;
 - (b) report to the Thromde Tshogde or Thromde Tshogchung on the deliberations and recommendations of the urban village or zone committee;
 - (c) serve the interests of their constituencies and zones bearing in mind national interest, goals and policies;
 - (d) participate in the formulation of five year and annual plans, tendering and monitoring development activities in his/her urban village/zone;
 - (e) inform or disseminate the decisions of the Thromde Tshogde or ThromdeTshogchung or various committees under Thromde to its people in his or her constituency;
 - (f) represent the interest of his or her constituency in the Thromde Tshogde or Thromde Tshogchung;
 - (g) discuss with his or her constituency people various issues affecting the constituency;
 - (h) compile various common issues to be further deliberated in the Tshogde or Thromde Tshogchung;
 - (i) any other roles and functions assigned by the Thromde Tshogde or Thromde Tshogchung.

Conduct of Members

- 67 A member of a committee not otherwise bound by the Code of Conduct set out in Chapter 12 of the Act shall:
- (a) excuse himself or herself from voting or deliberating on matters where there exists conflict of interest or is likely to occur by informing the chairperson of a committee;
 - (b) conduct himself or herself in a courteous and respectful manner, and refrain from using profane, offensive, vulgar or derogatory expressions including the use of physical force that is likely to disrupt the proceedings;
 - (c) perform his or her duty as a member of the committee in the national and public interests and not on any other factors;
 - (d) act and be guided by the highest standards of ethical values and moral principles; be patriotic and owe allegiance and loyalty to the Tsa-Wa-Sum;
 - (e) not indulge in any activity that adversely affects the security, sovereignty and integrity of the nation;
 - (f) uphold the laws and act on all occasions in accordance with the public trust placed upon them;
 - (g) refrain from being influenced in any manner whatsoever by any individual or body of individuals in discharge of his/her duties;
 - (h) not indulge in any unlawful or improper act or omission in the performance of his or her duties;
 - (i) not divulge any confidential information, document or proceedings or such other information, document or proceedings which he or she has knowledge of by virtue of being a member of the committee that would prejudice the interests or performance of the functions of the local government /committee except by approval from the Chairperson of the Tshogde/Thromde Tshogchung.

68 A committee shall endeavour, as far as practicable, to:

- (a) identify stakeholders and encourage their contribution to the deliberations of the Committee;
- (b) allow members of the public to make submissions to the committee, whether in writing or orally.

Penalty for Breach of Code of Conduct

69 A member of a committee, who violates any provisions of the code of conduct under these Rules, shall be liable to any one or more of the following penalties in addition to any other penalties that may be prescribed under other laws:

- (a) a written warning;
- (b) an order to apologise to the Thromde Tshogde in the case of Class A Thromde, or to the Thromde Tshogchung or any person;
- (c) suspend the member without any benefits;
- (d) removal from membership in accordance with the Act.

CHAPTER – 6: MEETINGS

First Session of the Thromdes

70 The first meeting of the Thromde Tshogde or Thromde Tshogchung, after its constitution or re-constitution shall be held within seven days after taking an Oath of Allegiance or award of election certificate whichever happens first.

Conduct of Meetings

71 The Thromde Tshogde shall meet at least three times a year.

- 72 Thromde Tshogchung shall meet at least six times in a year in view of the no provision for full time Thrompon.
- 73 A Thromde shall provide at least fourteen days notice to the public of meetings of the Thromde Tshogde or Thromde Tshogchung to enable the members to call for meetings in their respective constituencies so as to enable the members to make proposals for inclusion in the agendas.
- 74 The notice shall specify the venue, time, date of the meeting and the agenda or business that will be conducted.
- 75 The notice shall be displayed prominently on the public notice board located at the entrance of the office of the Thromde Tshogde or the office of the Municipal Executive Officer.

Special session

- 76 Notwithstanding anything contained in these Rules, the Thrompon may or the Chairperson of Thromde Tshogchung may convene special sessions in their respective Thromdes:
- (a) on receipt of a written request from not less than three-fourths of the total members of the Thromde Tshogde/ Thromde Tshogchung; or
 - (b) if it appears to the Thrompon or Chairperson of the Thromde Tshogchung that the matter is of urgent nature; or
 - (c) upon receipt of a direction from the Dzongkhag Tshogdu in the case of Class B Thromde and Yenlag Thromde.
- 77 A notice calling for a special session of the Thromde Tshogde shall be provided at least three days in advance specifying the request.
- 78 A Thromde shall ensure that the following documents are available for public inspection or made available on Thromde website:
- (a) agendas for meetings of the Thromde Tshogde or Thromde Tshogchung; and

(b) minutes of meetings of Thromde Tshogde or Thromde Tshogchung except for items considered in closed door.

79 In the absence of the Thrompon, the Deputy Chairperson of the Thromde Tshogde shall preside over the meetings.

80 The Deputy Chairperson presiding over the meetings under these Rules shall enjoy the powers and privileges of the Thrompon. Every act performed by the DeputyChairperson shall have the same effect and validity as if it were performed by the Thrompon.

81 All meetings of Thromde Tshogchung or committee shall be presided/chaired by the respective Chairperson.

Close door meeting

82 A Thromde Tshogde or Thromde Tshogchung may resolve to close the doors of a meeting for the duration of the discussion, if a matter in the agenda concerns:

- (a) matters of national security;
- (b) personnel matters;
- (c) the personal hardship of a resident;
- (d) actual or potential industrial disputes involving Thromde staff;
- (e) contractual issues;
- (f) proposed developments;
- (g) legal advice;
- (h) issues affecting the security of Thromde property; or by
- (i) a resolution to close the doors of a meeting.

83 When meetings are conducted in closed doors, members of the public and media/press shall not be permitted to attend the meeting.

84 If a Thromde Tshogde or Thromde Tshogchung resolves to conduct the meetings in closed doors, it shall record its reasons and the time for which the doors were closed.

- 85 A Chairperson of a meeting may invite a person to attend the meeting while it is closed, if:
- (a) it appears to the Chairperson of the meeting that the person has material information to enable Tshogde/Thromde Tshogchung to proceed with the deliberations; or
 - (b) the person is invited to address the meeting; or
 - (c) expert opinion is needed to address the issues in the meeting.

Participation by Dzongdag

- 86 The Dzongdag may attend in the sessions of the Thromde Tshogde as an observer for coordination and advisory purposes.
- 87 The Dzongdag may attend and participate in the sessions of the Thromde Tshogchung.

Meeting Agendas

- 88 Thromde Tshogde or Thromde Tshogchung meetings shall be conducted in accordance with an agenda prepared by the Thromde administration.
- 89 The Executive Secretary or Municipal Executive Officer shall consult with the Chair person in relation to a proposed agenda.

Petitions

- 90 A meeting agenda shall include an item for receipt of petitions.
- 91 At the discretion of the Chairperson of the meeting, the petitioner (or a representative of the petitioners) may address the meeting in support of the petition.

Conduct of Business

- 92 All proceedings of the Thromde Tshogde or Thromde Tshogchung and committee meetings shall be conducted in Dzongkha.
- 93 The Thromde Tshogde or Thromde Tshogchung may require or invite a government official to address or submit any information or explanation either orally or in writing on a matter under discussion or as an observer.
- 94 Whenever, there is inconsistency in the information or explanation provided by a government official, a member can point out such error or inconsistency only after first obtaining the prior approval of the Chairperson of the respective Thromdes, provided it is supported by evidence.
- 95 A member of the Thromde Tshogde/Thromde Tshogchung shall not reopen an issue that has already been deliberated and adopted by it, except for the purpose of rescinding a resolution.

Submission of Motions/Resolutions to Parliament

- 96 Any motions/resolutions arising from the Class A Thromde and Thromde Tshogchung that needs to be submitted to the Parliament shall be submitted by:
- (a) Thromde Tshogde through the Minister; and
 - (b) The Dzongkhag Tshogdu for Class B and Yenlag Thromdes respectively.

Record of the Proceedings

- 97 All proceedings of the Thromde Tshogde and the committees shall be recorded and maintained by the Executive Secretary or by the Municipal Executive officer or any other officer of the Thromde.

Voting

- 98 Members may cast votes on motions or issues and proposals deliberated in the Tshogde or Thromde Tshogchung meetings.
- 99 The Chairperson shall propose an order of voting on the issues and proposals after presentation of a summary of deliberations.
- 100 The Chairperson shall not vote in the first instance, but he or she:
- (a) shall cast the deciding vote when votes are tied; and
 - (b) may cast a deliberative vote when a question must be decided with a supporting of at least two-thirds of the members of committee.
- 101 Each member of Tshogde or Tshogchung or committee is entitled to only one vote.

Record of Votes

- 102 The Chairperson shall cause the votes of each member to be recorded and open to disclosure, except for votes cast through secret ballot.

Dissenting Opinion

- 103 Any member who does not concur with a resolution shall have the right to enter his/her dissenting opinion. No further debate on such an opinion shall be permitted.

Protocol about Absence

- 104 A member who was not present when the resolution was passed shall have the right to enter into the minutes about his/her absence, but shall not have the right to object to the resolution.

Opening and Closing of Sessions

- 105 Each session of the Thromde Tshogde shall commence and end with traditional ceremonies.

CHAPTER – 7: THROMDE ADMINISTRATION

Class A Thromde Administration

- 106 Thromde Administration, headed by Executive Secretary of a Class A Thromde, shall be the executive arm of the Thromde Tshogde.

General Powers and Functions of a Class A Thromde Administration

- 107 Class A Thromde administration shall have the power to carry out such functions as provided under these rules and as enshrined in section 273 of the Act.

Power and Function of Executive Secretary

- 108 The Executive Secretary, in accordance with the Act and these rules, shall:
- (a) head the administration of the Class A Thromde;
 - (b) establish and maintain an appropriate organizational structure for the Thromde administration;
 - (c) on behalf of the Thromde, engage and terminate the engagement of contract staff;
 - (d) authorize payment for works , procurements and administrative claims;
 - (e) carry out, manage and supervise the day to day affairs of Thromde;
 - (f) ensure that the decisions of the Thromde Tshogde are implemented on time;

- (g) execute, supervise and manage physical, socio-economic plans and programs approved by the Thromde Tshogde;
- (h) execute the provisions of such civil and other essential services for the general well being of the residents of the Thromde in a sustainable manner;
- (i) levy, collect and appropriate taxes, duties, tolls and fees approved by the Thromde Tshogde subject to such limitations as may be provided for under these rules and regulations or under any other law for the time being in force;
- (j) prepare annual budget for its operations and submit the same to the Thrompon for approval of Thromde Tshogde;
- (l) enter into contracts in the name of the Thrompon and where necessary, out source services and activities;
- (m) implement plan activities without delay in consultation with the public;
- (n) shall monitor and supervise all divisions of the Thromde administration, including their training, budgets and performance relative to budget, through periodical review and by other appropriate means;
- (o) enforce laws that are in force at the local level;
- (p) carry out any of the functions under these rules with approval of the Thromde Tshogde, where required or as directed by Ministry or the Thromde Tshogde in accordance with these rules; and
- (q) manage the human resource including training, educational up-gradation and promotions of Thromde staff.

- 109 The Executive Secretary shall be accountable to the Thrompon for carrying out and implementing the decisions of the Thromde Tshogde.
- 110 Promotion appraisal of the Executive Secretary shall be carried out by Thrompon and that of Municipal Executive officer by the Dzongdag.

Administration of Class B Thromde & Yenlag Thromde

- 111 Class B Thromde and Yenlag Thromdes shall be administered and managed by the Office of the Municipal Executive Officer who in turn shall function under the overall supervision of Dzongdag.

Office of the Municipal Executive Officer

- 112 There shall be a District Municipal Administration Office in each Class B Thromde supported by civil servants and headed by the Municipal Executive Officer.
- 113 Yenlag Thromdes shall be administered by the Office of the Municipal Executive Officer until such time a separate office for the Yenlag Thromde is established by the government.

Municipal Executive Officer

- 114 The Municipal Executive officer shall be the head of the Class B Thromde and act as the member secretary to the Class B Thromde Tshogchung and / or Yenlag Thromde Tshogchung.
- 115 The Municipal Executive officer shall be accountable to the respective Chairpersons of Class B and Yenlag Thromde Tshogchungs with regards to the implementation of the decisions of the Dzongkhag Tshogdu and respective Thromde Tshogchung.
- 116 The Municipal Executive officer will be accountable to Dzongdag in matters relating to municipal administration/management, human resource management, planning and budgeting.

General Functions of Class B Thromde & Yenlag Thromde administration

- 117 The general powers and functions of the Class A Thromde administration under these rules and section 273 of the Act shall also be construed as the powers and functions of the Thromde B and Yenlag Thromde administration unless otherwise specifically mentioned in the Act.
- 118 In addition to the powers and function enshrined under section 273 of the Act and these rules, any regulatory and rule making function that needs to be implemented in a Class B Thromde and Yenlag Thromde, shall be approved by the Dzongkhag Tshogdu.

Functions of the Municipal Executive Officer

- 119 The Municipal Executive officer under the supervision and direction of the Dzongdag shall:
- (a) monitor and supervise the day to day affairs of Class B Thromdes and Yenlag Thromdes, including their training, budgeting and performance relative to work, through periodical review and other appropriate means;
 - (b) establish and maintain an appropriate organizational structure for the Thromde administration;
 - (c) authorize payment for works , procurements and administrative claims;
 - (d) serve as a member secretary to Dzongkhag tender committee in relation to the tenders / works within jurisdiction of the Thromdes;
 - (e) act on behalf of the Thromde, and engage or terminate employees on contract with approval from Dzongdag;
 - (f) ensure that the decisions of the Dzongkhag Tshogdu/Thromde Tshogchung are implemented on time;
 - (g) execute, supervise and manage physical, socio-economic plans and programs approved by the Thromde Tshogchung or the Dzongkhag Tshogdu as the case may be;

- (h) ensure the provision of such civil and other essential services for the general well being of the residents of the Thromde in a sustainable manner;
- (i) levy, collect and appropriate taxes, duties, tolls and fees approved by the Dzongkhag Tshogdu subject to such limitations as may be provided for under these rules and regulations or under any other law in force;
- (j) Prepare annual budget for its operations and submit the same to the Chairperson of the respective Thromde committees;
- (k) Prepare annual reports of the Thromde for submission to the chairperson of the Thromde committee;
- (l) Enter into contracts in the name of the respective Chairperson of Thromde Tshogchung;
- (m) manage and be the custodian of all Thromde properties;
- (n) enforce laws that are in force at the local level;
- (o) be a joint signatory with Dzongdag in the operation of Thromde/ municipal accounts; and
- (p) Carry out any of the functions under these rules and section 273 of the Act or as directed by the Ministry or by the Dzongkhag Tshogdu.

Coordination

- 120 All decisions concerning Thromde B and Yenlag Thromde made by the Dzongkhag Tshogdu shall be implemented by the Municipal Executive Officer under general supervision of Dzongdag.
- 121 Correspondences deemed important between the Central agencies and Thromde B and Yenlag Thromde shall be addressed in the name of the Dzongdag, who in turn shall appropriately direct it to the Chairperson of Thromde Tshogchung and / or the Municipal Executive officer.

Administration of Geog Throms

- 122 Geog Throms that have not been declared to be Yenlag Thromde shall be administered by Geog administration or Dungkhag administration with technical support from the Dzongkhag or the Ministry.
- 123 A Geog Tshogde in respect of Geog Throms with a resident population of 500 or more:
- (a) shall ensure that rules and regulations relating to spatial planning and the provision of services and infrastructure are fully administered;
 - (b) may form one or more advisory committees, chaired by a member of the Geog Tshogde from that locality, to consider and advise on the administration of Geog Throms; (c) shall submit annual report includes such information, in a format agreed by the Dzongkhag Tshogdu and the Ministries responsible for coordination of local governments.

Appointment of Executive Secretary and Municipal Executive Officer

- 124 The Royal Civil Service Commission shall appoint a qualified civil servant as Executive Secretary for a Class A Thromde.
- 125 The Municipal Executive Officer of a Class B Thromde shall be appointed by the Ministry from amongst technically qualified civil servants in the Ministry.
- 126 The Executive Secretary or Municipal Executive Officer shall hold office for a term of five years and may be reappointed.

Leave of Absence

- 127 Leave of absence may be granted:
- (a) to the Executive Secretary of a Class A Thromde, by the Thrompon;

- (b) to the Municipal Executive Officer of a Class B Thromde, by the Dzongdag.

128 Where such leave is granted to the Executive Secretary or Municipal Executive Officer:

- (a) in the case of an Executive Secretary, the Thrompon shall appoint an officiating Executive Secretary from among the senior officers of the Thromde administration;
- (b) In the case of a Municipal Executive Officer, the Dzongdag shall appoint an Officiating Municipal Executive Officer from among Dzongkhag administration.

Temporary Appointment of an Officiating Executive Secretary or Municipal Executive Officer

129 If a vacancy occurs in the office of Executive Secretary due to death, resignation or removal, the Thrompon may appoint an officiating Executive Secretary from among the senior officers of the Thromde administration until such term a new Executive Secretary is appointed by the RCSC.

130 If a vacancy occurs in the office of Municipal Executive Officer due to death, resignation or removal, Dzongdag may appoint an officiating Municipal Executive Officer from among the senior officers of the Thromde administration until such term a new Municipal Executive Officer is appointed by the Ministry.

Delegation of Power and Functions

131 The Executive Secretary or Municipal Executive Officer of a Thromde may delegate his/her powers and functions to any officer of the Thromde administration.

132 Delegation of power shall be made by an instrument of delegation.

133 An instrument of delegation:

- (a) shall not authorize the person to whom power is delegated to further delegate that power to anyone else;
- (b) shall name an individual to whom the power is delegated to;
- (c) shall not prevent the Executive Secretary or Municipal Executive Officer from exercising the power which has been delegated.

Engagement on Contract

134 An Executive Secretary may engage the services of persons on contract on such terms and conditions as may be determined by the Thromde Tshogde.

135 A Municipal Executive Officer may engage the services of persons on contract on such terms and conditions as may be determined by the Dzongdag.

136 The services conditions of Thromde employees on a contract basis shall be framed by the respective Thromde administration in the case of Class A Thromde or Dzongkhag administration in the case of Class B and Yenlag Thromdes.

137 The service conditions framed shall be endorsed by the respective local government and approved by the government.

Employment Processes on Contract

138 A Class A Thromde administration and Dzongkhag administration for Class B and Yenlag Thromde shall establish employment processes to ensure that:

- (a) employment decisions are based on merit;
- (b) employees have incentives to perform effectively, efficiently and in conformity with the conduct principles under these

Rules;

- (c) employees are treated fairly and reasonably;
- (d) equal employment opportunity is provided;
- (e) employees have a reasonable avenue of redress against unfair or unreasonable treatment.

139 The Executive Secretary or Municipal Executive Officer must give current staff an opportunity to apply for any vacant permanent full-time staff position that the Executive Secretary or Municipal Executive Officer intends to fill.

Conduct Principles

140 Thromde staff whether under the Thromde administration or Dzongkhag administration must in the course of their employment:

- (a) act impartially;
- (b) act with integrity including avoiding real or apparent conflicts of interest;
- (c) accept accountability for results; and
- (d) Provide responsive service.

CHAPTER – 8: FINANCIAL MANAGEMENT

Thromde Revenues

141 A Thromde shall have the power to obtain revenue from:

- (a) taxes, in accordance with section 64 of the Act, such as :
 - (i) land tax;
 - (ii) property tax (including house tax);
 - (iii) property transfer tax or sale tax;
 - (iv) entertainment tax;
 - (v) betterment tax (increases in value due to improvements);
 - (vi) vacant land and underdevelopment tax.

(b) fees, such as:

- (i) land development and subdivision;
- (ii) land demarcation;
- (iii) building permits;
- (iv) land registration;
- (v) site plan;
- (vi) vehicle parking;
- (vii) market vendors;
- (viii) advertising;
- (ix) tolls;
- (x) building approval;
- (xi) leasing;
- (xii) septic tank cleaning fee;
- (xiii) delayed payment;
- (xiv) planning permit fee;
- (xv) other fees, consistently with section 65 of the Act.

(c) charges, such as :

- (i) property valuation;
- (ii) water and sewage;
- (iii) connection;
- (iv) pipe realignment;
- (v) Charges for other services provided by the Thromde, consistently with section 65 of the Act.

142 A Thromde shall not increase fees and charges more than once in a calendar year, except with the written approval of the Thromde Tshogde for a Class A Thromde or Dzongkhag Tshogdu in case of Class B and Yenlag Thromde and it shall not be:

- (a) excessive, oppressive, or confiscatory;
- (b) contrary to law, public policy, national economic policy, or in restraint of trade; and

- (c) set at a level no higher than the cost of the most efficient method of providing the service.

143 A Thromde shall give public notice of fees and charges not less than one month before any increase comes into effect.

144 The revenue generated from taxes, fees and charges shall be spent for the development and maintenance of Thromde infrastructure and services.

Land and House Valuation

145 Land tax shall be based on the value of the land.

146 To establish the value of land for the purpose of land tax, the Thromde shall use the most recent valuation by PAVA.

147 House tax shall be based on:

- (a) the value of the house most recently determined by PAVA; or
- (b) if the value of the house has not been determined by PAVA, the value of the house as determined by the Thromde in accordance with the criteria determined by PAVA for house valuations.

148 If the Thromde makes a valuation of a house it shall issue to the owner, a notice of valuation.

149 A person may, within two months, after receiving a notice of house valuation, apply to PAVA for a review of the valuation.

150 The decision of PAVA shall be final.

Power to Invest and to Borrow

- 151 A Thromde shall have power to borrow and invest for the purpose of social and infrastructure services to its resident population in accordance the laws and policies of the Royal government.
- 152 A Thromde Tshogde may issue bonds subject to approval of the government.

Budget for Class A Thromde

- 153 The Thromde Tshogde shall have the power to approve the annual budget that is to be met from its own revenue. Any budget proposals which are to be met from outside of its revenue shall be sent to the Ministry of Finance after endorsement by the Thromde Tshogde.
- 154 The Executive Secretary shall for each year, in accordance with the Public Finance Act submit to the Thromde Tshogde a draft annual budget of the Thromde.
- 155 A draft annual budget shall include:
- (a) estimated expenditure including capital expenditure;
 - (b) projections of revenues for the year, including taxation revenues, non-taxation revenues generated from its resources;
 - (c) proposed borrowings, grants and funding;
 - (d) recommendations for levels of taxes, fees and charges for the year; and
 - (e) any other items deemed necessary.
- 156 As soon as practicable after the submission of the draft annual budget, the Thromde shall give public notice stating that:
- (a) copies of the draft annual budget are available for inspection for at least 7 working days after the publication of the notice at the

offices of the Thromde;

- (b) members of the public may make submissions about the proposals, including the date before which submissions must be made.

- 157 A person has a right to make a submission to a Thromde on any proposal contained in a draft annual budget.
- 158 After the Thromde Tshogde has approved the annual budget that is to be met from its resources, it may also review and endorse the budget proposals for submission to the Ministry of Finance. A public notice of that decision and endorsement shall be made by the Thromde Tshogde.
- 159 The Thromde may also re-appropriate budget as may be required, as per financial rules and regulations.

Budget for Class B and Yenlag Thromde

- 160 The Municipal Executive officer shall prepare and submit to the Thromde Tshogchung, a draft annual budget of the Thromde in accordance with the Public Finance Act.
- 161 After the draft budget has been submitted to the Thromde Tshogchung, it shall serve a public notice as provided for in these rules and accord opportunity to make submissions on any proposal contained in a draft annual budget.
- 162 The Thromde committee shall after reviewing the draft annual budget; submit it to Dzongkhag Tshogdu for approval and onward submission to the Ministry of Finance.
- 163 The approval of the annual budget by the Dzongkhag Tshogdu shall be within the ceiling as provided for under the Public Finance Act or any other law in force.

CHAPTER – 9: PLANNING AND LAND MANAGEMENT

Administration of Government Land in Thromde

- 164 A Thromde shall be responsible for the administration and management of all Government land or government reserved forest lands within the Thromde boundary.

Thromdes' Functions relating to Land Management and Transactions

- 165 The planning functions of a Thromde include:
- (a) consistently with good spatial planning principles:
 - (i) altering plot boundaries in consultation with landowners concerned; and
 - (ii) participating in, and facilitating, land swaps during land pooling or any similar town planning scheme with written consensus of landowners concerned.
 - (b) approving, validating, administering and recording land transactions:
 - (i) if there is a local area plan – in accordance with the Land Act, and the approved local area plan;
 - (ii) if there is no approved local area plan – in accordance with the Land Act.
 - (c) endorsing final transacted copies of land transactions to the National Land Commission Secretariat for effecting the changes in the Chhazhag Sathram.

Minimum Plot Size

- 166 The Minimum plot size of a land in potential growth areas of a Thromde shall be 13 decimals whereas in areas where local area plans exist, the minimum plot size shall be as per the size specified in the approved local area plans.

CHAPTER – 10: PROCEDURES TO MAKE AND REVIEW RULES OR REGULATIONS

Application of this Part

- 167 This part applies to the Thromde Rules made by the Ministry and local rules or regulations made by the Thromde Tshogde or Dzongkhag Tshogdu for Class B Thromdes and Yelag Thromde including review of existindg rules.
- 168 The Ministry or Thromde local governments shall make rules or regulations in accordance with section 295 to 300 of the Act.

Public Notice

- 169 The Ministry or Thromde local governments shall give public notice of the proposed rules or regulations.
- 170 A public notice of proposed rules shall:
- (a) specify the purpose of the proposed rules or regulations;
 - (b) include a brief summary of the proposed rules;
 - (c) state that a copy of the proposed rules may be inspected at the offices of the Thromde local government or the Ministry during normal business hours;
 - (d) if a copy of the proposed rules is available on the internet, specify the website from which a copy may be downloaded;

- (e) state that members of the public may make written submissions about the proposed rules to the place or office specified;
- (f) notify the closing date for receiving of submissions.

171 The Ministry or the Dzongkhag Tshogdu or Thromde Tshogde may within their respective Thromdes take into consideration any written submission received from the members of public before the specified closing date.

Approval of the Rules

172 The local rules shall be approved by the Thromde Tshogde in case of Class A Thromde and Dzongkhag Tshogdu in case of Class B and Yenlag Thromdes, provided these rules or are consistent with the national policies and laws .

17 The Thromde Rules which cut across all categories of Thromdes shall be reviewed and approved by the Ministry after consultations with the Thromdes local governments.

Procedures for Review of Rules

174 The Ministry for all Thromdes or Thromde Tshogde for Class A Thromde or Dzongkhag Tshogdu in case of Class B Thromdes shall review existing rules and regulations at regular intervals, being not less than every three years.

175 The Thromde Tshogchung or Dzongkhag administration may also review the rules and regulations and submit recommendations to the Dzongkhag Tshogdu.

176 A review of rules shall include:

- (a) Consideration of whether the rules duplicate or are inconsistent with other laws; and

- (b) Consideration of whether the objectives of the rules can be achieved by other means at lower cost.

- 177 If Development Control Rules is in force in a Thromde, the Thromde shall not make rules in duplication or which are inconsistent with such Development Control Rules.
- 178 If there is any inconsistency in the rules made by the Thromde local governments with the ones made by the Royal government including the Ministry, the rules made by the Royal Government shall prevail.

Review of Rules by the Ministry

- 179 The Thromde local government shall submit the final draft rules or regulations and review of existing rules before approval to the Ministry for ensuring compliance and consistency with the national policies and relevant rules made by the Ministry or laws.
- 180 The Ministry shall within 30 days of the receipt of the rules or regulations from the Thromde local governments give written comments specifying the provisions that are inconsistent with the national policy and laws.
- 181 The Thromde local governments shall ensure that the written comments of the Ministry are appropriately incorporated to ensure consistency with the national policies and relevant laws.

CHAPTER – 11: FUNCTIONS OF THE MINISTRY

Functions of the Ministry

182 The functions of the Ministry responsible for urban development and Thromde include:

- (a) framing policies and strategies, rules and regulations;
- (b) approving and reviewing of structure plans of the Thromdes;
- (c) reviewing of the local rules for compliance with the national policy and laws;
- (d) review, monitor, consider and recommend action to regulate settlement and construction in urban control areas and urban fringe areas;
- (e) providing technical support to Thromde wherever possible;
- (f) undertake technical supervision of Thromde;
- (g) recommending declaration or variation of Thromdes boundaries to the government and Parliament;
- (h) auditing compliance with this Act and other Acts by Thromdes;
- (i) monitoring the performance of class B Thromdes;
- (j) monitoring of agricultural precincts or zones in the Thromde areas through appropriate rules and other mechanism consistent with food security policy;
- (k) framing national policy on human settlements and standardization of rural housing structures;
- (l) framing rules and policy on management of small commercial centres or Geog Throms;
- (m) the Ministry may enter into MoU's with project authorities or industrial authorities with regards to administration and management of project towns or industrial towns respectively;
- (n) the Ministry may, after signing MoU with project authorities or industrial authority, draw up manuals, organogram and guidelines on administration and management of project towns or industrial towns;

- (o) monitoring the quality and standards of building constructions through appropriate liabilities on contractors or builders or individual building owners;
- (p) Carrying out any other functions that are conferred on the Ministry by law or which are assigned by the Royal government;
- (q) The Ministry may in writing delegate some specific functions of the Ministry to the local governments.

CHAPTER – 12: MISCELLANEOUS

Annual Reports

- 183 The Thrompon shall submit an annual report to the Thromde Tshogde, who in turn shall submit it to the Royal Government with a copy to the Ministry.
- 184 In the case of Class B Thromdes and Yenlag Thromdes, the Chairpersons of the respective Thromde Tshogchung shall submit an annual report to the Dzongkhag Tshogdu and Dzongdag.
- 185 The Dzongkhag Tshogdu shall thereafter cause the Dzongdag to submit the annual report to the ministries responsible for coordination of local governments and the Royal government.
- 186 An annual report shall be submitted not later than three months after the closing of each financial year after being tabled before the Local Governments.
- 187 The report shall contain amongst others:
- (a) a statement of local governments' objectives and policies;
 - (b) an assessment of the extent to which objectives and policies have been achieved during the year;
 - (c) the annual financial statements;
 - (d) latest annual audited statements;

- (e) list of commercial investment and returns;
- (f) an evaluation of the achievement of performance against planned activities and standards during the year;
- (g) list of tenders for works, goods and services awarded along with corresponding budget, recipients and contract value;
- (h) a summary of operational results for the year;
- (i) an inventory of assets including land and building with duration of lease or hire;
- (j) issues and constraints; and
- (k) Such other information or reports as may be required to be submitted to the Royal Government.

188 A Thromde shall ensure that, after an annual report is submitted to the government:

- (a) a notification is posted on the public notice board of the Thromde;
- (b) a summary of the annual report is placed on the Thromde website; and
- (c) copies of the annual report are available for inspection by members of the public at the Thromde offices.

Definitions

189 Unless the context clearly requires otherwise;

- (a) Act means the Local Government Act, 2009;
- (b) Class B Thromde Tshogchung means a committee constituted under the Class B Thromde in a Dzongkhag;
- (c) Declared Thromdes mean those Thromdes which are approved by the Parliament;
- (d) Geog Throm means a settlement with urban characteristics in a Geog which do not qualify to be a Yenlag Throm;
- (e) Industrial town means town developed as a result of establishment of major industries;
- (f) Industrial authority means Ministry of Economic Affairs;

- (g) Land Act means the Land Act of 2007 and as amended from time to time;
- (h) Ministries responsible for local government mean Ministry of Works and Human Settlement and Ministry of Home and Cultural Affairs;
- (i) Ministry means the Ministry responsible for urban development and Thromdes;
- (j) Minister means Minister responsible for urban development and Thromdes;
- (k) MoU means memorandum of understanding;
- (l) Municipal Executive Officer, in relation to a Class B Thromde and YenlagThromde, means an officer from an educational background of engineering or town planning or urban design to head the Thromde administration;
- (m) Non-tax fees and charges mean fees and charges in accordance with section 216 of the Act;
- (n) PAVA means the Property Assessment and Valuation Agency, Department of National Properties established by section 151 of the Land Act 2007;
- (o) Project town means town developed as a result of establishment of national hydro power project or any other similar projects;
- (p) Thromde or Thromde local governments means Dzongkhag Class A Thromde, Class B Thromde and Yenlag Thromde;
- (q) Thromde Tshogchung means Thromde committee constituted for Class B Thromde and / or Yenlag Thromdes;
- (r) Thromde Thuemi means an elected member to Thromde Tshogde or elected representative to Dzongkhag Tshogdu from class B Thromde and / or Yenlag Thromdes;
- (s) Yenlag Thromde Tshogchung means a committee constituted by uniting all Yenlag Thromdes under the Dzongkhag.