

LAWS OF GUYANA

**LOCAL GOVERNMENT (LOCAL AUTHORITIES GUARANTEE
FUND) ACT**

CHAPTER 28:05

Act

56 of 1956

Amended by

4 of 1972

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CHAPTER 28:05

LOCAL GOVERNMENT (LOCAL AUTHORITIES
GUARANTEE FUND) ACT

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56 of 1969

An Act to establish a fund for the provision of security for the faithful performance of their duties by persons employed by Local Authorities.

[29TH DECEMBER, 1956]

Short title.

1. This Act may be cited as the Local Government (Local Authorities Guarantee Fund) Act.

Interpretation.

2. In this Act—

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“local authority” shall have the meaning assigned thereto by the Principal Act;

“officer” shall have the meaning assigned thereto by the Principal Act;

c. 28:02 “the Principal Act” means the Local Government Act.

Establishment
of Local
Authorities
Guarantee
Fund.

3. There is hereby established a Fund to be styled the Local Authorities Guarantee Fund (hereinafter referred to as “the Fund”) for the purpose of providing security for the faithful performance of their duties by those persons required so to do under the Principal Act.

Power of
Minister to
employ a
secretary and
servants.
[4 of 1972]

4. (1) The Minister may employ a secretary for the proper administration of the Fund at such salary as may be fixed by the Minister.

(2) The Minister may employ such other persons as may be required for the proper administration of the Fund.

Management
of Fund.
[4 of 1972]

5. (1) The Fund shall be under the management and control of the Minister.

(2) All expenses incurred by the Minister in connection with the proper administration of the Fund shall be defrayed out of the Fund.

Obtaining of
security by
local authori-
ties.
[4 of 1972]

6. Every local authority which desires to obtain security in any sum approved by the Minister for the faithful performance of his duties by any officer in the employ of such authority shall pay into the Fund such annual sum as may be prescribed by the Minister.

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Obtaining of
security by
officers of
local authori-
ties.
[4 of 1972]

7. Every officer required to give security for the faithful performance of his duties under section 42(4) of the Principal Act shall pay into the Fund such annual sum as may be prescribed by the Minister.

Payments
into
Fund.

8. All payments into the Fund shall be made in advance.

Claims by
local authori-
ties.
[4 of 1972]

9. (1) Where any officer in the employ of a local authority in respect of whom security has been obtained or given as provided by section 6 or section 7 of this Act is in default of duly accounting to the local authority for any moneys received by him on its behalf, the amount due shall be certified by the Chairman of the local authority and submitted to the Minister through the District Commissioner.

(2) The District Commissioner shall submit to the Minister together with the certificate of the amount due, a report on the circumstances of the case.

Re-imburse-
ment of local
authorities.
[4 of 1972]

10. Where the Minister is satisfied that any loss has been incurred by a local authority as a result of the failure of any officer employed by such authority faithfully to perform his duties, the Minister shall direct that the local authority be re-imbursed from the Fund to an extent not exceeding the amount for which security has been granted to such local authority and obtained by the officer under this Act.

Refund of
contributions
to officers.
[4 of 1972]

11. Where the Minister is satisfied—

- (a) that any officer who has made payments to the fund under section 7 of this Act has ceased to be liable to make any further payments; and

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- (b) that such officer has faithfully performed his duties throughout the period of his employment in respect of which he was required to give security under section 42(4) of the Principal Act,

the Minister shall refund to such officer all payments made by him to the Fund.

Regulations.
[4 of 1972]

12. The Minister may make regulations—

- (a) prescribing the manner in which accounts relating to the Fund shall be kept;
 - (b) providing for the auditing of accounts;
 - (c) prescribing the payments to be made into the Fund by local authorities and by officers; and
 - (d) generally, for the proper administration of the Fund and the carrying out of the provisions of this Act.
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SUBSIDIARY LEGISLATION

Reg.15/1958

**LOCAL AUTHORITIES GUARANTEE FUND
REGULATIONS**

made under section 12

Citation.

1. These Regulations may be cited as the Local Authorities Guarantee Fund Regulations.

Contributions
to the Fund.

2. (1) Every local authority shall, in respect of each offer for which it desires to obtain security, make an initial contribution to the Fund equal to one quarter of the sum approved by the Minister under section 6 of the Act unless the local authority has previously paid an initial contribution approved by the Minister in respect of such officer of the Districts Guarantee Fund referred to in section 3 (2) of the Act and shall thereafter contribute annually to the Fund an amount equal to one half of one per cent of the sum in which the local authority is secured in respect of such officer.

c.28:02

(2) Every officer who is required to give security under section 42(4) of the Local Government Act shall contribute annually to the Fund an amount equal to one half of one per cent of the sum in which the Minister had directed that security shall be given by him.

(3) All annual contributions to the Fund shall be paid prior to the 1st January of the year in respect of which the contribution is made.

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Register of
Contributions.

3. (1) The Secretary of the Fund shall keep a register of contributions which shall contain the name of every local authority and officer contributing to the Fund, the name of every officer in respect of whom a contribution is made to the Fund by a local authority, the sum in which each such local authority or officer is secured and such other particulars as the Minister may require.

(2) The Secretary of the Fund shall keep such books of account in addition to the register referred to in the preceding paragraph as may be necessary for the proper management of the Fund.

Financial
provisions.

4. (1) All contributions to the Fund and all interest on investments of the Fund shall be paid into the Fund.

(2) All payments in respect to the re-imbusement of local authorities under section 10 of the Act and all refunds of contribution to officers under section 11 of the Act shall be made out of the Fund and an account thereof kept by the Secretary of the Fund.

(3) All sums due to the Fund by any officer or local authority shall be paid through the appropriate District Commissioner to the Secretary of the Fund.

(4) The Fund shall at all times be under the management of the Minister and no moneys belonging to the Fund shall be appropriated or utilised except on an order signed by the Chairman and the Secretary of the Minister.

Investment of
the Fund.

5. (1) All moneys belonging to the Fund, except such part thereof as the Minister shall consider expedient to retain for making payments of the Fund shall, as far as practicable, be invested on behalf of the Fund in such securities, or employed at interest, in such manner as may be approved by the Minister. Any such investment may at any time be

[Subsidiary]

Local Authorities Guarantee Fund Regulations

changed into securities so approved, and any sums required for making payments out of the Fund may be raised by the sale or realisation of any investment of the Fund.

(2) All moneys belonging to the Fund and not invested as aforesaid shall be deposited in the Post Office Savings Bank in an account entitled "The Local Authorities Guarantee Fund."

Audit of
accounts of the
Fund.

6. Annual accounts of the transactions of the Fund during the year ended the preceding 31st December, and a statement of the assets of the Fund at that date, shall be prepared by the Secretary of the Fund and shall be audited and certified each year by the Director of Audit and shall be laid before the Minister as soon as possible.
