



# Management Meeting Minutes

3<sup>rd</sup> Thromde Council

# **21<sup>st</sup> Management Meeting**

## 21<sup>st</sup> Management Meeting 23<sup>rd</sup> July 2024

**Venue:** TT Conference Hall

**Time:** 10:00 AM – 4:00PM

### Members Present

SL. No	Name	Designation
1	Ugyen Dorji	Thrompon
2	Karma Namgyel	Executive Secretary
3	Kinley Penjore	Specialist
4	Yeshe Wangdi	Chief Engineer
5	Norbu Dhendup	Chief Finance Officer
6	Thinley Norbu	Chief, Urban Planning Division
7	Sonam Wangchuk	Chief, CiED
8	Udeshe Chhetri	Dy, Chief Finance Officer
9	Sonam Tshering	Officiating Chief, CoED
10	Jigme Wangmo	Officiating Chief, LRSD
11	Kezang Dorji	Sr. Urban Planner
12	Karma Drukpa	Engineer, O&M Division
13	Kinzang Dendup	Chief Thromde Education Officer
14	Sonam Zangmo	GIS Officer
15	Tshering	Building Inspector, CoED
16	Tandin Wangmo	Building Inspector, CoED
17	Tsheten	Inspector, CiED
18	Karma Dorji	Sr. Planning Officer

### Agenda 21.01 - Apportioning the approved annual grants for the FY 2024-2025

The Chief Finance Officer presented the approved budget for the FY 2024-2025 to the Management. The total proposed budget by Thromde was Nu 6322.679 million, while the approved budget is Nu 2244.190 million. This budget includes both current and capital budgets, as well as mandatory budgets for the Education Division, subsidies for City Bus services, and SDP and GOI-PTA project assistance. An internal revenue



contribution of Nu 300 million has been made.

The proposed capital budget was Nu 3060.99 million, but only Nu 451.919 million has been approved as the capital budget for Thromde, which includes the education sector. The Management is tasked with apportioning the approved grants based on the initially proposed activities.

## Discussion

The Executive Secretary emphasized that property tax for schools should be included under the mandatory current budget since these taxes are annual. The Chair stated that the Education capital budget should be considered separately in terms of capital budget and not combined with the overall capital budget of Thromde like that of the recurrent budget. He also mentioned that the approved capital budget of Nu 451 million is not a grant from RGoB since the centralized property tax could have generated more than the approved amount for Thimphu Thromde.

The Chief Finance Officer noted that in the 13th Five-Year Plan (FYP), the total allocated fund for Thimphu Thromde is a little over Nu 6.2 billion, and the committed budget should be received over the five years. Therefore, more funds are expected in the following fiscal years. The Chair highlighted that allocating more budget towards the end of the FYP is problematic for implementing agencies as it becomes difficult to utilize the funds efficiently. Hence, it is important to allocate more funds at the beginning of the plan period.

**The table below provides an overview of the approved capital and recurrent grants:**

Particulars	Proposal 2024-2025	Approved FY 2024-2025	Remarks
Mandatory Budget (RGoB)	1,201.015	1,178.102	Pay and Allowances, PF and Retirement Benefits for Edu. Division
Controllable (RGoB)	223.356	33.177	For Edu Division including 9.408m for text books and 17.000 m for property tax
Mandatory (Thromde Fund)	168.015	102.340	Pay and Allowances and PF for Thromde Staff



Controllable (Thromde Revenue)	263.356	197.660	For meeting the current activities of Thimphu Thromde
Subsidy for city bus services (RGoB)	100.000	57.537	For City Bus services
Capital Grant (RGoB)	3,060.990	451.919	Developmental activ- ities for Thromde and Education Division
GOI-PTA	1,294.000	167.205	Development of parks (Changangkha and Zulikha)
GOI SDP		56.250	GIO SDP for 13 FYP
Total	6,322.679	2,244.190	Thromde Revenue Nu.300 million, RGOB Nu.1,720.735 million and GOI Nu.223.455 million

The Finance Division also presented the status of Thromde revenue 2023-2024. The total collection for the FY 2023-2024 was Nu 302.264 M. This was shared as an information however, the Management directed the division to clear out some of the discrepancies in ARMS system. The table below shows the details of revenue collections for the FY 2024-2025:

Month	Collections	Apportionment	Balance
July 23	37,919,479.44	67,235,659.00	56,160,851.30
Aug 23	25,236,072.48	535,153.71	80,861,770.07
Sept 23	20,266,212.85	89,229,099.00	11,898,883.92
Oct 23	20,713,570.79	1,764,869.58	30,847,585.13
Nov 23	16,926,015.94	78,188.18	47,695,412.89
Dec 23	17,879,070.72	30,024,419.00	35,550,064.61
Jan 24	20,493,226.73	48,433,963.55	7,609,327.79
Feb 24	21,578,002.11	27,466,747.02	1,720,582.88
Mar 24	24,720,139.19	24,642,414.28	1,798,307.79
Apr 24	26,889,436.61	23,466,026.79	5,221,717.61



May 24	33,143,571.86	36,858,080.01	1,507,209.46
June 24	31,226,089.39	32,710,245.97	23,052.88
	5,270,718.00		
Total	302,261,606.11	382,444,866.09	

## Decisions

### The Management:

1. Directed the Finance Division to write to MoF regarding the property tax of the Education Division to be kept under the mandatory current budget.
2. Approved to apportion for the following spillover activities
  - a. Laying of Sewer Lines and infrastructure development for Hejo - Nu 11M
  - b. Education infrastructure development - Nu 6.5M
3. Signage installment - Nu 2.5M
4. Court verdict case- Nu 2.5M
5. CDCL payment reconciliations- Nu 1.1 M
6. Procurement of Office computer and peripherals - Nu 8M
7. Nu 5M for CiED for capital works
8. Nu 2M for ICT for system improvement and software renewal
9. Nu 55M for O&MD for major renovation works
10. Approved Nu 100M for Education Division for capital works
11. Nu 250M for Infra Division for capital works
12. Approved Nu 8.319M as emergency reserve fund
13. Directed the Infrastructure and Education Divisions to prioritise the activities within the Management approved budget before putting up to Tshogde including the SDPs for Infra Division.

### Action - All Divisions/Sections



## **Agenda 21.02 - Discussion on Annual Work Plan (AWP) for the FY 2024-2025 and Top 10 priorities of HPM**

The Planning Officer presented to the Management the need to develop Annual Work Plan (AWP). The Honorable Prime Minister has been discussing the AWP of various central ministries and agencies. He has developed the AWP based on the proposed budget but now the approved budget has come and even the priority activities have been apportioned, he requested the infrastructure and education division to share the final approved activities to finalise the AWP for the FY 2024-2025.

### **Decision**

The Management directed Infra and Education Divisions to work out the final prioritised activities based on the Management's directives and share with the planning officer to finalise the AWP.

**Action** - Divisions concerned and Planning Officer

## **Agenda 21.03 - National Integrity Assessment -ACC for fiscal Year 2024-2025**

The National Integrity Assessment (NIA) will be conducted by the Anti-Corruption Commission (ACC) in 2025. For this, the commission requested all public agencies to maintain the list of clients for all the services delivered.

### **Decision**

The Management directed all Divisions and Sections responsible for public service delivery are required to maintain the client information starting 1st August 2024 in the given format. And the list shall be presented to the Management every month to keep track of all the information required for the NIA.

**Action** - Divisions/Sections concerned

## **Agenda 21.04 - 13th FYP delivery Staff Capacity Assessment**

The Executive Secretary submitted that in the upcoming 13th Five-Year Plan (FYP), various modalities and implementation strategies are planned. Some projects are devised to be centrally executed, while others will be implemented jointly by Local Governments (LGs) and central agencies and the local plans managed by the LGs. Staff capacity must be carefully assessed, as too many central projects could overwhelm LGs and hinder service delivery. A clear implementation modality for the 13th FYP is necessary to prevent human resource shortages, a point also emphasized by the Chair. Centrally planned activities will be additional to those already planned based on the



outlay.

The Executive Secretary shared that the Thimphu Structure Plan (TSP) priorities cannot be carried out within the Thromde-approved outlay. Central agencies have assisted in implementing TSP priorities by proposing projects that do not affect Thromde's outlay. However, as the Chair mentioned, a clear implementation modality must be established. Other members also shared the similar views.

### **Decision:**

The Management decided that Thromde will undertake additional deposit works from central agencies only if Thromde is given full project management responsibility. Thromde will need to assess its capacity to deliver and make decisions accordingly. A mix-mode of service delivery involving multiple layers of management units in different agencies creates confusion and hinders service delivery.

### **Action - Managment**

### **Agenda 21.05 - World Bank Project grant – 40 M USD**

The Executive Secretary reported that the World Bank had discussions with the Ministry of Infrastructure and Communications (MoIT) and expressed interest in providing grants for water supply systems and waste management. He proposed that a Non-Revenue Water (NRW) reduction initiative could be included under this grant. The total available funding is approximately USD 40 million. Given the minimal capital budget approved for FY 2024-2025, accessing such grants would be beneficial. The first proposal could involve installing bulk meters at all reservoir tanks to identify NRW losses. The second proposal could be installing Automated Meter Reading (AMR) systems. And realigning the Chamgang transmission lines could also be considered under this grant.

### **Direction**

The Management directed the Infrastructure Division to begin drafting the project proposal based on some of the priorities mentioned or other priorities in the field of water supply systems. The project implementation mode, if approved, should follow the discussion in Agenda 21.4 above.

### **Action - Infrastructure Division**

### **Agenda 21.06 - Zhichar Database Updation Status - by Concern BI**

The Building Inspectors, who were trained on updating the building database in the





Zhichar system, presented the status of the Zhichar database. Developed by the Ministry of Infrastructure and Communications (MoIT) in 2021, the database has been handed over to Local Governments (LGs) for regular updating. It also supports the Ministry of Finance in taxation. In urban centers, building mapping was done using volunteers (DeSuups), and in rural areas, it was based on satellite images. The concerned Building Inspectors also explained how building and unit numbering is assigned.

## **Discussion**

The GIS unit reported that the system does not allow data editing, only new entries are possible. Any changes in building units or types must be referred to central agencies, as LGs cannot make these changes. They also reported that the zhichar data that was received is still in unedited raw form and cannot be used directly. Despite the DHS being the SSOT, the staff of TT has been doing the updates in Zhichar, this results in duplication of work as they have to enter the same data in ARMS system also (as the system is not integrated). The GIS unit noted that the staff are given only data entry access for particular building and no access has been granted for bulk data editing or download. It has been noticed that duplicate/redundant data has been found for majority of the buildings in the database handed over to TT.

## **Decision**

The Management directed the GIS unit to request the Ministry to grant Thromde required access to the Zhichar database for relevant officials and view access for others. This will help streamline the database based on Thromde's ARMS system data. Meanwhile, the Management decided to continue data updates by the Building Inspectors until the GIS unit has cleaned and unified the database. Additionally, the Management directed Building Inspectors to use 'B' for basements (75% below ground level) and start numbering from 1 for floors above, including the stilt level. For rental data, it will be based solely on what owners report, and Thromde will not be accountable for any discrepancies later as a result of rental charges.

**Action** - GIS/BIs concerned

## **Agenda 21.07 - Levelling work of old STP Babesa**

The Chief of UPD and CiED proposed that next year's Flower Exhibition be held in the old STP area in Babesa, Thimphu. Leveling the area is expected to cost around Nu 30.00 million. After leveling, the park/garden will be designed and developed by the relevant agencies. The Executive Secretary added that the Office of the Gyalpoi Zimpon directed Thromde to level the area. Despite multiple requests for funding support from the concerned ministry, the requests were declined. Therefore, the issue was brought to the Management for directives.



## **Decision:**

Due to Thromde's inadequate capital budget, the Management decided that Thromde cannot carry out the leveling works. Consequently, the Management directed the Chief UPD/CiED to request the concerned ministry either to take up the project as a whole or to help mobilize Nu 30 million for the leveling work.

**Action** - Chief UPD/CiED

## **Agenda 21.08 - Parking Management in core area - Non designated areas**

The Sr. Urban Planner from Urban Planning Division presented to the Management the findings of the illegal parking study carried within the core area. It was found out that the main reasons for the vehicles parking on non-designated areas are due to lack proper road marking, lack of private car parking space, lack of parking fee collectors, encroachment of road reserved areas, inadequate traffic police personnels and of course due to lack of public awareness behavioral issues. He recommended using no parking sign as an immediate measure, followed by designated resident parking. The other options presented were tow-away zone sign, proper marking, micro gardening wherever feasible along the roads to avoid car parking and also use of bollards.

## **Discussion**

The Chair mentioned that an official letter has been sent to the Traffic Police Division to prohibit the parking of cars along roads, regardless of whether the roads are marked. If there are no designated parking spaces properly marked on the ground or roadside, parking will not be allowed. The Executive Secretary noted that the main issues are in areas without dedicated parking spaces. It was meant to study the situations beyond a radius of 500 meters from the two Multi-Level Car Parks (MLCPs). Particularly in the core area, the lack of dedicated parking spaces presents challenges for tenants and building owners. One reason for the study was to address these persistent issues.

## **Decisions**

1. The Management directed the CiED to develop Micro gardens or urban landscaping initiatives wherever feasible.
2. Directed the UPD to see which corrective measures are feasible for those marked red and orange zones. Red and orange zones are with high car parked areas. The feasibility study to widen the road or to construct footpaths in these zones to be carried out and



recommend.

**Action** - UPD and CiED

### **Agenda 21.09 - Requirement of utility vehicles 4 nos**

The O&M Division proposed the requirement of 4 utility vehicles. The Division currently has 3 vehicles however, 2 are out of order and one (Thromde Health Office pool vehicle) is supposed to return to National Medical Service (NMS).

#### **Discussion**

The Executive Secretary has confirmed that the health office pool vehicle will be retained and is not required to send to NMS as per the directives of the Ministry of Health, therefore, 3 more will have to be proposed.

#### **Decision**

The Management decided to wait for the Government's order on vehicle import and process accordingly.

**Action** - O&MD

### **Agenda 21.10 - Compensation For Fruit trees belonging to Mr. Lobzang in Pamtsho**

The Urban Planning Division presented to the Management the case of compensation claim made Mr. Lobzang in Pamtsho. With the completion of the Road Layout Plan for the Pamtsho E4 area, the first formation cutting works were done. However, the gradient of the upper portion of the road was higher than anticipated. The option to connect the road from the other end was then explored wherein Mr. Lobzang's plot PM1-35 (occupied with Apple Trees) had to be shifted to create the Right of Way. With the completion of the plot relocation and the road construction, the owner has now approached the Thromde office for the compensation for his fruit bearing apple trees which have been completely destroyed due to the proposed road. The total compensation based on PAVA 2023 comes to around Nu 31667.

#### **Decision**

The Management approved to pay the compensation of Nu 31667 from a controllable budget. The Management also directed the Finance Division to create the compensation



budget head and apportion Nu 0.3-0.5M for the compensation purposes.

**Action** - Finance Division

### **Agenda 21.11 - Review of administrative action on night duty of Jungshina WTP (ACC case)**

Based on the findings and requirements of the Anti-corruption Commission, the action has been taken and even the action taken report has been submitted to the commission. The actions taken are to recover the lost amount and also to terminate his contract. However, the commission has sent another letter to review the actions taken since the commission noticed an ambiguity in the decisions to recover the amount from him and also to terminate him.

### **Decision**

#### **The Management:**

1. Decided to retain him as night guard and revoked the earlier decision to terminate his contract after current contract term ends.
2. However, he will be liable for the deductions of two increments from the current basic pay as an administrative actions like two other Officials, as per the BCSR 2023.

**Action** – HRO/O&MD and Accounts Section

### **Agenda 21.12 - Update on Audit memos**

The Throdme Audit focal officer, the Chief Urban Planner submitted that the action taken reports or response for those past audit memos for which the responses received were submitted. However, the Audit has again sent back to take action against those Officials with a memo based on BCSR-RADA. He also informed that the Management has agreed to submit the additional responses within July 2024, therefore, he requested all divisions/sections or officials concerned to report to conference hall on 29th July 2024 to furnish the required responses.

### **Decision**

The Management forwarded to HRC for necessary administrative action based on BCSR and submitted the ATR to RAA at the earliest possible. The Management also decided that the concerned Officials must furnish further responses on their audit memos by Monday, 29th July 2024 in person in the conference hall.

**Action** - Officials concerned



### **Agenda 21.13 - EOI on Water services**

The M/s Mawongpa Water Solution has expressed interest in taking up the maintenance of the water supply system within Thromde.

#### **Decision**

The ground work to outsource the water maintenance services is going to take more time and therefore cannot outsource at this point of time.

#### **Action - Infra Division**

Rapporteur – Karma Dorji, Sr. planning Officer

A handwritten signature in blue ink, appearing to be 'K. Dorji', is located at the bottom left of the page.

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