TRANSPARENCY INTERNATIONAL GEORGIA



EVALUATION OF PERFORMANCE OF THE CITY COUNCIL OF KUTAISI IN 2023

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INTRODUCTION:

Transparency International Georgia (TI Georgia) has evaluated the activities carried out by the City Council of the Kutaisi Municipality (hereinafter “the City Council of Kutaisi”) in 2023.

The report is based on the information requested and received from the City Council and that on the official website of the City Council, as well as on the observations of our organization.

TI Georgia has evaluated the performance of the City Council of Kutaisi four times. The first evaluation covered the activities of the Fifth City Council in the period of 2014-2017; the second evaluation covered the period from November 2017 through 2019; and the third and fourth evaluations deal with the years 2020 and 2022.

CHAPTER 1. MAIN FINDINGS

- During the reporting period, the City Council of Kutaisi **exercised weak oversight** on the City Hall and legal entities founded by the municipality. In most cases, the City Council exercised formal control on the activities of public officials and individual agencies that are accountable to it;

- Unlike the previous years, the City Council of Kutaisi **has provided us with public information incompletely and/or with considerable flaws.** For this reason, a number of data were not reflected fully in the present study;

- The City Council of Kutaisi has not identified any cases of conflict of interest, incompatibility with public office, or violations of the Rules of Procedure of the City Council and of norms of ethics;

- The organizational aspect of the sessions of the City Council has improved slightly. During the reporting period, the City Council held **24** sessions in total, only **6** of which were extraordinary;

- During the reporting period, the City Council of Kutaisi adopted **31** resolutions: **25** of the resolutions were authored/initiated by the Mayor of Kutaisi, and **6** – by the Chairperson of the City Council;

- **5** of the **19** public officials of the City Council of Kutaisi filled out the asset declarations with violations;

- In 2023, the Chairperson of the City Council of the Kutaisi Municipality presented an activity report to the population in October, and to the City Council – in November;

- The **Gender Equality Council** at the City Council of Kutaisi **works actively**. The Council has developed the Gender Policy Document, the Strategy and the Action Plan for 2023-2025; the Council also submitted recommendations about the Working Plan of the City Council for 2023 to the City Council and the City Hall;

- During the reporting period, **GEL 1,521,640** was spent on remuneration; the members of the Staff and contract-based employees of the City Council received a total of **GEL 49,024** in the form of salary supplements, bonuses and assistance;

- In 2023, the City Council of Kutaisi consumed **82,494** liters of fuel, with a value of **GEL 218,191**;

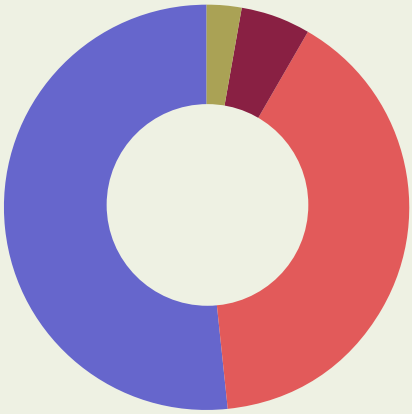
- The representation expenses of the City Council of Kutaisi in 2023 reached **GEL 26,943**;

- **Not a single petition** was submitted to the City Council of Kutaisi during the reporting period.

CHAPTER 2. GENERAL INFORMATION ABOUT THE CITY COUNCIL OF KUTAISI

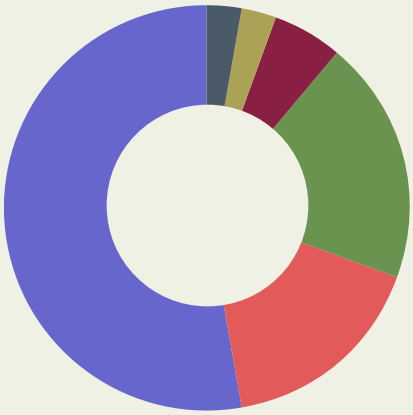
There are **35** members in the City Council of Kutaisi.

Distribution of mandates in the City Council of Kutaisi



18	Georgian Dream – Democratic Georgia *Including 5 majoritarian members*
14	United National Movement *Including 2 majoritarian members*
2	Gakharia for Georgia
1	Strategy Aghmashenebeli

However, as of today, in 2024, the mandates are distributed in the following way:



19	Georgian Dream – Democratic Georgia
6	United National Movement
7	Akhlebi
1	Gakharia for Georgia
1	Strategy Aghmashenebeli
1	Independent Deputy

Twelve of the 35 members of the City Council are women, which is **34%** of the total number. Only **3** of the 12 woman members of the City Council are public officials.

The City Council of Kutaisi has created the following **commissions** for the duration of its term of office:

1. The Commission on Legal Issues (Chairperson – Tea Jugheli);

2. The Commission on Finance and Budget (Chairperson – Bakar Makharadze);

3. The Commission on Healthcare and Social Affairs (Chairperson – Mamuka Rizhamadze);

4. The Commission on Culture, Education, Youth Affairs and Sports (Chairperson – Beka Kebuladze);

5. The Commission on Economy, Property Management and Municipal Utilities (Chairperson – Amiran Kopaleishvili).

In 2023, there were **2** factions at the City Council: the Georgian Dream faction is chaired by Marekhi Nizharadze. She has 4 deputies. The Chairperson of the United National Movement faction, Giorgi Kiladze, also has 4 deputies.

Of the 35 members of the City Council of Kutaisi, **19** members are officials.

General statistics:

In the reporting period, the City Council held **24** sessions; **6** of them were extraordinary sessions. Not a single session failed to be held due to lack of quorum. During the same period, **28** sessions of the Bureau were also held.

During the reporting period, the City Council of Kutaisi adopted **31** resolutions, **25** of which were authored/initiated by the Mayor of Kutaisi, and **6** – by the Chairperson of the City Council.

The legal supervision authority has not provided any legal remarks/opinions on the resolutions adopted by the City Council of Kutaisi.

During the reporting period, the City Council of Kutaisi adopted **2** decrees on the **transfer** of municipal **property to the state free of charge**:

On March 2, 2023, a piece of real estate situated to the north of Building 15 A at the 2nd Turn of Nikea Street in Kutaisi was transferred to the state free of charge, to be later transferred for use by the Agency for Internally Displaced Persons, Ecomigrants and Livelihood;

- On August 30, 2023, a piece of real estate in Building No. 14 A at the 1st Turn of Youth Avenue in Kutaisi was transferred to the state free of charge, to be later transferred to the Ministry of Defense of Georgia.

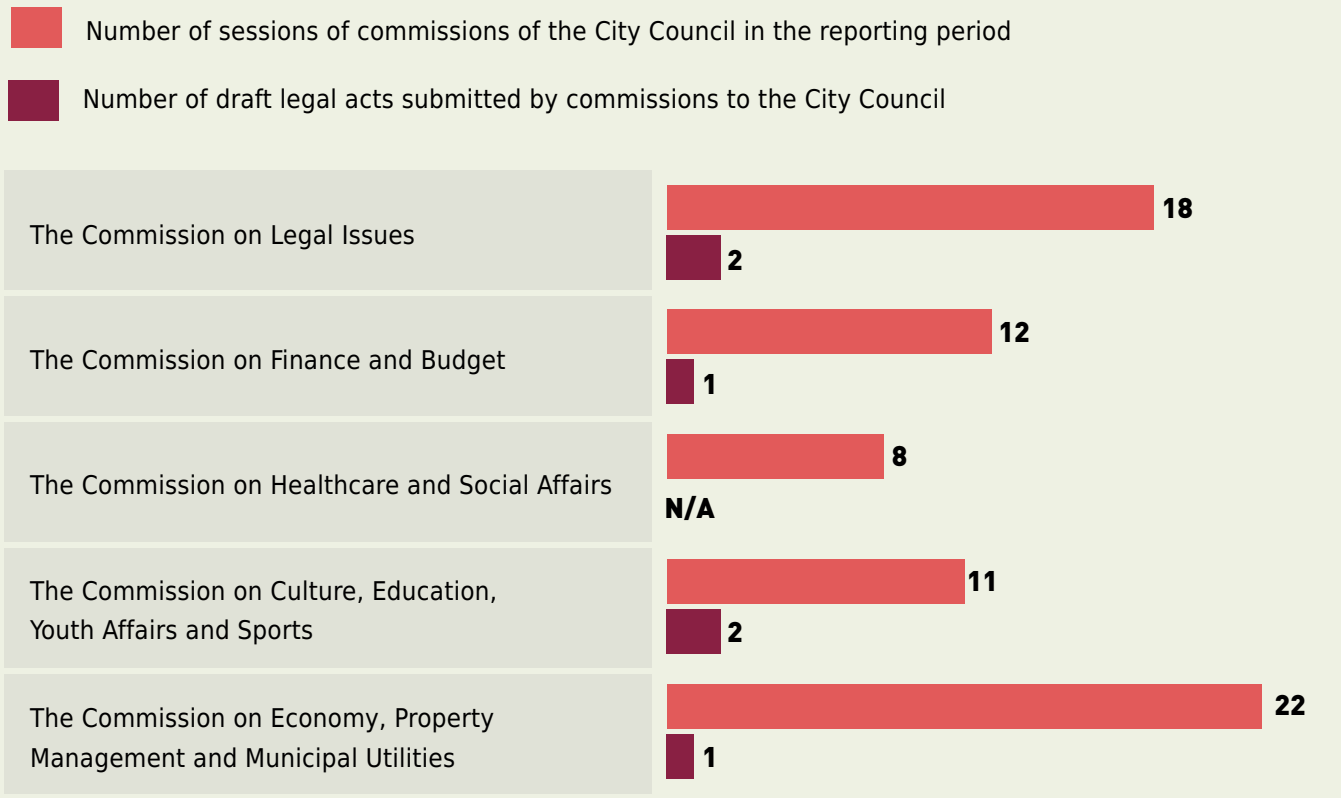
The existing practice of municipalities transferring property to the state contains a number of flaws. The local self-government bodies should make independent decisions regarding the property under their ownership. The responsibility for transferring municipal property for charitable or other purposes should lie solely with the self-government body, without involvement from central authorities.

CHAPTER 4. ACTIVITIES OF COMMISSIONS AND FACTIONS OF THE CITY COUNCIL

Activities of commissions of the City Council:

The five standing commissions of the City Council of Kutaisi held **71** sessions in total in 2023. Not a single session of commission failed to be held due to lack of quorum. In total, four commissions submitted 6 draft legal acts to the City Council.

The number of sessions of commissions of the City Council and of issues submitted to the City Council in 2023



Activities of factions of the City Council:

Only **2** factions were active at the City Council of Kutaisi in 2023: the Georgian Dream and the United National Movement.

- The City Council has not provided us with information on issues raised by factions;
- The total remuneration of the chairpersons and deputy chairpersons of the factions of the City Council amounted to **GEL 245,342**;
- In September 2023, Davit Bakhtadze became the Deputy Chairperson of the United National Movement faction, replacing Roman Kvachakidze in this position;

- In November 2023, Darejan Pkhakadze left the United National Movement faction[1];
- On December 11, 2023, 7 members of the City Council left the United National Movement party. They joined the team of Nika Melia, although they didn't leave the faction. Two of the remaining 5 members of the party, Khatuna Arveladze and Lasha Shalamberidze, were expelled from the faction, while the 3 remaining members left the faction themselves. After that, the faction was renamed as the Progressive Platform;
- The factions' expenses for business trips in 2023 amounted to **GEL 1,300**.

1 Darejan Pkhakadze passed away in April 2024.

CHAPTER 5. MONITORING OF THE BODIES ACCOUNTABLE TO THE CITY COUNCIL

In 2023, the **Mayor didn't present a report** to the City Council of Kutaisi; the Mayor presented a report in 2024. In 2023, the City Council didn't hear the reports of individual legal entities. Their reports were only presented to the commissions of the City Council.

During the reporting period, the City Council of Kutaisi heard and gave a positive evaluation to the reports of 5 municipal services of the City Hall.

In 2023, **14** members of the City Council posed questions to the bodies accountable to the City Council. The questions dealt with the progress of ongoing infrastructure projects in the city, discounted public transport fares, and the progress of projects of denomination of streets and social security.

The City Council has notified us that, during the same period, representatives of the executive body systematically participated in the sessions of the City Council and those of its commissions and factions with the aim of discussing individual issues, although the City Council failed to provide us with the statistics of their participation.

The City Council didn't create a single temporary working group in 2023. It also didn't create a deliberative body (council, committee, etc.) for studying individual issues and preparing opinions and recommendations.

The City Council of Kutaisi also has not revealed any cases of misconduct, conflict of interest, and/or incompatibility with public office in the Mayor's activities. According to the City Council, there were also no cases of incompatibility with office/conflict of interest in relation to any member of the Council during the reporting period.

CHAPTER 6. INCOMPLETE ASSET DECLARATIONS AND ACTIVITIES INCOMPATIBLE WITH PUBLIC OFFICE

Nineteen officials of the City Council of Kutaisi have an obligation to fill out the asset declaration. **Five** of these officials filled out the declaration with flaws in 2023.



Teimuraz Nadiradze

First Deputy Chairperson of the City Council

In a declaration filled out in March 2023, Teimuraz Nadiradze disclosed that he holds a 50% stake in Neurorehabilitation Center of West Georgia Temida-97" LLC, although he has not transferred the management rights of his stake to another person.



Mamuka Rizhamadze

Chairperson of the Commission on Healthcare and Social Affairs

In a declaration filled out in December 2022, Mamuka Rizhamadze failed to disclose that his spouse, Aza Suladze, is the director and sole owner of Premium Auto LLC.



Amiran Kopaleishvili

Chairperson of Commission of the City Council

In a declaration filled out in January 2023, Amiran Kopaleishvili disclosed that he holds a 33% stake in DAMI LLC, although he has not transferred the management rights of his stake to another person. In the declaration, he indicated that the company is not functioning.



Tea Jugheli

Chairperson of Commission of the City Council

In her declaration of 2023, Tea Jugheli failed to include pieces of real estate under her ownership, including an apartment with an area of 68 sq. meters in Tbilisi; a land plot with an area of 540 sq. meters together with buildings in the village of Mukhatskkaro, Mtskheta Municipality; and, also, three land plots co-owned by her in the village of Maghlaki, Tskaltubo Municipality. However, she included this property in her declaration of 2024.



Zakro Mamasakhlisi

Deputy Chairperson of the Georgian Dream faction

In a declaration filled out in March 2023, Zakro Mamasakhlisi disclosed that he holds stakes in eight companies, although he has not transferred the management rights of his stakes to another person.

CHAPTER 7. INVOLVEMENT OF MEMBERS OF THE CITY COUNCIL IN THE COUNCIL'S ACTIVITIES

The Rules of Procedure of the City Council of Kutaisi do not specify which cases of absence from the City Council's session may be considered as absence without a valid reason. The City Council's Rules of Procedure are based on a provision in the Local Self-Government Code, which states that the powers of a member of a city council must be prematurely terminated if he/she "has not participated, without a valid reason, in the work of the municipality Sakrebulo for 6 consecutive months".

According to information provided by the City Council of Kutaisi, members of the City Council verbally inform the Chairperson of the reason for their absence, but this is not documented in a protocol.

The City Council of Kutaisi has failed to provide us with full information that we had requested; the information on absences include data from December 2021 through January 2024. Therefore, the data presented in the study may contain inaccuracies.

During this period, a member of the City Council, Nino Chikvashvili, missed the most sessions – **28**. Kakhaber Gunia also missed 26 sessions.

See detailed information in the table.[2]

2 In the information provided by the City Council, the statistics of sessions is from December 2021 through January 2024.

CHAPTER 8. CITIZENS' INVOLVEMENT IN THE ACTIVITIES OF THE CITY COUNCIL

According to the information from the City Council of Kutaisi, the representative body ensures citizens' involvement in its activities. The City Council:

- ensures citizen's attendance at the sessions of the City Council of Kutaisi and those of its commissions and factions;
- publishes information about sessions of the City Council within the time frames established by law; emails representatives of the media and the civil society about the City Council's sessions;
- ensures the reception of citizens both at the City Council building and in district offices according to administrative units;
- ensures the transmission of the City Council's sessions by means of the Rioni TV station and the Facebook page of the City Council.

CHAPTER 9. ACTIVITIES OF THE GENDER EQUALITY COUNCIL

The Gender Equality Council works actively at the City Council of Kutaisi:

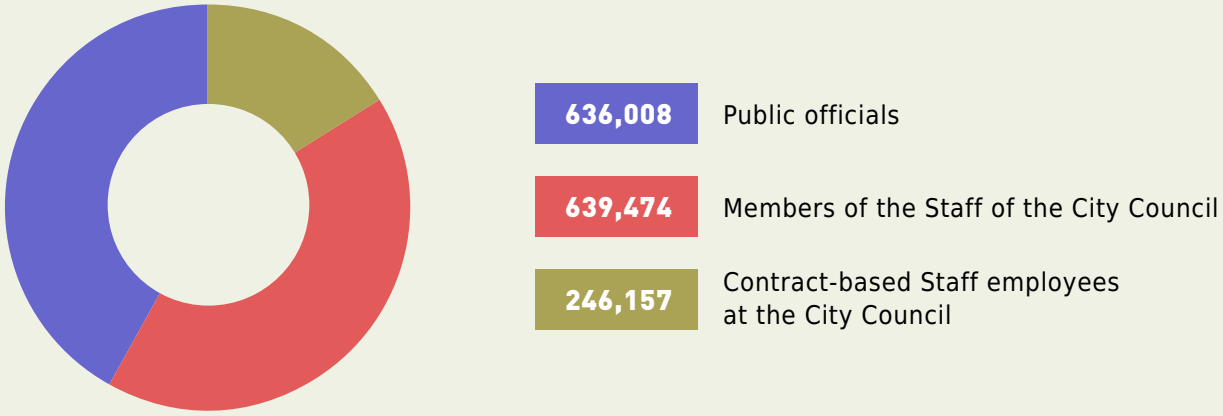
- The Gender Equality Council has developed the Gender Policy document, the Strategy and the Action plan for 2023-2025. The Gender Policy Document includes an analysis of needs, a system of monitoring of measures, weaknesses and strengths, the main goals, and recommendations;
- The Gender Equality Council analyzes draft legal acts within the limits of its competence, even though this obligation is not mandated by its Statute;
- The Council does not itself review violations related to gender equality. It gives recommendations on the basis of analysis of applications received at the Social Service;
- The Gender Equality Council has prepared proposals and recommendations about the Working Plan of the City Council for 2023, which it submitted to the City Council and the City Hall;
- Budget appropriations were allocated for the Gender Equality Council in the Budget of the Kutaisi Municipality of 2023.

CHAPTER 10. EXPENDITURES OF THE CITY COUNCIL OF KUTAISI

Salaries:

During the reporting period, the City Council of Kutaisi disbursed **GEL 1,521,640** in remuneration. In the same period, no bonuses, rewards or salary supplements were given to public officials. Bonuses and salary supplements were only given to public officers and contract-based Staff employees, in the amount of **GEL 49,024** in total.

Remuneration disbursed at the City Council of Kutaisi in 2023



You can see detailed information on the remuneration given to the officials of the City Council of Kutaisi in the table.

Other expenditures:

- During the reporting period, members of the City Council and members of its Staff have spent only **GEL 17,484** in total on business trips. Of this, **GEL 11,704** was spent on business trips abroad;
- In 2023, the City Council of Kutaisi consumed **82,494** liters of fuel, with a value of **GEL 218,191**. The First Deputy Chairperson of the City Council, Gia Basiladze, consumed the most fuel – **2,830** liters;
- The City Council of Kutaisi has **6** vehicles on its balance sheet. The City Council has not provided information on whether any of these vehicles required repairs in 2023 or the amount of their maintenance costs;
- In 2023, the representation expenses of the City Council of Kutaisi amounted to **GEL 26,943**.

RECOMMENDATIONS

Exercise of the oversight function:

- Members of the City Council should get more actively involved in oversight activities and supervise the process of public procurements and large infrastructure projects more effectively;

- The City Council should contribute to the creation of temporary working groups to study all suspicious issues transparently;

- The City Council should invite an independent auditor;

- The City Council should work actively and in good faith to reveal cases of conflict of interest, incompatibility with public office, and violations of the Rules of Procedure of the City Council and of norms of ethics in the municipality.

Accountability:

- Attendance of members of the City Council at the sessions of the Council and its commissions should be improved. The City Council should find out whether its members miss a session with or without a valid reason and take relevant measures;

- It is necessary that members of the City Council actively exercise their right to deliver a speech at the sessions of the City Council and its commissions, submit their thoughts on issues under consideration, and provide information on specific needs of citizens to the City Council and the City Hall.

Activities of factions:

- It is important that the activities of factions be beneficial for the self-governance process. Factions should get actively involved in the process of considering and deciding on issues that fall under the powers of the City Council; study/control the activities of the City Hall and municipal legal entities; submit initiatives to the City Council; get actively involved in the budgeting process; etc.

Transfer of property to the state free of charge:

- The existing practice of municipalities transferring property to the state contains a number of flaws. The local self-government bodies should make independent decisions regarding the property under their ownership. The responsibility for transferring municipal property for charitable or other purposes should lie solely with the self-government body, without involvement from central authorities.

Expenditures of the City Council:

The City Council should exercise strict control on the administrative expenditures of both the representative body, in particular, and the municipality, in general, and be oriented on prudent spending of financial resources.

Petition:

- The legislation allows the self-government bodies to reduce the lower threshold of signatures required for a petition to any number they wish. The Self-Government Code only determines the upper threshold – 1%, which may be a difficult requirement to meet considering the large number of citizens in individual municipalities;

- Not a single petition was registered at the City Council during the reporting period. The City Council of Kutaisi should reduce the lower threshold of signatures required for a petition and set it at 0.5% instead of 1%.

General Assembly of a Settlement:

- According to the Local Self-Government Code, the General Assembly of a Settlement is one of the main mechanisms for citizens' involvement in self-governance. The voters, as well as the Mayor of a municipality on his/her own initiative or using the City Council's solicitation, are given the right to convene the assembly;

- As the General Assembly of Settlement has not yet been held in Kutaisi, it is important that this mechanism of involvement be activated on the initiative of the City Council. The City Council should formally request the Mayor to hold the assembly.