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ASSENTED TO AT IKEJA, THIS 5TH DAY OF JANUARY 2016.

MR AKINWUNMI AMBODE
Governor of Lagos State



Law No. 2

2016

Lagos State of Nigeria

**A LAW TO PROVIDE FOR THE ESTABLISHMENT OF THE LAGOS
STATE EMPLOYMENT TRUST FUND AND THE MANAGEMENT OF
THE FUND AND FOR CONNECTED PURPOSES**

() Commence-
ment.

THE LAGOS STATE HOUSE OF ASSEMBLY enacts as follows:

1. In this Law, unless the context otherwise requires –
 - “Board” means the Board of Trustees established under this Law;
 - “Beneficiaries” means residents of the State who are interested in starting or expanding their businesses or interested in skill acquisition or re-skilling;
 - “Commissioner” means the Commissioner or other member of the State Executive Council in charge of Wealth Creation and Employment;
 - “Entrepreneur” means a person who operates a business venture and assumes the associated risk;
 - “Ex-Officio members” means employees of the State appointed as members of the Board;
 - “Financial year” means that period of twelve (12) months as may be adopted as financial year by the State Government;
 - “Fund” means the Lagos State Employment Trust Fund established under this Law;
 - “Governor” means the Governor of Lagos State; and
 - “State” means Lagos State of Nigeria.
2. There is established a Fund to be known as the Lagos State Employment Trust Fund (referred to in this Law as “the Fund”), which shall be the depository of all monies received under this Law.

Interpreta-
tion.

Establish-
ment of the
Lagos State
Employment
Trust Fund.
3. The objectives of the Fund shall be to provide financial support to residents in the State, for job and wealth creation in order to tackle the problem of unemployment in the State and give equal opportunities to all citizens in a conducive environment.

Objectives of
the Fund.

Establishment
of the Board
of Trustees

4. (1) There is established a Board of Trustees to be known as the Lagos State Employment Trust Fund Board of Trustees (referred to in this Law as "the Board").

(2) The Board –

- (a) shall be a body corporate with perpetual succession and a common seal;
- (b) may sue or be sued in its corporate name; and
- (c) may acquire, hold, manage and dispose of property for the purposes of discharging its functions under this Law.

Composition
of the Board.

5. – (1) The Board shall consist of –

- (a) a Chairman, who shall be a person of impeccable character with requisite knowledge and cognate experience in management and whose appointment shall be ratified by the House of Assembly;
- (b) the Commissioner for Wealth Creation and Employment or his representative;
- (c) the Commissioner for Finance or his representative;
- (d) a representative of the civil society;
- (e) a youth entrepreneur;
- (f) four (4) other members appointed from the private sector to represent the business and financial community; and
- (g) the Executive Secretary.

(2) The Chairman and other members shall be appointed by the Governor.

Functions of
the Board of
Trustees.

6. The functions of the Board of Trustees shall be to –

- (a) devise ways and means of raising contributions and donations for the Fund as it may deem fit or to generate money for the Fund, pursuant to the provisions of this Law;
- (b) manage the Fund established under this Law in accordance with the objective stated in Section 3 of this Law;

- (c) sensitize the generality of the people of the State towards the cause of the Fund;
- (d) acquire and maintain assets for and on behalf of the Fund, including but not limited to all kinds of machines, equipment, properties, gadgets, instruments, vehicles, trucks and stationeries to be distributed to beneficiaries;
- (e) take out and maintain all such policies of insurance as it may deem expedient for the protection of the property of the Fund;
- (f) disburse funds to beneficiaries for the purpose of carrying out activities in line with the objectives of the Fund;
- (g) ensure that disbursed funds are expended for the purpose for which they are disbursed;
- (h) set up operational guidelines for the Secretariat of the Board subject to the approval of the House of Assembly;
- (i) pay or reward any person for services rendered or to be rendered to it;
- (j) pay and discharge out of Fund property all expenses properly incurred by it;
- (k) ensure that at all times in the management of the Fund that the Fund shall have sufficient money and materials to create an enabling and competitive environment for beneficiaries of the Fund;
- (l) to ensure that the beneficiaries of the Fund repay the loans and accrued interest within the stipulated period;
- (m) advise the Governor on the activities and any matter relating to the implementation of programmes and recommendations of the Board; and
- (n) do such other things which in its opinion is expedient for the performance of its functions under this Law.

7. The Chairman and members of the Board shall hold office on part time basis for a period of four (4) years and may be eligible for re-appointment for a further term of four (4) years.

Tenure of
Office.

- Cessation of Membership. 8. – (1) The Chairman or a member of the Board shall cease to hold office if he–
- (a) resigns his appointment by giving two (2) months' notice in writing to the Governor;
 - (b) becomes unfit or unable to discharge the functions of his office either by reason of infirmity or mental incapacity;
 - (c) is convicted of a felony involving dishonesty or moral turpitude;
 - (d) becomes bankrupt or makes a compromise with his creditors; and
 - (e) is guilty of gross misconduct in relation to his duties.
- (2) The Chairman or any other member of the Board may be removed from office by the Governor, if he is satisfied that it is not in the interest of the Fund or public interest that the Chairman or such a member should continue in office.
- Remuneration. 9. The Chairman and other members of the Board with the exception of ex-officio members shall be paid such remuneration and allowances as the Governor may determine.
- Meetings of the Board. 10. – (1) The Board shall meet once every month and extraordinary meetings may be convened in case of exigencies.
- (2) The Chairman shall preside at any meeting of the Board but in his absence, the members present shall appoint any of the members appointed pursuant to Section 5(f) to preside at that meeting.
- Quorum. 11. A minimum of five (5) members shall form the quorum for a meeting which shall include–
- (a) the Commissioner for Wealth Creation and Employment or his representative;
 - (b) the Commissioner for Finance or his representative.
- Seal. 12. The common seal of the Board shall be as may be determined by the Board and the affixing of the seal shall be authenticated by the signatures of the Chairman and the Secretary.
- Committee(s) of the Board. 13. The Board may appoint one or more sub-committee(s) to carry out on behalf of the Board, such of its functions as the Board may determine.

14. The Board may co-opt persons who are not members of the Board to any meeting of the Board or any sub-committee and such person may take part in the deliberation of the Board or any sub-committee but shall not be entitled to vote at the meeting of the Board or any of its sub-committees.

Power to Co-opt.

15. – (1) Any issue arising at the meeting of the Board shall be determined by a majority of the votes of the members present and voting.

Voting.

(2) The person presiding shall have a deliberative vote and, in the event of an equality of votes on any issue, a casting vote.

16. – (1) The Board shall have power to raise money for the Fund through voluntary subscription and donations from all interested Government Agencies, Private Organisations and individuals, including but not limited to-

Source and Allocation of the Fund.

- (a) State Government subventions;
- (b) contributions from the Federal Government and Local Government Council in the State;
- (c) financial or material donations from any person whether corporate or otherwise;
- (d) such sums accruing to the Board by way of testamentary disposition;
- (e) other financial or material aid, gifts, awards; or
- (f) any other form of levy or support from any other source.

(2) In deploying its funds and other resources, the Board shall give preference to programmes geared towards more jobs and wealth creation.

17. – (1) Beneficiaries of the Fund shall be residents in the State with evidence of registration from the Lagos State Resident Registration Agency (LASRRA).

Eligibility.

(2) Beneficiaries shall be any of the following-

- (a) entrepreneurs desirous of starting and expanding their businesses;
- (b) persons who are interested in acquiring and upgrading their skills; and
- (c) skilled persons interested in re-skilling from informal to formal sector.

(3) Beneficiaries shall comply with any other condition(s) stated in the administrative guidelines to this Law.

The Executive
Secretary.

18. – (1) There shall be for the Board, an Executive Secretary who shall be appointed by the Governor subject to the confirmation of the House of Assembly.

(2) The Executive Secretary shall -

(a) be the Chief Executive and Accounting Officer of the Board and shall possess-

(i) a minimum degree in Accounting or Economics from a recognised university; and

(ii) ten (10) years cognate experience.

(b) have a good knowledge of administration;

(c) hold office for a single term of five (5) years; and

(d) be paid such allowances as may be determined by the Governor.

(3) The Executive Secretary shall, subject to the general directives of the Board be responsible for -

(a) the day to day administration of the Fund;

(b) keeping the books and proper records of the proceedings of the Board;

(c) accounting for all moneys collected, paid or otherwise expended under this Law;

(d) the administration of the Secretariat of the Board; and

(e) the general direction and control of all other employees of the Fund.

Staff of the
Board.

19. – (1) The Board shall have power to -

(a) request for the deployment of staff either directly or on transfer or secondment from the State Public Service, such number of employees as may in the opinion of the Board be required to assist the Board and the Executive Secretary in the discharge of their function under this Law; and

(b) pay persons so appointed or employed such allowances as may be approved by the Governor on the recommendation of the Board.

(2) The Board may also appoint consultant(s) or enter into contract(s) as it deems necessary for the efficient performance of its function under this Law.

(3) The allowances of the employees of the Board shall be determined by the Board subject to the approval of the Governor.

20. – (1) The right of the employees of the Fund to receive pension shall be regulated by the Lagos State Pensions Reform Law or any other law in existence. Pension Rights.

(2) Employees of the Fund shall be entitled to pensions and other retirement benefits as are enjoyed by persons holding equivalent grades in the State Civil Service.

21. Any member of the Board or its Committees who has an interest in any contract or agreement entered into or proposed to be considered by the Board or Committee shall disclose such interest and shall not vote on any question relating to the contract or agreement unless the Board by a simple majority of members present and voting directs otherwise. Disclosure of Interest.

22. In the administration of the Fund and in taking decisions under the provisions of this Law, the Board shall conduct the affairs of the Fund transparently. Transparency.

23. – (1) (a) The Board shall maintain accounts with any Bank approved by the State and all disbursement to the beneficiaries may be made through Lagos State Micro-Finance Institution (LASMI) and other relevant State agencies; Account and Audit of the Board.

(b) the signatories to the said account shall be –
(i) the Executive Secretary; and
(ii) any Board member appointed by the Board; and

(c) the Board shall keep proper accounts and records in relation to all its transactions in conformity with standard commercial practice.

(2) The Board shall-

(a) cause to be prepared not later than 31st day of October in each year, an estimate of income and expenditure of the Fund;

(b) cause the account to be audited annually by external auditors appointed by the Board from a list of approved auditors provided by the Auditor-General of the State;

(c) submit to the Accountant-General and the Governor, a-

- (i) copy of the audited account of the Board;
- (ii) copy of the general report and full report of the external auditor; and
- (iii) detailed report of the state of affairs of the Board for the financial year, including a statement of the change in the general Fund arising from the activities of the Board during the year reported upon.

Annual Report. 24. – (1) The Board shall cause to be prepared and submitted an annual report of its activities to the Governor through the Commissioner not later than 31st December in each year.

(2) The annual report shall include a copy of the audited accounts of the Fund for that year and the auditor's report on those accounts.

(3) The Board shall publish its annual report in two national daily newspapers circulating within the State and on the internet.

Power to make Regulations. 25. The Commissioner may after consultation with the Board make regulations subject to the approval of the House of Assembly for carrying into effect the provisions of this Law.

Exemption of the Fund from Tax. 26. The Fund and its properties shall not be liable to tax by Government or any Authority in the State and contributions to the Fund shall be recognized for tax purposes as expenditure towards the sustenance of the donor's business.

Restriction on Execution. 27. No execution or attachment of process shall be issued against any property vested in the Board except with prior knowledge and consent of the Attorney-General of the State.

Representation of the Board. 28. – (1) The Executive Secretary or any member of the Board or any other person authorized by resolution of the Board may appear before any court or in any legal proceedings.

(2) Any person authorized under subsection (1) of this Section may institute and carry on proceedings in the name and on behalf of the Board.

Offences and Penalties. 29. – (1) Any person who without lawful authority levies or accepts any contribution from any person, purporting such contributions to be made for the purpose of this Law commits an offence and shall be liable on conviction to a fine of Five Hundred Thousand Naira (₦500,000.00) or two (2) times the value of collections received whichever is greater, or to imprisonment for two (2) years or both.

(2) Any person who makes a false statement or misrepresents the facts in order to gain monetary or any other form of benefit under this Law commits an offence and shall be liable on conviction to a fine of two (2) times the value of the disbursed funds, forfeiture of the Fund property in his care and to any non-custodial sentence.

(3) Any person who misappropriates funds for purposes other than that for which it was disbursed commits an offence and shall be liable on conviction to a fine of two (2) times the value of the disbursed funds and imprisonment for two (2) years.

(4) Where an offence under this Law is committed by a body corporate or firm or other association of individuals –

(a) every director, secretary or other similar officer of the body corporate;

(b) every partner of the firm;

(c) every person concerned in the management of the affairs of the association; or

(d) every person purported to act in any such capacity specified under this Section, shall severally be deemed to have committed the offence and shall be liable to be proceeded against and punished for the offence in like manner as if he had committed the offence himself unless he proves that the act or omission constituting the offence took place without his knowledge, consent or connivance.

30. This Law may be cited as the Lagos State Employment Trust Fund Law and shall come into force on the 5th day of January, 2016.

Citation and
Commence-
ment

This printed impression has been compared by me with the Bill which has been passed by the Lagos State House of Assembly and found by me to be a true and correctly printed copy of the said Bill.

G. O. ABIRU

Clerk of the House of Assembly